STANDARD SUMMARY PROJECT FICHE - TRANSITION FACILITY

1. Basic Information
   1.1 CRIS Number: CZ 2004/006-237/04.04
   1.2 Title: Evaluation of EU-funded measures (Phase I – Transition Facility)
   1.3 Sector: Internal Market
   1.4 Location: Czech Republic

2. Objectives
   2.1 Overall Objective:
   The efficient and effective management of EU funds in the Czech Republic

2.2 Project purpose:
   The efficient and effective management of Transition Facility programme in the Czech Republic.
   Development of national evaluation capacity.

2.3 Justification
   Evaluation of EU-funded programmes and projects is in accordance with the principle of “sound financial management” and “project cycle management” as stated in the Council Regulation No 1605/2002 on the Financial Regulation and Commission regulation No 2342/2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002.
   Interim Evaluation of Transition Facility projects is explicitly required by the Programming and Implementation Guide on Transitional Facility, as well as the Accession Treaty (Art. 34).
   During the decentralization of evaluation function for EU funds, it has been also highlighted by the European Commission that evaluation of public funds in general should be promoted by the public administration (e.g. A Guide to Accession Negotiations, meetings of Evaluation Advisory Group).

3. Description
   3.1 Background and justification:
   The requirement for monitoring and evaluation of EU-funded projects stems from the desire to maximise the effect of the EU pre-accession assistance, to minimise the shortfalls and to apply lessons learned. Formally, evaluation of Community funds is required by the EC Financial Regulation 1605/2002 of 25 June 2002, the Accession Treaty, documents related to EDIS (Extended Decentralised Implementation System), as well as the respective FMs. The 2003 Phare FMs stipulate that interim evaluation should be undertaken by an independent evaluator. According to the Co-ordination Regulation (Council Regulation No. 1266/1999), Article 11, expenditure relating to the monitoring, inspection and evaluation of pre-accession aid can be financed also from Phare.
   In the Czech Republic, originally formal monitoring and evaluation was ensured by the EC under the Phare Assessment Scheme via an external contractor operating from 1996 and producing monitoring and assessment reports. In 2000, the functions and responsibilities were split, monitoring going to the national authorities and evaluation being retained by the EC (interim evaluation reports produced by another external contractor – EMS under the Phare Interim Evaluation Service).
   With the end of the EMS contract on 31 July 2003, the responsibility, in preparation for accession and in the context of EDIS (Extended Decentralised Implementation System), was decentralised to national authorities. As of this date, therefore, the responsibility for the interim evaluation function (methodology, commissioning, quality-check, follow-up etc.) was handed over to the NACs of individual CCs.
   The transfer of responsibility for interim evaluation to the NAC triggers the need to ensure sufficient personal and professional capacity to manage the evaluation function. In order to build this capacity, continuous training is needed using the experience of more advanced Member States or private professional organisations specialised in evaluation.

3.2 Linked activities:
   The Project is follow up of Project Interim Evaluation of EU-funded Projects financed from Phare CZ2003/004-338.07.03 which covers interim evaluation of on-going Phare programmes in 2004-2006 and a
training component. Before, interim evaluation of Phare was assured through Multi country “Phare assessment scheme” project (ZZ0003), covering the interim evaluation of Phare assistance until July 2003 (contracted by the EC to the EMS consortium).

Within National Phare Programme (NPP) 2001 (in particular project CZ 01-09-01 “Management and Control of EU Funds and National Budget Resources/Preparation for EDIS”), there are several activities related to evaluation:

1) Under Technical Assistance contract with external consultant ex-post evaluations of selected projects are carried-out in order to build-up on the existing evaluation activities (interim evaluation and general ex-post evaluation, which is under the responsibility of the EC). Consultant also provides assistance in form of seminars on evaluation.

2) Under the Twinning part of the project (with an Irish counterpart), several study tours/seminars have been undertaken in order to increase the evaluation and monitoring capacity of the UCFA.

Besides, a short-term EMS expert was assisting the NAC in the period August-November 2003 with the aim to contribute to the NAC ability to perform the interim evaluation function.

Also, the NAC-CFA participates at activities of the Evaluation Advisory Group (EAG), a body intended for exchange of information and best practices to help the CCs to develop monitoring and evaluation functions. These activities include meetings, reporting, exchange of information and know-how via the CIRCA web etc.

Under the Phare 2002 National Programme part 2 there are 4 projects which are designed to support bodies concerned with the preparation for Structural Funds. 3 of these are twinning projects at the Ministry for Regional Development, the Ministry of Industry and Trade, and the Ministry of Labour and Social Affairs (all projects to start in 3Q 2003 and last until 2005). All projects should touch upon the institutional capacity for evaluation for the SFs.

Continuation of the project is foreseen in a similar project aimed at interim evaluation of Transition Facility after this project expires until the end of Transition Facility, i.e. the period 2007-2009.

3.3 Results:
By the end of the project, the following results should be achieved:

- Recommendations for the efficient and effective implementation of on-going Transition Facility projects delivered by the contractor, adopted and implemented by the beneficiary and other bodies concerned.
- National capacity in monitoring and evaluation strengthened (know-how in terms of monitoring and evaluation delivered by the contractor and used by the beneficiary and other interested bodies).
- Horizontal recommendations on programming, monitoring and evaluation of EU assistance under the authority of the beneficiary delivered by the contractor and adopted by the beneficiary.
- Web-page on evaluation created, containing methodological guidelines and information on on-going evaluations of EU-funded programmes (Phare and Transition Facility)

3.4 Activities:
Activities under the project will be delivered through one service contract:

Technical assistance 0.7 M€
- Elaboration of about 24 sectoral Interim Evaluation Reports including recommendations
- Elaboration of 2 Country Summary Reports including recommendations
- Delivery of 30 man-days of training on evaluation and monitoring of public funds to the beneficiary and other relevant bodies
- Development of web-page on evaluation

The interim evaluation of Transition Facility will be coordinated with interim evaluation of Phare programmes (carried out under a different contract) in terms of timing (e.g. the kick-off and de-briefing meetings will cover both Phare and TF projects in the sector)

3.5 Lessons learned:
The project follows the recommendation of Country Summary Report issued in June 2003 by EMS consortium where it is stated that interim evaluation should be paid more attention in the management of the EU funds. It is further recommended that Centre for Foreign Assistance should make a strategy and a work plan for Interim Evaluation activities during the remaining period of validity of Phare and Transition Facility.

The project also applies recommendations given to the CFA in the framework of the Evaluation Advisory Group, especially recommendations addressing the need for building of the national capacity and obligations resulting from the EDIS procedure.

4. Institutional Framework
The main beneficiary of the project is the Centre for Foreign Assistance (CFA) at the Ministry of Finance. The CFA, as the executive branch of the National Aid Coordinator, is responsible for co-ordination of the programming, monitoring and assessment of EU assistance to the Czech Republic (in accordance with the Competence Act (2/1969 as amended) and with the Government Resolution No. 275/2002 from 18 March 2002).

The CFA, which is a department of the MoF, consists of three units: Unit for Co-ordination of Foreign Assistance (UCFA), Central Financing and Contracting Unit (CFCU) and Unit for EU Assistance to the MoF and finance non-banking sector (SPO).

The UCFA is responsible for the day-to-day co-ordination of EU assistance to the Czech Republic, supporting line ministries with the drafting of programme/project proposals and negotiations with the European Commission (EC) and with programme/project implementation, monitoring and evaluation.

The responsibility for interim evaluation of the EU assistance was transferred to the NAC on 1 August 2003. In order to ensure separation of the evaluation function from programming and monitoring, the management of the evaluation function will be transferred from the UCFA responsibilities under the direct responsibility of the CFA Director (with a change of organisational structure of the Ministry of Finance applicable from 1 January 2004). The CFA will ensure the follow-up through systematic monitoring of implementation of the agreed recommendations (via the SMSC system). In case an appropriate action is not taken by the beneficiaries, the CFA may suggest to the National Authorising Officer (NAO) to discontinue funding of the particular project. This power is derived from the Government Resolution No. 275/2002 which stipulates that the NAC “oversees implementation of the approved programme documents and their priority objectives” and „collaborates with the NAO to formulate applications for money transfers from the European Commission to the Czech Republic“. A document is foreseen to be submitted to the Ministry of Finance/the Government providing for a more explicit backing of the NAC’s powers in respect to the follow-up to interim evaluation.

The Contractor will work under the guidance of the Director of the CFA.

5. Detailed Budget (M€)

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Transition Facility Support</th>
<th>National Cofinancing*</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total TF(=I+IB)</td>
</tr>
<tr>
<td>Service Contract</td>
<td>0.700</td>
<td>0.700</td>
<td>0.700</td>
</tr>
<tr>
<td>Total</td>
<td>0.700</td>
<td>0.700</td>
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</tbody>
</table>

6. Implementation Arrangements

6.1 Implementing Agency

The Central Finance and Contracts Unit (CFCU) is the Implementing Agency responsible for administrative and financial implementation of the project (tendering, contracting, payments). The contact person is Mr. Jan Slavíček, Programme Authoring Officer (PAO), phone +420-2-5704-4551, fax +420-2-5704-4550, e-mail: jan.slavicek@mfcr.cz

Responsibility for technical implementation of the project rests with the Ministry of Finance. The contact person is Ms Jana Stará, Senior Programme Officer (SPO) of the MoF and Finance Sector, Ministry of Finance, Letenská 15, Prague, tel. +4202587042612, fax +4257049236, e-mail: jana.stara@mfcr.cz

6.2 Twinning

N/A

6.3 Non-standard aspects

N/A

6.4 Contracts

(1) Technical Assistance 0.7 M€

7. Implementation Schedule

7.1 Start of tendering/call for proposals TA/3Q 2004
8. **Sustainability**

Since interim evaluation of Transition Facility must be ensured until the end of the programme, a follow-up project is foreseen (Phase II) covering interim evaluation of Transition Facility after this project expires until the end of Transition Facility, i.e. the period 2007-2009.

Within the CFA, an independent evaluation function will be established from 1 January under the direct responsibility of the CFA Director. It is foreseen that the evaluation function under the responsibility of the Ministry of Finance will be extended to all public funds. In this case, a follow-up project aimed at development of a National Evaluation Strategy would be desirable.

9. **Conditionality and sequencing**

- Good quality Monitoring reports are ensured by NAC.
- A distinct evaluation function must be established within the CFA by the start of the project, independent of the programming, implementation and monitoring of the EU assistance.

**ANNEXES TO PROJECT FICHE**

1. Logiframe planning matrix
2. Detailed implementation chart
3. Contracting and disbursement schedule
# LOGFRAME PLANNING MATRIX

**Programme name and number:** TF CZ 2004  
**Total Budget:** 0.700 M€  
**TF contribution:** 0.700 M€

## Overall objective

<table>
<thead>
<tr>
<th>Objective</th>
<th>Verifiable indicators</th>
<th>Sources of verification</th>
</tr>
</thead>
</table>
| • The ability to take on obligations of EU membership including the adherence to the aims of political, economic and monetary union | • Acknowledgement by the European Commission | • EC Reports for the Council and the European Parliament monitoring the further progress as to the adoption, implementation and enforcement of the acquis by the CR  
EC reports monitoring the evaluation of the EU funds by the new Member States (equivalent of Country Assessment Report, checks by DG Elarg – Evaluation Unit) |

## Project purpose

<table>
<thead>
<tr>
<th>Objective</th>
<th>Verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| • The efficient and effective management of Transition Facility programme in the Czech Republic  
• Development of national evaluation capacity | • Number of recommendations given in the IE Reports of Transition Facility is proportionally lower than the average number of recommendations given in IE reports for the Phare programme in the Czech Republic  
• Average number of recommendations given in the IE Reports lowered by 30% by the end of the project compared with the number in 2005  
• Evaluation bodies created at various points of the public administration, participation of the Czech Republic in the European Evaluation Society, creation of the Czech Evaluation Society | • IE Reports of Phare, IE Reports of TF  
• Regular project reports  
• Organigrammes of public bodies | • Knowledge gained from management of Phare programmes is used in the management of Transition Facility  
• Efforts aimed at development of the national evaluation capacity are coordinated between the Ministry of Finance, Ministry for Regional Development and other public bodies involved in evaluation (e.g. through Working Group for Evaluation and Technical Assistance under the CSF)  
• The Ministry of Finance assumes the responsibility for evaluation of public funds |
<table>
<thead>
<tr>
<th>Results</th>
<th>Objectively verifiable indicators</th>
<th>Sources of verification</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Recommendations for the efficient and effective implementation of on-going Transition Facility projects delivered by the contractor, adopted and implemented by the beneficiary and other bodies concerned.</td>
<td>• 90% of recommendations adopted and implemented according to deadlines set in the follow-up tables</td>
<td>• Questionnaires on the quality and usefulness of trainings</td>
<td>• Recommendations adopted are implemented by the beneficiaries and the management of TF programmes. In case an appropriate action is not taken by the beneficiaries, the CFA may suggest to the National Authorising Officer (NAO) to discontinue funding of the particular project.</td>
</tr>
<tr>
<td>• National capacity in monitoring and evaluation strengthened (know-how in terms of monitoring and evaluation delivered by the contractor and used by the beneficiary and other interested bodies).</td>
<td>• Approximately 30 people trained give positive answers to the questionnaires on the quality and usefulness of trainings</td>
<td>• Follow-up tables</td>
<td>• Beneficiary and other interested bodies apply knowledge gained from know-how transfer in evaluation of TF programmes</td>
</tr>
<tr>
<td>• Horizontal recommendations on programming, monitoring and evaluation of EU assistance under the authority of the beneficiary delivered by the contractor and adopted by the beneficiary.</td>
<td>• Web-page on evaluation functioning</td>
<td>• IE Reports</td>
<td></td>
</tr>
<tr>
<td>• Web-page on evaluation created, containing methodological guidelines and information on on-going evaluations of EU-funded programmes</td>
<td></td>
<td>• All Phare entities who have adopted recommendations</td>
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<td></td>
<td></td>
<td>• MoF web</td>
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<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Production of about 24 sectoral Interim Evaluation Reports including recommendations</td>
<td>Technical Assistance 0.7 M€</td>
<td>• Sufficient personal capacity at the side of the Czech authorities for absorption of know-how</td>
</tr>
<tr>
<td>• Production of 2 Country Summary Reports including recommendations</td>
<td>• about 30-month contract</td>
<td>• TF entities co-operate with the contractor, ensured by the NAC</td>
</tr>
<tr>
<td>• Delivery of 30 man-days of training on evaluation and monitoring of public funds to the beneficiary and other relevant bodies</td>
<td>• total about 1500 man-days</td>
<td>• Recommendations of the contractor adopted and applied by TF entities, ensured by NAC</td>
</tr>
<tr>
<td>• Development of web-page on evaluation</td>
<td>• an international team of 4-5 experts experienced in evaluation of the EU and/or national funds, fluent in English</td>
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<td></td>
<td>• a pool of short-term experts in specialised fields</td>
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<table>
<thead>
<tr>
<th>Preconditions</th>
<th></th>
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<tr>
<td>• Good quality Monitoring reports ensured by NAC</td>
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<tr>
<td>• A distinct evaluation function must be established within the CFA by the start of the project, independent of the programming, implementation and monitoring of the EU assistance.</td>
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# DETAILED IMPLEMENTATION CHART

**Project Title:** Evaluation of EU-funded Measures (Phase I)

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<thead>
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<th>Year</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
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<tr>
<td><strong>TA contract</strong></td>
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<td></td>
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<tr>
<td><strong>Start of tendering</strong></td>
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<tr>
<td><strong>Start of project activity</strong></td>
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<td></td>
<td></td>
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<tr>
<td><strong>Project completion</strong></td>
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## ANNEX 3

### CONTRACTING AND DISBURSEMENT SCHEDULE

#### Cumulative Quarterly Contracting Schedule (mil.€)

<table>
<thead>
<tr>
<th>Project Title</th>
<th>1Q/05</th>
<th>2Q/05</th>
<th>3Q/05</th>
<th>4Q/05</th>
<th>1Q/06</th>
<th>2Q/06</th>
<th>3Q/06</th>
<th>4Q/06</th>
<th>1Q/07</th>
<th>2Q/07</th>
<th>3Q/07</th>
<th>4Q/07</th>
<th>Total</th>
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</thead>
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<td>Evaluation of EU-funded measures (Phase I – Transition Facility)</td>
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<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>0,700</td>
</tr>
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</table>

#### Cumulative Quarterly Disbursement Schedule (mil.€)

<table>
<thead>
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<th>Project Title</th>
<th>1Q/05</th>
<th>2Q/05</th>
<th>3Q/05</th>
<th>4Q/05</th>
<th>1Q/06</th>
<th>2Q/06</th>
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<th>4Q/06</th>
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<th>2Q/07</th>
<th>3Q/07</th>
<th>4Q/07</th>
<th>Total</th>
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<td>0,50</td>
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<td></td>
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