1. Basic Information
   1.1. CRIS Number: 2002/000-580-06.03
   1.2. Title: Technical assistance for Phare ESC management
   1.3. Sector: Social and Economic Cohesion
   1.4. Location: Poland

2. Objectives
   2.1. Wider objective:
       The wider objective of the project is to facilitate the process of implementing and increasing the impact of the European Union pre-accession assistance.
   2.2. Immediate objectives:
       The immediate objective of the project is to facilitate the process of implementing and increasing the impact of the Phare – Economic and Social Cohesion programme.

2.3. Accession Partnership and NPAA priority
   The project responds to the priorities identified in the Accession Partnership 2002 under the chapter “Regional policy and co-ordination of structural instruments”. As the Phare – Economic and Social Cohesion Programme (Phare ESC) is based on the rules applied in the Structural Funds, the project addresses AP objectives related to ensuring effective inter-ministerial co-ordination for regional policy issues, setting up required monitoring and evaluation systems for Structural Funds and developing the technical preparation of projects eligible for Structural and Cohesion Funds assistance (project pipeline).
   The project is also in line with NPAA priority 21.1 “Establishment of a legal and institutional framework and mechanisms for programming, managing and controlling the regional and cohesion policy in compliance with the Community requirements”. As stated in NPAA, in order to create a coherent and effective system to support regional development, structures necessary for the implementation of Structural Funds and the Cohesion Fund shall be prepared. Additionally, work on the system of approval and evaluation as well as monitoring and control of programmes co-financed from assistance resources, especially based on the experience acquired during the implementation of the pre-accession programmes: Phare ESC, SAPARD, ISPA, shall be carried on.

2.4. Contribution to the Preliminary National Development Plan
   The PNDP includes the priority “Strengthening development potential of regions and counteracting marginalisation of certain areas”. As Phare ESC Programme is programmed and implemented under this priority, therefore technical assistance provided within the framework of the project shall facilitate implementation of measures defined under the priority. These measures include “Development and modernisation of infrastructure serving to strengthen competitiveness of the regions”, “Restructuring economic basis of the regions and creating conditions for diversification”, “Human resources development” and “Support for areas threatened by marginalisation”.

3. Description
   3.1. Background and justification
   Integrated regional development interventions financed from the EU budget within the framework of Phare – Economic and Social Cohesion programme were commenced in the year 2000. The number of Polish regions (voivodships) covered by the programme increased from five in Phare 2000 to eight under 2001 allocation. Phare ESC programming was based on the development priorities of the Preliminary National Development Plan prepared by Ministry of Economy and regional operational programmes drawn up by the voivodship self-government authorities. These documents constituted strategic frames in which the projects in the area of business-related infrastructure, human resources development and productive sector (SME development) were selected in the eligible voivodships.

   The third edition of Phare – Economic and Social Cohesion programme differs from the programmes implemented under the allocation for 2000 and 2001. Having regard to the future participation of Poland in EU regional policy and the need for introducing the rules of Structural Funds to pre-accession funds, bi-annual programming of Phare ESC programme has been initiated, based on the updated version of Preliminary National Development Plan (PNDP). The priorities of PNDP are to be implemented by means of operational programmes. Contrary to the previous programmes, two kinds of operational programmes will be elaborated: integrated regional operational programmes and two sectoral...
operational programmes in the area of human resources development and support for small and medium enterprises. The TA project will support exclusively implementation of integrated regional operational programmes. These will be drawn up and implemented in 16 Polish voivodships under Phare 2003 (dolnoslaskie, kujawsko-pomorskie, lubelskie, lubuskie, łódzkie, malopolskie, mazowieckie, opolskie, podkarpackie, podlaskie, pomorskie, slaskie, swietokrzyskie, warminsko-mazurskie, wielkopoliske, zachodniopomorskie). Three out of sixteen voivodships (mazowieckie, slaskie and wielkopolskie) are not eligible for Phare 2002. Within the framework of the operational programmes, projects in the area of business-related infrastructure, human resources development and productive sector will be selected and carried out. The indicative budget for regional operational programmes implementation in the years 2002-2003 amounts to 284 MEURO.

The effective and efficient implementation of the operational programmes will depend to a large extent on the institutional arrangements and capacity of the institutions involved in management of complex projects in such a way, so as to meet tendering, management, supervision, reporting and monitoring requirements. The national and regional institutions involved do not have sufficient resources and knowledge to undertake all of these activities without further Phare Programme support. Within this context the project has been designed to provide the necessary technical assistance in meeting ESC programme and projects contracting, implementation, monitoring and evaluation requirements in line with EU rules and sound management principles.

3.2. Linked activities

Three technical assistance projects related to Phare ESC programme are currently implemented in Poland. The objective of PL9918 Project Preparation Facility is to ensure speedy and efficient tendering of Phare investment support projects for economic and social cohesion in the years 2000 and 2001. The project finances inter alia support in preparation of final versions of feasibility studies and environmental impact assessments for investment projects, support in preparation of tender documentation, support in assessment of small infrastructure projects, elaboration of manuals on feasibility study and environmental impact assessment, training activities. The project is implemented by TEBODIN.

Phare PL0008.06 Engineering, supervision and monitoring support was based on previous experience in providing required support for infrastructure projects implemented within the Phare Cross-Border Cooperation Programme. The main activities covered by the project include support in elaborating programme and projects management standards, preparation of documents and reports used in contracting and implementation phase, on-site monitoring of Phare 2000 infrastructure projects, support in preparation of Phare ESC 2002 projects. Ove Arup & Scott Wilson has been awarded a contract.

Phare PL0106.09.03 Engineering, supervision and monitoring support is continuation of the PL0008.06 project. It provides technical assistance in the area of programme and projects management procedures, contracting and implementation of Phare ESC 2001 and 2002 programmes. Project preparation for Phare ESC 2003 will be also supported. The contractor has not been chosen yet.

3.3. Results:

Considering the activities envisaged, the following results of project implementation are expected:

- Management system of Phare 2002 operational;
- Programme and all projects of Phare ESC 2002 effectively monitored physically and financially, including on-site monitoring;
- All projects of Phare ESC 2002 carried out in line with project fiche and contract stipulations;
- Tendering documents for all Phare ESC 2003 projects prepared;
- All projects of Phare ESC 2003 contracted;
- The existing database updated and operational for all Phare ESC 2003 projects;
- Staff at national, regional and local level prepared for Phare ESC 2002 programme and projects monitoring;
- Staff at national, regional and local level prepared for Phare 2003 programme and projects contracting and implementation (including monitoring);
- Regional and local authorities trained in project management, project proposal preparation, and project supervision;

3.4. Activities:

The following activities will be financed under the project:

1. Technical assistance in Phare ESC 2002 programme and projects monitoring:
• Revision, modification and/or development of standard documents used during on-site monitoring of infrastructure, productive sector and human resources development projects;
• Carrying out on-site monitoring of infrastructure, productive sector and human resources development projects throughout their lifecycle. On-site monitoring shall embrace all aspects related to project implementation:
  • visits at construction sites (infrastructure) and project locations (HRD, productive sector);
  • visits at beneficiaries and contractors offices;
  • visits at regional institutions involved in project implementation (marshal’s offices, voivod’s offices, voivodship labour offices, regional financing institutions).
• Training for the beneficiaries and other institutions involved in programme implementation on the methods of financial and physical monitoring of infrastructure, productive sector and human resources development projects;
• Advising the beneficiaries and regional institutions in project monitoring;
• Supporting the project beneficiaries in drawing up the final reports for individual projects.

2. Technical assistance in the contracting phase of Phare ESC 2003:
• Supporting the Implementing Agency and the beneficiaries of projects in preparation of contracting documents:
  • Assisting in verification of technical specifications and bills of quantity (being part of tender dossier) in line with tender and contract procedure requirements as stated in Phare Practical Guide as well as in preparation of tender documentation for all infrastructure projects submitted for financing under Phare ESC 2003;
  • Support in preparation of tender documentation, including Terms of Reference, of human resources development projects submitted for realisation under Phare ESC 2003;
  • Support in preparation of documentation (regulations, application forms, TORs etc.) of productive sector projects submitted for realisation under Phare ESC 2003.
• Technical assistance during the tender procedure for infrastructure and human resources development projects implemented under Phare ESC 2003;
• Technical assistance for the Implementing Agency and regional financing institutions in the initial phase of productive sector projects implementation;
• Training for the beneficiaries of Phare ESC 2003 (human resources development and infrastructure projects) on tender procedures in accordance with Phare DIS rules.

3. Technical assistance in Phare ESC 2003 programme management:
• Advice on revision and modification of documents related to reporting and monitoring, elaborated under the previous TA projects, with a view to the specific needs of Phare ESC 2003;
• Adjustment of existing database for Phare – Economic and Social Cohesion programme (along with the supporting manual) to the implementation structure and specific needs of Phare ESC 2003 programme;
• Training for the beneficiaries and other institutions involved in programme implementation on the methods of management, preparation of proposals, supervision and monitoring of projects (including usage of database in monitoring).

During the project implementation the contractor shall take into account and utilise as far as possible all management procedures adapted under the previous editions of Phare – Economic and Social Cohesion programmes. This refers also to the achievements of previous TA projects for Phare ESC programmes. Due to lack of knowledge on managing Phare ESC projects, special attention in providing technical assistance under the current project shall be given to eight voivodships ineligible for Phare ESC 2000 and 2001 (dolnoslaskie, lubuskie, malopolskie, mazowieckie, opolskie, pomorskie, wielkopolskie and zachodniopomorskie).

All the activities undertaken within the framework of this project shall be also co-ordinated with the process of Poland’s preparation for participation in the EU regional policy, including co-ordination with EU funded projects in the area of regional development and preparation for Structural Funds. These include projects PL0101.13 IB for ESF implementation and PL0101.14 IB for SFs preparation. Therefore the methodology used at different stages of the TA project shall be adapted to the existing documents on Structural Funds implementation in Poland and prepared inter alia under both IB projects. This shall increase value added of the project as management arrangements to be applied when implementing programmes and projects supported from European Regional Development Fund and European Social Fund are tested beforehand in Phare – Economic and Social Cohesion programme.
All activities under the project will be organised under a classical technical assistance contract, with framework provisions for on-call access to specific expertise on a project by project basis, utilising the following means:

- Assistance provided throughout the project lifecycle by the Project Manager (30 man-months). He/she shall be involved *inter alia* in advice on revision and modification of documents related to reporting and monitoring of Phare ESC 2003 in close co-operation with the other experts engaged in project implementation;

- A long-term expert (project engineer) responsible for preparation and co-ordination of on-site monitoring of infrastructure projects under Phare ESC 2002 as well as for verification of technical specifications and bills of quantities for infrastructure projects submitted under Phare ESC 2003 (activity 1 and 2; 28 man-months). He/she shall be supported by a pool of short-term experts representing appropriate fields of engineering and experience in infrastructure projects preparation, management, supervision and monitoring, including tender and contract procedure requirements of Phare Practical Guide. The experts shall be also involved in training activities related to monitoring and contracting of infrastructure projects;

- A long-term expert (HRD specialist) responsible for preparation and co-ordination of on-site monitoring of HRD projects under Phare ESC 2002 as well as for preparation of tender documentation concerning HRD projects to be implemented under Phare ESC 2003 programme (activity 1 and 2; 28 man-months). He/she shall be supported by a pool of short-term experts with significant knowledge and experience in HRD projects preparation, including tender and contract procedure requirements of Phare Practical Guide. The experts shall be also involved in training activities related to monitoring and contracting of HRD projects;

- A long-term expert (productive sector projects specialist) responsible for preparation and co-ordination of on-site monitoring of productive sector projects under Phare ESC 2002 as well as for preparation of documentation concerning productive sector projects to be implemented under Phare ESC 2003 programme (activity 1 and 2; 28 man-months). He/she shall be supported by a pool of short-term experts with significant knowledge and experience in productive sector projects preparation, management and monitoring. The experts shall be also involved in training activities related to monitoring and management of productive sector projects;

- A short-term expert (5 man-months) specialising in IT. He/she will be responsible for updating of the existing database for Phare ESC programme (activity 3) along with supporting manual and training activities;

4. **Institutional Framework**

    The programme will be implemented and co-ordinated by the Implementing Agency – Implementing Authority for Phare Cross Border Co-operation Programme. The beneficiaries of the project will be the Implementing Agency and the other institutions involved in programme implementation at central, regional and local level.

5. **Detailed budget in million Euro**

<table>
<thead>
<tr>
<th></th>
<th>Investment</th>
<th>Institution Building</th>
<th>Total Phare</th>
<th>National co-financing</th>
<th>IFI</th>
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6. **Implementation Arrangements**

6.1. Implementing Agency

PAO: Undersecretary of State in the Ministry of Economy

Implementing Agency: Implementing Authority for Phare Cross Border Co-operation Programme

6.2. Twinning: n.a.

6.3. Non-standard aspects: Phare DIS will be followed.

6.4. Contracts: One contract will be concluded for the total of 2 million Euro.
7. Implementation Schedule

<table>
<thead>
<tr>
<th></th>
<th>Start of tendering</th>
<th>Start of project activity</th>
<th>Completion</th>
</tr>
</thead>
</table>

8. Equal Opportunity

The project will involve specific provisions for guaranteeing equal opportunity of access to activities and benefits resulting from its implementation in all phases.


11. Investment criteria: n.a.

12. Conditionality and sequencing

This project will start after similar technical assistance projects PL9918, PL0008.06 and PL0106.09.03 are operational. Efficient implementation and achievement of expected objectives of these projects will facilitate implementation of Phare ESC 2002 TA project. In order to avoid overlapping of activities supported under different TA projects, assistance to individual phases of Phare ESC programmes is presented below.

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<th>2005</th>
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<tr>
<td>projects</td>
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</tbody>
</table>

- Preparation of projects’ fiches
- Preparation of projects for implementation
- Projects’ contracting and implementation
## Annex 1: LOGFRAME PLANNING MATRIX FOR PROJECT

### 06.03 Technical assistance for ESC

**Date** 27.02.2002  
**Period** 2003-2005  
**Contracting deadline:** 30/11/04 - **disbursement deadline** 30/11/05  
**Total Budget** Phare 2 MEUR  

<table>
<thead>
<tr>
<th>Wider Objective</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| To facilitate the process of implementing and increasing the impact of the EU pre-accession assistance | Pre-accession assistance implemented on schedule  
Objectives of pre-accession assistance achieved at input, output, result and impact level | EC documents  
Studies and analyses  
Audit reports  
Monitoring reports  
Interim and ex-post evaluation reports | Sound management of the programmes  
High quality of programmes technical assistance provided  
Synergy effects between the programmes  
Co-financing assured  
Good preparation of Polish administration for participation in EU regional policy |

<table>
<thead>
<tr>
<th>Immediate Objectives</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| To facilitate the process of implementing and increasing the impact of the Phare ESC programme and Social Cohesion programme | Phare ESC programme and individual projects implemented on schedule and in accordance with assumptions  
Objectives of the programme and individual projects achieved at input, output, result and impact level | EC documents  
Studies and analyses  
Audit reports  
Programme and projects monitoring reports  
Interim and ex-post evaluation report(s) | Quality of TA provided  
Stable implementation system of Phare ESC implementation  
Co-financing assured  
Good co-operation between the parties involved in programmes and projects implementation |

<table>
<thead>
<tr>
<th>Results</th>
<th>Indicators of Achievement</th>
<th>Sources of Information</th>
<th>Assumptions</th>
</tr>
</thead>
</table>
| Management system of Phare 2002 operational; Programme and all projects of Phare ESC 2002 effectively monitored physically and financially, including on-site monitoring;  
All projects of Phare ESC 2002 carried out in line with project fiches and contracts stipulations;  
Tendering documents for all Phare ESC 2003 projects prepared;  
All projects of Phare ESC 2003 contracted;  
The existing database updated and operational for all Phare ESC 2003 projects;  
Staff at national, regional and local level prepared for Phare ESC 2002 programme and projects monitoring;  
Staff at national, regional and local level prepared for Phare 2003 programme and projects contracting and implementation. | Contracting and disbursement data  
Number of projects monitored  
Number of on-site monitoring visits  
Number of tendering documents prepared  
Number of contracts concluded  
Number of database users  
Number of people trained | EC documents  
Studies and analyses  
Audit reports  
Programme and projects monitoring reports  
Contractor reports  
Beneficiaries reports  
Database data  
Training assessment sheets | Co-financing assured  
Quality of TA provided  
Stable implementation system of Phare ESC implementation  
Good co-operation between the parties involved in programmes and projects implementation |

<table>
<thead>
<tr>
<th>Activities</th>
<th>Means</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
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</table>
Technical assistance in Phare ESC 2002 programme and projects monitoring
Development of standard documents used during on-site monitoring of projects;
Carrying out on-site monitoring of projects throughout their lifecycle;
Training on the methods of projects monitoring;
Advising the beneficiaries in project monitoring;
Supporting the project beneficiaries in drawing up the final reports for individual projects.

Technical assistance in the contracting phase of Phare ESC 2003:
Supporting the Implementing Agency and the beneficiaries of projects in preparation of contracting documents;
Technical assistance during the tender procedure for infrastructure and human resources development projects;
Technical assistance for the Implementing Agency and regional financing institutions in the initial phase of productive sector projects implementation;
Training for the beneficiaries on tender procedures in accordance with Phare DIS rules.

Technical assistance in Phare ESC 2003 programme management
Advice on modification of documents related to reporting and monitoring;
Adjustment of existing database for Phare – Economic and Social Cohesion programme;
Training on the methods of project monitoring, including usage of database in monitoring

| Project Manager (30 man-months); A long-term expert (project engineer; 28 man-months) supported by a pool of short-term experts; A long-term expert (HRD specialist; 28 man-months) supported by a pool of short-term experts; A long-term expert (productive sector projects specialist; 28 man-months) supported by a pool of short-term experts; A short-term expert (5 man-months) specialising in IT; | Rapid contracting procedure
Appropriate pool of experts
Effective implementation of previous TA projects for Phare ESC programme
Knowledge on Phare 2000 and 2001 ESC preparation and implementation retains within the institutions involved |

Preconditions
None
**Annex 2-3: Cumulative implementation, contracting and disbursement schedule**

<table>
<thead>
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<th>Date of drafting:</th>
<th>27.02.2002</th>
</tr>
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<td>Planning period:</td>
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<table>
<thead>
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<th>Implementat</th>
<th>Cost estimate Phare M€</th>
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</thead>
<tbody>
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<td>I'03</td>
</tr>
<tr>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>D</td>
<td>D/C</td>
</tr>
<tr>
<td>Contracting</td>
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</tr>
<tr>
<td>Disbursement</td>
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</tr>
</tbody>
</table>

**Legend:** D = design of project / C = tendering and contracting / I = contact implementation and payment