Standard Summary Project Fiche

Project Number CZ 9905.01

FV31/5/99

Title
Support to National Aid Co-ordination and the CFCU

Sub-Programme
Management

Geographical Location
Ministry of Finance

Objectives
This Project aims at further strengthening of structures within the Ministry of Finance necessary for the programming and implementation of EU aid programme support. At the end of the project the Ministry should be capable of managing the EU aid programmes without any further financial support from Phare.

Institutional Framework

According to the Competence Act N. 2/69 the responsibility for overall co-ordination and receipt of foreign assistance rests with the Ministry of Finance as the National Aid Co-ordinator. On the basis of the MoU signed on 12 October 1998 between the EC and the National Aid Co-ordinator on behalf of the CR, the National Fund (NF) as the Central Treasury Entity within the Ministry of Finance was established on 31 December 1998. The task of the NF is to channel the financial means coming from the EU towards recipients in the CR. The NF is headed by the First Deputy Minister who is the National Authorising Officer (NAO) responsible for the financial management of EU funds.

At present the Centre for Foreign Assistance (CFA, a department of the Ministry), as the administrative body of the National Aid Co-ordinator, is responsible for overall co-ordination of programming and the implementation, and general monitoring of the EU Aid Programmes in the CR.

In line with the transformation of the EU aid programmes this new organisation should ensure in the forthcoming period:

• effective overall co-ordination of the EU aid programmes including its relations to other forms of foreign assistance (Multi-beneficiary programmes etc.)
• improvement of programme/projects preparation, implementation and monitoring to reach indicated objectives
• better assessment of the achieved results
• general publicity of the EU assistance coming to the CR
Description

This 0.15 MEUR Project builds on similar on-going activities under the 1995, 1997 and 1998 Phare Programmes in support of the transformation and expansion of the CFA, including for the CFA to be increasingly staffed and financed by the Ministry itself.

Phare support under 1995, 1997, 1998 and 1999 Programmes will provide a total of 1.2 MEUR in support of the CFA over the three calendar year period 1998-2000.

The Ministry of Finance co-funds the CFA, to a sum of approximately 1.4 MEUR, over the same period (see Annex 5 regarding the digressive phasing-out of Phare support to the CFA).

A Memorandum of Understanding covering the digressive phasing out of Phare support for the operational costs of the CFA through to the year 2001 is under preparation and will be signed between the National Co-ordinator and the European Commission as soon as possible. Under this MoU, no further Phare financing will be provided for the operational costs of the Co-ordination Unit or CFCU after 1 January 2001.

The Project consists of 6 areas of support, for which budgetary allocations are expressed in percentage terms, covering both Ministry of Finance and Phare Programme support over the whole period 1998 - 2000 (for more detailed financial breakdown, see Annex 5):

1. **Czech Expertise (T.A.)**

   Approximately 40% of the CFA’s total costs over the period 1998 - 2000, is provided for Czech Expertise: Ministry staff, short- and long-term local consultants/experts.

   Phare support will be provided for external Czech T.A. (primarily long-term, full-time), primarily to the Programming and Co-ordination Unit but also to the CFCU in the area of project administration (contracting and payments).

2. **EU Expertise (T.A.)**

   Approximately 14% of the CFA’s total costs over the period 1998 - 2000, is provided for EU Expertise: short- and long-term EU consultants/experts.

   Phare support will be provided for EU T.A. (primarily long-term, part-time), to be provided to the Programming and Co-ordination Unit and to the CFCU.

3. **Business Trips/Study Visits/Training**

   Approximately 5% of the CFA’s total costs over the period 1998 - 2000, is provided for Business Trips/Study Visits/Training of members of the Department.

   Phare support will be provided to cover: mission costs relating to essential travel linked to implementation of the Phare Programme, plus training on European integration related matters, Structural Funds and other forms of Community assistance, management training, language training, computer training, etc.

4. **Equipment**

   Approximately 8% of the CFA’s total costs over the period 1998 - 2000, is provided for Equipment: new equipment, plus maintenance costs.

   Phare support will be provided for the supply and up-grade of equipment.

5. **Logistical Support**
Approximately 30% of the CFA’s total costs over the period 1998 - 2000, is provided for Logistical Support: core running costs such as utilities, premises, insurance, communications, small supplies and services etc..

Phare support will be provided to cover the cost of tender advertisements in the local press, translations, messenger/courier service, dispatch of tender documentation etc..

6. Reserve

Approximately 3% of the CFA’s total costs over the period 1998 - 2000 are set-aside as a Reserve, to be allocated to the five areas of support mentioned above, in light of actual needs.

### Budget

<table>
<thead>
<tr>
<th>Sub-Project</th>
<th>Inst. Build. (IB)</th>
<th>Invest. (I)</th>
<th>Total Phare</th>
<th>Recipient</th>
<th>IFI</th>
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<tr>
<td>Support to National Aid Co-ordination and the CFCU</td>
<td>0.15 MEUR</td>
<td>0.15 MEUR</td>
<td>See Annex 5</td>
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<td><strong>0.15</strong></td>
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<td><strong>0.15 MEUR</strong></td>
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</table>

*IB = Institution Building, I = Investment, IFI = International Financial Institution*

### Implementation Arrangements

Responsibility for the administration related to the procedural aspects of procurement, contracting and accountancy will rest upon the CFCU. Responsibility for the administration related to the preparation, technical control and implementation will rest with the CFA (Department 46) at the Ministry of Finance.

#### Implementation Schedule

- Start of tendering: 3Q/99
- Start of project activity: 4Q/99
- Completion: 1Q/01

### Equal Opportunity

Equal opportunity principles and practices in ensuring equitable gender participation in the Project will be guaranteed.

### Conditionality and Sequencing

This Project is conditional on signature by the National Co-ordinator and the European Commission of a Memorandum of Understanding covering Phare support for the operational costs of the Department.
Annexes to Project Fiche

1. Logframe Matrix
2. Detailed Cost Breakdown for Sub-Projects
3. Detailed Implementation Chart
4. Contracting and Disbursement Schedule for the Project
5. Relation of Project with Previous Phare Activities and On-Going Projects Financed from Other Sources
## Management

<table>
<thead>
<tr>
<th>Project Number</th>
<th>Project Title</th>
<th>Support to National Aid Co-ordination and the CFCU</th>
<th>Total Budget</th>
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<th>Cont. exp. date:</th>
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<td>02/99</td>
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### Immediate Objectives

**To ensure Ministry of Finance’s effective administration of European Commission support to the Czech Republic**
- Phare 1999 and on-going support is effectively administered, meeting Programme objectives
- Preparation of Agenda 2000 support Programmes
- Reports from the NAC, NAO, the European Commission
- The European Commission’s Monitoring and Assessment services
- Positive co-operation between ministries
- National Fund established and procedures agreed for operation with the European Commission

### Results of Projects

**To assist the transformation of the existing Centre for Foreign Assistance into fully financed, staffed and integrated Departments/Units within the Ministry of Finance**
- Ministry progressively provides additional staffing for Phare programming, administration and CFCU management, starting from January 1999
- Monitoring of programmes implementation
- CFCU management in line with Commission requirements for assistance programmes
- NAC
- NAO
- The European Commission’s Monitoring and Assessment services

### Outputs of Sub-Projects

- Effective co-ordination, programming, monitoring, assessment, evaluation of all Phare Programme support to the Czech Republic
- Effective administration and contracting of the Phare Programme
- Phare funds fully contracted
- Closer co-ordination between National and Multi-beneficiary Phare Programmes
- Closer co-ordination between Phare Programme and Government actions
- NAC, NAO, the European Commission
- Perseus figures
- Monitoring and Assessment services

### Inputs

- T.A., Study Visits, Staff Training, Logistical Support, Equipment

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**Annex 1**
<table>
<thead>
<tr>
<th>Sub-Project</th>
<th>Institution Building (IB)</th>
<th>Investment (IN)</th>
<th>Total Phare (= IB + IN)</th>
<th>Recipient Co-financing</th>
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Annex 3
### Cumulative Quarterly Contracting Schedule (MEUR)

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<th>2Q 00</th>
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<th>4Q 00</th>
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### Cumulative Quarterly Disbursement Schedule (MEUR)

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<th>4Q 99</th>
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Annex 5

Relation of project with previous Phare activities and on-going projects financed from other sources

Please see annex 5 of the Financing Proposal.