

STANDARD SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 Désirée Number:** BG 0205.02
- 1.2 Title:** Unallocated Institution Building Envelope
- 1.3 Sector:** Various
- 1.4 Location:** Bulgaria

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 the preparation of the Action Plan for the Administrative and Judicial capacity and the Structural Funds strategy. 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 the future 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 implement the “Strategy for the Participation of the Republic of Bulgaria in the European Union Structural Funds”

2.3 Accession Partnership and NPAA priority

AP: “The Feira and Gothenburg European Councils in 2000 and 2001 respectively confirmed the vital importance of the applicant countries’ capacity to implement and enforce the *acquis*, and added that this required important efforts by the applicants in strengthening and reforming their administrative and judicial structures”

“ It should be recalled that incorporation of the *acquis* into legislation is not in itself sufficient; it will also be necessary to ensure that it is actually applied to the same standards as those which apply within the Union. In all of the areas listed below there is a need for credible and effective implementation and enforcement of the *acquis*.”

In addition, the Bulgaria AP contains a requirement to:

1. Clarify the proposed institutional arrangements for managing structural funds after accession, including appropriate control, monitoring and evaluation mechanisms and start to build the necessary administrative structures consistent with these arrangements.
2. Prepare to comply with basic financial management and control provisions as laid down by the respective regulations of the Structural Funds.

2.4 Contribution to National Development Plan

An effective transition to Structural Funds would contribute significantly to the achievement of key objectives under the preliminary National Development Plan.

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. Within the National PHARE budget an unspecified envelope will be earmarked from which projects to be implemented in the form of twinning, twinning light, or commercially contracted technical assistance can be financed. 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. A particular priority will be to help implement institutional change and capacity building as part of Bulgaria's strategy for transition to Structural Funds which is expected to be finalised in the first half of 2002.

3.2 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 0105.02 – Twinning light facility (NB there will be no separate fiche for Twinning light in 2002; Twinning light is incorporated in the Unallocated Institution Building Envelope).

3.3 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 transition to Structural Funds

3.4 Activities:

An envelope for as yet unspecified **institution building** projects will be established.

Funded projects will rest on a number of fundamental principles:

- Projects will be based on priorities identified in the Accession Partnership, the NPAA and the Action Plan for Administrative and Judicial capacity, or emerge from the ongoing negotiation process. There will be cases where the relationship with the acquis will be concretely established, but there might also be cases, where a focused institution building project will be the most suitable method for the achievement of a desired result in a broader sense of the acquis or in fulfillment of the Copenhagen criteria
- The project will target 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 project targets a concrete, operational guaranteed result
- the beneficiary lays out a clear work programme, how it intends to achieve the result and what means it will deploy. The project should make the commitment of the beneficiary to achieve the guaranteed result explicit.
- Size and budget of projects will be subject of individual assessment, subject to PHARE guidelines including on Twinning and Twinning light
- All projects should be in full compliance with the Commission's PHARE guidelines
- Projects can be implemented in the form of twinning, twinning light and technical assistance

A Steering Committee for Institution Building under the Chairmanship of the NAC will be created that will define the detailed criteria for application, the timing of call for proposals, the minimum - maximum size and duration of projects, the practical working method and if necessary the proportion between the different tools of support. The Steering Committee shall have the first meeting at the time of the signature of the Financing Memorandum 2002. It shall decide about the first allocation not later than the following three months. The SC shall also guarantee that a clear timetable is defined in a way to ensure that the IB assistance is in place before the end of 2003. The SC shall meet on regular basis in order to make sure that the timetable is implemented or projects are designed in accordance with the defined needs. An indicative timetable is included in Annex 1.

4. Institutional Framework

The beneficiaries of funds of the unspecified envelope will be different institutions applying for financial support. Decision on projects to be submitted for financing within the budget will be taken by a Steering Committee for Institution Building including, but not limited to, the PHARE National Aid Co-ordinator, the EC Delegation, the Ministry of Foreign Affairs, the Ministry of Finance and the CFCU. The Steering Committee will define the detailed criteria for application, the timing of call for proposals, the minimum - maximum size and duration of projects and if necessary the proportion between the different tools of support. From there on the procedures will follow what provided for in the "Twinning Manual", "Procedures for twinning light", and the PRAG.

5. Detailed Budget

	Phare Support					
	Investment Support	Institution Building	Total Phare (=I+IB)	National *-Cofinancing	IFI	TOTAL
Unallocated IB envelope		2.500.000	2.500.000			
Total		2.500.000	2.500.000			2.500.000

* To all institution building projects government co-financing will be allocated to cover the necessary counterpart costs arising from the implementation of the project.

6. Implementation Arrangements

6.1. Financial Management

The financial management of the envelope will be carried out by the CFCU at the Ministry of Finance.

6.2. Implementing Agency

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 responsibility 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.

6.3 Twinning

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

6.4 Non-standard aspects

The Practical Guide for Phare, ISPA and SAPARD contract procedures and the specific twinning and twinning light rules will strictly be followed.

6.5 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 1.

7.2 Start of project activity

Contracts may be signed only after the signature of the Financing Memorandum for the Phare 2002 National Programme. (Last project must start at least 2 months before the expiry date of the contracting period.)

7.3 Project Completion

Projects must be completed before the expiry date of the Financing Memorandum for the Phare 2002 National Programme.

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 envelope will be actually used only if there are enough concrete applications fulfilling the criteria identified.

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. Indicative Timetable of Steering Committee
2. Logical framework matrix in standard format
3. Detailed implementation chart
4. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)

INDICATIVE TIMETABLE OF THE STEERING COMMITTEE

July 2002	Kick-off meeting of SC in order to define methods and strategy of the use of the funds
From September 2002	Decision of the first allocation of the funds Tendering of twinning, twinning light, start of tendering TA based on the SC decision
From October 2002	Steering Committee defines the use of the available funds
From December 2002	Start of twinning light/twinning projects or TA
From January 2003	Steering Committee defines the use of the available funds
From February	Tendering of twinning, twinning light, start of tendering TA based on the SC decision
November 2004	Last contracting date
November 2005	Completion of the IB implementation

Phare log frame

LOGFRAME PLANNING MATRIX FOR Project BG02...		Programme name and number	Unallocated IB envelope BG02....
UNALLOCATED INSTITUTION BUILDING ENVELOPE		Contracting period expires:	Disbursement period expires:
		November 2004	November 2005
		Total budget :2.500.000	Phare budget :2.500.000 Euro
Overall objective	Objectively verifiable indicators	Sources of Verification	
<ul style="list-style-type: none"> Strengthening the institutions and administrative capacity for the transition to Structural Funds and the full application of the acquis communautaire 	<ul style="list-style-type: none"> Increasing number of Bulgarian institutions completely ready to manage Structural Funds and apply the acquis communautaire 	<ul style="list-style-type: none"> Accession partnership Regular Report Structural Funds Strategy 	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Acceleration of the progress within ministries/institutions towards meeting the requirements of the acquis and Structural Funds strategy 	<ul style="list-style-type: none"> Minutes of the monthly project review meetings Monitoring reports Regular report 	<ul style="list-style-type: none"> The identified tasks are completed in time and effectively Structural Funds strategy is agreed
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> 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 transition to Structural Funds 	<ul style="list-style-type: none"> Specific identified tasks have been completed with the help of MS experts or TA provided by experts selected through the Practical Guide for Phare procedures. 	<ul style="list-style-type: none"> twinning experts reports Monitoring reports 	<ul style="list-style-type: none"> The beneficiaries allocate appropriate human and financial resources to the specific task
Activities	Means		Assumptions
<ul style="list-style-type: none"> Establishment of a facility providing support for institution building projects 	<ul style="list-style-type: none"> An unattributed envelope will be earmarked from which a number of projects will be financed 		<ul style="list-style-type: none"> Appropriate twinning partners will be found

Preconditions The beneficiaries allocate appropriate human & financial resources to the specific task Full participation of senior management	Preconditions The Steering Committee to guarantee that a clear timetable is defined and IB assistance is in place before the end of 2004
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ANNEX 3

BG0205.02

Unallocated Institution Building Envelope

Detailed implementation chart

Component	2002						2003.												2004.												2005.												
	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	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	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	

D: Design

T: Tendering and contracting

I: Implementation

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

BG0205.02

Annex 4

Unallocated Institution Building Envelope

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

Contracts		03/ 2003	06/ 2003	09/ 2003	12/ 2003	03/ 2004	06/ 2004	09/ 2004	12/ 2004	03/ 2005	06/ 2005	09/ 2005	12/ 2005
Unallocated Institution Building Envelope	Contracted	0.5	1.0	1.0	1.5	1.5	2.0	2.5	2.5	2.5	2.5	2.5	2.5
	Disbursement	0.0	0.25	0.5	0.5	0.75	1.0	1.25	1.5	1.75	2.0	2.25	2.5

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