

Project Fiche – IPA National programmes / Component I

1 IDENTIFICATION

Project Title	Technical Assistance and Project Preparation Facility (TA&PPF)
CRIS Decision number	2012/023-582
Project no.	11
MIPD Sector Code	9. Support and other activities
ELARG Statistical code	4.40
DAC Sector code	43310
Total cost (VAT excluded)¹	EUR 823,866
EU contribution	EUR 823,866
Management mode	Centralised
<i>Centralised management:</i> EU Delegation in charge	Delegation of the European Union to Montenegro
Implementation management	Delegation of the European Union to Montenegro
Implementing modality	Stand-alone project – one part of the fiche (EUR250 000) will be implemented by joint management with UNDP/CDP.
Project implementation type	C01 – project type interventions
Zone benefiting from the action(s)	Montenegro

¹ The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

While a series of institutional building actions were undertaken within the previous IPA programmes, the capacities of line ministries and state agencies remain relatively weak in terms of meeting the demands related to the EU funding. The capacity for identifying and preparing projects according to EU standards should continue to be improved. Line ministries and other government institutions involved in the IPA programming process are facing problems with the inadequate composition of documentation related to preparation, implementation and monitoring of IPA programmes. Feasibility (cost benefit) assessment, environmental impact assessment (when necessary) are not systematically carried out during the project preparation and there is a limited strategic positioning. In parallel with that situation, a higher number of beneficiary institutions and of Directorates/Departments are getting involved in programming and therefore the demand for capacity building is increasing.

At the same time, like other accession countries and new Member States, Montenegro is constantly battling with institutional memory loss, which has additionally been stimulated by the government's decision to cut jobs in the public administration as an attempt to deal with the increasing pressures of the global economic crisis. Montenegro still needs to enhance the capacities of its line ministries and other government institutions to apply wide sector approach in identifying the needs and priorities for each of the sector selected but also in meeting the minimum conditions needed to develop that approach (development of a sector policy and strategy, sector budget, sector coordination and sound public financial management). Horizontal coordination (intra-ministerial and inter-ministerial) remains to be tackled as well as donors' coordination and national consultation with other stakeholders in the process of identifying priorities and programming IPA resources.

Moreover, the reduced absorption capacity of the Montenegrin institutions, as well as the many requests of support related to the accession process and its candidate country status, need a flexible instrument like this project to be in place and available at any time. This instrument confirmed to be successful within the implementation of IPA from 2008 onwards.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

The MIPD 2011-2013, indicates the support to the public administration in increasing its capacities of leading Montenegro through the Stabilisation and Association Process as one of the main strategic objectives. Support to the Montenegro government to develop and implement sectoral and EU integration strategies, as well as in the preparation of the relevant services for the decentralisation of community assistance is also in line with the MIPD 2011-2013.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT

The project will enhance the authorities' ability to prepare projects that help Montenegro meet the full range of its priorities deriving from the European Partnership and Multi-annual Indicative Planning Document, as well as from the Stabilization and Association Agreement. The Project Preparation Facility has been designed in a flexible manner to support also the

initiatives contributing to such projects. The Ministry of Foreign Affairs and European Integration has a pipeline of project ideas not yet mature that have been identified during the early phase of the programming exercises of IPA 2012 – 2013. They can serve as a basis for future projects and also as an indication on the actions required for their preparation.

2.4 PROBLEM ANALYSIS

The Project Preparation Facility (PPF) scheme introduced by the European Commission for the candidate countries has been used for fast and flexible interventions to support the adoption of the EU *acquis* and for the preparation of projects to be funded under the pre-accession programmes.

The PPF projects under the previous IPA programmes have been considered successful in terms of delivering short-term assistance in:

- Designing effective strategic plans in different sector areas, often followed by the more detailed investment strategies;
- Provide ad hoc support in particular chapters or future areas of negotiation;
- Supporting planning and programming of the EU funded projects by assisting in stakeholder consultations, drafting the Project Fiches and their annexes; and
- Drafting the tender documentation and support the evaluations for the implementation of the EU funded projects.

In addition, the IPA also foresees support being provided for preparing and building the necessary capacities and systems for the decentralised management of EU funds, as well as for building capacities of Montenegro co-ordination mechanisms for implementation of priorities from the EP and SAA.

It is proposed therefore that, based on the lessons learned from the former candidate countries, the similar needs of the Montenegro state administration should be supported. In doing so, it is necessary to take into consideration that in many cases the Montenegro institutions need support in drafting the appropriate sector strategies to form the framework for effective change initiatives, especially in the framework of a sector approach.

Montenegro state institutions also lack experience in programming, co-ordinating and developing mature project proposals under tight programming deadlines. In line with the IPA programming guidelines, support would therefore be provided to the National IPA Coordinator (NIPAC) in planning and programming the IPA-funded projects by assisting in stakeholder consultations, coordination and advising on the drafting of the Sector fiches and Project Fiches and their annexes, especially in order to adapt the programming cycle to the new IPA Regulation and its Implementing Regulation set up during the next Financial Perspective 2014-2020. It is particularly important that financed projects target well the specific needs and that the funds are used in the most efficient manner possible. Important additional challenge for Montenegrin institutions is demanding sector approach. Thus, the TA&PPF will provide support in thorough project preparation process, as well as in preparation of adequate/accompanying cost-benefit analyses, feasibility studies and/or market analyses, which are pre-requisites for the good project preparation. It is also fundamental that during the programming activities the stakeholders are able to build-in appropriate frameworks for monitoring and evaluation. Currently the level of skills and knowledge relating to measuring outputs, outcomes, and impact is somewhat basic and therefore the

institutions will benefit from further capacity building in this area, particularly on the concept of Results Based Monitoring.

Another area where additional short-term interventions in Montenegro are required is related to the implementation of the EU financed projects. In many cases thorough project implementation documentation in the form of tender dossiers, technical specifications, guidelines for call for proposals or terms of reference need to be drafted in order to initiate the tender procedures for acquiring the services, grants, works or supplies required. Often the technical know-how required for drafting for the project implementation documentation is either too specific for the Montenegrin institutions, or alternatively the drafting process would prove to be unreasonably time consuming for the non-specialists of the field. In those cases the assistance of experts would allow to fasten the procedures to launch the implementation of projects and also provide the Montenegro authorities with hands-on training.

Lastly, an important task is lined up for the Montenegro authorities: finalization of the process of establishment of the Decentralized Implementation System. Both, preparation for the Decentralised Management of EU funds and implementation of the activities deriving from Stabilization and Association Agreement, are labour intensive and demanding processes. Accordingly, it will be compulsory to provide continuous high quality support for building capacities and systems for further decentralization and for building capacities of Montenegro co-ordination mechanisms for implementation of priorities from the EP and SAA. In order to assure that capacity building programmes meet the high quality standards and justly respond to the needs of the beneficiary, the TA&PPF will provide support in drawing up analysis of current situations, conducting needs assessment and providing recommendations for further improvements of the a/m capacities, systems and mechanisms. Hereafter, the TA&PPF will also provide short-term interventions such as drafting manuals, working procedures, job descriptions, rulebooks and other procedural documentation in order to help streamlining the necessary systems and co-ordination mechanisms. The TA&PPF will also provide preparatory documents (feasibility studies, environmental impact assessments, specific sector studies, strategies, etc.) for the implementation of IPA components III, IV and V.

A specific grant to UNDP/CDP will be provided in order to enhance coordination and sector wide approach in programming of IPA Components I, III and IV. Furthermore, CDP will strengthen capacities of SPOs and programming units for both, identification phase and development of concrete Sector and Project Fiches. The grant will be used to enhance the quality of process for development of new Strategic Coherence Framework and Operational Programmes for IPA components III and IV as well as development of these strategic documents. This grant is envisaged as the necessary support to Montenegrin Government for IPA programming having in mind the new EU Multiannual Financial Framework, sector wide approach in programming and implementation of projects in Decentralised Management.

Moreover, a continuous support to the evaluation and monitoring of the impact of all IPA projects in the country will be supported either by grants or services. Grants will be given to Montenegro institutions to be able to introduce impact assessment as their normal activity.

The TA&PPF consists of unallocated sum of funds which should cover the financing of the service, grants and twinning light projects with an average of €50,000 to €250,000 per single action.

2.5 LINKED ACTIVITIES AND DONOR COORDINATION

The project is linked to the following activities, none of which would be overlapped.

Under national CARDS 2006 programme, a € 500,000 project titled "first steps for a decentralisation system" aiming at fostering Montenegro's preparedness to deal with the forthcoming EU financial assistance (chiefly IPA) along the lines of the EU requirements for the setting up of the Decentralised Implementation System DIS. This technical assistance is the first action to strengthen the administrative and managerial capacities of DIS key

stakeholders and structures in view of the future accreditation of the system. The stakeholders and beneficiary institutions are fully or partially involved in the management of EU funded projects at different phases. The project particularly focuses on the National Fund, the Central Financing and Contracting Unit and the structures supporting the work of the Senior Programming Officers in line Ministries and Agencies.

Under IPA 2007 national centralised programme, a €156 971 project, implemented in the last quarter 2008, aims at "Strengthening Capacities for Programming and Project Fiche Preparation in Montenegro". This grant represents a EU contribution to finance a joint action with UNDP/CDP supporting the strengthening capacities in the Montenegrin state administration and increase ownership over IPA programming and project identification process through preparation of project fiches for IPA National Programme 2009 together with all necessary supporting documentation as per IPA regulation. This action resulted with an increased ownership over IPA programming and capacity in project preparation by beneficiary institutions. The same programme has foreseen the € 154,699 project "Strengthening Capacities for IPA Programming and Implementation in Montenegro" with aim to strengthen the capacities of the State administration for successful coordination, programming and implementation of IPA resources and increased public awareness on EU funds. This action covered annual programming exercises 2011 and 2012/2013 for IPA Component I as well visibility and public awareness activities related to IPA components III and IV.

The frequent changes in Montenegrin Government has sometimes caused insufficient capacities and an unsustainable process of programming IPA annual programmes and developing project fiches of good quality. A specific challenge for the national authorities will be the introduction of the new Multiannual Financial Perspective and of the sector wide approach as well as the necessity to develop a new strategic framework for programming IPA for Components I, III and IV.

Capacity Development Programme (the partnership programme of the Government of Montenegro and the United Nations Development Programme) has proved as valuable partner of both, Government of Montenegro and EUD to Montenegro in strengthening capacities for utilization of external assistance. The CDP has high level of national ownership and long experience in supporting Montenegro in the process of EU integration with the specific focus on coordination, establishment of relevant structures and development of key strategic documents. The new grant to CDP (€250,000) will facilitate sector approach and enhance capacities for coordination and programming of IPA component I and development of new strategic documents for IPA components III and IV.

2.6 Lessons learned

The TA&PPF has been developed in light of the ongoing assessment of the project preparation capacities and needs of Montenegro authorities. In the context of the programming of IPA national programmes it has become clear that beneficiaries require assistance in developing projects and that in particular it is necessary to provide a facility to enable limited support to be targeted specifically at the design-preparation phase before larger scale funds are committed to less-well defined and relatively high-risk projects. An additional challenge also lies with the effective and efficient application of a sector approach in light of the various needs of the country. These needs has to be adequately addressed at the earliest phase of programming – identification phase.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

The overall objective of the **TA&PPF** is to improve the planning, programming and implementation of the Instrument for Pre-Accession Assistance (IPA), and to facilitate mechanisms for an integrated EU accession process in Montenegro, as well as to prepare the future structures to implement EU structural funds.

3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT

The specific objectives of the PPF is to build capacity for and support the preparation and early implementation of activities under this and subsequent IPA Programmes, as well as to be better prepared for the negotiation process, and to ensure that the Montenegro authorities submit relevant strategic documents and good quality project proposals to the European Commission for the implementation of European Partnership (EP) and the Stabilisation and Association Agreement (SAA) and to support effective implementation of these projects in Montenegro.

3.3 RESULTS

Upon its completion, the TA&PPF will have resulted in:

- Prepared sector strategies and investment strategies;
- Adopted new Strategic Coherence Framework and Operational Programmes for IPA Components III and IV related to new programming cycle;
- IPA programme in the country monitored and impact assessed;
- Prepared Audit and Evaluation reports ;
- Prepared feasibility studies and environmental impact assessments;
- Stakeholders fully consulted throughout the project preparation phase;
- High quality project fiches for IPA funding including following prospect annexes to the project fiches: logical frameworks with measurable indicators, feasibility studies/market studies/cost-benefit analyses for investment components in the projects, technical designs and bills of quantity;
- Submitted project tender documentation (terms of reference, technical specifications, other supporting materials for tender dossiers) and the provision of expertise in tender evaluations;
- Analytical reports on capacities, systems and working procedures necessary for the decentralization process, as well as for the Montenegro co-ordination mechanisms for

implementation of the EP and SAA priorities, supported with adequate recommendations for their improvement and streamlining;

- Enhanced capacity within institutions benefiting from IPA funds on all aspects of the Programme/Project Cycle;
- The implementation of national legislation and promotion of best practices, in line with the relevant European values, standards and practices are strengthened.

3.4 MAIN ACTIVITIES

An indicative amount of 5 to 8 service, grant and twinning light contracts will be procured during the first two years after signing the financing agreement. These various contracts will support the implementation of the following indicative activities:

- Drafting or assessment of sector strategies or multi-sector strategies for the harmonisation of national legislation with the SAA, and its implementation, or for the future use of EU pre-accession funds. The special focus of the strategies should identify “gaps” in compliance with the SAA and to assess institutional readiness for its full implementation;
- Drafting of (pre-)feasibility and impact studies (especially in the environment sector) in relation to Montenegro compliance with the SAA and in preparation of IPA components III, IV and V and carrying out (pre-)investment studies (environmental impact assessments, business plans, market studies, economic and cost-benefit analysis, investment appraisals etc) for the upcoming investments;
- Carrying out evaluations and audits when not supported by other budget lines;
- Carrying out or facilitating workshops for the stakeholder consultations for project preparation;
- Preparation of project fiches, logical frameworks and all relevant annexes to programming documents;
- Baseline studies for impact indicators of projects;
- Preparation of procurement documents (terms of reference, technical specifications, bills of quantities, guidelines for grant schemes and other supporting documents for tender dossiers) and provision of expertise for tender evaluations;
- Providing training relevant to any of the above-mentioned activities;
- Drawing up analyses, conducting needs assessment and providing recommendations for further enhancement of capacities, systems and co-ordination mechanisms for establishment of DIS and for implementation of EP and SAA priorities;
- Drafting manuals, working procedures, job descriptions, rulebooks and other procedural documentation for necessary systems and co-ordination mechanisms for establishment of DIS and implementation of EP and SAA priorities.
- Grant to UNDP/CDP to support the Ministry of Foreign Affairs and European Integration and other line ministries in coordination, identification and programming of IPA Component I, and to support Operational Structures for IPA Components III and IV for development of SCF and two OPs.

3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT (WHERE APPLICABLE)

Primarily, the TA&PPF will contribute to the quality of processes and documents required for planning, programming and implementing of the Instrument for Pre-accession Assistance. In

parallel, the TA&PPF will strengthen capacities of the Montenegro authorities' in IPA process by enabling learning-by-doing or other forms of trainings in planning, programming and implementing of IPA.

Furthermore, the TA&PPF will enhance capacity building programmes by providing more genuine reflection on state-of-play of Montenegro capacities, systems and co-ordination mechanisms for transition to DIS and for implementation of EP and SAA priorities. Accurate analyses, needs assessment and recommendations will directly lead and contribute to the quality in defining and designing of the capacity building programs.

The TA&PPF will increase understanding and capabilities of the institutions for planning and programming the IPA funded projects by assisting in stakeholders consultations, and advise on the drafting of the Project Fiches and the annexes, targeting well the specific needs of the country and ensuring that funds are used in the most efficient manner possible.

Sustainability is certainly the main concern when new structures are being set up. These kind of structures are related to IPA programming and implementation.

3.6 SUSTAINABILITY

Sustainability will be ensured through the acquired skills of the state administration in programming of IPA that will lead to successful implementation of projects and improved programming for next years.

3.7 ASSUMPTIONS AND PRE-CONDITIONS²

Line ministries have to commit the necessary staff in order to ensure the success of the programming process and development of project fiches, as well as the creation of the new strategic and policy framework. Line Ministries will need to maintain a commitment to increasing the capacity of their programming and implementation units by retaining staff in existing positions and by actively seeking opportunities to develop the staff through involvement in strategic/policy framework design and other project design and preparation activities undertaken as part of this project.

The technical assistance should ensure that, where appropriate, project design is carried out in consultation with the full range of stakeholders and not just the official beneficiary institution. Line Ministry beneficiaries must ensure that supported projects are sustainable and the necessary costs of maintenance are factored into budgets.

4 IMPLEMENTATION ISSUES

Direct Grant will be provided to CDP/UNDP to support programming of IPA Component I for 2014 and development of Strategic Coherence Framework and two Operational Programmes for IPA Component III and IV. In addition, there will be an indicative amount of 08 service and twinning light contracts following procurement procedures in line with PRAG.

² Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.

4.1 INDICATIVE BUDGET

0Indicative Project budget (amounts in EUR)

PROJECT TITLE			SOURCES OF FUNDING									
			TOTAL EXPENDITURE	IPA CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	% (2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
TOTAL IB			823,866	823,866	100							
TOTAL INV												
TOTAL PROJECT			823,866	823,866	100							

An indicative amount of 8 services, grants and twinning light contracts will be procured during the first two years after signing the financing agreement.

Amounts net of VAT

(1) In the Activity row, use "X" to identify whether IB or INV

(2) Expressed in % of the **Total** Expenditure (column (a))

4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

Contracts	Start of Tendering/ Call for proposals/ direct Grant	Signature of contract	Project Completion
Multiple contracts over the lifetime of the project (an indicate amount of 8 services, grants and Twinning lights in average amounting from €50,000 to €250,000 per project).	Q1 2013 till Q2 2015	Q1 2013 till Q4 2015	Q4 2015

NB. Due to demand-based nature of the TA&PPF it is not possible to accurately predict precise timing of the implementation schedule.

4.3 CROSS CUTTING ISSUES

4.3.1 *Equal Opportunities and non discrimination*

The project will ensure that all the cross cutting issues are appropriately incorporated in the sector strategies and programme/projects designed with the assistance of the Project Preparation Facility. In addition, specific training activities can be organized in order to raise the awareness of the importance and individual specificity of these project aspects and train the Montenegro stakeholders on how to integrate them at the strategy and programme/project level.

4.3.2 *Environment and climate change*

The actions envisaged under the present project are not affecting the environment. In case of preparation activities of infrastructure projects, Environmental Impact Assessments and Strategic Environmental Assessments will be part of the activities.

4.3.3 *Minorities and vulnerable groups*

Special attention to minorities and the policy of equal opportunities will be integral part of any action of the project.

4.3.4 *Civil Society/Stakeholders involvement*

The project will ensure broad consultation process with civil society and stakeholders involved in the all actions of the project.

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Project title and number		Technical Assistance and Project Preparation Facility (TA&PPF)	
		Contracting period expires		Execution period expires	
		Total budget	€823,866		
		IPA budget:	€823,866		
Overall objective	Objectively verifiable indicators (OVI)	Sources of Verification			
The overall objective of the TA&PPF is to improve the planning, programming and implementation of the Instrument for Pre-Accession Assistance (IPA) and, and to facilitate mechanisms for an integrated EU accession process in Montenegro, as well as to prepare the future structures to implement EU structural funds.	Satisfactory ex-post evaluations of projects Satisfactory contracting and disbursement of the IPA funds Enhanced co-ordination of the EU Integration process	Evaluation reports Progress Reports IPA Monitoring Reports			
Specific objective	Objectively verifiable indicators (OVI)	Sources of Verification		Assumptions	
The specific objectives of the PPF is to support the preparation and early implementation of activities under this and subsequent IPA Programmes, as well as to be better prepared for the negotiation process and to ensure that the Montenegro authorities submit relevant strategic documents and good quality project proposals to the European Commission for the implementation of European Partnership (EP) and the Stabilisation and Association Agreement (SAA) and to support effective implementation of these projects in Montenegro.	Project fiches submitted to EC in line with programming timetable, and subsequently approved. Feasibility studies and strategic documents in line with international standards and IFIs practices. Contracting and disbursement in line with programming timetable	IPA programme documents IPA Monitoring Reports		Availability of satisfactory quality expertise.	
Results	Objectively verifiable indicators (OVI)	Sources of Verification		Assumptions	
<ul style="list-style-type: none"> Prepared sector strategies and investment strategies; Adopted new Strategic Coherence Framework and Operational Programmes for IPA Components III and IV related to new 	Strategies prepared Consultations and co-ordination support undertaken where appropriate and relevant	Reports and project documentation from individual TA contracts. Monitoring reports within SEI		Identification of priority areas for assistance in a timely manner	

<p>programming cycle;</p> <ul style="list-style-type: none"> • IPA programme in the country monitored and impact assessed • Prepared Audit and Evaluation reports ; • Prepared feasibility studies and environmental impact assessments; • Stakeholders fully consulted throughout the project preparation phase; • High quality project fiches for IPA funding including following prospect annexes to the project fiches: logical frameworks with measurable indicators, feasibility studies/market studies/cost-benefit analyses for investment components in the projects, technical designs and bills of quantity; • Submitted project tender documentation (terms of reference, technical specifications, other supporting materials for tender dossiers) and the provision of expertise in tender evaluations; • Analytical reports on capacities, systems and working procedures necessary for the decentralization process, as well as for the Montenegro co-ordination mechanisms for implementation of the EP and SAA priorities, supported with adequate recommendations for their improvement and streamlining; • Enhanced capacity within institutions benefiting from IPA funds on all aspects of the Programme/Project Cycle; • The implementation of national legislation and promotion of best practices, in line with the relevant European values, standards and practices are strengthened. 	<p>Feasibility studies and environmental impact assessment studies prepared in accordance with international standards</p> <p>Tender documents prepared in time for opening of tender procedures.</p> <p>Analyses compiled and needs assessments conducted on the current status of capacities of national authorities, end recommendations for further capacity building programs and for further improvement of working process of DIS systems and SAA co-ordination mechanisms.</p> <p>Manuals, working procedures, job descriptions, rulebooks and other procedural documentation drafted for necessary systems and co-ordination mechanisms for DIS accreditation and implementation of EP and SAA priorities</p> <p>Project fiches prepared and submitted for EC approval</p> <p>Technical assistance reports</p>		
Activities to achieve results	Means / contracts	Costs	Assumptions
<ul style="list-style-type: none"> • Drafting or assessment of sector strategies or multi-sector strategies for the harmonisation of national legislation with the SAA, and its implementation, or for the future use of EU pre-accession funds. The special focus of the strategies should identify "gaps" in compliance with the SAA and to assess institutional readiness 	<p>Services, grants and twinning light contracts</p>		

for its full implementation;

- Drafting of (pre-)feasibility and impact studies (specially in the environment sector) in relation to Montenegro compliance with the SAA and in preparation of IPA components III, IV and V and carrying out (pre-)investment studies (environmental impact assessments, business plans, market studies, economic and cost-benefit analysis, investment appraisals etc) for the upcoming investments;
- Carrying out evaluations and audits when not supported by other budget lines;
- Carrying out or facilitating workshops for the stakeholder consultations for project preparation;
- Preparation of project fiches, logical frameworks and all relevant annexes to programming documents;
- Baseline studies for impact indicators of projects;
- Preparation of procurement documents (terms of reference, technical specifications, bills of quantities, guidelines for grant schemes and other supporting documents for tender dossiers) and provision of expertise for tender evaluations;
- Providing training relevant to any of the above-mentioned activities;
- Drawing up analyses, conducting needs assessment and providing recommendations for further enhancement of capacities, systems and co-ordination mechanisms for establishment of DIS and for implementation of EP and SAA priorities;
- Drafting manuals, working procedures, job descriptions, rulebooks and other procedural documentation for necessary systems and co-ordination mechanisms for establishment of DIS and implementation of EP and SAA priorities.
- Grant to UNDP/CDP to support the

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Ministry of Foreign Affairs and European Integration and other line ministries in coordination, identification and programming of IPA Component I, and to support Operational Structures for IPA Components III and IV for development of SCF and two OPs.

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ANNEX 2: Description of Institutional Framework

Not Applicable

ANNEX 3: Reference list of relevant laws and regulations only where relevant

Not Applicable

ANNEX 4: Details per EU funded contract (*) where applicable:

All contracts are not yet identified apart from the Contribution Agreement (joint management) that will be attributed to UNDP/CDP for the support of the programming IPA 2014 component I, III and IV, sector approach and coordination (a maximum of €250,000).

The grant will be awarded following Article 53 (d) of Financial Regulation and article 6.3.2 of Practical Guide, being that UNDP is satisfying the two conditions below:

- has exclusive competence in the field of activity and/or geographical area to which the grant relates pursuant to any applicable law; or
- is the only organisation (i) operating or (ii) capable of operating in the field of activity and/or geographical area to which the grant relates by virtue of all considerations of fact and law.

The Capacity Development Programme (CDP) has been working with the Government of Montenegro for 5 years and it has proven experience in capacity development of Montenegrin public institutions. CDP is placed within the Ministry of Foreign Affairs and European Integration and has very good positioning within the government of Montenegro and strong national ownership. Experience, expertise, direct contacts with main stakeholders in all institutions and proven records with implementation of EU funded projects makes CDP as the best choice to effectively address and support Government of Montenegro in programming of IPA 2014 Component I,III and IV.

Duration of the project: 18 months.

The Grant to UNDP/CDP will produce the following results:

Result 1-Developed Sector and Project Fiches for National Programme 2014 and other years – IPA Component I

Result 2 - Drafted programming documents for IPA III and IV for the period after 2013 (Strategic Coherence Framework and two Operational Programmes)

Result 3 – Support to the development of sector approach in specific sectors in Montenegro.

ANNEX 5. Project visibility activities

Participants on EU-funded training courses, conferences, seminars etc. will be made aware that the EU is financing the events. Possible communication tools includes: stationery, report presentation, display panels, press conferences, newsletters, web pages, promotional items etc.