

**Standard Summary Project Fiche – IPA 2008 centralised National and CBC
Programmes
Support for the Development of Integrated Border Management**

1. Basic information

- 1.1 **CRIS Number:** 2008/020-316
1.2 **Title:** **Support for the Development of Integrated Border Management**
1.3 **ELARG Statistical Code:** 03.24
1.4 **Location:** Montenegro

Implementing arrangements:

1.5 Contracting Authority (EC):

Delegation of the European Commission

1.6 Implementing Agency:

Delegation of the European Commission

1.7 Beneficiary (including details of project manager):

Ministry of Interior
Bulevar Svetog Petra Cetinjskog 22, 81000 Podgorica
Montenegro
Tel.: +382 (0)81 224 714
Project Manager and contact person: Milan Paunovic

1.8 Overall cost (VAT excluded): €3,300,000

1.9 EU contribution: €2,450,000

1.10 Final date for contracting:

Two years from the conclusion of the Financing Agreement

1.11 Final date for execution of contracts:

Two years from signature of the contract

1.12 Final date for disbursements:

One year after the final date of the execution of the contracts

2. Overall Objective and Project Purpose

2.1 Overall Objective:

To support the Government in the process of implementing its Strategy for Integrated Border Management by enhancing coordination and cooperation between all the relevant authorities and agencies involved in border control, trade facilitation and border region cooperation, and by establishing effective, efficient and integrated border management systems, in order to ensure the common goal of open, but controlled and secure borders.

2.2 Project Purpose:

To improve the effectiveness and efficiency of border control and processing procedures at the Border Crossing points of Dobrakovo and Dracenovac through new and renovated physical infrastructure.

2.3 Link with AP/NPAA/SAA:

The **European Partnership** identifies, as a short term priority, the development of technical infrastructure to implement the IBM policy, including the improvement of cross-border facilitations through the construction of new border posts.

The **Stabilisation and Association Agreement** highlights the need to continue to foster co-operation with the other countries of the region including the development of projects of common interest, notably those related to border management and combating organised crime.

2.4 Link with MIPD:

The project is consistent with a main priority within the **MIPD** 2008-2010, namely the provision of support to the IBM Strategy and Action Plan through capacity building and investment.

2.5 Link with National Development Plan

The Government's IBM Strategy highlights the inadequacy of facilities at BCPs which prevents security and customs personnel from providing an effective and efficient processing service. A primary goal of the Strategy is to rectify these inadequacies through the rehabilitation and upgrading of physical infrastructure.

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

Not applicable

3. Description of project

3.1 Background and justification:

The Government's strategy on IBM was adopted in February 2006 and an action plan for its implementation was adopted in December 2006. Four main bodies (Ministry of Interior, Customs, Veterinary Service, and the Phyto-sanitary Service) are currently controlling its implementation.

The proposed intervention addresses a primary deficiency identified in the IBM Strategy as well as in the TAIEX - FRONTEX report (May 2007) relating to the inadequacy of existing physical facilities at international BCPs. This deficiency directly inhibits the introduction and implementation of effective and efficient border control procedures and of joint patrolling as foreseen in the Police Cooperation Convention.

Previous CARDS funded projects have targeted the contemporary priorities identified in the Regional Balkans Infrastructure Study (REBIS), namely the BCPs on the international borders with Croatia, Bosnia & Herzegovina and Albania. At the time of preparation of the REBIS study, the border with Serbia had *administrative* status and was, therefore, not included in the upgrading needs assessment. Following Montenegro's independence, the border with Serbia assumed *international* status requiring the introduction of more extensive and time-consuming security and customs clearance procedures.

There are two primary Class 1 BCPs on the Montenegro-Serbia border; Dobrakovo and Dracenovac.

The BCP at **Dobrakovo** is located on the main road transport axis (Core Road Network Route 4). It is of particular strategic importance as it processes 80% of all international freight and passenger movements between the Port of Bar and Belgrade. Current daily traffic volumes average approximately 2,000 vehicles of which 375 are trucks. The present facilities result in inefficient processing of vehicles resulting in unacceptable waiting times of up to 1.5 hours during peak traffic periods. The principal cause of delays is the inadequate provision of dedicated parking areas for trucks awaiting inspection. Commercial vehicles are, therefore, obliged to queue on the approach roads to the BCP, a practice which severely restricts access for other vehicles. The natural topography in the area makes widening of the approach roads prohibitively expensive. The main objective of the project is, therefore, to extend the parking provision within the BCP complex and to improve working conditions for personnel by rehabilitating office accommodation and inspection areas.

The BCP at **Dracenovac** (between Rozaj and Novi Pazar) is located on the second busiest road transport route between Serbia and Montenegro. Current daily traffic volumes average approximately 1,650 vehicles, of which 150 are commercial vehicles. During peak traffic periods, delays of up to 2 hours are experienced. This deficiency is again attributable to inadequate parking provision for commercial vehicles and will be addressed by widening approach roads. Office accommodation will be rehabilitated, as will covered inspection areas.

Elimination of these "bottlenecks" is also essential if the Port of Bar is to retain its competitive edge and its potential to develop into a sea port of regional importance.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The project's main **impact** will be an improved quality of control and security at the Montenegro-Serbia border.

The construction and reconstruction of border crossings will contribute to simplification of border control procedures, as well as better conditions for implementation of Schengen code and Schengen catalogue of recommendations and best practices will be introduced.

The efficiency of processing private and commercial vehicles and their passengers will increase thereby reducing waiting times at the border. This will directly reduce transportation costs for goods and passengers travelling between Serbia and Montenegro.

Reduced transport costs will act as a **catalyst** for foreign investment, particularly via promotion of the tourist industry. The cooperation with neighbourhood will provide conditions for further development of common standards.

Sustainability of the results of the project will be enhanced by securing Government commitments to provide the necessary financial and human resources to operate and maintain the new infrastructure.

The benefits of more effective and efficient border control procedures will have an inherent **cross-border impact**. Cross-border marketing of agricultural produce will also be facilitated.

Finally the improved functionality of the BCPs will have significant contribution to prevention and fight against cross border crime.

3.3 Results and measurable indicators:

The indicators are as follows:

At the level of the overall objective: **10% growth in legitimate foreign trade and trans-boundary passenger traffic between Montenegro and Serbia**

At the level of project purpose:

- average waiting time of passenger vehicles at the 2 BCPs reduced by 50% by the end of the project
- detection of illegal persons and dangerous goods at BCPs increased by 5% by the end of the project
- number of employees per each BCP reduced at the end of the project (exact amount will be determined before the start of the project)

The **result** of the project will be that the BCPs at Dobrakovo and Dracenovac are provided with improved physical facilities constructed in full compliance with the contractual technical requirements enabling increased effectiveness and efficiency of border control and processing procedures. Its indicator will be:

Substantial acceptance certificate issued following commissioning of the facilities, and final acceptance of the works issued by the Contracting Authority on completion of the 12 month warranty period.

All indicators will be measured at the beginning and end of the project by the beneficiary institution.

3.4 Activities:

Construction of new BCP facilities

Task 1: procurement of works contract in accordance with the PRAG international/local open tender procedure. Implementation of the works by the selected contractor; construction activities to be supervised by the beneficiary through a service contract concluded by the beneficiary.

Task 2: taking over of the facilities by the final beneficiary; conditional upon final acceptance certification.

3.5 Conditionality and sequencing:

Implementation of the project will be conditional upon the beneficiary securing a construction permit and all other necessary approvals. The beneficiary must also provide a written commitment regarding its co-financing obligation. The beneficiary should establish an action plan for assuring the provision of adequate funding for physical and human resources necessary to ensure the continued operation and maintenance of the facilities.

3.6 Linked activities

Previous CARDS-funded projects to upgrade physical facilities at BCPs have targeted the principal crossing points to Croatia (Debeli Brijeg) and to Bosnia and Herzegovina (Scepan Polje). The main BCP to Albania at Bozaj is currently being upgraded. Rehabilitation of these BCPs and the development of technical infrastructure is part of an overall assistance package in support of border management addressing both short term and medium term priorities. This package targets policy, legislative and institutional changes as identified in the European Partnership Document, and can be summarised as follows:

<p><i>Support to Border Police Reform (CARDS 2003 - €2.0 million)</i></p> <p>Training in basic border management, and anti-trafficking; procurement of specialised equipment for border police; linking checkpoints with centralised information system at the Ministry of Interior in Podgorica</p>
<p><i>Capacity building for Police Academy (CARDS 2005 - €0.6 million)</i></p> <p>Implementation of the Academy’s training programmes with a particular focus on Border Police, anti-terrorism and organised crime.</p>
<p><i>Police IT Network System (CARDS 2005 - €0.5 million)</i></p> <p>Supporting the finalisation of the Police IT network system, including the enhancement of communication links with border crossing points.</p>
<p><i>CAFAO Regional Project</i></p> <p>Supported approximation of legislation and procedures, administrative capacity, control procedures, management of human resources (including training)</p>
<p><i>CARDS Regional Police project (CARPO)</i></p> <p>Development of a regional strategy against economic and organised crime in South-eastern Europe</p>

Other donors' support has focussed on; the training of border police and the supply of associated equipment (USAID and the US State Department); organisational changes in the police structure (OSCE); immigration training to border guards has been provided by the IMPACT project led by the UK with the participation of Italy, France, the Netherlands and Norway. Italy and OSCE organised training delivered basic police training to middle and senior managers as well as support for the establishment of a criminal intelligence unit.

IBM is one of the intervention areas where donor coordination and work sharing amongst the donor community, in terms of lending support to the Government, has functioned particularly. The coordination effort has also benefited from the IBM donor group being co-chaired by the Ministry of Interior and the Customs Authority.

3.7 Lessons learned

Development of infrastructure at BCPs is identified as a top priority within the Government's IBM Strategy; improvement of working conditions for border personnel will improve efficiency. However, in order for such interventions to be fully effective, they must be supported by complementary development of institutional organisation, upgrading of security equipment and a comprehensive training programme. These elements have been addressed through various CARDS national and regional programmes and other bilateral support.

Clear commitments need to be secured from the Government regarding necessary budgetary provision to finance the required human and physical resources to operate the new facilities.

4. Indicative Budget (amounts in €million)

			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB	INV	EUR (a)=(b)+(c)+(d)	EUR (b)	%	Total EUR (c)=(x)+(y)+(z)	%	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	%
Activity 1												
contract 1.1		X	0.85			0.85	100	0.85				-
contract 1.2		X	2.45	2.45	100							-
TOTAL IB												
TOTAL INV			3.30	2.45	74.2	0.85	25.8	0.85				
TOTAL PROJECT			3.30	2.45	74.2	0.85	25.8	0.85				

Amounts net of VAT

Contact 1.1 will be a works contract funded and tendered by the Montenegrin authorities..

Contact 1.2 and will be a works contract funded by the EC and tendered under EC procedures. .

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

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1&2 (works)	Q1 2009	Q3 2009	Q4 2010

All projects should in principle be ready for tendering in the 1ST Quarter following the signature of the FA

6. Cross cutting issues:

6.1 Equal Opportunity

Extensive legislation exists in Montenegro related to equal opportunity issues. The Project will ensure, as far as is practicable, that the internal policies, structure or operating procedures of the beneficiary will conform to relevant EU directives and/or laws related to the promotion of equal opportunity.

The project will encourage the promotion of tourism and trade, including the marketing of local cross-border agricultural produce, issues that are of particular benefit to women.

6.2 Environment

The principal long-term environmental impact will be the reduction of pollution at the targeted BCPs by reducing vehicle waiting times. Any temporary adverse environmental impact during the construction phase will be addressed by the implementation of normal mitigation measures.

6.3 Minorities

The proposed project will, as far as is practicable, take the required steps to assure that the internal policies, structure or operating procedures of the beneficiary will conform with or promote minority issues.

ANNEXES

- 1 - Log frame in Standard Format
- 2 - Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3 - Description of the Institutional Framework
- 4 - 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 / sectoral investment plans
- 5 - Details per EU funded contract

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR		Programme name and number	
ort to the Development of IBM		Contracting period expires: Two years after the signing of FA	
		Disbursement period expires: 1 year after the execution of contracts	
		Total budget: €3,3 million	
		IPA budget: €2,45million	
Overall objective	Objectively verifiable indicators	Sources of Verification	
To support the Government in the process of implementing its Strategy for Integrated Border Management by enhancing coordination and cooperation between all the relevant authorities and agencies involved in border control, trade facilitation and border region cooperation, and by establishing effective, efficient and integrated border management systems, in order to ensure the common goal of open, but controlled and secure borders.	10% growth in legitimate foreign trade and trans-boundary passenger traffic between Montenegro and Serbia	Statistical Offices: Government statistics and reports Economic performance reports on Montenegro	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
To improve the effectiveness and efficiency of border control and processing procedures at the Border Crossing points of Dobrakovo and Dracenovac through new and renovated physical infrastructure.	Average waiting time of passenger vehicles at the 2 BCPs reduced by 50% by the end of the project detection of illegal persons and dangerous goods at BCPs increased by 5% by the end of the project number of employees per each BCP reduced at the end of the project (exact figure to be determined at the beginning of the project)	Register of the BCPs and ad hoc survey provided by the IBM and border police	The Government remains committed to implementation of its Action Plan related to the IBM Strategy Other factors having the potential to affect international trade remain stable

Results	Objectively verifiable indicators	Sources of Verification	Assumptions
BCPs at Dobrakovo and Dracenovac are provided with improved physical facilities constructed in full compliance with the contractual technical requirements	Completed facilities accepted and taken over by the beneficiary	Inspection of completion certification	<p>Elements of the IBM Strategy Action Plan relating to the introduction of institutional arrangements to improve procedures and efficiency are fulfilled.</p> <p>Availability of professional personnel having the necessary skills, qualifications and experience to fulfil the requirements of the inspection procedures</p>
Activities	Means	Costs	Assumptions
<p>Procurement and implementation of the works contract by the selected contractor</p> <p>Taking over of the BCPs by the final beneficiary conditional upon final acceptance certification.</p>	<p>Procurement of the first works contract via Montenegro National Procedures</p> <p>Procurement of the second works contract via PRAG international open tender procedure</p> <p>Formal handing over procedures, following final acceptance</p>	2 works contracts, first for € 2.45 million for the roads and parkings to be financed by EC, and second for € 0.85 million to be financed by National Contribution for the 2 buildings	<p>Availability of suitably qualified and experienced works contractors</p> <p>Works permits and licences secured by beneficiary</p>

ANNEX 2: Amounts (in €) Contracted and disbursed by quarter over the full duration of the Programme:

Contracted	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Contract 1.2 (works)	2,450,000					
Cumulated	2,450,000					
Disbursed	Q3 2009	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010
Contract 1.2 (works)	500,000		1,400,000		550,000	
Cumulated	500,000	500,000	1,900,000	1,900,000	2,450,000	

ANNEX 3: Description of Institutional Framework

The main functions carried out at international border crossing points are inspection procedures relating to security, customs and veterinary and phytosanitary issues. These functions are the direct responsibility of the Ministry of Interior (security), the Customs Administration and the Ministry of Agriculture, Forestry and Water Resources.

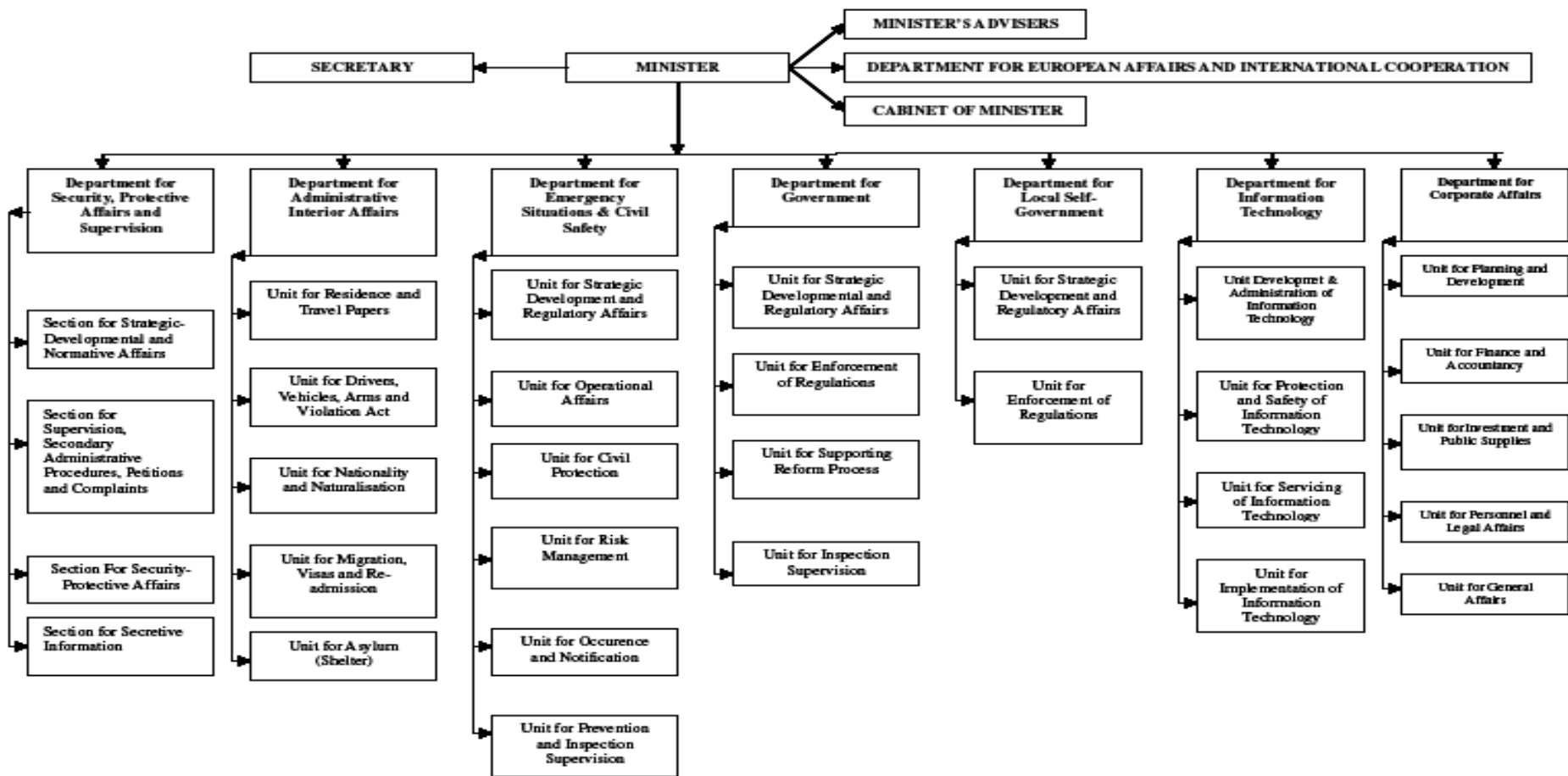
Responsibility for developing and maintaining the physical infrastructure at border crossing points (BCPs) rests with the Ministry of Interior. The Ministry has a technical unit responsible for all buildings and structures (including BCPs) under its control, and a dedicated budget for meeting maintenance obligations.

The specific sections of the Ministry responsible for infrastructure come under the Corporate Affairs Department (reference to Ministry organigram below). A Unit for Planning and Development prepares the Ministry's annual prioritised investment programme. The Unit for Investment and Public Supplies is responsible for procurement and implementation of supervision contract related to the works to be performed and supplies, including engineering designs and technical specifications. The Unit's staff comprises five qualified technical and two administrative personnel.

The Unit will direct assist the Supervisor during the implementation of the project. The Unit has successfully assumed supervision responsibility for the following CARDS funded infrastructure projects:

Programme	Contract	Value
2004	Debeli Brijeg Border Crossing Point	€2,900,000
2004	Scepan Polje Border Crossing Point	€1,050,000
2005	Police Training Academy	€1,160,000
2006	Bozaj Border Crossing Point	€ 765,000

During implementation of these construction projects, the supervision staff of the Ministry's Investment and Public Supplies Unit has demonstrated good professional and technical capability.



ANNEX 4: Reference to laws, regulations and strategic documents

1. Reference list of relevant laws and regulations

[OG RM – Official Gazette of the Republic of Montenegro]

Laws (Border Police):

Law on monitoring of the State border (OG RM No. 72/12-05)

Decision of the Government of the Republic of Montenegro on conditions allowing foreign nationals to enter and stay in Montenegro without a visa for tourist reasons (OG RM No. 21/2002).

Other regulations in the process of being drafted & adopted:

Rules on monitoring and control of crossing the State border

Rules on the work of border police at airports and ports

Rules with job description for members of the border police

Rules on systematization of jobs

Rules-Decree on staying in the area of border crossing

Rules on control of carrying fire arms across the State border

Rules on the use of means of coercion in performing the tasks of monitoring and controlling the crossing of the State border

Rules on disciplinary and material responsibility

Rules-Decree on arms and equipment of border police

Rules-Decree on uniform, marks and ranks of border police

Rules on Official records in border police and its keeping

Rules on the work of internal control

Rules on the markings at the State border and border Crossings

Rules on the resolution of border incidents and other border violations

Agreement on cooperation with the Customs Administration of Montenegro with clearly defined mutual obligations and responsibilities

Laws (Customs):

Customs Law (OG RM Nos. 7/02, 38/02, 72/02, 21/03, 31/03, 29/05)

Law on Customs Service (OG RM No. 7/02, 29/05)

Law on customs tariff (OG RM No. 75//05)

Laws (Veterinary Inspection):

The Veterinary Law (OG RM No. 1/04)

Laws (Phytosanitary Inspection):

Law on plant protection

Law on seed and reproductive material

Law on genetically modified organisms

Rules on health inspection of Crops and facilities for production of seed, seedling plants and cutting material

Plans, Programmes, and Strategies

Integrated Border Management Strategy (Government of Montenegro – February 2006)

2. Reference to other strategic documents

- **Reference to EP / SAA**

The European Partnership Document

Short-term priorities

Regional issues and international obligations: upgrade cross-border cooperation in the areas of the fight against organised crime, trafficking and smuggling, judicial cooperation, border management, environment, transport and energy.

Customs and taxation: further align customs legislation and procedures with the acquis. Continue to modernise the customs administrations in order to ensure a high level of administrative capacity and to fight against corruption, cross-border crime and fiscal evasion.

Intellectual property law: strengthen implementation and enforcement capacity in this field, including in border services, law enforcement agencies and the judiciary.

Medium-term priorities

Visa, border control, asylum and migration: develop the technical infrastructure and human resource capacities to implement the Integrated Border Management policy, including strengthening the border police and the customs services. Improve cross-border facilitations through new border posts.

The Stabilisation and Association Agreement (SAA, March 2007)

Article 6:

Montenegro commits itself to continue to foster co-operation and good neighbourly relations with the other countries of the region including an appropriate level of mutual concessions concerning the movement of persons, goods, capital and services as well as the development of projects of common interest, notably those related to border management and combating organised crime, corruption, money laundering, illegal migration and trafficking, including in particular in human beings, small arms and illicit drugs. This commitment constitutes a key factor in the development of the relations and co-operation between the Parties and thus contributes to regional stability.

- **Reference to MIPD**

Projects to be implemented under European Standards component

Implementation of the Integrated Border Management Strategy; capacity building and investment (including controls in the veterinary and phyto-sanitary sectors); strengthening the capacities of the border police and the upgrading of border facilities.

- **Reference to EC Montenegro 2007 Progress Report**

None

- **Reference to National Development Plan**

The Government's **Integrated Border Management Strategy** consistently cites the lack of facilities at BCPs as an obstacle to improving border control procedures.

Regarding border security, the Strategy a need to allocate resources to complete planned adaptations, improvements and construction of facilities for control at border Crossings and facilities used in monitoring the State Border. In order to improve customs control procedures, the Strategy concludes that existing border crossing facilities need to be modernised, including the reconstruction of BCPs with appropriate infrastructure and the construction of additional lanes in order to reduce bottlenecks and ensure the unimpeded flow of vehicular traffic.

- **Reference to national / sectoral investment plans**

Not applicable

ANNEX 5: Details per EU funded contract

The Border Crossing Points at **Dobrakovo** and **Dracenovac** are located on the border between Montenegro and Serbia. Prior to the break-up of the State Union of Serbia and Montenegro, the border between the two entities was limited to administrative status and the facilities provided at the two locations reflected the basic processing procedures that were applied.

The main deficiencies of the border crossing points (BCPs) can be summarised as follows:

- The main issue relates to **inadequate parking areas** within the BCPs, particularly at Dobrakova, for commercial vehicles awaiting inspection; this results in trucks having to queue on the two-lane approach roads, effectively reducing the roads to a single lane and, therefore, seriously inhibiting the free movement of other vehicles passing through the BCP. The situation also detracts from the effective inspection of vehicles by security, customs and veterinary/phytosanitary officers and also leads to waiting times of up to 1.5 hours at Dobrakova and 2.5 hours at Dracenovac;
- **Office accommodation** is sub-standard with security and customs personnel having to share offices;
- No dependable **emergency on-site electricity** is provided; the supply from the local electricity grid is not secure with regular outages.
- **Sanitary provision** is of an unacceptable standard; there are rudimentary facilities for BCP personnel and **no** public toilets;

Since Montenegro's independence, the border has assumed international status, with a consequential introduction of more stringent control procedures. Processing times have increased thus exacerbating the negative effects of the inadequate infrastructure.

The Ministry of Interior has assessed alternative solutions to the perceived inadequacies and has defined the following preferred options:

- The principal deficiency relating to **inadequate parking areas** poses particular problems at Dobrakovo; the approach roads on both sides are located on steeply-sloping terrain and the cost of widening the roads to provide an additional lane for queuing commercial vehicles would be prohibitively expensive, both in terms of construction costs and land expropriation. Within the confines of the Dobrakovo BCP, the limitations posed by the natural terrain are less prohibitive, and there is scope for providing additional "herring-bone" parking places. The topography at Dracenovac is less aggressive and the parking areas can be extended via a combination of widening approach roads and extending parking provision within the BCP;
- **Office accommodation** will be upgraded by renovating and extending some of the existing buildings in order to provide separate offices for security, customs and veterinary/phytosanitary officials;
- **Diesel generators** will be provided to address the problematic mains electricity supply;
- **Sanitary facilities** will be upgraded for both BCP personnel and for the general public.

It is anticipated that following completion and commissioning of the works, inspection and processing procedures will be rendered more effective and efficient and that waiting times will be reduced to an acceptable level of less than 30 minutes.

Co-financing

There will be two works contracts:

Contract 1 will be funded and tendered by the Ministry of Interior using funds from its general budget and in accordance to the local regulation. With this contract it is expected that facilities and working conditions for security, customs and veterinary/phytosanitary officials will be improved.

Contract 2 will be funded and tendered by the EC and it is expected that it will be used to widen the approach roads and parking area at both border crossing points.

All the project design, land acquisition and building permits will be provided by the beneficiary institutions before launching the works tenders.

Compliance with state aids provisions

Not applicable

Ownership of assets (current and after project completion)

The existing facilities at Dobrakovo and Dracenovac BCPs are within the ownership of the Government. The improved and extended facilities will continue to be under Government ownership, with the Ministry of Interior assuming responsibility for operating and maintenance costs.