

1. Basic information

- 1.1 CRIS Number: 2007/019-247
- 1.2 Title: **Energy Administrative Data Management**
- 1.3 Code: 15 - Energy
- 1.4 Location: Croatia

Implementing arrangements:

- 1.5 Implementing Agency:

Ministry of Finance
Central Finance and Contracting Unit (CFCU)
Ms Vladimira Ivandić
Programme Authorising Officer
Assistant Minister
Katanciceva 5, 10000 Zagreb, Croatia

- 1.6 Beneficiary (including details of SPO):

Ministry of economy, labour and entrepreneurship, Directorate for energy and mining

Ministry of economy, labour and entrepreneurship
Ms. Tajana Kesić – Šapić, (SPO)
Ul. grada Vukovara 78
10 000 Zagreb
Croatia

- 1.7 Overall cost: 1.095.000 €

- 1.8 EU contribution: 1.071.000 €

- 1.9 Final date for contracting: 2 years following the date of conclusion of the Financing Agreement

- 1.10 Final date for execution of contracts: 2 years after the end date for contracting

- 1.11 Final date for disbursements: 3 years after the end date for contracting

2. Overall Objective and Project Purpose

- 2.1 Overall Objective:

Harmonized legislation and implementation of the *Acquis communautaire* for the energy sector in administrative data to provide adequate administrative information to the Government of Croatia and the EU.

2.2 Project purpose:

To set up a national system of administrative registers on energy usage and to develop management information system which coordinate the information with the national and international institutions.

2.3. Link with AP/NPAA / EP/ SAA

Strengthen administrative capacity and improve alignment with the *Acquis communautaire* on energy COM(2005) 556 final

National Programme for the Integration of the Republic of Croatia into the European Union 2006.

NPIEU CHAPTER 3.15.2: mid - term priorities in harmonizing legislation (accession partnership) - projections for year 2007. and year 2008.

“Following adoption of all necessary subordinate legislations, based upon the adopted acts and further harmonization will be carried out in accordance with the adoption of new EU regulations in the field of energy”.

In the Stabilization and Association Agreement, COM (2001) Article 101. stated:

“Cooperation will reflect the principles of the market economy and the European Energy Charter Treaty, and will develop with a view to the gradual integration of Europe’s energy markets.

Co – operation shall include the following in particular: The formulation and planning of energy policy, including modernization of infrastructure, improvement and diversification of supply and improvement of access to the energy market, including facilitation of transit, transmission and distribution and the restoration of electricity interconnections of regional importance with neighbouring countries.

Management and training for the energy sector and transfer of technology and know-how.

Promotion of energy saving, energy efficiency, renewable energy and studying of the environmental impact of energy production and consumption.

Formulation of framework conditions for restructuring of energy companies and co-operation between undertakings in this sector.

Development of regulatory framework in the field of energy in line with the EC *acquis communautaire*.”

Progress report has cover time period until 08.November 2006. (Croatia Progress Report COM 2006 - 469 final) in Conclusion is stated:

“In the area of security of supply good progress was made with the establishment of an oil stock agency. Croatia currently holds stocks equivalent to 71.9 days of annual consumption, which needs to be raised to 90. Alignment in this area is underway.

There has been good progress in the area of the internal electricity and gas markets. A regulatory body established in 2005 currently employs 34 persons. Its administrative strengthening is a matter of priority. The state-owned electricity company HEP has been

restructured into a holding company. However, all unbundled assets remain in the ownership of the holding company. In addition to the transmission system operator, there is also a market operator.

The state gas company INA holds a monopoly as the only supplier and importer.

Croatia ratified the Energy Community Treaty in June. Alignment in this area is on track. As for state aids to the coal industry, Croatia no longer produces coal domestically. Limited progress can be reported in the field of energy efficiency and renewable energy sources. Ordinances on hot-water boilers and household appliances were adopted. Croatia is partially aligned with the directive on the energy performance of buildings. There is no guarantee of origin for renewable energy and for combined heat and power yet. No target for renewable electricity for 2010 has been set. To align with the acquis, Croatia's target for the share of renewable electricity must include all hydropower. A target for biofuels has been set in line with the acquis. Administrative capacity requires significant strengthening. Alignment has well begun, but needs continued efforts. Overall, there has been some progress, including on security of energy supply and on the internal energy and gas market. However, increased efforts are needed, particularly on energy efficiency and regulatory strengthening. The Accession Partnership's short term priorities have been mostly met”.

2.4 Link with MIPD

“Pre-accession assistance will support institutional capacity building for *acquis* transposition and implementation according to the priorities identified in the Accession Partnership, the screening reports and subsequent negotiations in the different chapters of the acquis. Assistance in the 2007 – 2009 period will give priority to sectors: (1) where basic political issues still need to be addressed; (2) where the legislation to be harmonised is particularly difficult; (3) where the implementation capacity is particularly weak; (4) where a track record of implementation will be required prior to accession; and (5) where harmonisation requires costly investment over several years”.

“Supporting programmes under IPA Component I will continue to provide for administrative capacity building for strategy development, project preparation and implementation, institution building support and SAA and *acquis* implementation”.

2.5 Link with National Development Plan (where applicable)

Not applicable

2.6 Link with national/ sectoral investment plans(when applicable)

Not applicable

3. Description of project

3.1 Background and justification:

Croatian Ministry of Economy, Labour and Entrepreneurship, Energy and Mining Department, have established Sector for Strategic planning, energy balances and market analyses for energy-generating products. The main objective of this sector is creating conditions for implementation of energy politics of Republic Croatia, development of energy strategies and harmonization of Croatian legislative in energy sector with legislative framework and politics of EU.

Main objective of proposed project is acceptance, harmonization and implementation of *Acquis communautaire* in energy sector according to the means of adequate administrative support and collection of relevant data, which are not covered by Croatian Bureau of Statistics, for Croatian Government and EU. Several elements, (EU comments on IPA projects component I is stated: “The project is a priority. The topic of energy data management and data management in general is very relevant in line with the conclusion from the screening that statistics and data management should be improved prior to accession”, Commission Directive, Council Regulations and Decisions - specified in Annex III) of the *Acquis communautaire* specify that by the date of Croatian accession, a data management systems relating to energy must be set up and operate in Croatia. System must be compatible with EU’s data collection and information systems. This project has to ensure that administrative information’s will be also used by Central Bureau of Statistics and by using the part of information’s Central Bureau of Statistics will be able to function properly towards international statistics institutions.

Establishment of national registry system for administrative data collecting, processing, analyzing and interpretation of administrative data in energy sector, and other data witch are linked to energy balances, making of energy strategies, analyses, monitoring renewable energy resources and using those administrative data for decision making and decision implementation in energy sector of Croatia. However, until now, in Republic of Croatia was not existing appropriate body for collecting and processing administrative data closely connected to energy-generating products, such as production, consummation, import, export, stocking, obligatory 90-days stocks of oil and oil derivates, prices, transports and other administrative data by specified types and quantities.

Development of software program for processing of collected administrative data will be adjusted with all European standards witch are necessary for collecting and processing of data electronically. Administrative sources integrated into the system will have to include all attributes of the harmonized European system with all directives witch are necessary for development of database for providing consistent, comparable and reliable information.

This project will also include hardware support in order to ensure data transfer from administrative sources (collection of data from administrative sources, communication and data processing). Project covers wide spectre of administrative information from energy sector of Croatia.

The project leader and direct beneficiary of the support to the Methodology for Energy Administrative data management related to EU regulations is the Ministry of Economy, Labour and Entrepreneurship (MoELE).

The partner institutions involved are: Croatian Energy Regulator (CERA), Croatian Energy Market Operator (HROTE), Croatian electricity company (HEP), Croatian oil and refining company (INA), Joint Stock Company (JANAF), Croatian Gas Company (PLINACRO), Croatian Compulsory Oil Stock Agency (CCOSA), Energy Institute “Hrvoje Požar” (EIHP), Croatian Central Bureau of Statistics (CBS) and Central Croatian Customs Office (CCO).

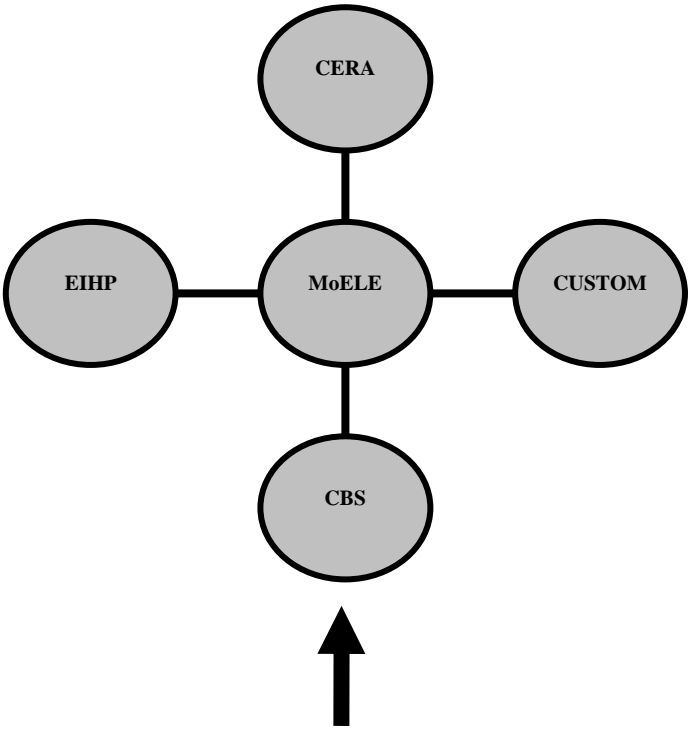
Among involved institutions will be two levels of usage privileges. Firs level of privileges will have MoELE, CERA, CBS, CUSTOM and EIHP with full access for usage of data according to their legal rights and obligations. The second level is level of institutions that are obligate to make input of data: HROTE, CCOSA, JANAF, PLINACRO, INA and HEP, with limited access to database except for their internal purpose according to legal rights and obligations.

INA is partially privatised company and HEP will be in one point of time, since it is EU energy legislative that require energy data gathering and reporting it is necessary that those companies are included in project as a peer entities.

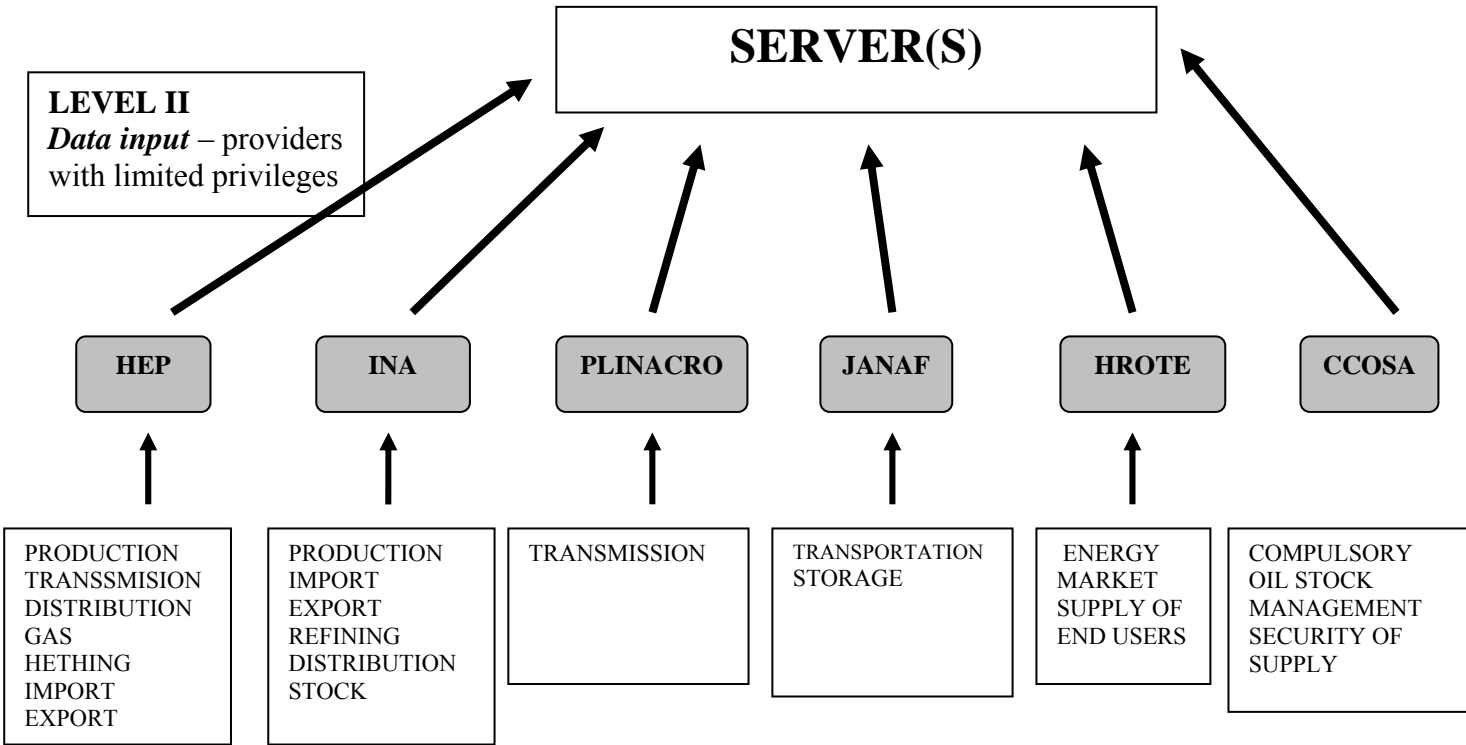
Institutional framework

Eurostat IEA UNECE Balance Strategies Questionnaires Other

LEVEL I
Data users – full privileges



LEVEL II
Data input – providers with limited privileges



MoELE (Department for energy and mining) The Energy Department carries out activities relating to energy balance of the Republic of Croatia, analyses the energy flows, the situation in the world energy sources market, considers the energy source price issues, carries out activities relating to building of energy facilities, harmonizes the connection of energy systems of the Republic of Croatia with the systems of other countries, coordinates the energy system development with the development plans of the Republic of Croatia, proposes measures for efficient organization of energy activities, participates in drafting laws and regulations relating to energy sector, oversees and reviews economic measures affecting the status of legal persons in the energy sector, participates in drawing up and procedure of enactment of tariff systems and general conditions for particular energy sources and customer categories, oversees development programmes and business operations of companies in the energy sector, carries out reviews and prepares documentation for approval of energy related investment plans within the competence of the Ministry of the Economy, Labour and Entrepreneurship, follows up the development status of petroleum & gas management abroad, proposes activities relating to energy efficiency area and the area of renewable energy resources, participates in activities referring to bilateral and multilateral agreements of the Republic of Croatia in the energy sector; organizes promotion activities and carries out other activities within its scope.

CERA is an autonomous, independent and non profit public institution with responsibilities of the body which carries out regulation of energy activities in the Republic of Croatia, in accordance with the Law on regulation of energy activities, Energy law and other laws which define regulation of different energy activities. It passes regulations within the energy sector under these Laws and regulations which regulate the performance of particular energy activities, giving opinions or consent regarding the rules and regulations within the energy sector. Also collects and processing data regarding the activities of energy undertakings, supervises over the service quality provided by energy undertakings, participates in the energy policy design, and cooperates with ministries and responsible inspection boards in accordance with applicable laws.

HROTE Opening of electricity market represents an irreversible process. In an increasingly complex electricity supply system HROTE implements market rules and surveys relationships among market participants. Public awareness of environmental protection and sustainable energy development favors the promotion of energy efficiency and use of renewable energy sources. HROTE has an important role in intensifying electricity production from renewable energy sources and cogeneration.

HEP In accordance with energy legislation, on 1 July 2002 HEP d.d. was transformed into HEP Group - a system of related companies performing core electric activities and auxiliary activities. HEP Group is a holding consisting of a parent company or HEP d.d. and its subsidiary companies. Given that a holding does not constitute a legal entity in its own right, HEP Group is not one either. Only individual companies within the holding are legal persons. In other words, HEP Group is a group of legally independent related companies which are subsidiaries of its founder (HEP d.d.). While retaining title to assets the parent contractually transfers them to its subsidiaries or daughter companies for management and has the final responsibility for the provision of public service and competitiveness on market.

INA is vertically integrated oil and gas company operating in oil and gas exploration and production, refining and marketing of oil products. Its subsidiaries are engaged in LPG

business, natural gas transportation and providing integrated oilfield services. INA is a medium-sized European oil company and a significant regional player.

JANAF Joint Stock Co.(JANAF Plc.), headquartered in Zagreb, in charge of managing the Adriatic oil pipeline system designed and built in the period from 1974 to 1979, as modern, efficacious, and cost-efficient crude oil transportation system for both local and foreign users. Along with crude oil transportation, other major activities of JANAF Plc. are also reloading and storage of crude oil and oil products.

PLINACRO As an independent legal subject, PLINACRO was established in 2001, though with a long tradition and experience in performing natural gas transmission by high pressure pipelines to distributors and industrial consumers in north and east Croatia. On January 19, 2001 a company PLINACRO Ltd was established and registered as a member of INA group, 100% owned by INA Plc, while from March 11. 2003 the company became a state-owned company.

CCOSA Newly established agency for Croatian Compulsory Oil Stocks (O.J. 57/2006). The main objective of agency is establishment and management of 90 days compulsory oil stock and security of supply according to EU directive.

EIHP Energy Institute *Hrvoje Požar* grew upon a fifty year old tradition of energy sector planning. The Institute directed its development toward the fulfilment of requirements posed before the Republic of Croatia on its way toward becoming a modern state fully integrated into Europe. Both tradition and knowledge have always been respected at the Institute. At the same time, new skills have been built and new scientific methods developed, the Institute's personnel has been educated and new knowledge acquired. This means that an entire infrastructure, needed to accomplish all tasks and requests posed by the future, had to be built. The Institute's main challenge lies in the transformation of the Croatian energy system into an open energy market that conforms with the legislative, formal and institutional structures as they are defined by the Directives of the European Union.

CBS The operation of the Bureau is based on The Official Statistics Act. Its regular statistical surveys are based on the Programme of Statistical Surveys of the Republic of Croatia 2004 - 2007, which also gathered other institutions and ministries that make, together with the Bureau, the system of the official statistics.

CUSTOM is an administrative organisation within the Ministry of Finance containing organisational units responsible for the application of customs laws and regulations.

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

Impact and catalytic effect

Implementation of this project will establish energy data management system for Republic of Croatia accordingly to EU requirements in order to fulfil obligations of EU Member State in shorter time than it would be without financing. Additionality is ensured. EU funding will not replace other funding from the government or other donors and the EU funded intervention/project will result in benefits which would not occur otherwise.

Sustainability

The equipment provided to the involved institutions in the project will be maintained by their own means, the necessary costs will be envisaged in each institutions yearly budget. For IT

equipment supply national-financing will be earmarked in the state budget after signing the Financing Proposal and adopting state budget for the years in question. IPA financing will not displace other financiers.

Cross border impact

This project has no cross border impact.

3.3 Results and measurable indicators:

Results and measurable indicators in relation with activity 1

- Management information system for linking administrative and survey data
- Optimal structure for data management system recommended
- Precise requirements for data management software developed
- Plan of unification and co-ordination, as well as recommendations for linking together – in the joint system for the each individual institution and the whole system
- Model of data management system developed
- EU compatible administrative data together with the appropriate processing tools
- Available and reliable data for filling up all kind of questionnaires
- Satisfactory volume and quality of data gathered according to needs and standards

Results and measurable indicators in relation with activity 2

- Data management software developed
- Information system developed
- Software programmed to meet demands of integrated system for all involved institutions developed
- Manual of software system prepared
- Staff of involved institutions trained – approximately 22 employees
- Implemented data management system tested
- Ability to gather, manage, analyze and communicate energy data

Results and measurable indicators in relation with activity 3

- Necessary and adequate supply procured and installed
- Properly working IT components and network
- Interconnections are in place and web communication and data security is in proper order

3.4 Activities:

Activity 1

Operational and institutional framework that will be implemented through **Contract 1: Twinning Covenant**

Activity 1.1 Assessment of present situation concerning energy data management

Activity 1.2 Listings of necessary administrative data required by EU

Activity 1.3 Methodological and technical preparation of integration of harmonized data from administrative sources

Activity 1.4 Preparation and analysis of draft data sets which will be used by Web-based technology system to manage collection, processing and data exchange (IT data infrastructure), for all sources and specific – for each source

Activity 1.5 Draft of architecture for information system, technical and applicable assumptions, including safety of information system and data back up

Activity 1.6 Making recommendations for energy data software development

A long-term advisor (RTA) will be primarily responsible for these activities. The tasks will be performed at Ministry of Economy, Labor and Entrepreneurship, Department for Energy and Mining and other state institutions and industry subjects.

The Twinning contract will start approximately six months earlier than technical assistance contract, for assessment of present situation and necessary preparation of work for IT contract. It is expected to provide a description of existing obstacles, define tasks, functions, prerequisite for methodology for energy administrative data management system and cooperation among involved institutions, the number of reporting units included into administrative source, the methodology used for data processing, calculating and defining indicators.

This technical project should be worked-out for each administrative source separately. The process of integrating administrative sources into management system will differ in difficulty, depending on the types of information systems.

Profile of the long-term advisor for twinning:

- Experience with EU legislative implementation
- Senior expert in the field of Energy
- Familiar with data requirements and legislative in EU for Energy sector
- Strong background in field of electricity, gas, oil and oil derivatives
- Excellent knowledge of IT
- Minimum 10 years of adequate experience
- Experience with a similar project is an asset
- Good managerial and communication skills, ability to explain and deliver substance of the subject in clear and understandable way

Activity 2

IT programming that will be implemented through **Contract 2: Service contract for development of new tailor made software**

Activity 1.1 Software development for data collecting and processing

Activity 1.2 Networking

Activity 1.3 Making recommendations for equipment procurement

Activity 1.4 Presentation of database model

Activity 1.5 Testing of implemented software

Activity 1.6 Launching of functioning model into the praxis

Activity 1.7 Preparation instructions and Manual

Activity 1.8 Training of staff of all involved institutions

Detailed specification of software will be worked out in collaboration between the twinning and TA experts on the basis of information needs and users requirements. Software will be

prepared for data inputs and transfer the data from different sources into the administrative database, for recalculations of input data following the adopted methodologies.

Training of staff of involved institutions 2 joint training seminars to be held with a purpose – at first, to get acquainted with a developed energy data management system model designed by expert amended with data transmission solutions and to make conclusions on best solutions for Croatia: at second, to obtain extensive knowledge on how to use energy data management system and practical skills. Seminars are to be held by service company based on the fact that service provider is the system developer and therefore knows the system best of all. Seminar will attend approximately 22 people from all involved institutions.

The project is demanding regarding the number of institutions involved. Therefore, different information systems used in relevant institutions require specific software allowing data transmission.

Profile of team leader:

- Senior expert in the field of IT/programming/database development
- Excellent knowledge of IT
- Excellent knowledge of software development
- Minimum 10 years of adequate experience
- Experience with similar project is mandatory
- Good managerial and communication skill, ability to explain and deliver substance of the subject in clear and understandable way

Activity 3

Procurement that will be implemented through **Contract 3: Technical equipment supply**

Activity 1.1 Supply of necessary equipment and data protection applications

Activity 1.2 Installation of purchased equipment

National joint co-financing will be earmarked in the state budget after signing the Financing Proposal and adopting state budget for the years in question.

Hardware and software acquisition for implementation of the energy data management system (detailed information in Annex IV).

The equipment directly contributes to successful implementation of energy data management system. Data will be gathered and analyzed from different administrative sources. All technical equipment will be used by employees of all involved institutions for energy data management purposes exclusively. The ownership of all procured equipment will have Ministry of Economy, Labor and Entrepreneurship (MoELE).

3.5 Conditionality and sequencing:

The project is conditional on the national co-financing being available for the equipment component of the project. Adequate number of component staffing which is in charge of the realization of project in the involved institutions has to be in place for implementing and monitoring the project activities. The beneficiaries will provide the necessary working environment including appropriate office facilities.

Ministry has already introduced involved institutions with project purpose. Reached is agreement concerning mutual cooperation and the involved institutions will provide adequate working environment for contracting parties.

3.6 Linked activities

Not applicable.

3.7 Lessons learned

There have not been any previous IPA projects in the areas of energy data management system as of institutional co-operation and designing of incorporated IT system. The experiences and expertise of previous CARDS projects will be taken into account. Description of technical specifications for the planned equipment cannot be too detailed, because as previous experience suggests, technical solutions planned before some time, could become outdated by the time of project implementation due to very fast development of information technologies. For this reason there should be an opportunity for minor changes in specifications of equipment. The project design builds on the project management skills and experience obtained during the process of designing and implementing projects related to other fields.

4. Indicative Budget (amounts in €)

	TOTAL PUBLIC COST	SOURCES OF FUNDING									
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION					PRIVATE
		Total	% *	IB	INV	Total	Type of cofinancing (J / P) **	% *	Central	Regional	IFIs
Activity / Contract 1 Twinning	700.000 €	700.000€	100%	IB							
Activity / Contract 2 Technical assistance	300.000€	300.000€	100%	IB							
Activity / Contract 3 Supply	95.000€	71.000€	75%		INV	24.000€	J	25%			
Total	1.095.000€	1.071.000	98%			24.000		2%			

** compulsory for INV (minimum of 25 % of total EU + national public contribution) : Joint cofinancing (J) as the rule, parallel co financing (P) per exception

* expressed in % of the Total Public Cost

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

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1. Twinning Covenant	4Q/ 2007	Q2/ 2008	Q4/2009
Contract 2. Service contract for development of new	4Q/ 2007	Q2/ 2008	Q4/2009

software			
Contract 3. Technical equipment supply	Q4/ 2008	Q2/ 2009	Q3/2009

6. Cross cutting issues (where applicable)

6.1 Equal Opportunity

Equal access regardless of sex, nationality, racial or ethnic origin, religion or belief, disability, age or sexual orientation will be guaranteed for participation in the project. Equal opportunities will be ensured by the Steering Committee during the project implementation.

6.2 Environment

The project will not have any negative effects on the environment.

6.3 Minorities

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal opportunity for minorities.

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3 - Reference to laws, regulations and strategic documents:
 - Reference list of relevant laws and regulations
 - Reference to AP /NPAA / EP / SAA
 - Reference to MIPD
 - Reference to National Development Plan
 - Reference to national / sector investment plans
- 4 - Details per EU funded contract

ANNEX I

Logical Framework Matrix

Energy Administrative Data Management		Programme name and number IPA 2007	[Cris number] 2007/019-247
Ministry of the Economy, Labour and Entrepreneurship Directorate for Energy and Mining			
		Total budget: 1.095.000 €	IPA budget: 1.071.000 €
Overall objective	Objectively Verifiable Indicators	Sources of Verification	
<ul style="list-style-type: none"> Harmonized legislation and implementation to the <i>Acquis communautaire</i> for the energy sector in administrative data management which will provide adequate administrative information to the Government of Croatia and to the EU 	<ul style="list-style-type: none"> Use of administrative data in the framework of the European Commission of Administrative data in Energy sector Availability of annually, quarterly and monthly administrative data relevant to the decision making at national and EU level 	<ul style="list-style-type: none"> EU Progress Report Reports of Central Bureau of Statistics (CBS) Reports of Directorate for Energy and Mining of data that are not covered by CBS 	
Project purpose	Objectively Verifiable Indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> To set up a national system of administrative registers on energy usage and to develop management information system which coordinate the information with the national and international institutions 	<ul style="list-style-type: none"> Evaluation and comparison of the compatibility with the monthly EU administrative data on energy (electricity, oil and gas) and development of software tools for processing administrative data Institution support and training (e.g. for monthly energy administrative data survey) Operational system of administrative registers that will enable linking of various energy data Implementation of EU directives 	<ul style="list-style-type: none"> Project Reports Independent Evaluation reports Monitoring reports Annual report of Agency Statistical office reports Reports useable by domestic and international institutions 	<ul style="list-style-type: none"> Allocated budgetary resources are sufficient for the successful project outcome Enough human resources will be provided Support from other relevant institutions

Results	Objectively Verifiable Indicators	Sources of Verification	Assumptions
<ul style="list-style-type: none"> • Management information system for linking administrative and survey data • Provision of good quality energy administrative data to European Commission and national users • Optimal structure for data management system recommended • Precise requirements for data management software developed • Plan of unification and co-ordination, as well as recommendations for linking together – in the joint system for the each individual institution and the whole • Model of data management system developed • Data management software developed • Information system developed • Software programmed to meet demands of integrated system for all involved institutions developed • Manual of software system prepared • Staff of involved institutions trained • Implemented data management system tested • Necessary and adequate supply procured and installed 	<ul style="list-style-type: none"> • EU compatible administrative data together with the appropriate processing tools • Available and reliable data for filling up all kind of questionnaires • Software produced • Satisfactory volume and quality of data gathered according to needs and standards • Approximately 22 people trained to use software from the involved institutions • Ability to gather, manage, analyze and communicate energy data • Supplied equipment installed and functioning 	<ul style="list-style-type: none"> • Rules and regulations compliant with, and implementing of EU legislation • Administrative survey and establishment of database available and compatible with EU requirements • Software installed • National program of administrative surveys • Provisions of data to European Commission 	<ul style="list-style-type: none"> • Availability of long-term experts with very specific knowledge to address the particular issues • The project will be implemented
Activities	Means	Specification of costs	Assumptions
<ol style="list-style-type: none"> 1. Assessment of present situation concerning energy data management 2. Listings of necessary administrative data required by EU 3. Methodological and technical preparation of integration of harmonized data from administrative sources 	<ul style="list-style-type: none"> • Contract 1 – Twinning contract 700.000€ 		<ul style="list-style-type: none"> • Twinning assistance selected according to the rules • Personal capacities and project management in the beneficiary institutions ensured • Co-operation and support from relevant institutions • Contractor will provide staff with sufficient knowledge

<p>4. Preparation and analysis of draft data sets which will be used by Web-based technology system to manage collection, processing and data exchange (IT data infrastructure),</p> <p>5. Draft of architecture for information system, technical and applicable assumptions, including safety of information system and data back up</p> <p>6. Making recommendations for energy data software development</p> <p>1. Software development for data collecting and processing</p> <p>2. Networking</p> <p>3. Making recommendations for equipment procurement</p> <p>4. Presentation of database model</p> <p>5. Testing of implemented software</p> <p>6. Launching of functioning model into the praxis</p> <p>7. Preparation instructions and Manual</p> <p>8. Training of staff of all involved institutions</p> <p>1. Supply of necessary equipment and data protection applications</p> <p>2. Installation of purchased equipment</p>	<ul style="list-style-type: none"> • Contract 2 - Service for tailor made software development 300.000€ • Contract 3 - Supply 95.000€ 		<ul style="list-style-type: none"> • Software will be developed • Supply delivered
			<ul style="list-style-type: none"> • Necessary resources provided by the state budget • Adequate number of the competent staffing which is in charge of the realization of the project in the involved institutions has to be in place for implementing and monitoring project activities

ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project

Comment: Amend according to point 5 and the budget allocation and cumulate (add up to the total)

Contracted	2008 Q1	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010 Q1	2010 Q2	2010 Q3
Contract 1 Twinning Covenant		116667	116667	116667	116667	116667	116667				
Contract 2 Service contract for development of new software				115000	100000	100000	115000				
Contract 3 Technical equipment supply						32500	32500				
Cumulated		116667	116667	231667	216667	249167		1 095 000			
Disbursed											
Contract 1 Twinning Covenant		116667	116667	116667	116667	116667	116667				
Contract 2 Service contract for development of new software				115000	100000	100000	115000				
Contract 3 Technical equipment supply						32500	32500				
Disbursed		116667	116667	231667	216667	249167	264167				1 095 000

ANNEX III - Reference to laws, regulations and strategic documents: Annex III

LIST OF RELEVANT LAWS AND REGULATIONS

Croatian legislation:

- Energy sector development strategy of the Republic of Croatia *Official Journal* 38/2002
- The Energy Act *Official Journal* 68/2001, 177/2004
- Ordinance on energy balances *Official Journal* 33/2003
- Act on oil and petroleum product market *Official Journal* 57/2006
- Ordinance on reporting of data by energy undertakings performing the activity of wholesale and/or retail sale of petroleum products and energy undertakings performing the activity of production of petroleum products *Ordinance is in preparation phase and implementation is planned during year 2007.*
- NPIEU CHAPTER 3.15.2: mid - term priorities in harmonizing legislation (accession partnership) - projections for year 2007. and year 2008.
- Stabilization and Association Agreement COM(2001) 371 final Article 101. page 56

European Commission legislation:

- Commission Regulation (EC) No 2386/96 of 16 December 1996 applying Council Regulation (EC) No 736/96 of 22 April 1996 on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors (Text with EEA relevance)
- Council Regulation (EC) No 736/96 of 22 April 1996 on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity
- 1999/280/EC: Council Decision of 22 April 1999 regarding a Community procedure for information and consultation on crude oil supply costs and the consumer prices of petroleum products
- Council Regulation (EC) No 2964/95 of 20 December 1995 introducing registration for crude oil imports and deliveries in the Community
- Council Directive 90/377/EEC of 29 June 1990 concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users
- Commission Recommendation No 2393/96/ECSC of 16 December 1996 amending Recommendation 91/141/ECSC concerning the questionnaires contained in the Annex
- Commission Recommendation No 2393/96/ECSC of 16 December 1996 amending Recommendation 91/141/ECSC concerning the questionnaires contained in the Annex

Reference to AP /NPAA / EP / SAA

NPIEU Chapter 3.15.2, Progress report COM(2006) 469 final, AP COM(2005) 556 final, SAA COM(2001) article 101.

Reference to MIPD

Multi-annual Indicative Planning Document page 10 section (ii) and page 13

Reference to National Development Plan

Reference to national / sector investment plans

ANNEX IV - Details per EU funded contract (*) where applicable:

For *TA contracts*: account of tasks expected from the contractor

- Building up network among involved institutions
- Examine the possibilities offered by various data base management technologies
- Working out technical project as complex basis for programming, which will solve integration of data set into the program
- Development of tailor made software for energy data management
- Making technical recommendations for equipment procurement
- Presentation of database model to involved institutions
- Testing upon implementation of software
- Carrying out pilot project- filling in information systems with data, solving of data compatibility and functionality
- Launching of functioning model into the praxis
- Writing instructions and Manual
- Holding a training of staff of all involved institutions (approximately 22 employees)
- Other activities related to the methodological and technical preparation of the central data base

For *twinning covenants*: account of tasks expected from the resident twinning advisor and short term experts

- Give assessment of present situation concerning energy data management
- Make analysis of the EU legal framework, EU recommendations for methodology in the field, use of administrative sources for data management system
- Provide Listings of necessary administrative data required by EU
- Methodological and technical preparation of integration of harmonized data from administrative sources
- Use of administrative sources for purposes of developing data management system
- Prepare and analyze draft data sets which will be used by Web-based technology system to manage collection, processing and data exchange (IT data infrastructure)
- Building up co-operation networks with individual administrators of relevant administrative sources (technical and economic)
- Making analysis of administrative sources (technical, economic and methodological)
- Making analysis of alignment of integration tools
- Working-out a draft set of indicators and integration tools for administrative data sources
- Working-out draft of general (for all sources) and specific (for each) source
- Drafting of architecture for information system, technical and applicable assumptions, including safety of information system and data back up
- Make recommendations for energy data management software development

For *investment contracts*: reference list of feasibility study as well as technical specifications and cost price schedule + section to be filled in on investment criteria (**)

Database server ProLiant ML570 G4,
WEB server ProLiant ML370 G5 ,
Firewall Check Point VPN-1 UTM Edge Appliance,
Personal Computer dc7700SFF dc7700SFF C2D E6300 80GB 1GB DVD XP Pro 3/3/3,
Monitor L1740 HP L1740 17" LCD,
Printers Color Laserjet 3600,
Scanners ScanJet 7800 Document scanner,
Laptops HP Compaq nc6320 Processor Intel Core 2 DUO T2700 1024 MB RAM 100 GB
HDD DVD+/-RW 15" SXGA+ WVA display Microsoft Windows XP Professional
Installation of specified equipment.

According to above mentioned equipment specifications it is performed market analysis. The results of analysis and price schedules are shown in Annex 4.

(**) section on investment criteria (applicable to all infrastructure contracts and constructing works):

- Rate of return
- Co financing

National joint co-financing will be earmarked in the state budget after signing the Financing Proposal and adopting state budget for the years in question.

- compliance with state aids provisions

Project has no compliance with state aids provisions.

- Ownership of assets (current and after project completion)

The ownership of all procured equipment will have Ministry of Economy, Labor and Entrepreneurship (MoELE).