Standard Summary Project Fiche for the Transition Facility

1. Basic Information

1.1 CRIS Number: 2005/017-495-05-02
1.2 Title: Evaluation of EU-funded measures
1.3 Sector: Various
1.4 Location: Latvia

2. Objectives

2.1 Overall Objective(s):
To strengthen sound financial management of the Transition Facility Funds

2.2 Project purpose:
To provide for interim evaluation as a management tool of the Transition Facility.

2.3 Justification
The Comprehensive Monitoring Report on Latvia’s preparations for membership (November 2003) states:
The necessary administrative capacity to manage Community funds remains to be substantially reinforced in order to fully meet the requirements for financial control and internal audit.

3. Description

3.1 Background and justification:
As from mid 2003 the National Aid Coordinator (the Monitoring Division of the EU Funds Department of the Ministry of Finance) took over the responsibility for organisation of the Interim Evaluation process in Latvia ensuring the decentralisation of the evaluation function. Starting from January 2004 the main responsibility of the EU Funds Department of the Ministry of Finance is to perform the functions of the Managing Authority of the EU Funds. EU Funds Department will also continue to fulfill the functions of the National Aid Coordinator.

The evaluation procedure is basically described in the Interim Evaluation guide elaborated by DG Enlargement of the EC in 2000. The Interim Evaluation guide defines the operational principles of the Interim Evaluation exercise, whilst the report template and the guidance note define the structure and content of the IE reports. The IE reports review only on-going programs during their validity period or at the latest up to twelve months after the end of the commitment period.

The level of assistance together with the constant efforts to maximize the efficiency of the Community funds (and co-financing state funds) brings the need to put more emphasis on evaluating design and implementation of projects and applies lessons learned. For evaluation of Phare financed programmes during 2005 an independent external Interim Evaluator has been contracted at the beginning of 2005 for preparation of the Interim Evaluation reports (financed by Phare 2003 programme project “Institution Building Facility”). The main task of interim evaluator is to prepare interim evaluation reports covering the whole ongoing Phare programmes for Latvia as well as to provide know how on evaluation of EU funded programmes.
Starting from 2006 another external independent Interim Evaluator will be contracted (financed by Transition Facility 2004 programme) focusing on the evaluation of Transition Facility financed measures during 2006. The current project will be the continuation of Transition Facility 2004 project and will be implemented during 2006 and 2008 covering all ongoing Transition facility programmes.

3.2 Linked activities:

- Multi country “Phare assessment scheme” project (ZZ0003) (In November 2002 closed for contracting), covering the interim evaluation managed by the EC of Phare assistance.
- Phare 2003 National program project 2003/004-979-08-04 “Institution Building Facility” foresees assistance to provide evaluation on the implementation of Phare pre-accession aid and provide recommendations for corrective actions and, where appropriate, for future project/programme design (relevant to Structural Funds) leading to minimisation of possible shortfalls in implementation and maximising the Project impact. Within the project assistance to Latvia in supporting the development of a National Evaluation Strategy for setting up evaluation capacity at National level will be provided as well as transfer of know-how in terms of monitoring and evaluation to the country’s administration. The implementation of the project will start in the beginning of 2005.
- Transition facility 2004 National program project “Evaluation of EU-funded measures” foresees assistance to provide evaluation on the implementation of Transition facility financed projects. Current project is continuation of the Phare 2003 and Transition facility 2004 projects providing further financing of independent evaluators.

3.3 Results:

- Regular and systematic interim evaluation of Transition Facility programmes carried out
- Appropriate conclusion drawn and recommendations formulated based on the analysis of the gathered information.

3.4 Activities:

- To produce a number of sectoral interim evaluation reports in the sectors agreed by Joint Monitoring Committee (JMC) in compliance with the revised JMC Mandate. Sectoral reports should include evaluation on the implementation of the ongoing Transition Facility projects in particular sector and should provide recommendations for corrective actions and, where appropriate, for future project/programme design leading to minimisation of possible shortfalls in implementation and maximising the project impact.
- To produce Country assessment Reports summarizing the achievements of the Transition Facility programmes, to be submitted to the JMC meetings, in accordance with the revised JMC mandate.

In preparing the evaluation reports, the Contractor will be expected to consult on an ongoing basis with the NAC service, relevant implementation bodies and beneficiaries. The basic reference documents are the Commission Decisions and the Project Fiches, on the basis of which Terms of Reference, Technical Specifications, Twinning Agreements, Sectoral monitoring reports plus relevant project reports etc. are elaborated.

Means:

Service contract:

o Team Leader (10 - 15 years of experience with evaluation EU funded programmes in Member States and/or CCs) responsible for the project (estimated input: 24 m/m);

o Pool of international and local experts-evaluators in different areas, such as: social policy and employment, consumer and health protection, radioactive waste management, justice and home affairs, statistics, free movement of goods, agriculture, environment (estimated input: 24 m/m)
Qualifications and skills:
- fluency in English with excellent drafting capability and with at least a Masters qualification;
- good communication skills and experience in consultancy or advising activities.

General professional experience:
- experience in social policy and employment, consumer and health protection, radioactive waste management, justice and home affairs, statistics, free movement of goods, agriculture, environment;
- professional experience in public administration, programming, project management, implementation, monitoring and evaluation;
- professional experience in management or evaluation of EU funded programmes;
- professional experience in EU matters, preferably in EC funded programmes in the Member States;
- experience with performance audit, economic and impact studies.

Specific professional experience:
- capability to work in Latvian language;
- familiarity with EC procedures and terminology, experience in EC would be welcome.

3.5. Lessons learned

The Latvia Country Phare Evaluation Review report (CPER, March 2004) draws the following lesson on interim evaluation in Latvia: "Interim Evaluation has not had as much impact as in other countries. In view of this, the NAC needs to devote more attention to promoting the awareness of the benefits of sound financial management arising from an effective uptake of evaluation results. The interim evaluation process needs to be properly integrated into the project cycle."

The Ad-Hoc Report on Transition towards Monitoring and Evaluation of the Structural and Cohesion Funds Programmes prepared by OMAS Consortium in March 2001 under request of DG Enlargement provides the following recommendation, which is relevant to this proposal. "The public authorities of the Candidate Countries should be further entrusted with the responsibilities for planning programme evaluations, producing relevant terms of reference, selecting independent evaluators, organizing and monitoring the evaluation exercises, disseminating the evaluation conclusions to the relevant programme stakeholders, and taking any necessary remedial actions on the basis of the evaluation recommendations."

The Phare ex post evaluation of country support allocated in the years 1997-1998, completed by the European Commission, DG Enlargement, in March 2003, already supported the building of evaluation capacity in the accession countries by involving local consultants from the partner countries. The local evaluators carried out their work in a learning-by-doing approach with the support of the Consortium contracted by the Commission. One lesson learned from this evaluation exercise was the following. "The latest contacts with the country evaluators show that the skills they acquired may not always strengthen the capacity of the country for two reasons. First, about half acted as individuals, which means that their learning may not be retained in a stable organization. Second, few organizations involved in this exercise fell capable of taking the lead in an evaluation contract in the coming years. This may be because they have not been given the opportunity to play a leading role in the country evaluations. Another factor is that new calls for tenders establish high barriers to the entry of national firms into the evaluation market, especially by imposing high demands in terms of references and turnover in previous evaluation activities.

4. Institutional Framework

The main beneficiary of the Technical assistance will be Ministry of Finance - EU Funds Department. In the implementation of the component will be involved following bodies:
- Internal Audit Department,
- Projects Evaluation Department,
- National Authorizing Officer's Task Execution Coordination Department
- Other ministries and bodies concerned
Project Steering Committee will be established to monitor project implementation. The Steering Committee will comprise representatives from involved bodies within Ministry of Finance. The Steering Committee will be led by Senior Programme Officer and it will review and approve the project reports and make recommendations in regard of the project activities for the following period.

5. Detailed Budget

<table>
<thead>
<tr>
<th>€M</th>
<th>Transition Facility support</th>
<th>Co-financing</th>
<th>Total cost (TF plus cofinancing)</th>
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<tbody>
<tr>
<td></td>
<td>Investment Support</td>
<td>Institution Building</td>
<td>Total TF (=I+IB)</td>
</tr>
<tr>
<td>Year 2006</td>
<td>Service contract for evaluation of Transition facility programs</td>
<td>0,6</td>
<td>0,6</td>
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<tr>
<td>Total</td>
<td></td>
<td>0,6</td>
<td>0,6</td>
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</table>

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

**private funds, FIs loans to private entities

6. Implementation Arrangements

6.1 Implementing Agency

Implementing Agency of the project will be the Central Finance and Contracting Agency of the Ministry of Finance (CFCA). CFCA will be responsible for the financial and administrative management of the project. Procurement will be carried out by the CFCA according to Part 1, Title V FR ensuring free access, fair competition and transparency.

Central Finance and Contracting Agency – Mr. Armands Eberhards, Director
1 Smilšu street, Riga, Latvia, LV-1050
Tel: +(371) 7094342;
Fax: +(371) 7094348

Programme Authorising Officer – Ms. Inta Vasaraudze, Deputy State Secretary of the Ministry of Finance
1 Smilšu street, Riga, Latvia, LV-1050
Tel: +(371) 7095545; Fax: +(371) 7095421

Senior Programme Officer: - Mr. Ilgonis Gaugers, Deputy State Secretary of Ministry of Finance
1 Smilšu street, Riga, Latvia, LV-1050
Tel: +(371) 7095414
Fax: +(371) 7095413

6.3 Non-standard aspects

There will be no non-standard aspects regarding implementation of the project.
Ratio: if during project implementation the project cost for some reasons will decrease, the Transition Facility financing will also decrease proportionally.

6.4 Contracts

Service contract (TA for evaluation of TF programs): 600 000 EUR (parallel co-financing)

7. Implementation Schedule

7.1 Start of tendering/call for proposals

TA for evaluation of TF programs: II quarter 2006

7.2 Start of project activity

TA for evaluation of TF programs: I quarter 2007

7.3 Project Completion

TA for evaluation of TF programs: VI quarter 2008

8. Sustainability

The necessary parallel co-financing will be provided from the state budget.

9. Conditionality and sequencing

➢ Necessary resources provided by the state budget before the start of the project;

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)
## Transition Facility log frame

<table>
<thead>
<tr>
<th>LOGFRAME PLANNING MATRIX FOR Project</th>
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<td><strong>Evaluation of EU-funded measures</strong></td>
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<table>
<thead>
<tr>
<th><strong>Overall objective</strong></th>
<th><strong>Objective verifiable indicators</strong></th>
<th><strong>Sources of Verification</strong></th>
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</thead>
</table>
| To strengthen sound financial management of the Transition Facility | - A debriefing meeting were organised within a month after the issue of every IE report.  
- All recommendations of all EI reports were implemented by the deadlines set out in the recommendation tables. | - SMSC and JMC meeting  
- National funds reports  
- Commission reports on contracting/disbursement |

<table>
<thead>
<tr>
<th><strong>Project purpose</strong></th>
<th><strong>Objective verifiable indicators</strong></th>
<th><strong>Sources of Verification</strong></th>
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</table>
| To provide for interim evaluation as a management tool of the Transition Facility | - All monitoring sectors have been covered by at least an interim evaluation every year.  
- All IE reports included a table of recommendations.  
- All IE reports complied with the minimum quality control requirements. | • SMSC and JMC meeting |

<table>
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<tr>
<th><strong>Results</strong></th>
<th><strong>Objective verifiable indicators</strong></th>
<th><strong>Sources of Verification</strong></th>
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</table>
| - Regular and systematic interim evaluation of Transition Facility programmes carried out  
- Appropriate conclusion drawn and recommendations formulated based on the analysis of the gathered information | - The work plan of the external evaluator is prepared by the beginning of each year and agreed upon by the JMC.  
- All the reports foreseen in the agreed work plan are carried out in time. | • Sectoral evaluation reports  
• Horizontal evaluation reports  
• Evaluation debriefing meeting minutes |

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<tr>
<th><strong>Activities</strong></th>
<th><strong>Means</strong></th>
<th><strong>Preconditions</strong></th>
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| - To produce a number of sectoral interim evaluation reports in the sectors agreed by Joint Monitoring Committee in compliance with the JMC Mandate. Sectoral reports should include evaluation on the implementation of all ongoing Transition Facility projects in particular sector and should provide recommendations for corrective actions and, where appropriate, for future project/programme design leading to minimisation of possible shortfalls in implementation and maximising the project impact.  
- To produce a Country assessment reports summarizing the achievements of the Transition Facility programmes, to be submitted to JMC meetings, in accordance with the revised JMC Mandate.  
- In preparing the evaluation reports, the Contractor will be expected to consult on an ongoing basis with the NAC service, relevant implementation bodies and beneficiaries. The basic reference documents are the Commission Decisions and the Project Fiches, on the basis of which Terms of Reference, Technical Specifications, Twinning Agreements, Sectoral monitoring reports plus relevant project reports etc. are elaborated. | Service contract:  
- Team Leader responsible for the project;  
- Pool of international and local experts-evaluators in different areas, such as: macroeconomics and development, structural adjustment, support to businesses/SME, human resource development and employment, infrastructure projects, grant schemes, regional development | - Necessary resources provide |
ANNEX 2

Evaluation of EU-funded measures

Detailed implementation chart

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<td>TA for evaluation of TF programs</td>
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D: Design
T: Tendering and contracting
I: Implementation
### Annex 3

**CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE (MEUR)**

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<td></td>
<td>Disbursed 0,36</td>
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<td>0,54</td>
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