

Neighbourhood Programme Romania - Moldova 2004 - 2006

2005 fiche for project 3 for

Priority 3 – Programme Support TA

1 Basic Information

CRIS number: 2005/017-537.01.03

Title: Neighbourhood programme Romania - Moldova 2004-6, Programme Support *Technical Assistance*

Sector Code (DAC): 43010

Geographical Location: Eligible Regions of the Neighbourhood Programme Romania - Moldova: Galati, Vaslui, Iasi, Botosani counties in Romania, and all of Moldova

Duration

This multi-annual project fiche covers the three annual Neighbourhood Programme cycles for the years 2004, 2005, 2006.

2 Objectives

2.1 Overall Objectives

To assist the NP's management structures in the preparation, implementation, monitoring and evaluation of the Neighbourhood Programme Romania-Moldova 2004 - 2006.

2.2 Project Purpose

To support the NP management and implementation, including the funding of the Joint Technical Secretariat; to provide assistance for programme publicity and evaluation and to provide potential beneficiaries with a project preparation facility.

2.3 Accession Partnership and NPAA priority

Technical Assistance to the operation and implementation of the Neighbourhood Programme will build capacities for EC funded project preparation at local and regional level, and support the social and economic integration between one of Romania's future external borders of the EU and its neighbour, Moldova. The NP represents, therefore, an important element in the preparation of Romania for the adoption of Structural Funds and is fully in compliance with the priorities of the NPPA; in particular:

Regional Policy and Coordination of Structural Instruments

Strengthen the institutional and administrative capacity of the bodies in charge of programming and managing funds for cross-border co-operation in line with the Structural Funds approach.

2.4 Contribution to National Development Plan (Romania only)

As a key enabler for the Neighbourhood Programme by supporting its intervention strategy and actions, this priority will contribute to achieving the following objectives of the NDP established for 2004-2006.

- Promoting a balanced participation of all Romania's regions to the socio-economic development process.

2.5 Cross Border Impact

This priority will assist the joint management structures, which represent the essential link between the Romanian and the Moldovan partners, in assuring an efficient, effective and transparent management and implementation of the Neighbourhood Programme.

3 Description

3.1 Background and justification

EC interventions supporting cross border co-operation between Romania and Moldova are in their early stages of elaboration. In the first phase (2004-2006), the Neighbourhood Programme is aimed at the more co-ordinated use of the existing instruments, PHARE CBC and TACIS. The Neighbourhood Programme will permit a single application process, including a single call for proposals covering both sides of the border, and will have a joint selection process for projects. The funding for the NP will come from allocations already earmarked for existing programmes, and the formal decision processes would remain as at present.

The second phase (as of 2007) would imply a fully-fledged new Neighbourhood Instrument. This would completely integrate the use of internal and external European Union funding to ensure an integrated approach to cross-border and interregional co-operation.

The aim of Technical Assistance is to ensure efficient, effective and transparent management as well as a smooth implementation of the Programme. The smooth and efficient administration of the programme strictly depends on the capacity in management and in properly dealing with procedures in order to prevent and avoid bottlenecks. Hence, a limited percentage of the EC resources can be used for technical assistance.

The NP's management structures needs financial assistance to cover the administrative costs of implementing the programme, and technical support for the preparation and implementation of call for proposals, project evaluation and selection, etc. Level of familiarity by potential beneficiaries of working within the rules and procedures of grant schemes within EC funded programmes is relatively low, so it is important at the outset to provide assistance for awareness raising and information of potential beneficiaries and to assist them in project preparation.

Technical Assistance is an essential resource for effective delivery of the Neighbourhood Programme.

3.2 Sectoral rationale

N/A

3.3 Identification of Projects

Technical assistance will be implemented through two specific measures, one focusing on programme operation activities (Programme management and Implementation), the other one focusing on programme support type activities (Programme publicity and evaluation; Projects preparation).

The indicative allocation of for the Technical Assistance priority will be 1.00 M€ (100% Phare contribution) during the 2004-06 period. For 2004, the indicative allocation for this priority will be 0.25 M€ (100% Phare contribution).

The corresponding indicative Tacis allocation fro this priority will be 205,000 Euro during the 2004-06 period.

3.3.1 Measure 1 Programme Management and Implementation

This measure will provide the necessary support to NP's management structures (Joint Co-operation Committee, Joint Steering Committee, etc.) covering the eligible expenditures of the operations of these structures (e.g. travel expenses for participation in the Committees, other administrative costs for meetings, etc.). In particular, this measure will cover the costs of the Joint Technical Secretariat, located in the eligible area on the Romanian side of the border, except the salary/fees of the Moldovan

representative(s) to the JTS, which will be covered with Tacis TA funds¹. Technical assistance to the JTS could also be provided, as appropriate, through training, provision of specific expertises, availability of data and information. The JTS will carry out most of the administrative tasks and day-to-day management of this NP, including the Joint Small Project Fund, and be responsible for the secretariat function of the JCC and JSC.

Results

The expected result of this measure is the efficient, effective and transparent management as well as the smooth implementation of the Priorities and Measures of the Neighbourhood Programme.

Activities

Eligible actions are the following (non exhaustive list):

- Covering the eligible expenditures of the operations of the Joint Co-operation Committee, the Joint Steering Committee, the joint Evaluation Committee;
- Ensuring the functioning of the Joint Technical Secretariat by covering its operational costs.
- Ensuring the management, implementation, monitoring and control of the programme, including, inter alia, the costs of services like translation, audits and on-the spot checks of the operations.

3.3.2 Measure 2: Programme publicity and evaluation; projects preparation

This measure provide for activities to increase awareness and information among potential beneficiaries as well as suitably promoting programme's results achieved and aimed pursued. Moreover, this measure will provide assistance and support to potential beneficiaries and the wider stakeholders to facilitate participation, and to provide information. In addition other eligible activities in support of Programme activities are studies, seminars, information and publicity measures and programme evaluation.

Results

The expected result of this measure is the effective promotion of the Neighbourhood Programme to potential beneficiaries and stakeholders in the eligible areas and the removal of barriers hindering participation.

Activities

- Technical assistance for evaluation, information events (seminars, etc.), studies, publicity concerning the NP;
- Actions to support the potential applicants in project preparation;

A key component of this measure is a Project Preparation Facility that will permit potential beneficiaries of projects to be funded from future programmes to benefit from professional Technical Assistance during the preparation phase. This facility will be operated in parallel to the Small Project Fund, described in Priority 2: People to People Actions. A call for proposals will take place and the selected beneficiaries will be provided with PP assistance through one global Technical Assistance contract, implemented in accordance with the *Practical Guide (PRAG)*.

Note: No guarantees are given to applicants that the project which is prepared under this facility will automatically be accepted. All grant applications are evaluated against selection criteria and follow the processes and rules set out in the EC's Practical Guide (PRAG).

Selection Criteria

When allocating Programme Support assistance the following activities will be given priority:

- Preparing projects for grant applications;
- Training or help desk facilities in preparing projects for grant applications;
- Publicity or promotional activities concerning the NP in the eligible areas;
- Studies to support a project application.

¹ It is foreseen that a JTS Branch office may be opened in parallel at a location within the Moldovan territory. This would be solely funded by the TACIS Technical Assistance funds

3.4 Linked activities

Owing to the need to front load TA funds at the beginning of the three-years period in order to set up and equip the JTS, and to prepare and launch the 2004 NP Call for proposals, the 2003 PHARE External Border Initiative will provide an allocation for the start-up period, up to a sum of € 300,000. This TA will be contracted prior to the contracting of NP 2004 funds, and should take place as soon as possible.

Indicative allocation of funds (in million Euro)

Year 2004		Romania (Phare CBC)			Moldova (Takis CBC)		
	Total Cost	Total Cost	EC Co-financing	National Co-financing	Total Cost	EC Co-financing	National Co-financing
Technical Assistance	0.30	0.25	0.25	0.00	0.05	0.05	0.00

3.4 Lessons learned

The Neighbourhood Programme 2004-2006 is the first operation of a new initiative, however, during the preparation of this project proposal, the experiences of previous PHARE CBC projects in this field were duly taken into consideration.

According to the Interim Evaluation Report no R/RO/CBC/03037 issued by EMS Romania, in July 2003, regarding the Cross Border Cooperation programmes, namely the JSPF, the capacity of beneficiaries to prepare project proposals was overestimated and preparatory training activities (under a parallel Phare programme) did not significantly improve the quality of the proposals.

The efficiency was adversely influenced by poor cooperation and coordination between all partners involved. Skilled assistance is required and effective communications are expected.

The partnership and networking supported by the projects should endure as long as the relationship remains productive. The activities undertaken by the organizations should raise their profile and therefore should help secure further support both internally through recruitment and externally by attracting donors.

The recommendations of the 2003 EMS Report Final Assessment for lessons learned can be summarised as follows:

- Increase Institutional capacity at central level
- Extended technical assistance for entire project control and management at local and central level
- As revealed during the implementation phase, international technical assistance needs to be provided to increase the design skills and the quality of the tender documents produced by local designers and to ensure that the preparation of design and tender documents meets international practice to eliminate poor programme preparation with design
- Feasibility studies to EU standards to be included in the project proposals and assistance provided

4 Institutional Framework

Romania

- **IA (Implementing Agency):** Retains full responsibility for programme implementation,. Act as Contracting Authority for Phare funds
- **PAO (Programme Authorising Officer):** Professional leader of the Implementing Agency, responsible for the programme implementation.

Moldova

- **PCU (Programme Co-ordination Unit):** is the national authority responsible for coordinating Moldova participation in the NP
- **EC Delegation (Kiev):** acts as the Contracting Authority for Tacis funds.

The Joint Co-operation Committee (JCC)

The JCC is the strategic body of the NP. With members from both countries and from national, regional and local level, the JCC will ensure a joint management of the programme and thus ensure a policy and financial overview of the operation of the NP. The JCC includes an appropriate representation of the European Commission.

The Joint Steering Committee (JSC)

The JSC is the operational body of the NP. Its main role is to draft the project fiches (bottom-up approach) and to oversee the project selection process and the project implementation. It will consist of members from national, regional and local authorities.

JSC includes an appropriate representation of the European Commission which acts as observers.

Joint Technical Secretariat (JTS)

The JTS is located on the eligible area of the Romanian side of the border, and includes staff from Moldova. The JTS will be responsible for the day-to-day management tasks related to the NP, with due account of the roles and responsibilities of the IA and PCU.

5 Budget

	Phare support	Co-financing			Total Cost
Year 2005 Institution Building support		National Public Funds (*)	Other Sources (**)	Total Co-financing of Project	
Technical Assistance (Programme support)					
	0.350	0	0	0	0.350
Total project 2005	0.350	0	0	0	0.350

(*) contributions from National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises

(**) private funds, FIs loans to private entities

6 Implementing Arrangements

6.1 Implementing agency

The Romanian CBC Implementing Agency is the Ministry of European Integration, Department for Cross-Border-Co-operation (MIE), which retains overall responsibility for the implementation of the project (approval of: terms of reference, of tender documents, of evaluation criteria, of evaluation of offers; signature of contracts, authorisation and payments of invoices).

Ministry of European Integration

Cross Border Cooperation Directorate

Bdul Libertatii nr 12, sector 5

Bucuresti, Romania.

6.2. Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. The "NP Implementing Guidelines for Phare CBC/Tacis and Phare CBC/Cards borders" and the "Practical Guide to contract procedures financed from the general Budget of the European Communities in the context of external actions" (PRAG) will be strictly followed.

6.3. Contracts:

Where relevant, the Grant Scheme will be implemented through an open call for project proposals according to the stipulations of the NP Implementing Guidelines and the PRAG. Beneficiaries will sign Grant Contracts with the PAO laying down the rules of the project implementation based on the list of supported projects approved by the IA and endorsed by the EC Delegation. Tendering and contracting of the required services, works and supplies will comply with the PRAG manual

7 Implementation Schedule

Financing Agreement	Publication of Call for Proposals	Start of project activity	Project Completion
November 2004	November 2004	February 2005	November 2008

8 Equal Opportunity

The implementation of this project does not support discrimination based on gender or any other kind. Equal opportunity principal and practices in ensuring equitable gender participation in the projects supported by the programme will be ensured. At the same time the project implementation procedures will ensure that the project brings benefits to both men and women, and other categories as well to ethnic groups, involving them to the same extend in the project activities

9 Environment

Only projects without any negative impact on the environment will be selected for funding.

10 Rates of return

Not applicable

11 Investment criteria

11.1 Catalytic effect

Without TA support, the steps and objectives included in the programme could be implemented only much later and at a much slower speed.

11.2 Co-financing

n/a

11.3 Additionality

Financial support to be provided by PHARE will not replace any other financial sources.

11.4 Project readiness and size

All organisational preparations will have been completed, and the first funding operations will be carried out in *January 2005* at the latest.

11.5 Sustainability

All beneficiary institutions will be required to prove that they are able to operate their projects effectively in the long run or over a clearly defined period.

11.6 Compliance with state aids provisions:

All actions financed will respect the competition provisions of the European Agreement.

12 Conditionality and sequencing

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

ANNEXES TO PROJECT FICHE

1. Logical framework matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter
4. Feasibility studies and preparatory work
- 5 Template for the Institutional framework/ implementation arrangements in case of grant schemes
- 6 Reference list of relevant laws and regulations

ANNEX 1: LOGICAL FRAMEWORK MATRIX

LOGFRAME PLANNING MATRIX FOR Priority 3		Programme name and number Neighbourhood Programme Romania - Moldova 2004-2006	CRIS Number: 2005/017-537.01.012005-
Technical Assistance		Contracting period expires: November 2007	Disbursement period expires: November 2008
Overall objective	Objectively Verifiable Indicators	Sources of Verification	
To assist the NP's management structures in the preparation, implementation, monitoring and evaluation of the Neighbourhood Programme Romania-Moldova 2004 - 2006..	<ul style="list-style-type: none"> • NP Purpose and Results Indicators at least 75% overall achievement level; • 100% of NP allocation absorption. 	NP implementation data NP Monitoring and Evaluation reports Phare CBC/TACIS (IA/PCU) data	
Project purpose	Objectively Verifiable Indicators	Sources of Verification	Assumptions
To support the NP management and implementation, including the funding of the Joint Technical Secretariat; to provide assistance for programme publicity and evaluation and to provide potential beneficiaries with a project preparation facility..	<ul style="list-style-type: none"> • Project applications throughout duration of NP (2004-2006) sufficient to absorb 120% of NP budget; • Number of participating local institutions and authorities increases each year. 	<ul style="list-style-type: none"> - NP internal reports and analyses; - Publications and reports by participating institutions; 	Sustained support from municipal and regional institutions in promoting NP in eligible areas.

Results	Objectively Verifiable Indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> JTS will be fully staffed and operational by January 1st, 2005 All programme support tasks will have been performed satisfactorily and completed within JSC deadlines Grant Scheme Guidelines and Application packages will have been prepared and distributed in accordance with NP Implementing Guidelines/PRAG rules and JSC deadlines Advice and problem solving services will have been effectively provided throughout the programme Project Preparation facility will have been effectively promoted and managed All administrative and secretariat tasks will have been performed to the satisfaction of the NP JSC, JCC and IA 	<ul style="list-style-type: none"> Number and type of projects successfully carried out; Programme and Project deadlines Number of potential beneficiaries using Project Preparation facility; Number of applications resulting from promotional and publicity activities; Number and quality of reports and communications 	<ul style="list-style-type: none"> NP internal reports and analyses; EC and TACIS reports on NP Reports by participating institutions and organisations; Media coverage of NP SPF activities 	<ul style="list-style-type: none"> Potential beneficiaries have the capacity to make grant-scheme applications from start of programme; Positive perception by communities in eligible areas of both countries of the relevance of the NP to the needs of communities and organisations.
Activities	Means		Assumptions
<u>At programme level:</u> <ul style="list-style-type: none"> To support the IA/CBC Office To perform secretariat function for the JCC and JSC To draw up reports reviewing programme implementation; To prepare decisions of the JCC and JSC in co-operation with the IA / PCU; To act as the main channel of communication between the authorities, final beneficiaries, and implementation bodies; To carry out joint publicity and public relations on behalf of the NP; To organise external support and services. 	<ul style="list-style-type: none"> 4 qualified and trained JTS staff located in adequately equipped CBC Regional Office in eligible area; Assistance from Short Term TA experts 		<p>Administration and contracting processes will have been completed on time;</p> <p>Processes completed on time to establish JTS office at regional location;</p> <p>In the event of any delays to setting up JTS, IAs will make necessary temporary arrangements</p>

<p><u>At project level:</u></p> <ul style="list-style-type: none"> • To prepare and distribute forms for joint project applications and project evaluation and selection for the Grant Schemes, including the Joint Small Project Fund; • To organise the submission of project proposals from potential beneficiaries; • To provide advice to potential project applicants and to assist in project development • To collect and register the project proposals and to submit them to the JSC; • To carry out the initial assessment of project proposals against eligibility/selection criteria and report to the JSC; • To check project financial statements, supporting documents and obligatory reports for compliance with contractual conditions and EC and national procedures; • To conduct on-the-spot checks to follow project implementation progress and submit reports to the IA / PCU and JCC. 			
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ANNEX 2: IMPLEMENTATION SCHEDULE

D= Design C= Contracting I= Implementation R= Review/evaluation

The implementation schedules are shown for the three annual programmes. It is assumed that the programming cycle will begin in the third quarter of each year. This schedule is fixed for the 2004 programme, but indicative for the 2005 and 2006 Programmes

	2004				2005				2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RO					D/C	C/I	I	I	I	I	I	I	I	I	I/R	I/R
<u>2005 Programme</u>																
	2005				2006				2007				2008			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RO				D/C	D/C	C/I	C/I	C/I	C/I	C/I	I	I	I	I	I/R	I/R
<u>2006 Programme</u>																
	2006				2007				2008				2009			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
RO		D	D/C	D/C	C/I	C/I	C/I	C/I	C/I	C/I	I	I	I	I	I/R	I/R

ANNEX 3: CONTRACTING AND DISBURSEMENT SCHEDULES

Million Euro

Cumulative contracting and disbursement schedule Priority 3 by quarter (2005 Phare budget only)																		
Components	in MEUR (planned)																	
	2005		2006				2007				2008				2009			
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Total contracted				0.35	0.35	0.35	0.35	0.35	0.35	0.35								
Total disbursed					0.21	0.21	0.21	0.21	0.315	0.315	0.315	0.315	0.315	0.35	0.35	0.35	0.35	0.35

