

Cross Border Co-operation between Bulgaria & Romania

2006 Project Fiche for Technical assistance and Project Preparation Facility

1. Basic Information

1.1 CRIS Number: BG 2006/018-386.01.03

**1.2 Title: Support to the Bulgaria-Romania
Cross border Co-operation Programme**

1.3 Sector: Regional Development

**1.4 Location: Bulgarian-Romanian Border Region
(Bulgarian districts: Vidin, Vratsa, Montana, Veliko Tarnovo,
Pleven, Ruse, Dobrich and Silistra)**

**1.5 Duration 18 months
Contracting Deadline: 30/11/2008
Contract Execution Deadline: 30/11/2009**

2. Objectives

2.1 Overall Objective:

The project will strengthen the cross-border co-operation between Bulgaria and Romania by supporting programming process and thus increasing potentialities for absorption of the EU financial support.

2.2 Project purpose:

The project purpose is to provide support for strengthening the capacity in generating, preparing and implementation of adequate projects for the next CBC Programme between Bulgaria and Romania and in assisting the relevant central, regional and local authorities in their efforts to support the joint technical bodies and manage future projects after EU accession.

2.3 Accession Partnership (AP) and NPAA priority

Accession Partnership

This project corresponds 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 project 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 National Development Plan

N/A

2.5 Cross Border Impact

The Project Preparation Facility (PPF) will support the preparation of projects within the future 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.

The project is expected to ensure a better transition from Phare to Structural Funds through:

- developing the capacity of the administration at all levels;
- ensuring a pipeline of mature quality projects.

3. Description

3.1 Background and justification:

The MRDPW, through Phare CBC IA Department and CBC Programming Department, 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. The Phare CBC Programming Department, on behalf of the Government of Bulgaria bears, the final responsibility for the qualitative level of the various project proposals submitted on an annual basis to the European Commission.

This project proposal focuses on allocating resources for future technical support to the CBC Programming Department in preparation of a mature project pipeline in order to meet the increased budget allocation for Bulgaria, thus providing a good absorption of the EU Structural Funds .

The use of the Project Preparation Facility (PPF) for financing short-term technical assistance required for a proper design of project activities will finally result in more mature project formats.

3.2 Sectoral rationale

N/A

3.3 Results

- Project Preparation Facility that will provide technical assistance in order to support the Programming and Implementing structures within the Ministry of Regional Development and Public Works for the CBC Bulgaria - Romania programme established;

- Sufficient number of projects for preparation approved (minimum 56);
- Increased awareness and information among the local beneficiaries on purposes, significance and benefits of cross border cooperation and programmes, as well as suitably promoting programme's results achieved, good practices, etc.
- Programme's Joint Bodies technically equipped;

3.4 Activities (including Means)

The project will provide assistance to the CBC Programming Department and the Phare CBC IA. Line Ministries and other governmental bodies at central and regional level involved in CBC programming and implementation will also benefit from this assistance to gain relevant experience and know-how.

The technical assistance will include the following activities:

Component 1. PPF – Preparation of pipeline of ready-to-go projects

The support scheme for project pipeline preparation to be launched in 2006 will guarantee the development of at least 56 mature projects ready for financing under SF.

It will be implemented in two stages:

1st stage: Potential beneficiaries apply with project ideas following the launch of a **call for project ideas**;

2nd stage: **Full preparation of selected projects.** The selection of awarded contractors will be carried out under a service contract.

The support scheme is applicable for the eligible Bulgarian cross-border area under the future Operational Programme 2007-2013 for CBC Bulgaria-Romania.

The Phare contribution for the preparation of eligible project will be **€15 000 – 30 000**.

The maximum duration of the projects' preparation is 6 months with the ending date of at least three months before the expiry date of the Financing Memorandum. The same project proposal must not receive more than one EC-funded grant.

Final beneficiaries may be: local authorities, research, training and education institutions, non-profit companies registered in the cross border region.

Component 2. Operational costs

The Operational costs represent an available budget line amounting to maximum 10% of the total PHARE allocation. They may be used to cover operational expenses directly related to the responsibilities of the programme managing bodies that include all expenses for the business trips in Bulgaria and abroad, the costs to cover the events, advertising materials, publications, audit, renting, visits, organisational costs for meetings, travel expenditures, etc. (related to the Phare programme's implementation and eventually for the future CBC programme till funding from ERDF is available, but not for remuneration).

Component 3. Supply

Costs for purchase of equipment (IT and other equipment, office furniture, car(s), appropriate adapting of offices, including security related office adapting, etc.....) for the central and local structures.

3.5 Linked Activities

2002/000-623-05 Project Preparation Facility

2003/005-631.02 / 2003/005-701.05 Sustainable Economic Development of the Bulgarian-Romanian Border Region

2003/005-631.04 / 2003/005-701.04 Promotion of Sustainable Development and Conservation of Biodiversity in Bulgarian-Romanian Cross Border Region

2003/005-631.06 Project Preparation Facility

2004/016-783.01.04 Project Preparation Facility

2005/017-455.01.04 Technical Assistance and Project Preparation Facility to Bulgaria-Romania Cross-border Co-operation Programme

3.6. Lessons learned

The project is a direct product of lessons learned from previous Phare programmes, that is to say the necessity to develop sufficient and adequate planning and preparatory activities to anticipate and minimise problems in the implementation phase.

In the Interim Evaluation Report No. R/BG/REG/0506 of 01.08.2005 it was stated that:

“The project preparation facility is used to develop or update projects that are planned to be proposed for financing under future financing memoranda. Poor quality designs for works contracts have been a major cause of delay and expense throughout the history of the Phare programme in Bulgaria. Therefore all project preparation facility assistance is generally relevant.”

“Although the detailed designs planned under the PPF are expected to be completed, the assistance will not be effective as planned in its objectives of staff training or preparing projects for future investment.”

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

4 Institutional Framework

Beneficiary Institution – CBC Programming Department, DG Programming of Regional Development at the Ministry of Regional Development and Public Works, Bulgaria

Contracting Authority – CBC IA Department, DG Phare IA at the Ministry of Regional Development and Public Works, Bulgaria

5 Detailed Budget

	Phare support	Co-financing			Total Cost
€M		National Public Funds (*)	Other Sources	Total Co-financing of Project	

Year 2006 Institution Building support					
Component 1 Project preparation facility	1.690				1.690
Component 2 Operational costs*	0.050				0.050
IB support	1.740				1.740

Component 3 Supply	0.060	0.020		0.020	0.080
Investment support - total	0.060	0.020		0.020	0.080
<i>% of total public funds</i>	75 %	25 %			
Total project 2006	1.800	0.020		0.020	1.820

** The Operational costs represent an available budget line amounting to maximum 10% of the total PHARE allocation (1.8 MEUR). They may be used to cover operational expenses directly related to the responsibilities of the programme managing bodies that include all expenses to cover the events within the programme, advertising materials, publications, audit, renting, visits, organisational costs for meetings, travel expenditures, etc. related to the programme, but not for remuneration.*

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.

Ministry of Regional Development and Public Works

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6.2 Twinning

N / A

6.3 Non-standard aspects

There are no non-standard contracts or tender procedures envisaged within this project. The "*Practical Guide to contract procedures for EC external actions*" valid as of 1/02/2006 will be strictly followed.

The above provisions are valid until Bulgaria becomes a member state of the European Union. After accession, the national procurement legislation will be in force.

6.4 Contracts

One service contract of 1.690 MEUR.

One budget line amounting of 0.050 MEUR for operational costs.

One supply contract amounting to 0.080 MEUR (0.060 MEUR Phare support and 0.020 MEUR national co-financing).

7 Implementation Schedule

		Component 1	Component 2	Component 3
7.1 Start of tendering/call for proposals		November 2006	January 2007	March 2007
7.2 Start of project activity:		October 2007	January 2007	July 2007
7.3 Project completion:		March 2008	November 2009	December 2007

8 Equal Opportunity

The project will stimulate the process building the partnership between the national, regional and local partners in terms of responsibilities taken, decision making and priorities setting and will be in no way discriminatory in terms of gender, life-style, religion or politics. It will contribute to the equal opportunities referring to gender.

9 Environment

N/A

10 Rates of return

N/A

11 Investment criteria (applicable to all investments)

11.1 Catalytic effect

N/A

11.2 Co-financing

The necessary minimum 25 % co-financing of the *supply* will be provided from the Bulgarian national budget.

11.3 Additionality

N/A

11.4 Project readiness and size

N/A

11.5 Sustainability

N/A

11.6 Compliance with state aids provisions

N/A

11.7 Contribution to National Development Plan

N/A

12 Conditionality and sequencing

N/A

ANNEXES TO PROJECT FICHE

1. Logframe in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule

LOGFRAME PLANNING MATRIX		
Project: <i>Support to the Bulgaria-Romania Cross-border Co-operation Programme</i> BG 2006/018-386.01.03	Contracting period expires 30.11.2008	Execution of contract period expires 30.11.2009
	Total budget : 1.82 MEUR	Phare budget : 1.80 MEUR

Overall objective	Objectively verifiable indicators	Sources of Verification	
The project will strengthen the cross-border co-operation between Bulgaria and Romania by supporting programming process and thus increasing potentialities for absorption of the EU financial support.	<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
The project purpose is to provide technical assistance for strengthening the capacity in generating, preparing and implementation of adequate projects for the next CBC Programme between Bulgaria and Romania and in supporting the relevant central, regional and local authorities in their efforts to establish future joint technical bodies and manage future projects after EU accession.	<ul style="list-style-type: none"> Improved management of CBC programmes prepared under the PPF; Project readiness for effective absorption of EU SF funding 	<ul style="list-style-type: none"> Monitoring and assessment reports; Reports of the Phare IA (BG); CBC programme evaluation. 	<ul style="list-style-type: none"> Efficient programme management (implementation, monitoring, assessment); Continued commitment of the Government towards the priorities of the programme and regional development; 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"> • Project Preparation Facility that will provide technical assistance in order to support the Programming and Implementing structures within the Ministry of Regional Development and Public Works for the CBC Bulgaria - Romania programme established; • Sufficient number of projects for preparation approved (minimum 50); • Increased awareness and information among the local beneficiaries on purposes, significance and benefits of cross border cooperation and programmes, as well as suitably promoting programme's results achieved, good practices, etc. • Programme's Joint Bodies technically equipped; • 	<ul style="list-style-type: none"> • Minimum 56 mature projects ready for financing; • 20 trainers and consultants trained; • 8 public awareness events organised; • Documents necessary for programming and implementation needs prepared; 	<ul style="list-style-type: none"> • Project completion reports; • Monitoring and assessment reports. 	Availability of adequate funds through the next CBC programme to finance the prepared projects with SF support

Activities	Means		Assumptions
<p>The technical assistance will include the following activities:</p> <p><u>Component 1. PPF – Preparation of pipeline of ready-to-go projects</u></p> <p>The support scheme for project pipeline preparation to be launched in 2007 will guarantee the development of at least 56 mature projects ready for financing infer SF.</p> <p>It will be implemented in two stages:</p> <p><u>1st stage:</u> Potential beneficiaries apply with project ideas following the launch of a call for project ideas;</p> <p><u>2nd stage:</u> Full preparation of selected projects. The selection of awarded contractors will be carried out under a service contract.</p> <p><u>Component 2. Operational costs</u></p> <p>The Operational costs represent an available budget line amounting to maximum 10% of the total PHARE allocation (1.8 MEUR). They may be used to cover operational expenses directly related to the responsibilities of the programme managing bodies that include all expenses for the business trips in Bulgaria and abroad, the costs</p>	<ul style="list-style-type: none"> • One service contract of M€ 1.69; • Available budget line of M€0.05; • One supply contract of M€0.08 (M€0.06 Phare allocation and M€ 0.02 national co-financing). 	<ul style="list-style-type: none"> • Reports from consultants; • MRDPW bank statements. 	

to cover the events, advertising materials, publications, audit, renting, visits, organisational costs for meetings, travel expenditures, etc.(related to the Phare programme's implementation and eventually for the future CBC programme till funding from ERDF is available, but not for remuneration.

Component 3. Supply

Costs for purchase of equipment (such as IT and other equipment, furniture, car(s), appropriate adapting of offices, including security related office adapting, etc.....) for the central and local structures

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Annex 2 – Detailed implementation chart

Project title: 2006/xxx.xxx Support to the Bulgaria-Romania Cross-border Co-operation Programme

Contracting	2006		2007												2008												2009												
	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	J	F	M	A	M	J	J	A	S	O	N	D	
Component 1	T	T	T	T	T	T	T	T	T	T	C	I	I	I	I	I	I																						
Component 2			I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I		
Component 3					T	T	T	C	I	I	I	I	I	I																									
T: Tender Procedures				C: Contracting												I: Implementation												T: Tender Procedures											

Annex 3 – Contracting and disbursement schedule by quarter															
Project title: 2006/xxx.xxx - Support to the Bulgaria-Romania Cross-border Co-operation Programme															
Components	Cumulative contracting schedule by quarter in MEUR (planned)														Total (MEUR)
	2006		2007				2008				2009				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Component 1						1.690	1.690	1.690	1.690	1.690					1.500
Component 2			0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050					0.050
Component 3					0.060	0.060	0.060	0.060	0.060	0.060					0.060
BG co-financing Supply contract					0.020	0.020	0.020	0.020	0.020	0.020					0.020
Total contracting:			0.050	0.050	0.110	1.820	1.820	1.820	1.820	1.820					1.820
Components	Cumulative disbursement schedule by quarter in MEUR (planned)														Total (MEUR)
	2006		2007				2008				2009				
	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	
Component 1						1.014	1.521	1.690	1.690	1.690					1.500
Component 2			0.050	0.050	0.050	0.050	0.050	0.050	0.050	0.050					0.050
Component 3					0.036	0.054	0.060	0.060	0.060	0.060					0.060
BG co-financing Supply contract					0.010	0.010	0.020	0.020	0.020	0.020					0.020
Total disbursement:			0.050	0.050	0.096	1.128	1.651	1.820	1.820	1.820					1.820