

STANDARD SUMMARY PROJECT FICHE

1. Basic Information

- 1.1 CRIS Number:** 2006/018-118-05-01
Twinning Light LV/2006/IB-05-01-000 TL
1.2 Title: Institution Building Facility
1.3 Sector: Various
1.4 Location: Latvia

2. Objectives

2.1 Overall Objective(s):

Strengthening the administrative and institutional capacity for the full application of the *acquis*

2.2 Project purpose:

Address remaining institutional capacity shortcomings in various areas so as to properly implement all *acquis*

2.3 Justification

As regards overall administrative and judicial capacity, sufficient conditions are in place for the implementation of the *acquis* by the Latvian public administration and judiciary, but there is room for further improvements.

3. Description

3.1 Background and justification:

Numerous *acquis*-related institution-building projects have been completed or are being completed by drawing on the expertise of Member States experts. The Institution Building Facility shall provide the possibility to respond to emerging *acquis*-related tasks in a more flexible and immediate way to address specific well-circumscribed and self-contained subjects of limited scope. Within the Transition Facility budget an unallocated envelope will be earmarked, from which the approved projects will be financed. Projects will be supported in high priority areas to address specific urgent needs taking as a basis the priorities identified in the EC Comprehensive Monitoring Report for Latvia published on 5 November, 2003 as well as other relevant documents reviewing and assessing progress made in particular sectors. Project proposals will be submitted to the European Commission for approval.

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 Multi-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.
- Phare Twinning light programmes financed by 2001, 2002 and 2003 Phare National programmes.
- Institution building facility project financed by Transition facility 2004 and 2005 programme.

3.3 Results:

- Concrete administrative structures and management systems in place which satisfy the requirements of the *acquis communautaire* for a number of areas of limited scope.

3.4 Activities:

Institution Building Facility

An envelope for as yet unspecified **institution building projects** (twinning light and, technical assistance, if this instrument is deemed to be more appropriate) would be established.

Funded projects will rest on a number of fundamental principles:

- Projects will be based on priorities identified in the Comprehensive Monitoring Report for Latvia in order to reinforce Latvia's administrative and Judicial Capacity. During evaluation of priorities documents reviewing and assessing progress made in particular sectors, for example peer reviews, interim evaluation reports, Transition facility monitoring reports etc. should be taken into account.
- The project will target very specific areas of limited scope where a concrete, operational result is to be achieved
- 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 mandated result explicit
- Size and budget of projects will be subject to individual assessment
- Type of assistance - twinning light - will be subject to individual assessment depending on the nature of assistance requested. Technical assistance will be used only in those cases where twinning light would not appear the appropriate instrument.

The projects must be in compliance with the Commission guidelines and procedure.

3.5. Lessons learned

Discussion of the JMC meeting of 21 January 2004 concluded:

More attention should be paid on follow up planning and monitoring process of Twinning Light programme. The assessment of possible legislative and administrative changes that affect or are going to affect the Twinning Light programme as such should be specified and provided.

The Ad Hoc Report on the Twinning Instrument (24.10.2001) states: "The process of launching a twinning is still bureaucratic, inflexible and slow". Therefore responsible authorities have considered to improve and to shorten the process of application for Twinning light programme.

The thematic report on Second Generation Twinning – Preliminary Findings (issued on 31 March, 2004) states: "Technical Assistance can be entirely satisfactory, and could be the instrument of choice, particularly where the *acquis* element is limited in scope and very precise as to the competencies required." As a result the possibility was introduced to apply also for technical assistance if this instrument is deemed to be more appropriate.

4. Institutional Framework

The project beneficiaries of the unspecified IBF envelope will be different institutions applying for assistance from IBF. Identification of the priorities will be responsibility of line ministries. The EU and International Affairs Department of the Ministry of Finance as a coordinator of IBF will collect the submitted project proposals and organize the project selection. Referring to the priorities identified in the Comprehensive Monitoring Report for Latvia the first selection and decision will be made by line ministries Senior Program Officers meeting on which proposals will be submitted for financing within the budget. The National Aid Coordinator and the National Authorising Officer of the Ministry of Finance will submit the selected proposals to the European Commission for approval. For each project to be financed a Steering Committee should be established comprising the beneficiary, a representative of the NAC, CFCA and AO as an observer.

5. Detailed Budget

€M	Transition Facility support			Co-financing			Total cost (TF plus cofinancing)
	Investment Support	Institution Building	Total TF (=I+IB)	National Public Funds(*)	Other Sources(**)	Total co-financing of the project	
Institution Building facility		1,30	1,30				1,30
Total		1,30	1,30				1,30

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

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

Contributions from the Latvian administration for effective implementation of the twinning/twinning light/TA may be further detailed in the twinning contract/Terms of references.

VAT does not constitute eligible expenditure except where it is genuinely and definitely borne by the final beneficiary. VAT which is considered recoverable, by whatever means, cannot be considered eligible, even if it is not actually recovered by the beneficiary or individual recipient.

6. Implementation Arrangements

6.1 Implementing Agency

Implementing agency of the project will be the Central Finance and Contracting Agency (CFCA) of the Ministry of Finance. CFCA will be responsible for the financial and administrative management of the project in accordance with Extended Decentralized Implementation System.

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The Ministry of Finance EU and International Affairs Department will be responsible for the strategic management (priority identification, programming, monitoring) of the Institution building facility.

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After approval of individual Twinning light projects, the Senior Programme Officer (SPO) of the respective project ministry will be technically responsible for project implementation.

6.2 Twinning:

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

For all projects, the beneficiary institution shall be solely and entirely responsible for the overall output (mandated result) and the majority of the inputs necessary to achieve it.

6.3 Non-standard aspects

There will be no non-standard aspects regarding implementation of the project. In case of twinning the Twinning manual will be followed.

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

6.4 Contracts

- Institution Building Facility: 1,3 MEUR (parallel in-kind co-financing will be ensured as stated in each individual Twinning Contract/Terms of Reference)

It is expected that approximately 6-8 projects will be financed out of the Institution Building Facility by means of Twinning light or technical assistance if this instrument is deemed to be more appropriate.

7. Implementation Schedule

7.1 Start of tendering/call for proposals

Institution Building Facility: Continuously. (First possible tendering: IV quarter 2006)

7.2 Start of project activity

Institution Building Facility: I quarter 2008 (Last project must start at least 2 months before the expiry date of the contracting period.)

7.3 Project Completion

Institution Building Facility: II quarter 2009

8. Sustainability

The necessary co-financing will be provided from the state budget by responsible line ministries implementing the twinning light (or technical assistance) projects.

9. Conditionality and sequencing

The Institution Building Facility will be actually used only if there are enough concrete applications fulfilling the criteria identified.

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) (compulsory)
4. Indicative detailed budget breakdown

TF log frame

LOGFRAME PLANNING MATRIX FOR Project		Programme name and number	
Institution Building Facility unspecified envelope		Contracting period expires	Disbursement period expires
		Total budget : 1,3 MEUR	TF budget : 1,3 MEUR
Overall objective	Objectively verifiable indicators	Sources of Verification	
Strengthening the administrative and institutional capacity for the full application of the <i>acquis</i>	Increasing number of Latvian institutions completely ready to apply the <i>acquis</i> communautaire	Comprehensive monitoring report	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Address remaining institutional capacity shortcomings in various areas so as to properly implement all <i>acquis</i> .	Acceleration of the progress within ministries/institutions towards meeting the requirements of the <i>acquis</i>	<ul style="list-style-type: none"> Minutes of the monthly project review report Monitoring reports 	The identified tasks are completed in time and effectively
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
- Concrete administrative structures and management systems in place, which satisfy the requirements of the <i>acquis</i> communautaire for a number of areas of, limited scope.	Specific identified tasks have been completed with the help of MS experts	<ul style="list-style-type: none"> Twinning light experts reports Monitoring reports 	The beneficiaries allocate appropriate human and financial resources to the specific task
Activities	Means		Assumptions
Establishment of a facility providing Institution Building expertise	An unattributed envelope will be earmarked from which a number of projects will be financed		Appropriate twinning partners will be found
			Preconditions
			The beneficiaries allocate appropriate human & financial resources to the specific task. Full participation of senior management

ANNEX 2

Institution Building facility

Detailed implementation chart

		2007.												2008.												2009.											
		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	
Institution	Building	D	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	T	I	I	I	I	I	I	I	I	I	I	I	I	I	I
Facility							/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
							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 Institution Building Facility the various phases of the project cycle will most probably run parallel contract by contract.

Annex 3**CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (€M)**

Contracts		06/ 2007	09/ 2007	12/ 2007	03/ 2008	06/ 2008	09/ 2008	12/ 2008	03/ 2009	06/ 2009
TF	Contracted	0,40	0,60		0,90		1,30		1,30	
	Disbursed		0,20		0,40		0,90		1,30	

Due to the nature of the Institution Building Facility the contracting and disbursement schedule can be an estimation only

ANNEX 4

INDICATIVE DETAILED BUDGET BREAKDOWN

Institution Building Facility

€M	TF	National Co- financing	TOTAL
IB facility	1,30	Parallel in-kind co-financing will be ensured as stated in each individual Twinning Contract/Terms of Reference	1,30
Envelope for as yet unspecified institution building (twinning light and technical assistance projects)			
TOTAL	1,30		1,30