

**PROJECT FICHE FOR THE 2007 NATIONAL PROGRAMME IN THE FORMER
YUGOSLAV REPUBLIC OF MACEDONIA UNDER IPA CENTRALISED**

1. Basic information

1.1 CRIS Number: 19129

1.2 Title: **Project Preparation Facility, Audit and Evaluation**

1.3 Statistical code: 07.72

1.4 Location: The former Yugoslav Republic of Macedonia

Implementing arrangements:

1.5 Contracting Authority (EC)

The Contracting Authority is the European Commission, EC Delegation, on behalf of the former Yugoslav Republic of Macedonia.

1.7 Beneficiary (including details of project manager):

The Beneficiary are the ministries of the former Yugoslav Republic of Macedonia.

1.8 Overall cost:

The overall costs of the project are approximately E'UR 3 million.

1.9 EU contribution:

The EU contribution is approximately EUR 3 million.

1.10 Final date for contracting:

Two years from the date of the conclusion of the Financing Agreement

1.11 Final date for execution of contracts:

Two years from the final date for contracting

1.12 Final date for disbursements:

One year from the final date for execution of contracts.

2. Overall Objective and Project Purpose

2.1 Overall Objective:

Support for programming and project development, audit and evaluation needs of the country under the five components of IPA.

2.2 Project purpose:

The main purpose of the Project Preparation Facility (PPF) is to complement the programming activities of the beneficiary and allow project preparation to proceed in a quick and effective manner. The PPF will support the preparation and early implementation of activities under the IPA, and support the planning process for future Programmes. Support to programming will be designed and implemented carefully to strengthen ownership for the programme management in the beneficiary country. The PPF will be complemented, where appropriate, with audit and evaluation activities in order to ensure high quality management of EU funds. The funds may be used to cover additional programme related priorities and expenditures that are currently unforeseeable.

2.3 Link with AP/NPAA / EP/ SAA: -

2.4 Link with MIPD:

The MIPD notes that for the preparation of projects and tenders a special facility shall ensure smooth programming and the maintenance of high quality in delivering IPA funds. This facility may also be used in urgent and unforeseen cases where EU assistance is required.

2.5 Link with National Development Plan (NDP):

The NDP identifies limited programming capacities and capabilities as a weakness of the public administration, which could also hamper the effective implementation of the NDP. Furthermore, it outlines the importance of support to programming of projects.

2.6 Link with national/ sectoral investment plans:

Through the support the PPF is providing to the implementation of the other projects, it links to the key strategies and action plans of the government, including the Government's IPA action plan.

3. Description of project

3.1 Background and justification:

The sectoral information provided under other project fiches also applies here. The PSF has demonstrated to be an indispensable facility throughout the implementation of the CARDS programme in the former Yugoslav Republic of Macedonia. The facility is essential not only to allow appropriate project preparation, but also to allow for adequate and expedient delivery of EU assistance in urgent and unforeseen circumstances.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable):

Information given under other project fiches also applies here. In addition, the PSF in all practical terms ensures appropriate project preparation (one of the key elements of sustainable project development and implementation). Through government participation in the preparation activities, an ‘on-the-job’ learning facility is contributing to capacity building within the beneficiary structures.

3.3 Results and measurable indicators:

The envisaged activities shall result in high quality programmes, audits and evaluations in which measurable output indicators will be identified respectively.

3.4 Activities:

At this stage, it is not possible to identify the individual activities.. However, actions to be supported are likely to include:

- (i) recruitment of short-term technical assistance for activities typically including feasibility studies, inputs to terms of reference and specifications, and tender evaluations;
- (ii) audits, monitoring, thematic / programme / project evaluations;
- (iii) project preparatory and start-up actions;
- (iv) support the beneficiary countries in designing effective strategic plans in different sector areas, often followed by the more detailed investment strategies;
- (v) supporting the NIPAC in planning and programming the IPA-funded projects by assisting in stakeholder consultations, advise on the drafting the Project Fiches and their annexes;
- (vi) where appropriate, to prepare for building the necessary capacities and systems related to further decentralisation (taking into account that there is a specific project fiche under the 2007 programme in support of further decentralisation of the management of EU funds).

The funds may be used to cover additional programme related priorities and expenditures that are currently unforeseeable.

3.6 Conditionality and sequencing: None

3.7 Linked activities:

Information given under other project fiches applies.

3.8 Lessons learned:

In a general sense, the information given under other project fiches also applies here. However, as regards specific lessons learned from past implementation of programming support, it could be identified that a prudent use of the PPF in the beginning of the programme implementation

period is advisable as most of the unforeseen action that require EU assistance tend to emerge towards the end of the implementation period. This requires a sound management of the PPF as it has also to be taken into account that funds should be spent decreasingly as to kick start the beneficiary's own programming capacities.

Furthermore the facility is essential to allow appropriate project preparation and to ensure tender dossier preparation that is according EU rules and regulations. This is the more important, as the programming capacities of the beneficiary need still time to be fully developed.

To have a special allocation reserved for programming support is an excellent tool to expediently react to urgent and unforeseen needs for EU assistance, significantly contributing to the image and visibility of EU assistance to the country. It also proved sometime important to have ad-hoc evaluations or audits on the spot in order to get clarification on certain issues or to secure high quality standards in programme implementation.

4. Indicative Budget (amounts in EUR mn)

Activities	TOTAL COST	SOURCES OF FUNDING										
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION					PRIVATE	
		Total	% *	IB	INV	Total	% *	Central	Regional	IFIs	Total	% *
TOTAL	3.0	3.0	100	3.0								

* expressed in % of the Total Cost

It is envisaged to deploy approximately 20 contracts until mid-2009.

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

At this stage it is not possible to identify the implementing schedule of the individual contracts. But clearly the intention is to have contracted the total amount by mid 2009. Furthermore, funds will be spent decreasingly in order to kick start, in line with lessons learned, the beneficiary's own programming capacities.

6. Cross cutting issues

The different cross-cutting issues (Equal Opportunity, Environment and Minorities) are not directly applicable to this project fiche. As the PPF and the support to audit and evaluation is basically a supporting facility for the programming and implementation of the actions identified in the other project fiches.

ANNEXES

1. LOG FRAME IN STANDARD FORMAT

2. AMOUNTS CONTRACTED AND DISBURSED PER QUARTER OVER THE FULL DURATION OF PROGRAMME

ANNEX 1: LOGICAL FRAMEWORK MATRIX IN STANDARD FORMAT

LOGFRAME PLANNING MATRIX FOR Project Fiche	Programme name and number Programme Special Facility		
	Contracting period) expires 2 years after the date of the signature of the Financing Agreement		Disbursement period expires 2 years after the final date for contracting
		Total budget : 3.000.000	IPA budget: 3.000.000

Overall objective	Objectively verifiable indicators	Sources of Verification	
Ensure appropriate project preparation.	Timely preparation of tender dossiers	Procurement records	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Facilitate project development	Tender processes are implemented in time	Procurement records	Market continues to respond to tender openings
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
Fund commitment of IPA 2007 according planned schedules	Total commitments	Commitment records	Government preparedness and absorption capacities do not dramatically reduce.
Activities	Means	Costs	Assumptions
Individual actions cannot be identified at this stage.			

Pre conditions:

There are no specific preconditions

ANNEX II: AMOUNTS (IN EUR MN) CONTRACTED AND DISBURSED BY QUARTER FOR THE PROJECT (CUMULATED FIGURES)

It is envisaged to deploy approximately 20 contracts until mid-2009.

	2007	2008				2009				2010			
Contracted	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Contracts 1 to 20	0.6	1.2	1.6	2.0	2.4	2.7	3.0						
Disbursed													
Disbursed	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Contracts 1 - 20		0.3	0.6	1.0	1.4	1.8	2.1	2.4	2.7	2.8	2.9	2.9	3.0