

## Standard Summary Project Fiche

### 1. Basic Information

- 1.1 CRIS Number: **2003/004-979-06-01**
- 1.2 Title: **Institutional Capacity Building in Regions**
- 1.3 Sector: Regional Policy and Co-ordination of Structural Funds
- 1.4 Location: Latvia, Regional development agencies:
  - Kurzeme Region Development Agency, Elizabetes street 45/47-49, Riga LV-1010
  - Latgale Region Development Agency, Riga Street 2, Daugavpils LV-5403
  - Riga Region Development Agency, Kr.Valdemara street 3-415, Riga LV-1010
  - Vidzeme Development Agency, Lacpleša street 1, Valmiera LV-4201
  - Zemgale Development agency, Pasta Street 37, Jelgava LV-3001

### Objectives

#### 1.5 Overall Objective

To stimulate development throughout the country.

#### 1.6 Project purpose

The purpose of the project is to increase capacity of regional institutions and their socio-economic partners in the identification, facilitation, preparation and management of the projects co-financed by EU Structural funds, especially European Regional development fund, and to build and strengthen partnership regional level.

#### 1.7 Accession Partnership and NPAA priority

##### Accession partnership:

Regional policy and co-ordination of structural instruments:

- Ensure effective inter-ministerial coordination and appropriate partnership with a view to both programming and implementation.
- Develop the technical preparation of projects eligible for Structural Funds assistance (project pipeline).

##### NPAA:

- preparation work with the EU pre-accession financial instruments, and the Structural and Cohesion Funds.

### 2. Description

#### 2.1 Background and justification:

According to the Regional Development Law issued in the spring of 2002, today there are 5 planning regions established in Latvia. All five planning regions have established Regional Development Councils representing the district and town municipalities. There are dissimilarities regarding the legal status and institutional capacity among the Regional Development Councils. However the structure and organization of the Councils will be reorganized according to the Regional Development Law, and as a result of these reorganizations the difference among the legal principles of the Regional Development Councils will be eliminated. Currently the Regional Development Councils are responsible for coordination and facilitation of development activities of particular region. There is executive body – Regional Development Agency in each of the regions - Kurzeme Region Development Agency, Latgale Region Development Agency, Riga Region Development Agency, Vidzeme Development Agency and Zemgale Development Agency. There are dissimilarities regarding the legal status and institutional capacity also among the Regional Development Agencies. The legal differences will be

solved until the end of 2003. However the issue of proper institutional capacity at regional level needs to be addressed and further developed. Further strengthening of the regional capacity is strongly linked to the issue of absorption of the Structural Funds, in particular the European Regional Development Fund and capacity to establish project pipeline. Taking into consideration the prognosis of the country to join the European Union already in 2004 and expected assistance and financing available, Latvian regions still can be characterized as unable to attract EU funding effectively. It could seriously influence further development and competitiveness of the regions.

The need for mentioned institutional capacity building activities was indicated in experience with Phare 2000 ESC program implementation. The municipalities in the regions have strong willingness to prepare projects, have good ideas, but there is serious lack of proper experience and knowledge on how to justify the idea and how to prepare a project proposal. There is a need for well-elaborated regional development planning documents. In addition the experience with Phare 2000 shows the lack of understanding regarding the partnership principles in the elaboration of the project proposals. For example, under Phare 2000 ESC grant scheme, there was a number of similar project proposals from neighboring municipalities submitted addressing the same issue. Besides the partnership between municipalities a strong cooperation between municipalities and socio-economic partners (NGOs and entrepreneurs) shall be promoted too. Nevertheless there is strong willingness from regional authorities to learn and build further their capacity in order to be ready to take challenge to deal with EU Structural Funds.

As it regards the role and status of the Regional Development Agencies in the management of the Structural Funds, the work on the establishment of the ERDF implementation scheme is still ongoing process. Ministry of Regional Development and Local Governments is bearing the responsibility for European Regional Development Fund and is the main partner institution to the Ministry of Finance (Managing Authority). Regional Development Agencies will be involved in the management scheme for ERDF.

Regional Development Agencies as it is stated in the Regional Development Law are responsible for the development planning at the regional level and their main functions are:

- to prepare the development program and spatial plan of the planning region in co-operation with local and district governments and with territorial offices of state institutions, ensure their compliance with the National Spatial Plan, the National Development Plan and national or sectoral development programs, as well as ensure the management of their implementation;
- to prepare opinions about the compliance of the national level development planning documents with the development program and spatial plan of the planning region;
- to co-ordinate and promote the formulation, implementation, monitoring and evaluation of regional development support measures of the planning region;
- to issue its opinion on the project applications submitted by local governments and legal and natural persons for receiving the regional development state support;
- to fulfill other tasks delegated by the Regional development Council and other relevant institutions.

Taking into account experience and skills of RDAs, their main responsibility in the ERDF implementation scheme within this SPD planning period would be to act as main facilitator in the project preparation phase in the respective region. Namely, Regional Development Agencies will be the main contact point to the potential applicants and will have the possibility to receive the assistance in the process of project idea formulation and its further development into project concept. Besides that, representatives from RDAs will participate in the ERDF Steering Committee where the project evaluation criteria will be elaborated and the monitoring of the implementation of ERDF priorities will be carried out as well as possible changes of financing breakdown between ERDF measures will be proposed to the Structural Funds Monitoring Committee.

At this stage there is no strategy for coordination of five regions at national level elaborated. Nevertheless National Regional Development Council under the responsibility of Ministry for Regional Development and Local Governments, according the regulations approved by the Cabinet of Ministers will act as the main driver of regional policy management in Latvia.

The overall capacity of the regional development institutions in Latvia is still inappropriate. It is important to mention that the assistance and experience of the Regional Development Agencies and

their partners do differ from each other. Therefore the activities planned to carry out within this project complies with the proposals submitted from the Regional Development Agencies on the further institutional strengthening activities. The Ministry of Regional Development and Local Governments have carefully reviewed the proposed activities.

By careful revision of the assistance received for the strengthening of the capacity in the regions, in general assistance to be provided for the further building of the capacity can be presented in threefold set of activities related to:

- assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements;
- assessment of already prepared partnerships strategies in Latgale and Zemgale regions;
- strengthening of planning and programming capacity of municipal administration and socio-economic partners with an orientation towards programming of Structural Funds' type projects;
- strengthening of cooperation between municipalities and socio-economic partners;
- improvement of services provided by municipal and socio-economic partners to involve new, qualitative solutions and methods for attracting financing of the Structural Funds.

The scope of the activities under each of component does differ from each other and it is justified with the intensity of the assistance that respective regional development agencies and their partners have received in the past.

## 2.2 Linked activities:

**Development of Institutional and Administrative Capacity for Regional Development (LE 00/IB/OT-01).** The project activities are expected to support Latvian administration to address institutional, legislative and administrative challenges in the field of regional policy in the country. One of the project components aims at the development of capacity for implementation of national regional development policy at regional level as well as at the building project pipeline in compliance with the Single programming Document (SPD). The activities within these components include such tasks as (i) identification of project proposals and preparation of draft project applications for each of the EU funds, (ii) assistance in coordination between regions and municipalities for elaboration of joint project to be submitted for financing from different EU funds / support schemes and (iii) promotion of partnership between the public and private bodies during the elaboration of projects. The project has started in (April 2002) and the outputs of this project sub-component are expected in summer 2003. Therefore this project will take over the experience gained during the implementation of LE00/IB/OT-01 and build further results reached in it.

**Economic and Social Cohesion Measures in the Latgale (LE 0012.02) and Zemgale (LE 0012.03)** – addressing the regional disparities and social cohesion challenges through sustainable economic development. It is planned that the competitive nature of the ESC 2000 programme (funding projects that display real economic development potential and partnership focus) will promote innovation in project proposal development. The implementation of the project activities started in January 2002 and will be finished by the end of 2003. The programme had territorial focus, namely all assistance is targeted to only two regions - Latgale and Zemgale. As it regards the capacity building activities in the regions, separate components within the projects were planned in order to establish Regional partnerships in Latgale and Zemgale region. The results reached within the Regional Partnership components will be used when starting the implementation of this project.

**Bilateral programme Transform with Germany in Vidzeme region** was aimed assisting in preparation and implementation of Vidzeme regional development plan (paying special attention to economic development activities), and preparation of Action plan for economic development in Vidzeme region. Unfortunately the Action Plan for Economic development was not finished and further assistance and work on the plan is needed, special attention need to be paid to the priorities sectors identified in the Vidzeme regional development plan. Within this project regional projects

database was reviewed and updated with new project ideas, concrete project proposals were started to develop. Within the project monthly training seminars for mainly regional political level were carried out with the main aim to develop sound working principles based on partnership among the representatives in the Regional Development Council.

**Phare 2000 programme “Special Action in Favour of the Baltic Sea region” project LE 0004/0006** “Establishment of Mechanism for EU Project Development” will address the development capacity of the Riga region. The objective of the project is to establish a unified system for development of projects and to raise the project development capacity at the municipalities of Riga Region for improved utilisation of EU funding opportunities. It will be achieved through structure audit and survey at the Riga City Council, development of procedures for coordination of project ideas and activities, training on project generation and exchange of experience tour to Finland. The project has started in October 2002 and will finish at the end of 2003.

### 2.3 Results:

By implementing the project, it is expected that:

- 2.3.1 Staff of municipalities, RDAs, and socio-economic partners will be trained in project cycle management, special attention paid to the project preparation phase. As a result regional capacity to prepare economically and financially valuable and valid projects in cooperation with socio-economic partners will be increased.
- 2.3.2 Planning and programming system will be established at regional level through the preparation of the relevant concept and staff of the RDAs will be trained to ensure strong horizontal management and coordination of the system. That would result in step-by-step planning of regional priorities and activities by taking into consideration analysis and priorities of local municipalities, districts and cities.
- 2.3.3 The partnership approach used in establishing necessary institutional structures at regional level what would lead to deeper involvement of the socio-economic partners in planning and programming process of the development of the regions and respective projects. ,
- 2.3.4 Activities related to the improvement of service provision (closely inter-linked with policy making, planning and programming) will be implemented by initiating of new methods and technologies.

Reflexively, these activities, through increase of capacity and improvement of service provision, would result in more effective regional development planning process and project preparation process.

### 2.4 Activities

#### **Component 1 – Capacity building activities in Kurzeme region**

The main aim of this component is to strengthen the capacity of the Kurzeme Region Development Agency and its cooperation partners in Kurzeme region in regional development planning, project preparation and coordination as well in establishing the needed partnership arrangements.

The activities to be implemented within this component are as follows:

- assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements;
- elaboration of the Action plan for establishment respective regional partnership system, based on sound principles for co-operation and involvement of socio-economic partners as well as public administration in development planning, decision making and project preparation.
- review of the existing regional development documents and assessment of their compliance with relevant national development planning documents.

- establishment of regional strategic planning and programming system.
- training of the Kurzeme Region Development Agency and its cooperation partners in project idea identification, regional project pipeline development, project development and preparation,
- assistance to the Kurzeme Region Development Agency in the project identification and project preparation with the strong view on the eligible activities under Structural Funds.

Direct beneficiaries of this component are Kurzeme Region Development Agency, as well as respective, NGOs, economic and social partners.

For the implementation of the above mentioned activities following expertise is required:

- one long-term EU expert (15 m/months) (specialisation – regional partnership and planning and programming, incl. Project pipeline identification, system )
- one long-term local expert (15 m/months) (specialisation - regional development and needs assessment)
- one short-term EU expert on PCM training and project identification (3 m/months);
- one short term EU expert on institutional audit (3 m/months).

## **Component 2 – Capacity building activities in Latgale region**

The aim of the activities within this component is further build the capacity of regional development agency and its regional partners in strategic planning, project promotion, project identification and project pipeline development by using reached results within previous capacity building activities in the region, in particular regional partnership arrangements.

Following activities are planned to be implemented in order to reach above mentioned aim:

- training of the Latgale region development agency and its cooperation partners in strategic planning, project idea identification, project proposal development as well project pipeline development,
- development of new, creative ways to involve business partners into partnerships
- assessment of the regional development planning process
- assistance in the project identification and preparation in key economic sectors.

The beneficiaries of this component are Latgale region development agency, its regional socio-economic partners as well respective regional authorities and municipalities;

Following expertise is required for implementation of the above mentioned activities:

- one long-term local expert (15 m/months) (specialisation – strategic planning and project development)
- one short-term EU expert on PCM training and project implementation (2 m/month)
- one short-term EU expert Research and Development advisor with a strong background in business (1 m/month)
- one short-term local expert on project pipeline development (2 m/month)

## **Component 3 – Building of regional capacity in Riga region**

The aim of this component is to improve knowledge and professional qualification of the Riga Region Development Agency and its regional cooperation partners in strategic development planning, partnership principles, project identification and preparation.

Following activities will be implemented under this component:

- assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements
- provision of training to the Riga Region Development Agency and its partners in planning, project identification and preparation;
- elaboration of the Action plan for establishment respective regional partnership system in development planning, decision making and project preparation.
- assessment of the regional planning documents and their compliance with relevant national development planning documents.
- establishment of regional strategic planning and programming system.

The beneficiaries of this component are Riga region development agency and its social and economic partners as well as regional authorities and municipalities.

Following expertise is required for the implementation of the above mentioned activities:

- one long-term EU expert (15 m/months) (specialisation – regional partnership)
- one long-term local expert (15 m/months) (specialisation – regional development, strategic planning and programming)
- one short-term EU expert on PCM training and project identification (2 m/month)
- one short-term EU expert on institutional audit (2 m/month).

#### **Component 4 – Capacity building activities in Vidzeme region**

The main aim of this component is to increase the capacity of Vidzeme development agency and its partners in strategic regional planning, project preparation and development.

Following activities shall be implemented within this component:

- assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements
- elaboration of the Action plan for establishment respective regional partnership system in development planning, decision making and project preparation.
- assessment of regional needs for capacity building in project identification, preparation and development. Elaboration of Action Plan for capacity building activities in Vidzeme region
- assistance to Vidzeme Development Agency in the project preparation with the strong view on the eligible activities under Structural Funds and identified in the Single programming document as major framework within which the project need to be developed. Special attention should be paid to the priority sectors in the region – environment and woodworking
- provision of training to Vidzeme development agency and its partners in project identification, development and management

The beneficiaries of this component are the Vidzeme development agency, as well as regional authorities at the municipal level, NGOs, other economic and social partners.

For implementation of the above mentioned activities following expertise is required:

- one long-term EU expert (6 m/months) (specialisation – strategic planning, regional partnership)
- one long-term local expert (15 m/months) (specialisation – PCM training, needs assessment and project development)
- one short-term EU expert on project development in environmental sector (2 m/month)

- one short-term EU expert on project development in woodworking sector (2 m/month)
- one short-term expert on institutional audit (2 m/months).

### **Component 5 – Capacity building in Zemgale region**

The aim of this component is to strengthen the capacity of the Zemgale development agency and its regional partners in project identification, preparation and project cycle management.

Following activities will be implemented within this component:

- provision of training to Zemgale Development Agency and its regional partners in strategic development, identification of project of regional scale, their development and preparation
- assessment of regional spatial and development planning processes and preparation of Activity plan for integration of regional and spatial planning processes and their importance in the future.

The beneficiaries of this component are Zemgale development agency and its social and economic partners, as well as respective regional authorities and municipalities.

Following expertise is required for the implementation of the above mentioned activities:

- one long-term local expert (15 m/months) (specialisation – regional development strategic planning and spatial planning)
- one short-term EU expert on institutional audit (1 m/month)
- one short-term EU expert (PCM training and project identification (2 m/month).

Profile of EU experts:

- Comprehensive and practical 5 years experience in the required specialisation
- Ability to analyse the different strategies and adapt these to the local environment and understand its constraints and possibilities;
- Ability to think strategically;
- Excellent English language skills and computer literacy.

Profile of local experts:

- Comprehensive and practical 5 years experience in the required specialisation
- Ability to analyse the different strategies and adapt these to the local environment and understand its constraints and possibilities;
- Ability to think strategically;
- Excellent Latvian language and English language skills and computer literacy.

More detailed requirements about the expert's specifications and qualifications will be provided in the Terms of reference.

## **2.5 Lessons learned**

The experience gained from the previous programme (Phare ESC 2000) implementation:

- Municipalities and other regional partners need assistance in project identification and development, especially bearing in mind the challenges in future regarding the attraction the funding from structural funds, particularly ERDF;
- Often the reason for not approving projects for funding is lack or even unwillingness of regional partners, municipalities to cooperate and build partnerships with other partners.

In addition, the conclusions and recommendations of previous Interim Evaluations and M&A Reports have been considered.

### 3. Institutional Framework

The overall responsibility for the implementation of the project components will be under the Ministry of Regional Development and Local Governments (MRDLG). The MRDLG will be responsible also for technical implementation of the project.

The Programme Authorising Officer, State Secretary of the Ministry of Finance, will bear responsibility for administrative and financial management of the project.

For the coordination of the activities to be carried out in each of the project component a Steering Committee for the project shall be established consisting of representatives from all planning regions and chaired by the representative of the MRDLG.

The main beneficiaries of the project will be the five regional development agencies, regional and local municipalities of the respective regions, social partners, NGOs, universities and vocational schools in the region and representatives of the private sector.

The activities within the Components will take place in the respective planning regions. The responsible institutions in each of the planning regions are following:

- For Component 1 – Kurzeme Region Development Agency, Elizabetes street 45/47-49, Riga LV-1010, phone: +371 7 33 14 92, fax: +371 7 33 12 85;
- For Component 2 – Latgale Region Development Agency, Riga Street 2, Daugavpils LV-5403, phone: +371 54 28 111, fax: + 371 54 10 078;
- For Component 3 – Riga Region Development Agency, Kr.Valdemara street 3-415, Riga LV-1010, phone: + 371 7 026 094, fax: + 371 7 026 093;
- For Component 4 – Vidzeme Development Agency, Lacpleša street 1, Valmiera LV-4201, phone: + 371 42 81 711, fax: +371 42 81 711;
- For Component 5 – Zemgale Development agency, Pasta Street 37, Jelgava LV-3001, phone: + 371 30 27 845, fax: + 371 30 27 845.

### 4. Detailed Budget

	Phare Support			National Co-financing			
	Investment Support	Institution Building	Total Phare (=I+IB)	Eligible costs	Non-eligible costs	IFI	TOTAL eligible costs
Contract 1 Building of regional capacity in Kurzeme region		459 000	459 000	46 000*	8 280		505 000
Contract 2 Building of regional capacity in Latgale region		163 000	163 000	17 000*	3 060		180 000
Contract 3 Building of regional capacity in Riga region		429 000	429 000	43 000*	7 740		472 000
Contract 4 Building of regional capacity in Vidzeme region		289 000	289 000	29 000*	5 220		318 000



Contract 5 Building of regional capacity in Zemgale region		154 000	154 000	16 000*	2 880		170 000
<b>Total</b>		<b>1 494 000</b>	<b>1 494 000</b>	<b>151 000</b>	<b>27 180</b>		<b>1 645 000</b>

\*Parallel co-financing. Parallel co-financing will be applied for covering of office costs for experts, infrastructure facilities and travel costs for national counterparts

## 5. Implementation Arrangements

### 5.1 Implementing Agency

PAO: Mrs Valentina Andrejeva  
State Secretary, Ministry of Finance  
Smilsu street 1, Riga, LV-1919  
Tel. +371 7212 726  
Fax. +371 7095 421

SPO: Ieva Verzemniece  
Deputy State Secretary, Ministry of Regional Development and Local Governments  
Raina bulv. 4, LV-1050  
Tel. +371 7 321 752  
Fax +371 7 223 148

CFCU: Mr Armands Eberhards  
Director  
Smilsu street 1, Riga, LV-1919  
Tel. +371 7094 342  
Fax +371 7094 348

### 5.2 Twinning

N/A

### 5.3 Non-standard aspects

During the project implementation EDIS Manual will be strictly followed and contracts will be signed according to the procedures provided in Practical Guide for Phare, ISPA and SAPARD Contracting Procedures. Prior to EDIS accreditation, DIS will be followed. EDIS will apply from the date of accession at latest.

Ratio: if during project implementation the project cost for some reasons will decrease, the Phare financing will also decrease proportionally.

### 5.4 Contracts

Contract 1 – service contract, total value 459 000 €  
Contract 2 – service contract, total value 163 000 €  
Contract 3 – service contract, total value 429 000 €  
Contract 4 – service contract, total value 289 000 €  
Contract 5 – service contract, total value 154 000 €

## 6. Implementation Schedule

### 6.1 Start of tendering/call for proposals

4<sup>th</sup> quarter, 2003

6.2 Start of project activity

2<sup>nd</sup> quarter, 2004

7.3 Project Completion

4<sup>th</sup> quarter, 2005

## **7. Equal Opportunity**

Participation in the project will require professional qualifications and competence in the particular area and will allow equal opportunity for men and woman to participate in implementation of the projects. Access to the project results will be equal for men and women.

## **8. Conditionality and sequencing**

### 9.1. Conditionality

- provision of planned project co-financing
- proper human resource capacity for project management and monitoring purposes
- partnership with regions established and better inter-ministerial cooperation developed

### 9.2. Sequencing

Successful implementation of the Phare ESC 2000 project activities related to the regional partnership.

Successful implementation of the Phare 2000 project Development of Institutional and Administrative Capacity for Regional Development activities related to the regional partnership.

## **ANNEXES TO PROJECT FICHE**

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

## Phare log frame

LOGFRAME PLANNING MATRIX FOR Project	Programme name and number	
Institutional Capacity Building in Regions	Contracting period expires	Disbursement period expires
	Total budget: 1 645 000 euro	Phare budget: 1 494 000 euro

Overall objective	Objectively verifiable indicators	Sources of Verification	
To stimulate development throughout the country.	- increase of GDP	- Commissions reports - Studies by international institutions	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
To increase capacity of regional institutions and their socio-economic partners in the identification, facilitation, preparation and management of the projects co-financed by EU Structural funds, especially European Regional development fund  To build and strengthen partnerships on regional level.	- number of Latvian administration able to manage projects - nationally coordinated development of contributors towards potential future competitive advantage	- National reports - Commission reports	- political and economical stability - continuing and improving government commitment to the aims of the programme - availability of qualified technical assistance
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
For all components: <ul style="list-style-type: none"> <li>Staff of municipalities, RDAs, and socio-economic partners will be trained in project cycle management, special attention paid to the project preparation phase. As a result regional capacity to prepare economically and financially valuable and valid projects in cooperation with socio-economic partners will be increased.</li> <li>Planning and programming system will be established at regional level through the preparation of the relevant concept and staff of the RDAs will be trained to ensure strong horizontal management and coordination of the system. That would result in step-by-step planning of regional priorities and activities by taking into consideration analysis and priorities of local municipalities, districts and cities.</li> <li>The partnership approach used in establishing necessary institutional structures at regional level what would lead to deeper involvement of the socio-economic partners in planning and programming process of the development of the regions and respective projects. ,</li> <li>Activities related to the improvement of service</li> </ul>	- number of projects identified  - trained staff (150-200) in project cycle management (at least 10 training workshops organised) - regional partnership systems elaborated	- Monitoring reports - Service provider's reports - Applications prepared within the project applying for funding from Phare and Structural funds	- efficient programme management (implementation, monitoring and assessment) - coordination between the implementing authorities, service provider, contacting organisations and other involved parties

provision (closely inter-linked with policy making, planning and programming) will be implemented by initiating of new methods and technologies.			
<b>Activities</b>	<b>Means</b>		<b>Assumptions</b>
<p><u>Component 1</u></p> <ul style="list-style-type: none"> <li>• Assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements.</li> <li>• Elaboration of the Action plan for establishment respective regional partnership system, based on sound principles for co-operation and involvement of socio-economic partners as well as public administration in development planning, decision making and project preparation.</li> <li>• Review of the existing regional development documents and assessment of their compliance with relevant national development planning documents.</li> <li>• Establishment of common regional strategic planning and programming system.</li> <li>• Training of the Kurzeme region development agency and its cooperation partners in project idea identification, regional project pipeline development, project development and preparation,</li> <li>• Assistance to the Kurzeme region development agency in the project identification and project preparation with the strong view on the eligible activities under Structural Funds.</li> </ul> <p><u>Component 2</u></p> <ul style="list-style-type: none"> <li>• training of the Latgale region development agency and its cooperation partners in strategic planning, project idea identification, project proposal development as well project pipeline development,</li> <li>• development of new, creative ways to involve business partners into partnerships</li> <li>• assessment of the regional development planning process</li> <li>• assistance in the project identification and preparation in key economic sectors</li> </ul> <p><u>Component 3</u></p> <ul style="list-style-type: none"> <li>• Assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements;</li> <li>• Provision of training to the Riga Region Development Agency and its partners in planning, project identification and preparation;</li> <li>• Elaboration of the Action plan for establishment respective regional partnership system in development</li> </ul>	<ul style="list-style-type: none"> <li>- 5 Service contracts;</li> <li>- 5 long-term EU experts;</li> <li>- 3 long-term local experts;</li> <li>- 11 short-term EU experts;</li> <li>- 1 short-term local expert;</li> <li>- at least 10 training workshops and seminars on project cycle management;</li> <li>- Staff input from Regional Development Agencies and Ministry of Regional Development and Local Governments;</li> </ul> <ul style="list-style-type: none"> <li>- Phare financing: 1.494 MEUR;</li> <li>- National co-financing: 151 000 EUR;</li> </ul>		<ul style="list-style-type: none"> <li>- Timely availability of co-financing resources</li> <li>- effective use of the experience gained during implementation Phare 2000 ESC programme</li> </ul>

<p>planning, decision making and project preparation;</p> <ul style="list-style-type: none"> <li>• Assessment of the regional planning documents and their compliance with relevant national development planning documents;</li> <li>• Establishment of common regional strategic planning and programming system;</li> </ul> <p><b>Component 4</b></p> <ul style="list-style-type: none"> <li>• Assessment of current situation in the region in terms of required capacity and appropriate partnership arrangements;</li> <li>• Elaboration of the Action plan for establishment respective regional partnership system in development planning, decision making and project preparation.;</li> <li>• Assessment of regional needs for capacity building in project identification, preparation and development. Elaboration of Action Plan for capacity building activities in Vidzeme region;</li> <li>• Assistance to Vidzeme Development Agency in the project preparation with the strong view on the eligible activities under Structural Funds and identified in the Single programming document as major framework within which the project need to be developed. Special attention should be paid to the priority sectors in the region – environment and woodworking;</li> <li>• Provision of training to Vidzeme development agency and its partners in project identification, development and management.</li> </ul> <p><b>Component 5</b></p> <ul style="list-style-type: none"> <li>• Provision of training to Zemgale Development Agency and its regional partners in strategic development, identification of project of regional scale, their development and preparation</li> <li>• Assessment of regional spatial and development planning processes and preparation of Activity plan for integration of regional and spatial planning processes and their importance in the future.</li> </ul>			
	<p><b>Preconditions</b></p> <ul style="list-style-type: none"> <li>- provision of planned project co-financing</li> <li>- proper human resource capacity in place for project management</li> <li>- partnership between national and regional level established</li> </ul>		

**DETAILED IMPLEMENTATION SCHEDULE OF THE PROJECT ACTIVITIES**

	2003												2004												2005													
(all components)	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		
Elaboration of Terms of Reference for Service provider																																						
Tender for service providers																																						
Contracting																																						
Implementation of project activities:																																						
Component 1																																						
Component 2																																						
Component 3																																						
Component 4																																						
Component 5																																						

## Annex 3

## CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (IN EURO)

	2004				2005				2006
	I	II	III	IV	I	II	III	IV	I
<b>Contract 1 – Service Contract*</b>									
<b>Contracted total:</b>		<b>459 000</b>							
Phare:		459 000							
<b>Disbursed total:</b>		<b>275 400</b>		<b>321 300</b>		<b>367 200</b>			<b>459 000</b>
Phare:		275 400		321 300		367 200			459 000
National:		5 750	11 500	17 250	23 000	28 750	34 500	40 250	46 000
<b>Contract 2 –Service Contract*</b>									
<b>Contracted total:</b>		<b>163 000</b>							
Phare:		163 000							
<b>Disbursed total:</b>		<b>97 800</b>		<b>114 100</b>		<b>130 400</b>			<b>163 000</b>
Phare:		97 800		114 100		130 400			163 000
National:		2 125	4 250	6 375	8 500	10 625	12 750	14 875	17 000
<b>Contract 3 – Service Contract*</b>									
<b>Contracted total:</b>		<b>429 000</b>							
Phare:		429 000							
<b>Disbursed total:</b>		<b>257 400</b>		<b>300 300</b>		<b>343 200</b>			<b>429 000</b>
Phare:		257 400		300 300		343 200			429 000
National:		5 375	10 750	16 125	21 500	26 875	32 250	37 625	43 000
<b>Contract 4 – Service Contract*</b>									
<b>Contracted total:</b>		<b>289 000</b>							
Phare:		289 000							
<b>Disbursed total:</b>		<b>173 400</b>		<b>202 300</b>		<b>231 200</b>			<b>289 000</b>
Phare:		173 400		202 300		231 200			289 000
National:		3 625	7 250	10 875	14 500	18 125	21 750	25 375	29 000
<b>Contract 5 – Service Contract*</b>									
<b>Contracted total:</b>		<b>154 000</b>							
Phare:		154 000							
<b>Disbursed total:</b>		<b>92 400</b>		<b>107 800</b>		<b>123 200</b>			<b>154 000</b>
Phare:		92 400		107 800		123 200			154 000
National:		2 000	4 000	6 000	8 000	10 000	12 000	14 000	16 000

\* Parallel co-financing

## INDICATIVE DETAILED BUDGET BREAKDOWN

Components	Inputs	Financial allocation, EUR
Component 1 - Building of regional capacity in Kurzeme region	- one long-term EU expert (15 m/months)	255 000
	- one long-term local expert (15 m/months)	99 000
	- two short-term EU experts (total 6 m/months)	99 000
	- training and other expenditures	6 000
		<b>Total: 459 000</b>
Component 2 - Building of regional capacity in Latgale region	- one long-term local expert (15 m/months)	99 000
	- two short-term EU experts ( in total 3 m/month)	50 000
	- one short-term local expert (1 m/month)	8 000
	- seminar/workshop and other expenditures	6 000
		<b>Total: 163 000</b>
Component 3 - Building of regional capacity in Riga region	- one long-term EU expert (15 m/months)	255 000
	- one long-term local expert (15 m/months)	99 000
	- two short-term EU experts (total 4 m/month)	69 000
	- training/workshop and expenditures	6 000
		<b>Total: 429 000</b>
Component 4 - Building of regional capacity in Vidzeme region	- one long-term EU expert (6 m/months)	102 000
	- one long-term local expert (15 m/months)	99 000
	- two short-term EU experts (total 4 m/month)	67 000
	- one short-term local expert (2 m/month)	16 000
	- training and other expenditures	5 000
		<b>Total: 289 000</b>
Component 5 - Building of regional capacity in Zemgale region	- one long-term local expert (15 m/months)	99 000
	- two short-term EU experts (total input 3 m/month)	50 000
	- training and other expenditures	5 000
		<b>Total: 154 000</b>