



Regional Cooperation for European Integration

A Bridge between Macroregions

The CEI Fund at the EBRD

Annual Report 2012

**Projects and Activities supported by the CEI Fund at the
European Bank for Reconstruction and Development**

The Central European Initiative

The CEI is a regional forum for cooperation and consultation which promotes collaboration at political, economic and cultural level in central and eastern Europe. Founded in 1989, the CEI now counts 18 member states: Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Hungary, Italy, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, the Slovak Republic, Slovenia, and Ukraine.

Since its inception, the Initiative's main aim has been to support transition countries in the process of integration with the European Union. To achieve this, the CEI seeks to make a sustainable impact in strengthening the capacities of its member states remaining outside the EU to consolidate their institutional and economic background and bring them closer to the Union.

In 1992 Italy signed an Agreement with the European Bank for Reconstruction and Development (EBRD) on the establishment of a CEI Fund at the EBRD "to assist the Bank's countries of operation in central and eastern Europe in their economic and social transformation process". A Secretariat for CEI Projects (later renamed Office for the CEI Fund at the EBRD) was established to manage the Fund and carry out activities of pre-investment and capacity building for the identification, promotion and appraisal of projects in the CEI region, as well as activities related to project implementation.

The Fund, towards which the Italian Government has solely made a total contribution of €36.5 million, mainly provides grant-type assistance for specific components of Technical Cooperation (TC) projects. Since its inception, the Fund has provided more than €22.1 million for funding TC projects.

The CEI Fund also contributed a total of more than €1.5 million to the Know-How Exchange Programme (KEP), which is its second most important instrument and a specific CEI tool.



European Bank
for Reconstruction and Development

ToC

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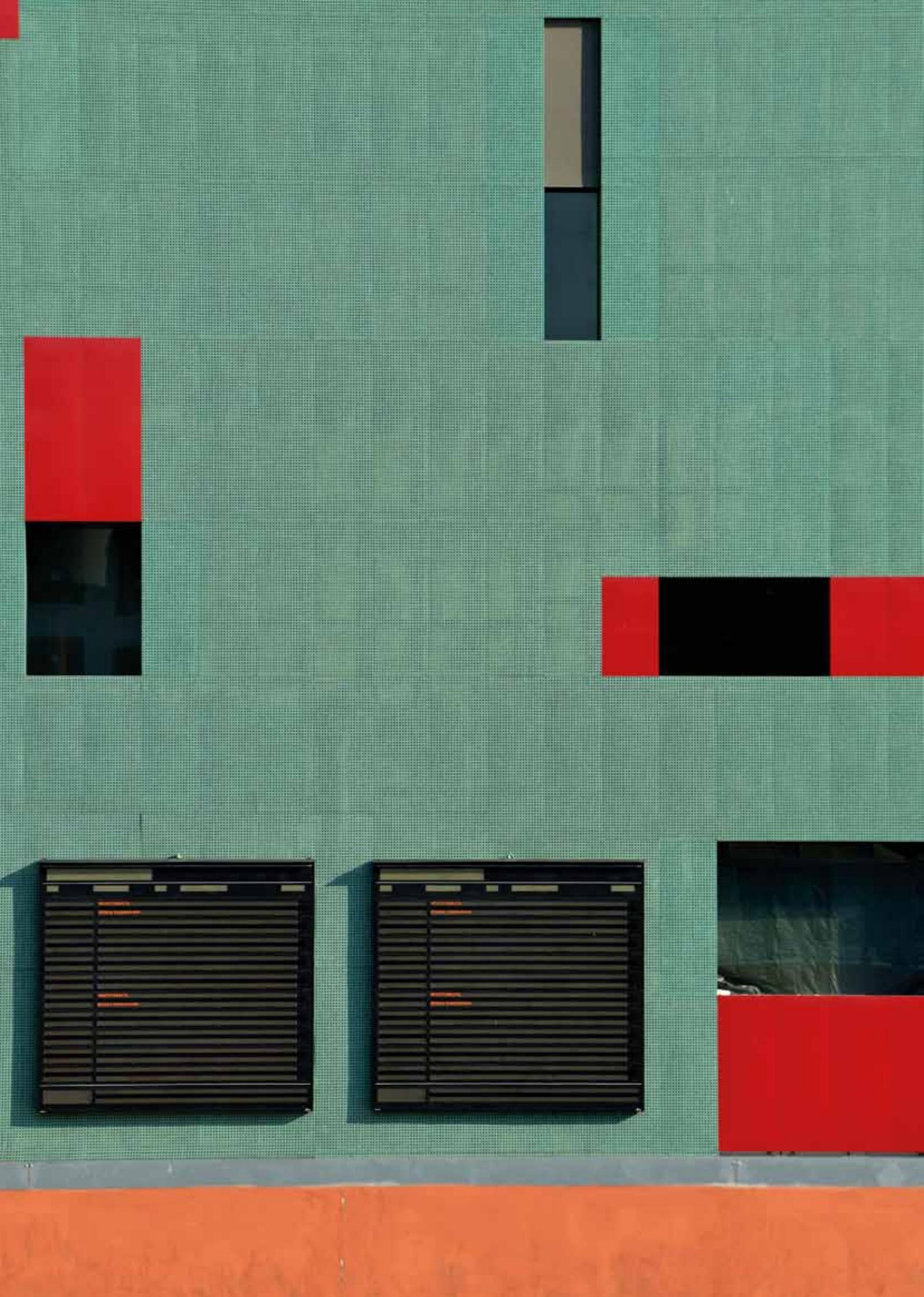
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Intro

Introduction



As representative of the Donor Country of the CEI Fund at EBRD, established and fully financed by Italy, I am very glad to acknowledge the effectiveness of the CEI Fund's activities presented in the 2012 Annual Report. The CEI Fund has in fact confirmed its concrete and positive impact during a significant year for the European path of non-EU CEI countries.

Since 1992, Italy has allocated to the CEI Fund at the EBRD €36.5 million for projects and activities fostering economic and democratic transition in non-EU CEI member countries. This high commitment reflects Italy's special attention towards the European path of the countries of the Balkans and of Central and Eastern Europe, as well as of the excellent cooperation between the Italian Government and the EBRD.

In 2012 the CEI Fund raised its technical assistance commitment level to more than €1.8 million, in line with the Fund's record over its more than 20 years of operations, in which Technical Cooperation projects mobilised more than €4.5 billion of international investments. The relative Total Investment Ratio is 1:207, which means that for each CEI Euro spent on Technical Cooperation projects in the region, IFIs and local organisations invested about €207. The EBRD alone invested about €117 for each CEI Euro dedicated to technical assistance.

Furthermore, in 2012 the Fund has not only focused its operations in technical assignments, but also on the transfer of know-how and best practices from EU countries to non-EU CEI member countries, through the CEI Know-how Exchange Programme assignments, supporting projects of a total value of more than €900,000.

The CEI Fund also organised two workshops in Trieste focusing on EBRD Procurement Policies and attracting a considerable number of Italian contractors, suppliers, manufacturers, industrial companies as well as representatives of consulting companies from Italy and other CEI member states.

Italy confirms its strong commitment to further enhance the activity of the CEI Fund at the EBRD, in accordance with its long-standing support to the European path of CEI non-EU countries. Hence, the CEI Fund at the EBRD should continue to grant assistance to non-EU CEI member countries, with a special focus on the sectors mostly in need of help, thus likely to increase the investment attraction. In particular, the focus will be in the following sectors: energy efficiency, municipal and environmental infrastructure, transport, agribusiness, financial institutions and support to SME development. Technical instruments will include capacity building and policy dialogue in these sectors. Moreover, the CEI Fund will continue to support European integration, capacity building and market economy transition under the CEI Know-how Exchange Programme. Attention will also be given to facilitate coherence and to avoid duplication with regards to the sectors and activities of the Plan of Action of the EU Macro-regional Strategies concerning CEI non-EU countries.

Minister Plenipotentiary
Carlo Lo Cascio

CEI National Coordinator
Balkans Director
Ministry of Foreign Affairs, Italy



The CEI Fund at the EBRD and its Office

In 1992 the Italian Government established the Central European Initiative (CEI) Fund at the European Bank for Reconstruction and Development (EBRD). Through this Agreement, the Italian Government acknowledged the great opportunity that the newly created development bank presented for the objectives that the CEI had embraced at its foundation in 1989. In this context, the CEI Fund was created "to assist the Bank's countries of operation in central and eastern Europe in their economic and social transformation process". Despite its bilateral nature, the Fund financed projects and activities targeted at the entire CEI region. Since the Fund's establishment, the Italian Government solely contributed to it €36.5 million.

The Fund has been predominantly used for grant-type Technical Cooperation (TC) projects in support of EBRD operations in a number of areas, including agriculture, transport, energy, assistance to small and medium-sized enterprises (SMEs), municipal infrastructure and services, banking, insurance, institutional and capacity building. The CEI TC Programme reflects both CEI and EBRD regional and sectoral priorities.

Accordingly, the Programme has become an effective means of development for CEI countries of operation: 115 TC assignments with a total cost of more than €22.1 million have been undertaken in the period 1993-2012.

In addition to Technical Cooperation, the CEI Fund has been a source of financing for the Know-how Exchange Programme (KEP) - a grant facility supporting capacity building and best practice transfer projects carried out by institutions from CEI EU countries to benefit recipients in the non-EU CEI member states. To date, over €1.5 million have been committed by the CEI Fund to support 57 KEP operations. The total value of these projects (CEI grants and mandatory co-financing) is almost €5 million.

Lastly, from 1998 through 2006 the CEI Fund at the EBRD, in cooperation with a number of partners across the CEI region, co-financed Cooperation Activities - projects of small scale and limited duration, such as conferences, seminars, workshops, or other types of short trainings. Throughout the 1998-2006 period the CEI Fund supported 113 such activities across CEI member countries, contributing over €1.6 million in project co-financing.

The Office for the CEI Fund is the operational body which ensures constant dialogue between the CEI, the Italian Ministry of Foreign Affairs, and the EBRD for all issues related to the administration of the Fund. The Office is located at the CEI Headquarters in Trieste and is also represented in London within the Operational Policies Vice-Presidency of the EBRD. Through this Office, whose staff closely collaborates with EBRD banking teams, the CEI has managed to build a unique comparative advantage vis-à-vis other funds active within the Bank. This collaborative approach allows the CEI to better choose projects, thereby ensuring high leverage ratios as well as greater effectiveness and efficiency.

For the TC Programme, the Office for the CEI Fund regularly screens projects in the EBRD pipeline, and supports the Italian Ministry of Foreign Affairs in its selection process. Following positive appraisal by the Ministry, the Office presents the prospective projects to the CEI Committee of National Coordinators for their approval, then monitors their implementation, and evaluates them after completion. The Office also manages the Know-how Exchange Programme (see Chapter 3). The Office's role is not limited to the provision of grants, but concerns the whole project cycle, starting from the initial screening of applications, throughout the monitoring of project implementation, to ex-post evaluation of results.

Staff Structure of the Office for the CEI Fund at the EBRD

Mr Guido Paolucci, *Programme Manager*

TRIESTE OFFICE

Ms Elisabetta Dovier, *Senior Executive Officer*

Ms Simona Mameli, *Executive Officer*¹

Ms Daniela Biadene, *Junior Executive Officer*

Ms Tea Stibilj, *Junior Secretary*

LONDON OFFICE

Mr Adrian Keler, *Manager*²

Mr Vlad C. Olievschi, *Associate Manager*

¹ Ms Mameli was detached to the Italian Ministry of Foreign Affairs, Rome. She left the Office for the CEI Fund at the EBRD on 30 November 2012. Her position has been taken by Ms Biadene who moved from Trieste to Rome as of 1 January 2013.

² Mr Keler left his position at the Office for the CEI Fund at the EBRD on 31 January 2012 for joining the EBRD. His position has been taken by Mr Olievschi.



Technical Cooperation Programme

EBRD technical assistance is primarily intended to contribute to the preparation and implementation of the Bank's investment and non-investment operations, and to provide advisory services to private and public sector clients. Technical Cooperation (TC) projects can be used to help implement legal and regulatory frameworks, institutional reforms as well as to help achieve the highest standards of corporate governance. In general, TC projects are intended to enable the EBRD to:

- make thorough preparations for its investments and undertake them more effectively;
- pursue investment opportunities in higher risk environments by reducing credit risks;
- increase the impact of its projects in the transition process by supporting structural and institutional changes; and
- sponsor legal and regulatory reforms, institution-building, company management and training.

TC projects constitute the largest part of the activity funded by the CEI Fund at the EBRD. CEI Technical Cooperation is traditionally offered in the form of grant type assistance. Operations include support for feasibility and pre-feasibility studies, project implementation, management training, capacity building, and pre-loan audits. These activities target a number of priority areas, including agribusiness, business and finance, energy, institutional development, municipal infrastructure and services, SME support, and transport. The strategic focus of technical assistance has moved over time in the direction of the less advanced member countries of the CEI, in order to help them to reach European Union standards.

Since its inception, the Italian Government through the CEI Fund at the EBRD has committed more than €22.1 million towards 115 Technical Cooperation assignments (see Annex 5). These projects have been coherent with the framework and general objectives of the EBRD and other international financial institutions (IFIs) and have represented a fundamental mean of development for CEI countries of operations.

Investment links

One of the objectives of TC projects at the EBRD is to support the Bank's investments and loans either at the project preparation or at the project implementation phase. As such, TCs are often related to international loans and investments. It should be underlined that the CEI has undertaken projects which yield high co-financing ratios.

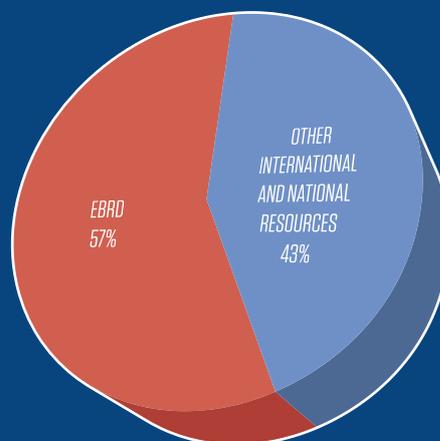
Between 1993 and 2012 the CEI Fund dedicated more than €22.1 million to technical assistance operations. Of this total, about €21.7 million were used to implement projects directly or indirectly related to international investments (of which €12.7 million funded projects directly related to international investments). In the period 1993 to 2012 these TC funded by the CEI Fund at the EBRD in the countries of operations were able to mobilise about €4.5 billion of international investments³. The EBRD alone contributed to those investments about €2.5 billion⁴.

A Total Investment Ratio (TIR) can be calculated to show how many euro the international community invested for each euro granted by the CEI Fund for TC projects. Between 1993 and 2012 the TIR is expected to equal about 1:207. The EBRD's share, alone, is expected to reach about €117 for each CEI Fund euro dedicated to TCs, this represents the EBRD Investment Ratio (EIR).

Total Investment Ratio (Total Investments / Total committed CEI grants⁵) = 1:207
EBRD Investment Ratio (EBRD Investments / Total committed CEI grants⁶) = 1:117

Chart 2.1.

Total Investments linked to the CEI TCs
 (share of €4.5 billion of total linked investments)



³ Out of this total, about €409 million of EBRD investments are expected to be mobilised by TC assignments approved in 2012.

⁴ See footnote 3.

⁵ Total committed CEI grants refer to €21.7 million used for TCs directly or indirectly related to investments.

⁶ See footnote 4.

Geographic distribution

The distribution by countries of TC projects and their cumulative committed value since 1993 demonstrate CEI's focus on regional projects. Almost half of the resources (about €10.3 million), were committed for regional operations through 33 TC assignments. With respect to country allocations, the initial focus on central European

countries (which have since become EU members) has shifted towards the Western Balkan states and the CEI European Neighbourhood Policy (ENP) countries. The charts below illustrate the geographic distribution of the TC projects by number of assignments and their value over the period 1993-2012.

Chart 2.2.
Cumulative distribution of TC assignments by country, 1993-2012
(share of a total of 115 projects)

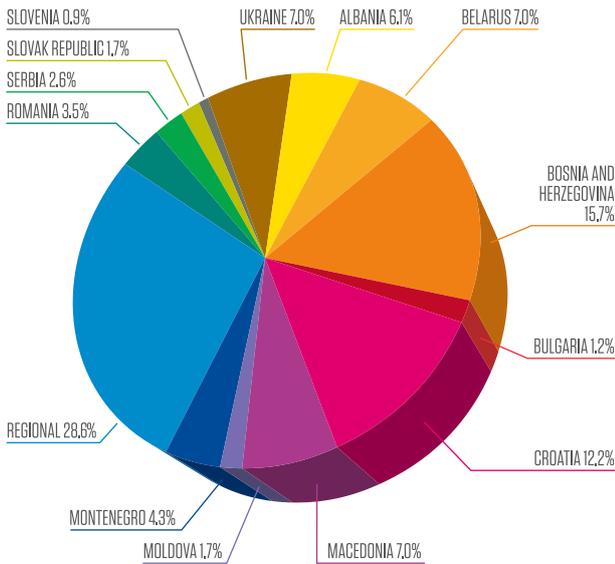
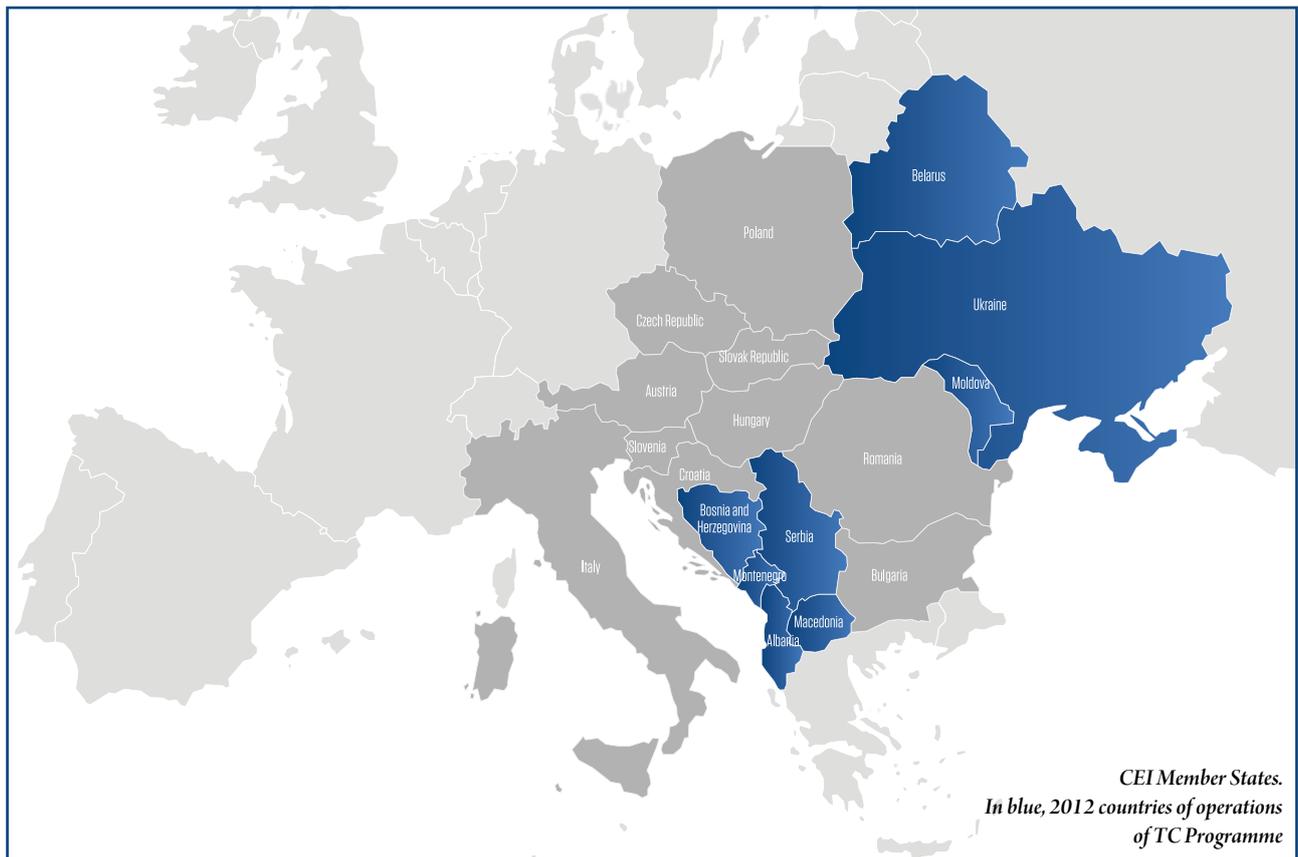
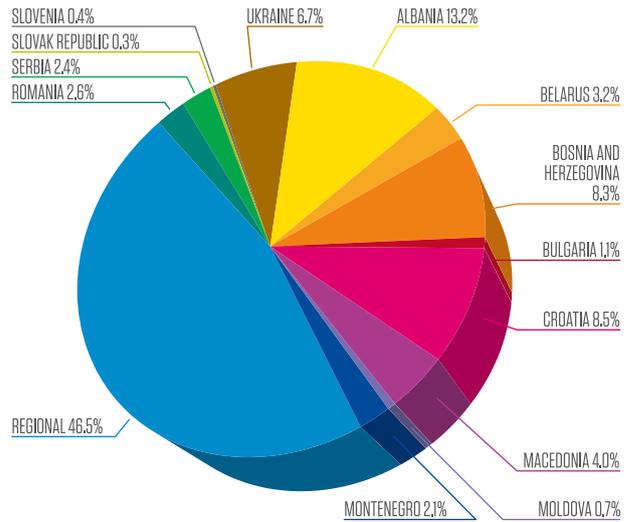


Chart 2.3.
Cumulative distribution of the value committed through assignments by country, 1993-2012
(share of total committed grants of €22,187,782)



Sectors covered

In the post-EU enlargement reality, as central European countries have accomplished many transition challenges and became competitive on a global scale, the CEI has revised its country priorities and strategic orientation. Sector allocation analysis indicates six main areas of operations in which the CEI has funded TC projects: agribusiness, business and finance, energy, institutional development, municipal

infrastructure and services, SME support, and transport. According to this categorisation, transport is the sector that has benefited from the most TC funds, followed by SME support and institutional development. The charts below illustrate the sector distribution of the TC projects by number of assignments and their value over the period 1993-2012.

Chart 2.4.
Cumulative distribution of TC assignments by sector, 1993-2012
(share of a total of 115 projects)

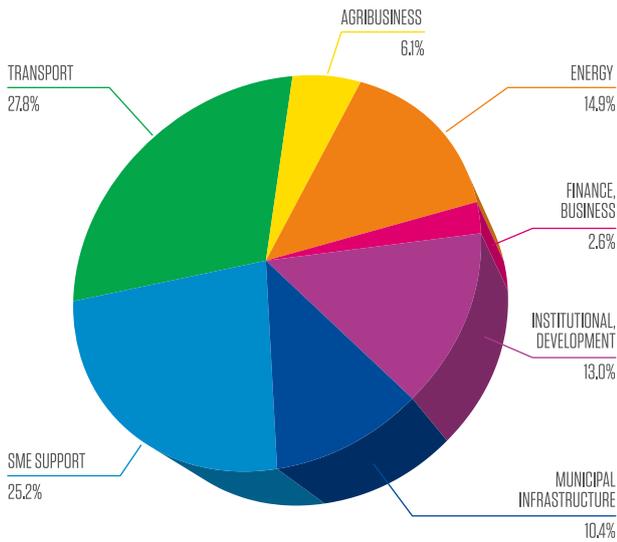
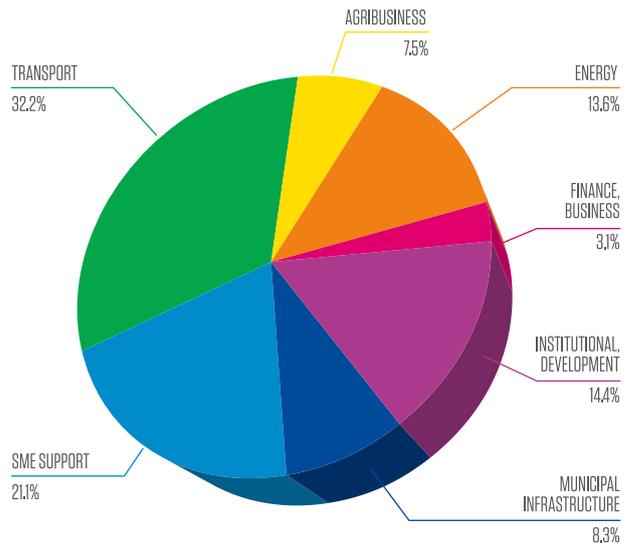


Chart 2.5.
Cumulative distribution of the value committed through assignments by sector, 1993-2012
(share of total committed grants of €22,187,782)



Technical Cooperation assignments

Approved in 2012

In 2012 the CEI Fund at the EBRD committed EUR 1,842,260 for twelve TC assignments, covering almost all CEI Fund sectors of operations.

Municipal and environmental infrastructure was targeted by the highest number of approved assignments - four, all of which were in support of EBRD investments. Two of them, *Kotor Fortress Lift*, and *Kotor-Cetinje Cable Car PPP*, will help to fulfil one of the main objectives of the Government of Montenegro and the municipalities of Kotor and Cetinje, which is to develop high-quality tourism amenities.

The other two TCs in the field of municipal and environmental infrastructure will support investments of roughly €100 million in Belgrade and throughout the CEI region through the Green Energy Special Fund, a new instrument of the EBRD aimed at addressing the affordability gap currently preventing the choice of advanced, highly efficient technologies in the investments it finances.

During 2012, the CEI Fund at the EBRD has also supported another new initiative - Private Sector for Food Security - through two assignments in Ukraine. Implemented by the Bank in collaboration with the United Nations Food and Agriculture Organisation (FAO), the two TCs will support the agribusiness sector and are related to cumulative investments of approximately €110 million.

Through yet another framework of *Energy Audit Programme Agreements*, as well as a specific TC for *Energy Efficiency Programme for Corporate*

Sector - Moldovan Railways, the CEI Fund at the EBRD has maintained its staunch support towards tackling energy efficiency in the CEI region. While it is difficult to foresee the exact amounts of the investments related to these TCs, they have also been estimated at around €100 million.

In the transport sector, the CEI Fund at the EBRD has been asked to extend one of its previous TCs, *Energy Survey of Zeljeznicki Prevoz Crne Gore, Montenegro*, which offers technical assistance aimed at identifying and analysing efficient and sustainable energy means in the framework of the modernisation of the Montenegrin railways, to include also an analysis of the freight transport on the same route from the Port of Bar and the border with Serbia.

The remaining three TCs, which tackle SME support for two companies in Ukraine, and institutional development in the entire CEI region, are not directly related to any investments. Nevertheless, the two TCs that fall under the EBRD's Enterprise Growth Programme will promote good management in the SME sector, by providing direct support to individual enterprises, helping them to grow their businesses.

Lastly, the TC Master in Procurement Management (MPM) at the University of Rome Tor Vergata, will provide transition impact in the form of knowledge of best international procurement practices which would enable these practitioners to influence development of their national procurement legislation and regulations to reflect those best practices.

Table 2.1. List of TC assignments approved in 2012

commitment number	commitment name	€ committed	commitment stage	sectors of operation	countries of operations
CEI2-2012-07-01	Belgrade public transport and traffic infrastructure extension - preparation of technical requirements and tendering for public sector shelter lighting	100,000	committed	Municipal infrastructure	Serbia
CEI2-2012-08-08F	EGP at MIXNET	54,000	committed	SME support	Ukraine
CEI2-2012-06-05	Master in Procurement Management (MPM) at the University of Rome Tor Vergata	40,000	committed	Institutional Development	Regional
to be assigned	Grain growing know how	250,000	approved	Agribusiness	Ukraine
to be assigned	Energy Audit Programme Agreements	450,000	approved	Energy	Regional
to be assigned	Green Energy Special Fund - Framework for Technical Preparation of Green Components	500,000	approved	Municipal infrastructure	Regional
to be assigned	Policy dialogue in the Ukrainian dairy sector	50,000	approved	Agribusiness	Ukraine
CEI2-2012-12-10F	EGP at MAIZE	54,000	committed	SME support	Ukraine
to be assigned	Kotor Fortress Lift	75,000	approved	Municipal Infrastructure	Montenegro
CEI2-2012-11-09	Kotor-Cetinje Cable Car PPP	200,000	committed	Municipal infrastructure	Montenegro
CEI2-2012-07-02	Energy Efficiency Programme for Corporate Sector - Moldovan Railways	49,260	committed	Energy	Moldova
CEI2-2012-12-11	Support to Montenegro Railway Passenger Company (ZPCG) in developing a sustainable energy action plan - EXTENSION	20,000	committed	Energy	Montenegro
Total		1,842,260			

Belgrade Public Transport and Traffic Infrastructure Project

Commitment Number	CEI-2012-07-01
Value	€100,000
Countries of operations	Serbia
Sector of operations	Municipal infrastructure
Planned duration	10 months
Expected related investment	€31.4 million

Summary description

Through this assignment the CEI Fund at the EBRD will help the City of Belgrade to prepare technical requirements and to tender for public transport shelter lighting optimisation. This TC was designed to support an EBRD investment aimed at improving the transport performance of Belgrade's urban transport system through the renewal of the tram fleet. Belgrade is experiencing major changes to its urban transport system. The need for better traffic management to maximise the flows of traffic over the bridges has led to improvements in the traffic signal system and road approaches to the bridges, which have been financed by the EBRD and the European Investment Bank. The municipality and the city's public transport operator GSP have also made significant investments in public transport infrastructure. In addition to the main objectives of the EBRD investment and the introduction of green components of municipal infrastructure, the Bank will also finance improvements in the City public transport shelter lighting using a LED + solar array solution at some 1,000 public transport shelters located within the city centre. This TC will help to prepare technically this component for tendering and assist with the procurement process.

Justification and purpose

The EBRD estimates that Belgrade's ability to sustain a decent balance between public and private modes of transport will be threatened unless major investments continue to be made in the public transport system.

Three million daily trips are made in Belgrade. However, due to the projected increased mobility related to improvements in disposable income and car ownership growth, this amount is expected to grow to four million daily trips by 2021. The additional one million trips will cause added congestion for cars, buses and trams and especially during the rush hour periods. In this context, the specific objective of this TC assignment is to provide the City with a solution to public transport shelter lighting which is highly energy efficient and reliable. Concrete tasks will include: (i) preparing the identified lighting investment including all detailed technical specifications; (ii) developing a framework for implementation and action plan for public shelter lighting; (iii) analysing any institutional aspects of the project; and (iv) identifying the best method of tendering the lighting system.

Expected investments links

The EBRD will launch an extension to its Belgrade Public Transport and Traffic Infrastructure Project loan to the City of Belgrade signed in November 2011. The extension will finance two additional investment components needed to complete the City's urban transport strategy, in the amount of €31.4 million. The first component is for €30 million to co-finance the new trams, for which partial financing has already been provided by the European Investment Bank. The second component is for €1.4 million to finance the modernisation of the city centre public transport shelters with LED + solar lighting systems which will be financed by the Green Energy Special Fund (GESF) administered by the Bank.



Enterprise Growth Programme at Mixnet

Commitment Number	CEI2-2012-08-08F
Value	€54,000
Countries of operations	Ukraine
Sector of operations	SME support
Planned duration	18 - 24 months
Expected related investment	n/a

Summary description

The EBRD has requests support from the CEI Fund at the Bank for its Enterprise Growth Programme (EGP) in Ukraine, of which this assignment is part. EGP has undertaken regular operations in the country in an improved format (shorter projects) with a focus on improving competitiveness, transparency and business standards in mid-sized companies. The objectives of this assignment are to enable the beneficiary company to: (i) design and implement a new environmentally responsible procurement system; (ii) explore and develop new potential customer segments once new product is implemented in a company; and (iii) redefine channel segments to support new product distribution. For this purpose, the TC will employ an experienced IT Project Manager with good understanding of environmentally responsible procurement, web mapping service, business intelligence, and client risk management systems.

Justification and purpose

Mixnet Group was established in 2007. Mixnet Group of telecommunications companies are suppliers of high quality services in the telecommunications market in Ukraine and includes 11 operating divisions. Active in the software development industry, the Group faces several domestic and international competitors.

The EBRD launched the Small Business Support initiative in Ukraine in 2010 to focus initially on building awareness of benefits of consulting for SMEs and training of local consultants. Micro, small and medium-sized enterprises (MSMEs) form the backbone of a dynamic market economy and the EBRD fosters entrepreneurship in its countries of operations not

only through capital funding, but also by providing business expertise. As one of the main pillars of the EBRD's MSME strategy, the Enterprise Growth Programme (EGP) and Business Advisory Services (BAS) are essential components of the EBRD transition toolkit, as well as of the donor programmes which support them. The two programmes promote good management in the small and medium-sized enterprise (SME) sector in the EBRD region, by providing direct support to individual enterprises, helping them to grow their businesses. Both programmes are run on a not-for-profit basis, with a majority of donor funding coming from the European Union. Since its inception in 1993 EGP has assisted more than 1,850 companies, committing €117 million in donor funding (majority from the European Union) across 30 countries.

Expected investments links

The Small Business Support (SBS) team aims to prepare enterprises for future investment, including potential EBRD-financed projects. The specific transition impact of this EGP assignment lies within three dimensions: (i) competitiveness in the TC sector - IT industry has a high potential in Ukraine due to qualified staff. However, current IT companies are working as subcontractors for the development of foreign outsourced software development. Mixnet is aiming to develop and market Ukrainian product for internal and external markets; (ii) expansion of markets in other sectors - Mixnet is developing the product that can become competitive on international market and attract strategic partnership from other parts of the world; and (iii) demonstration of replicable behaviour - the director of the project is in need of project management skills that she will be able to put to use in the future.



Master in Procurement Management (MPM) at the University of Rome Tor Vergata

Commitment Number	CEI2-2012-06-05
Value	€40,000
Countries of operations	Regional
Sector of operations	Institutional development
Planned duration	12 months
Expected related investment	n/a

Summary description

The EBRD Procurement Department has stressed capacity building as a primary goal for the enhancement of public governance, and in particular procurement, to achieve transition objectives. Within capacity building, professionalism plays a major role in ensuring that staff has appropriate skills, experience and qualifications. In order to achieve efficiency and integrity in procurement, best practice guidance and professional training have to be provided to the public sector. In order to support this goal, the Procurement Department at the EBRD together with the University of Tor Vergata (Rome) developed a pilot international (English) version of the Master in Procurement Management that specifically accommodates for procurement officials from the Bank's countries of operation. The main aim of the Master programme is to train different types of public officials to find procurement solutions to problems which arise in highly dynamic contexts relating to technology and markets. Many of these problems require a mixture of creativity and leadership blended with the capacity to tackle complex strategic, managerial and organizational issues. A special emphasis is placed on professional ethics. This CEI Fund at the EBRD supported TC is aimed at disseminating such information by supporting the participation to the programme of professionals from CEI-non EU countries.

Justification and purpose

The Master in Procurement will take place at the Faculty of Economics at University of Rome Tor Vergata. The overall duration of the teaching programme is three months, but the TC duration – including preparation and selection phase – will require a longer period. During the 3 months of effective implementation, lectures and other training activities will be held at the University of Tor Vergata in Rome. In addition to the lecturers provided by the University of Tor Vergata, EBRD professional staff will contribute and deliver training seminars as part of the course. Students will then have to write and complete their final dissertation which will be discussed during the month following the end of the courses. The recognition of the titles for the Master course admission will be carried out by the Master Executive Committee. The training activities will cover relevant topics for good procurement: strategic tools for purchasing procedure, procurement law, PPP, ethical aspects involved in the procurement activities, economic analysis of markets. The whole programme consists of 10 modules and attendance to all modules is compulsory. Modules will follow a traditional learning

approach: the student has to undertake each module following a defined schedule and she/he will benefit of constant tutoring by one of the training consultants. Each student must be involved in a stage project within his/her own organisation in which he/she puts in practice lessons learnt and during which the student has to write and complete the essay for the final dissertation – a case study on procurement issues related to their own organisations or countries and/or which refer to issues in EBRD's interest. The programme is open only to senior qualified members of national public procurement agencies.

Expected investment links

Even though there is no directly related investment to this TC, the technical assistance (professional procurement education and training) will provide transition impact in the form of knowledge of best international procurement practices which would enable these practitioners to influence development of their national procurement legislation and regulations to reflect those best practices. An additional benefit in terms of demonstration effect is envisaged by providing other senior staff of public procurement authorities with the incentive to obtain similar professional level qualifications, thus leading to a better qualified cadre of procurement experts in our countries of operations. The TC is effectively a pilot operation and a further programme may be developed with this university or others, in order to ensure a wide spread of professional expertise and maximise the demonstration effect in all EBRD countries of operation.



Training of Grain Farmers in Ukraine

Commitment Number	to be assigned
Value	€250,000
Countries of operations	Ukraine
Sector of operations	Agribusiness
Planned duration	12 months
Expected related investment	€50 million

Summary description

The EBRD is seeking to support continued investments of selected clients in Ukraine, and in particular, efforts to maintain and develop the production of agricultural commodities by third party farmers and their collection. The main aim of this TC assignment supported by the CEI Fund at the EBRD is to achieve improved farming techniques and farms' management. The TC would have a substantial demonstration effect through the knowledge transfer. This is due to the fact that farmers in Ukraine are still using Soviet methods of farming. It is, thus expected, that more efficient use of resources will have significant overall results. The focus of the assignment is on improving food security and rural development of Ukraine.

Justification and purpose

The EBRD, in cooperation with the World Bank, the FAO and the Ukrainian Ministry of Agrarian Policy and Food are continuing efforts to improve the investment climate in the Ukrainian grain sector through better cooperation between the private and public sectors. To this end, and with the support of EBRD donor funds, the Bank and the Ministry have organised a series of roundtables with key sector participants in Ukraine - including leading domestic and international private enterprises, the Ukrainian Grain Association, the Ukrainian Agrarian Confederation, the Agrarian Markets Development Institute and the FAO. This allowed public and private sector representatives to meet and openly discuss sector issues for the first time. As a result of the first roundtable, major sector participants signed the Initiative for Joint Action Memorandum, which established core principles for a transparent grain market in the country to boost investor confidence, and formed the Ukrainian Grain Sector Working Group to promote and support continuous dialogue and cooperation. The Working Group, with the EBRD's and FAO's support, strongly advised that grain export quotas deter much-needed investments in the sector. Following a joint letter by the EBRD, World Bank and International Monetary Fund, the government grain export quotas have been removed and replaced by export duties. As a result of the second roundtable those export duties were also removed. For this current TC, FAO and EBRD will partner with Soufflet Group, local and international agricultural educators, researchers, farm inputs providers, and more advanced farms in performing the following specific tasks: (i) develop a detailed training programme covering a two-year period in association with Soufflet Group and in identifying grain farmers- potential candidates

for training; (ii) train at least 80-100 farm managers, agronomist and agricultural engineers from the farms that operate an area between 500 hectares and 10,000 hectares in Ukraine. Training will be delivered in 1-2 day sessions (class room, field visits, visits to demonstration trials in cooperation with research institutions, seed companies, and local experimental stations and field schools) in overall eight training sessions upon beginning of the project. In order to encourage farmer's active participation, several best farm managers or agronomists will be competitively selected during the training to go for a study tour to France at the end of the second year of the training programme.

Expected investments links

The project addresses one of the most important problems of today's world - sustainable agriculture, and the private sectors potential contribution to create food security. Subject to its success, the assignment could be replicated in Ukraine (to capture more farmers) and in other countries of the CIS. The assignment is related to two EBRD investments or roughly €50 million aimed to finance a portion of pre-harvest and post-harvest working capital needs of Client Farms in future seasons, in particular, financing farming operations on 160,000ha of existing arable land and on additional 21,000ha of mostly hallow land which would be brought into cultivation.



Energy Audits Programme in the CEI Region

Commitment Number	to be assigned
Value	€450,000
Countries of operations	Regional
Sector of operations	Energy
Planned duration	24 months
Expected related investment	€95 million

Summary description

This TC continues a series of similar assignments previously supported by the CEI Fund at the EBRD, and further formalises the CEI Energy Audit Programme within the EBRD Sustainable Energy Initiative. Given the difficulties associated with the process of transition to a market economy, the priority of most companies, in the CEI and the Bank's countries of operation, has been to survive and the consideration of improving viability and competitiveness through issues such as energy efficiency and cleaner production is secondary. Additionally, there have been only few institutional or market drivers to push companies into considering such issues. As energy has typically been cheap to buy there has been little incentive to encourage companies to improve their efficiency. This situation is changing and companies are becoming increasingly more aware of the need to increase their efficiency and reduce costs but also the competitive benefits that arise from developing an environmentally positive image in the market place. This move from 'survival-driven' companies to 'sustainable' enterprises is supported by the Bank especially since in many situations the knowledge of best practice is missing, or management techniques are inadequate (e.g. focus on expansion and revenue generation rather than better cost control). By providing Energy Audits and Energy Management Training Programmes, the Bank will help its clients to identify opportunities to save energy and to persuade them to better prioritise energy efficiency investments. The consultants will provide their services to selected EBRD clients located in the CEI region with particular focus on Moldova, Ukraine, Belarus, and the Western Balkans. At least 15 plants are envisaged to be audited or receive training support although the actual number will depend on the scope and detail required for each audit. In summary, the purpose of the TC is: (i) to identify energy efficiency investments in targeted plants; (ii) to assist the Bank in reviewing/developing bankable investment programmes; and (iii) to provide training services to ensure clients are able to implement and manage efficient energy systems on a sustainable basis.

Justification and purpose

The focus of the consultant undertaking this TC assignment will be on: working with the technical staff of the plants to identify energy efficiency investments; further assessing the feasibility of the potential investments; confirming senior management support for the identified investments; assisting the Bank in reviewing/developing bankable investment programmes; providing training services to ensure clients are able to implement and manage efficient energy systems on a sustainable basis; and helping the clients to appraise carbon credits opportunities and assisting them in the preparation of the preliminary documentation for investment projects. The consultant will also analyse and assess the energy consumption of the selected plant or operations, with particular attention to areas where substantial savings can be made. This will include rehabilitation of existing assets, incremental investments and development of new energy sources. In order to achieve the objectives of the assignment, components like skills transfer and capacity building play a decisive role. If energy efficiency investments are not supported by appropriate training schemes, then potential savings will not be fully realised because of poor operation and maintenance practices. Investments in vocational training for key staff not only contribute to save energy but also improve environmental performances and standards of health and safety. Additionally, proper energy management enables improved control over production costs, better maintenance and less frequent breakdowns. Therefore, in some operations, an integrated programme of training may be required. For each company the consultant will review the energy management structure and investigate the capability to coordinate energy-saving initiatives and procedures.

Expected investment links

As previously noted the Consultant is to prepare a Prioritised Energy Efficiency Investment Plan for each plant and operation. As such, it is expected that the Energy Audits will lead to investment opportunities, which are to be defined by the project itself, but which have been estimated at roughly €95 million.

Green Energy Special Fund - Framework for Technical Preparation of Green Components

Commitment Number	to be assigned
Value	€500,000
Countries of operations	Regional
Sector of operations	Municipal infrastructure
Planned duration	36 months
Expected related investment	€75 - 100 million

Summary description

The EBRD has been increasing its efforts to introduce highly energy efficient, green technology components within standard loan financing terms. However, to date the Bank has encountered difficulties as several clients have instead opted for the standard, much less energy efficient products due to the high initial capital expenditure requirements associated with advanced technology, and the current fiscal challenges affecting many of the Bank's countries of operations. If left unsupported, clients might opt to upgrade infrastructure and equipment systems with cheap, rather than least-cost, solutions, locking themselves into these more carbon intensive investments for medium to long-term. The Bank therefore created the Green Energy Special Fund (GESF) to address the affordability gap currently preventing the choice of advanced, highly efficient technologies in the investments it finances. Given that the investments to be made under the GESF will involve technical analysis to prepare the investments for tender and implementation, the Bank is looking to compose a panel of highly qualified consultants to ensure the GESF components are well-prepared technically and tendered and contracted effectively. This TC will enable the preparation of a viable GESF component as part of overall EBRD investments. Given that the investments to be made under the GESF will involve technical analysis to prepare the investments for tender and implementation, the Bank is therefore looking to compose a panel of highly qualified

consultants envisaged to offer technical competence in several of the GESF focus areas. The GESF provides the Bank with the means to expand considerably its climate change mitigation investments and to develop appropriate competences in adaptation. The significant volumes of subsidised funding provided by the GESF will be managed and implemented in accordance with the Bank's market-oriented principles, will enable the Bank to further mainstream these activities.

Justification and purpose

The GESF provides the Bank with the means to expand considerably its climate change mitigation investments and to develop appropriate competences in adaptation. The significant volumes of subsidised funding provided by the GESF will be managed and implemented in accordance with the Bank's market oriented principles, will enable the Bank to further mainstream these activities. This TC assignment will support these aims through: technical scoping; analysis of carbon benefits of the proposed investment; economic justification, and review of tender document and contracting process related to GESF component. The consultant will ensure that the contract signed is in compliance with the Bank's, and GESF requirements.

Expected investments links

It is anticipated that once best available (yet proven) technologies are introduced into the region through the use of the GESF, demand for these technologies amongst the universe of the Bank's clients will increase through the demonstration effect. Over time, this should act to expand the market, introducing the entry of more competitors and larger production of these technologies, with falling prices to follow. This in turn would allow the broad adoption of these technologies, without the need for subsidised financing any longer. Further transition impact will be derived as part of the overall projects of which the GESF component will be a portion. These are expected to include: Improved energy efficiency, Improvements in tariffs; Introduction of transition related performance indicators; Skills and knowledge transfer; Introduction of Service Agreements; Development and implementation of Environmental and Social Action Plans. The framework will enable EBRD loans and investments valued at between €75 and €100 million. Each of the six to eight call-offs that will be generated under the framework will be individually linked to investments of roughly €12 million.



Policy dialogue in the Ukrainian dairy sector

Commitment Number	to be assigned
Value	€50,000
Countries of operations	Ukraine
Sector of operations	Agribusiness
Planned duration	5 months
Expected related investment	€60 million

Summary description

Ukraine's milk production has more than halved in the past 20 years and continues to decline, creating serious concerns for the Government of Ukraine. This sharp downtrend - a drop in production of 13.4 million tons - occurs at a time when global production and consumption of milk and dairy products increase and in a country that has all necessary conditions for profitable dairy business. In this context, EBRD is calling upon FAO's assistance - under the FAO/EBRD cooperation programme - to implement an assignment, which would enable the Bank to understand the needs and interest of the Ukrainian dairy businesses in such policy dialogue and identify what role the EBRD/FAO could play in it.

The first key objective of this assignment is to prepare, organise and carry out a round table, which would involve major dairy industry representatives such as the Ministry of Agrarian Policy and Food of Ukraine (MAPFU), producers' and processors' organizations, major market players and industry experts. The second main objective of the TC is to discuss at the round table a possibility and level of industry's interest in establishment of a transparent dairy policy development mechanism involving the Ministry of Agrarian Policy and Food of Ukraine (MAPFU) and representatives of all segments of the dairy market value chain. An underlying aim is to ensure support and involvement of both the Ministry and the industry in the public-private dialogue in the dairy sector. Based on the outcomes of the roundtable discussion, the EBRD/FAO team will consider further technical assistance support for a public-private policy dialogue in the dairy sector.

Justification and purpose

So far, the efforts of the Government of Ukraine to reverse negative milk production trends have not been successful due to frequent changes and lack of transparency in support policies, lack of strategic focus, lack of marketing efforts and a limited understanding of the industry problems. Recent developments have pointed to the urgent need for an open, structured and transparent dialogue between the Ukrainian Government and sector representatives - including dairy industry representatives - to develop effective policy for the sector. The EBRD and the FAO, along with local specialists, will provide expertise in dairy production and experience in capacity building of organisations. The FAO team will include international and national agronomists, economists, education, and farm management specialists. This project would involve several activities: transfer of dairy growing and farm management know-how to local mid-sized farmers, possible cooperation with local agriculture institutes and universities, a pilot project with one demonstration farm to convey agronomic knowledge and farm management courses.

Expected investments links

The project addresses one of the most important problems of today's world - sustainable agriculture, and the private sectors potential contribution to create food security. Subject to its success, the assignment could be replicated in Ukraine (to capture more farmers) and in other countries of the CIS. The assignment is related to EBRD investment projects in Ukraine in three private companies which are estimated at around €60 million.



Enterprise Growth Programme at Maize

Commitment Number	CEI2-2012-12-10F
Value	€54,000
Countries of operations	Ukraine
Sector of operations	SME support
Planned duration	18 - 24 months
Expected related investment	n/a

Summary description

Through this TC, the CEI Fund at the EBRD will support the Enterprise Growth Programme (EGP) in Ukraine.

The EGP focuses on substantial managerial and structural changes and supports the introduction of international best practice to SMEs by engaging experienced international executives and industry experts as advisers.

The advisers work directly with the enterprise management and help introduce better management skills as well as sharing their technical and commercial know-how. An EGP project can involve extensive restructuring, encompassing all aspects of a business, and facilitate changes that enable the enterprise to grow into a strong, creditworthy company that can be a leader in its sector.

The changes suggested by EGP experts include improvements to production and design, financial management, sales and marketing, human resources, organisational restructuring, meeting international standards and obtaining certifications (accounting, environmental and so on), exploring export opportunities and energy efficiency.

The objectives of this TC are to enable the beneficiary company, Maize, to: (i) streamline business plan by accommodating assets and developments the company currently has; (ii) redefine corporate structure, for example, hire a CFO with responsibilities and Key Performance Indicators (KPIs); and (iii) enable planning and capital investment budgeting. For this purpose, the TC will employ an expertise of corporate restructuring, international sales management, and marketing.

Justification and purpose

Since its inception in 1993 EGP has assisted more than 1,850 companies, committing €117 million in donor funding (majority from the European Union) across 30 countries. With time, SBS operations in Ukraine will further support MSMEs efforts in improvement of production quality and market performance, including broadening export opportunities, improvement in business processes and standards as well as business sophistication and foreign direct investment attraction.

Maize was founded in 1992 and is researching and developing seed breeds that are used by agricultural farmers in Ukraine and abroad.

The Company is active in the agribusiness sector, specifically related to sales of corn and sunflower seeds and became the number one exporter of seed breeds from Ukraine in 2007. Yet it faces several international competitors. The Company is researching and developing seed breeds



that are used by agricultural farmers in Ukraine and abroad.

Beneficiary ownership of the project is ensured by clauses which stipulate that the proposed budget will be supplemented by an additional 10 per cent cost share by the company.

Expected investments links

The impact of the assignment will result from improved development of export sector - the company is finalizing EU certification and will need assistance in export development, as well as from enhanced corporate governance practices - the company needs help in setting up processes and becoming able to operate based on processes rather than on human factors. The Small Business Support (SBS) team aims to prepare enterprises for future investment, including potential EBRD financed projects.

Kotor Fortress Lift

Commitment Number	to be assigned
Value	€75,000
Countries of operations	Montenegro
Sector of operations	Municipal infrastructure
Planned duration	3 months
Expected related investment	€9 million

Summary description

The EBRD is considering an investment opportunity in financing Kotor Municipality to construct a lift from Old Town of Kotor to San Giovanni Fortress 260 metres above. The project will help to fulfil one of the main objectives of the Government of Montenegro and the Kotor Municipality, which is to expand high-quality tourism amenities and access to them. This CEI Fund at the EBRD supported assignment will include (1) an update of the Feasibility Study associated with the construction of the 260 meter long horizontal tunnel through the hill, and a 260 meters high vertical tunnel where two lifts will be placed; and (2) assistance in the international tender preparation for the construction works.

Justification and purpose

The Sveti Ivan Fortress is situated on a hill, 260 metres above the Kotor's old town, and belongs to the UNESCO world heritage sites. The Municipality considers the fortress to be one of the most relevant tourist attraction within its territory, but the current pathway to the fortress, consisting of around 1.500 steps, does not allow for easy access to it. The Municipality identified an opportunity to construct an easy access lift to the fortress while the complex of the fortress would be reconstructed and given on a long-term lease. In 2008 the Kotor Municipality included the "Kotor Lift Project" in its investment plan, and in 2010 a request for tender for the construction of Kotor lift up to the Fortress was published. In 2010, a first feasibility study was also prepared. The

construction works were initially planned to be performed in 2010 and to be completed in 2011, but was not implemented yet. The first objective of the TC, to carry out a review and update of the feasibility study originally prepared in 2008, will include a review international best/common practices; proposals of appropriate project structure, including risk allocation; market testing; analysis of adequacy of cost estimates and the demand projections; a review of proposed tariff levels compared to similar projects; and calculation of financial values of the investment. The second objective of the TC refers to assistance to the Kotor Municipality with the preparation of international tender for construction works, and the provision of support to the client with the evaluation of bids. Tender documents shall comprise Invitation to Bid, Information Memorandum, and Instructions to Bidders. The revision of the study will provide market and commercial assessment of the Project to enable EBRD management to assess the risks and opportunities presented by this proposed investment, and, if EBRD decides to pursue the project, to identify the areas which will need to be further explored during our financial due diligence process. On the other hand, assistance in the tender preparation for the PPP is to ensure that it meets the best practice requirements.

Expected investments links

The investment under consideration by the EBRD, which would be enabled by this TC assignment is in the range of up to € 9 million, and would enable other investment in tourism and related services.



Kotor - Cetinje Cable Car, Technical Review and Preparation of PPP Tender

Commitment Number	CEI2-2012-11-09
Value	€200,000
Countries of operations	Montenegro
Sector of operations	Municipal infrastructure
Planned duration	6 months
Expected related investment	€29 million

Summary description

This TC will support an EBRD investment which foresees the establishment of a Public-Private Partnership (PPP) involving the Government of Montenegro. The investment is being carried out to further develop tourism in the south-western part of Montenegro by linking Kotor and other coastal towns to Cetinje, the historic royal capital of Montenegro, by cable car, and will help to fulfil one of the main objectives of the Government of Montenegro and the municipalities of Kotor and Cetinje, which is to develop high-quality tourism amenities. The investment is expected to have significant several positive economic effects due to the high economic multipliers associated with cable car projects, counted as the additional spending and economic activity injected into the local and regional economy. This TC assignment will include (1) an update of the Feasibility Study, which will provide a technical, market and commercial assessment of the Project to enable the EBRD to assess the risks and opportunities presented by this proposed investment, and, if EBRD decides to pursue the Project, to identify the areas which will need to be further explored during our financial due diligence process; (2) assistance in the tender preparation for the PPP to ensure that the process meets best international practice requirements as defined in the EBRD concession paper: Financing of Private Parties to Concessions.

Justification and purpose

The overall impact of the investment will be to further open this area to both regional and international tourists, drawing on the significant cruise ship activity in Kotor, as well as local and regional visitors to the Adriatic Coast, such as Dubrovnik, which is only 50 km away. The other impact will be to reduce car and bus travel on the 55 km long main road between Kotor and Cetinje that goes around Lovcen National Park. The Project is expected to have significant several positive economic effects due to the high economic multipliers associated with cable car projects, counted as the additional spending and economic activity injected into the local and regional economy. The consultant will undertake two main

tasks. First, they will update the feasibility study, to include: a review of international examples of similar PPPs; the adequacy of the cost estimates and the demand projections; a review of the proposed tariffs for the cable car; a verification that Kotor has sufficient port facilities to handle prolonged stays for the growing number of cruise line visitors; a calculation of the internal rate of return (IRR), the economic IRR and Net Present Value of the Project; confirmation of the Government's capacity to cope with this PPP. Second, the consultant will provide assistance to the Government of Montenegro with the preparation of international tender for the PPP, including: an assessment of the legal framework; an analysis of the risk allocation, proposed tariffs, and concession period. The consultant will provide further assistance once the tender strategy has been agreed with the government, including: arranging a pre-bid conference, and preparing the relevant. Additionally, the Consultant will assist the Government to launch and manage the PPP tender.

Expected investment links

The expected EBRD investment associated with this TC assignment will be a loan of up to €15 million to a private operator to construct and operate a new cable car from Kotor to Cetinje over the Lovcen Mountain. The total cost of the project, however, is estimated at around €29 million. The project will promote increased private sector participation under a long-term PPP contract tendered to a private operator. The new cable car will be built and operated by an experience private sector concessionaire and will be procured through open international tender according to best practices in the industry and the Bank's Concession Policy. There is very little private sector participation of this kind within transport infrastructure development in Montenegro. This proposed PPP approach is one of the first in the country. The project will demonstrate new forms of contracting and ways of financing through a well-defined and implemented PPP structure for cable car systems, which is a new area for the Bank's financing.

Energy Efficiency for Corporate Sector - Moldovan Railways

Commitment Number	CEI-2012-07-02
Value	€49,260
Countries of operations	Moldova
Sector of operations	Energy
Planned duration	6 months
Expected related investment	€25 million

Summary description

The EBRD intends to support the railway restructuring reform process and to enhance the efficiency of passenger services and improve the overall performance of railway operations in Moldova. The investment will replace life-expired rolling stock with new equipment offering higher service quality and energy efficiency benefits; provide financial support to the redundancy programme; provide support through policy dialogue to approve the restructuring plan of CFM (Moldovan Railways), which is the only railway operator in the country; and provide necessary institutional strengthening assistance to CFM to further implement the railway sector reform programme through accounting separation of the freight, passenger and infrastructure businesses.

The main purpose of this TC assignment financed by the CEI Fund at the EBRD is to provide CFM and the Bank with an assessment of energy use within CFM's operations and review of energy efficiency and greenhouse gases emission reduction opportunities associated with dedicated investments and improved management practices, and assistance in the preparation of an energy efficiency investment plan. Fuel and energy currently represents around 30 per cent of the working expenses of CFM, making the company one of the largest consumers of fuel and energy in Moldova. This means that energy efficiency measures will have a considerable demonstration effect. In addition, as part of the procurement process for the new rolling stock, specific indicators will be included on energy performance. The study will assess the anticipated benefits of the project in terms of reduced energy use and reduced environmental impact compared to the existing situation and feasible alternative options.

Justification and purpose

CFM (Calea Ferată din Moldova, "Moldovan Railways") is the only railway operator in the Republic of Moldova, which is responsible for passenger and cargo transportation, as well as the railway infrastructure maintenance, within the country. At present, the national railway system consists of 1,045.4 km of non-electrified main lines (about 40 km double track) with 90 stations and 648.5 km of station tracks. Control systems, communication systems and infrastructure are in need of modernisation and repair. The most pressing issue is the stock used for the domestic passenger services, which is largely life-expired and in a very poor condition and for which spare parts are difficult, if not impossible, to obtain (as wagon and spare parts manufacturing ceased in the 1990s). In this context, the study, which will be the main deliverable of this TC



assignment, will assess the anticipated benefits of an investment in terms of reduced energy use and reduced environmental impact (considering all applicable externalities such as: air pollution; impact/cost of transport infrastructure; emissions of CO₂eq, etc.) compared to the existing situation and feasible alternative options.

Expected investments links

The EBRD investment supported by this TC assignment is expected to be worth €25 million, but it will be better defined as a result of the study undertaken.

Support to MonteCargo in developing a sustainable energy action plan

Commitment Number	CEI2-2012-12-11
Value	€20,000
Countries of operations	Montenegro
Sector of operations	Transport
Planned duration	6 months
Expected related investment	€16 million

Summary description

The expected intensification of freight transport on the rail segment between from the Port of Bar and the border with Serbia, in recent years has reached levels that require appropriate attention. In this context, the EBRD, which has been developing an investment for the infrastructure operator in Montenegro, has asked the CEI Fund at the EBRD to extend a previous TC assignment, enabling the consultant to include in their feasibility study considerations regarding the sustainable modernisation of the freight traffic - an important component for the country and the region. Under the extension, the consultant will provide MonteCargo, the Montenegrin freight operator, with the technical information and tools to gradually improve the process of monitoring the use of natural resources (mainly energy ones) across its operations and utilise the related information to improve efficiency, reduce operational costs and improve overall control of environmental impact.



Justification and purpose

This TC is an extension of an assignment approved during 2011 (Energy Survey of Zeljeznicki Prevoz Crne Gore, Montenegro), which offers technical assistance aimed at identifying and analysing efficient and sustainable energy means in the framework of the modernisation of the Montenegrin railways. Specifically, the assignment focused on the traffic of passengers on the railways segment between the Port of Bar in Montenegro and Serbia (European Railway Network: Route 4 to Corridor 10). These were essential activities which supported an EBRD investment. The implementation of this TC, however, has revealed the need for a similar modernisation scheme - in terms of sustainable energy efficiency - for the freight transport on the same route from the Port of Bar and the border with Serbia. The envisaged integrated Energy Management Information System (EMIS) will be a strategic tool supporting this organisational restructuring and the overall effort of MonteCargo to improve its performance in the use of resources and environmental management, but it also requires the collaboration and integration with ZCGI systems.

The Consultant will: define parameters and indicators to be included in an integrated EMIS following a modular approach; define high level architecture of EMIS and its functional parameters for monitoring, detecting and controlling the use of resources at MonteCargo; review the industry standards and commercially available packages; review the adaptability of alternative EMIS solutions to MonteCargo means of telecommunication currently available or of possible implementation; and assess capital and operational costs of different alternatives examined. In addition, the assignment will also deliver a review the incremental benefits of the selected EMIS configuration; market research of suppliers and installers of alternative solutions and assistance during commissioning and start-up; an implementation timetable for the introduction of the EMIS and the requirements in terms of human resources and institutional capacity within MonteCargo; assessment of interactions and interfaces with the other management systems within MonteCargo operation; and the specifications of the selected EMIS configuration in a format suitable for launching a tender process.

Expected investments links

The assignment is associated with an international investment of €16 million, which is now likely to increase as a result of this assignment's findings, and will have transition impact concerning energy efficiency.

Technical Cooperation Assignments

Closed in 2012

In 2012 nine TC assignments committed by the CEI Fund at the EBRD were closed. Their value amounted to €981,838. With the exception of the three assignments targeting SME support, all TCs were related to

significant investments. They targeted energy, transport, and municipal infrastructure.

Table 2.2. List of TC assignments closed in 2012

<i>commitment number</i>	<i>commitment name</i>	<i>€ committed</i>	<i>sectors of operations</i>	<i>countries of operations</i>
CEI-2006-08-07	Macedonia: Consulting Services for Implementation of Management and Financial Procedures and Systems for Air Navigation System Provider	235,814	Transport	Macedonia
CEI-2008-11-09F	Energy Audits Programme (CEI funded - extension) D'Appolonia	142,784	Energy	Regional
CEI-2008-12-11	Macedonia: Environmental and Social Analysis for ASR	46,567	Transport	Macedonia
CEI-2010-01-02F	TAM - Altimed	59,399	SME support	Belarus
CEI-2010-02-03F	TAM - Pinskiyev	55,217	SME support	Belarus
CEI-2010-03-04F	TAM - Bereza Cheese Plant JCS	55,773	SME support	Belarus
CEI2-2010-07-07	WeBSEDFP:TC Banker	170,888	Energy	Regional
CEI-2010-11-06F	Regional Energy Efficiency Programme for the Corporate Sector - CEI - MWH	165,996	Energy	Regional
CEI2-2011-07-03	Capljina Water Supply Environmental and Social Due Diligence	49,400	Municipal infrastructure	Bosnia and Herzegovina
Total		981,838		



Macedonia: Consulting Services for Implementation of Management and Financial Procedures and Systems for Air Navigation System Provider

Commitment Number	CEI-2006-08-07
Value	€235,814
Countries of operations	Macedonia
Sector of operations	Transport
Related investment	€14.4 million

The objective of this TC assignment was to assist the Civil Aviation Authority of the Republic of Macedonia in implementing management and financial procedures and systems for the new Air Navigation System Provider initiated by the Government of Macedonia. The separation of the air navigation system from the regulatory function had been a covenanted under the agreement of a €14.4 million EBRD project. The Macedonian Civil Aviation Authority was established as part of the Ministry of Transport and Communication. At the time of the project, the Civil Aviation Authority's major functions were the regulation of civil aviation and the provision of air navigation services. In August 2004, the Government of Macedonia initiated legislation to provide for an independent Civil Aviation Authority by separating it from the Ministry and to further separate the air navigation services provider functions by creating an independent government owned entity. As a condition of the Loan Agreement between the Government and the EBRD, the Air Navigation Service Entity had to be set up and authorised, in accordance with European and international policies.

CEI Fund at the EBRD resources were needed to assist in the reorganisation process of the Civil Aviation Authority and the establishment of the new Air Navigation System Provider to ensure that management and staff had professional assistance available. Consequently, this would ensure the organisation was able to operate effectively and efficiently whilst implementing a major reform programme in the aviation sector. Without technical assistance the Civil Aviation Authority would not have been able to afford the necessary expert advice and training.

The consultant was asked to provide recommendations for the new Air Navigation System Provider that would result in the newly created independent Civil Aviation Authority having effective management and financial procedures and systems, as well as the supporting software and hardware. Tasks undertaken included: (i) assessment of the organisational structure of the existing Civil Aviation Authority relevant to the new Air Navigation System Provider; (ii) assistance in the design

and implementation of new accounting systems; (iii) assistance in the design and implementation of new Management Information System; and (iv) assistance in the selection and purchase of computer hardware and software.

The consultant assisted the client in three processes related to the establishment of the new air navigation services provider, which led to the new organisation having effective management and financial procedures and systems. This was the key transition objective set in the Bank's project and this TC assignment provided considerable assistance in the separation process helping the client to go through the overall process in a thoroughly organised and systematic way.

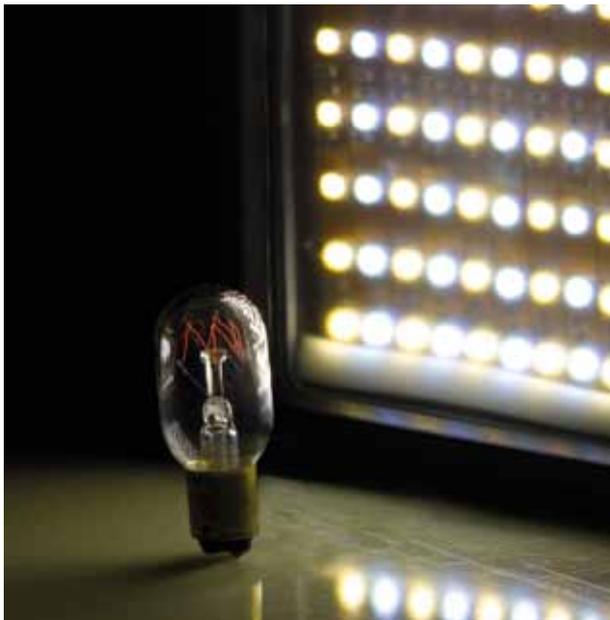
The EBRD investment associated with this TC assignment aimed to accomplish three main goals: (i) the completion of the modernisation of the Macedonian air navigation services in line with Eurocontrol requirements; (ii) the installation of additional navigation aids and of a secondary radar; and (iii) the resurfacing of the runway and upgrade of the approach and landing lights at Ohrid airport.

The transition impact of this transaction built on an existing and successful relationship. The Bank's involvement in previous projects achieved significant results through the creation of a financially independent Civil Aviation Administration in Macedonia with full responsibility over service provision and full membership in international and European civil aviation bodies. This project moved the process one step further in the implementation of a safer and more commercially orientated framework for civil aviation in the country.

The Bank was highly additional in this project. The IMF monitoring programme agreed in 2001 with the Macedonian Government did not leave scope for sovereign borrowings on commercial terms. The combined terms of the Bank's loan and associated grants were consistent with such an approach.

Energy Audits Programme (CEI funded - extension) D'Appolonia Regional Energy Efficiency Programme for the Corporate Sector – CEI – MWH

Commitment Number	CEI-2008-11-09F; and CEI-2010-11-06F
Value	€142,784; €165,996
Countries of operations	Regional
Sector of operations	Energy
Related investment	€36 million; and €30.4 million



The main rationale of these TCs was to undertake energy efficiency audits of selected EBRD clients' operations in CEI countries with the purpose of identifying areas of their business where energy efficiency savings could be made. Given the difficulties associated with the processes of transition, the priority of most companies in the EBRD region has been to grow their market penetration and increase quality of output. Consequently, the consideration of improving viability and competitiveness through issues such as energy efficiency and cleaner production has been secondary. Additionally, there have been only a few institutional or market drivers to push companies into considering such issues. As the transition process progressed, this situation changed. Companies become more aware not only of the need to increase their efficiency and reduce costs, but also of the competitive benefits that arise from developing an environmentally positive image in the market place.

These TC frameworks were part of a number of frameworks under the umbrella of the Regional Corporate Energy Efficiency Programme. Five assignments were contracted and completed under each of these two frameworks. The following two call-offs are examples of the work accomplished:

Energy Performance Assessment of Bingo, one of the leading retail chains based in Bosnia and Herzegovina.

The audit was successfully completed with the project signed in 2011

by the Bank for €5.4 million, all of which was SEI related. The EBRD loan, part of the Bank's Western Balkans Sustainable Energy Direct Financing Facility (WeBSEDF), was extended to Bingo's subsidiary, Hekom, which manages the company's energy efficiency programmes. Bingo, 100% owner of Hekom, is a reputable retailer that is committed to fulfil all the privatisation requirements and as such should serve as a successful example to other local privately owned businesses. In addition, the investment was deemed to provide a demonstration showcase of advanced energy efficiency and building integrated solutions (including implementation of best international practice techniques). The technologies considered for implementation have very low market penetration rates in Bosnia and Herzegovina and in the Western Balkans region in general. Implementing these techniques will attract attention and interest of other retailers as well as operators of commercial buildings. With a critical mass of such demonstration projects, the demand for advanced sustainable energy technologies will grow and sustainable energy market and corresponding awareness will continue to grow.

As identified through the energy efficiency audit financed by the CEI Fund at the EBRD, the proceeds of the loan are used to install energy efficiency measures such as water-to-water heat pumps, LED lighting, chillers, high performing refrigeration with heat recovery, as well as insulation panels in Bingo's outlets. It was estimated that this project would reduce CO₂ emissions by approximately 4,700 tonnes, which is equivalent to a saving of 51 kg of CO₂ per square metre of retail space per year.

The project will transform Bingo's retail network into a showcase of advanced sustainable energy solutions in the retail industry and will enable the company to minimise operating costs and strengthen its competitiveness.

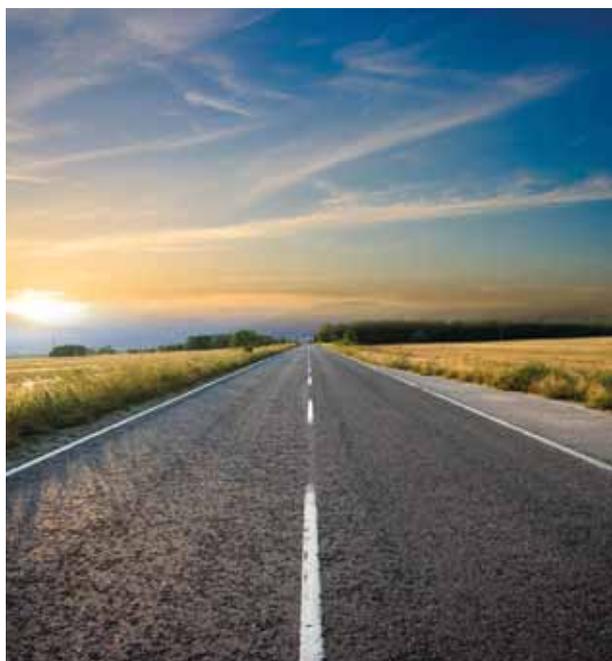
Assessment of Energy Audit Programme

The consultant was required to assess the impact of activities undertaken under the initial CEI framework between 2005 and 2008. This report was very beneficial to the bank as it provided additional insight into the effect and benefits of the audits that were completed.

Macedonia: Environmental and Social Analysis for ASR

Commitment Number	CEI-2008-12-11
Value	€46,567
Countries of operations	Macedonia
Sector of operations	Transport
Related investment	€50 million

Provision of TC resources by the CEI Fund at the EBRD to undertake this environmental and social impact analysis was an important part of the Bank's additionality in finalising a loan to the Government of Macedonia. The €50 million loan aimed to rehabilitate regional and local roads (€25 million allocated to the regional roads component, and €25 million allocated to the local roads component). The EBRD loan was parallel to a World Bank loan. In addition to being essential for the Bank's own due diligence, CEI Fund TC resources also enabled the EBRD to demonstrate to the Government best international practice in project preparation and implementation. This demonstration effect was expected to help to improve the quality of road projects which would later be designed and implemented by the Agency for State Roads using its own resources.



The TC assignment required the consultant to carry out an Environmental and Social Analysis of the proposed sub-projects under the Regional Roads Component of the loan. The consultant was also required to identify the main environmental and social issues associated with the operation and to propose mitigation measures to minimise any potential adverse impacts. Lastly, the TC assignment was also expected to produce an Environmental and Social Action Plan and a monitoring plan.

The Agency for State Roads (ASR), with support from the consultant carried out a technical and economic appraisal of the proposed Regional Roads Component and agreed on the list of road projects to be undertaken. This assignment also clarified the requirements and provided the basis for the necessary Environmental and Social Analysis. The key objectives of the Environmental and Social Analysis achieved the following: (i) identify and determine the potential environmental and social impacts (both positive and negative) associated with the construction of the regional sections and the rehabilitation of the existing roads under the Regional Roads Component of the project; (ii) assisted the EBRD to structure the project so that national and EBRD Environmental and Social Policy requirements as well as good international practice, such as World Bank/ International Finance Corporation Environmental, Health, and Safety for roads and highways were met; (iii) assisted the EBRD in developing a set of recommendations in the form of a Environmental and Social Action Plan aimed at preventing and mitigating potential adverse environmental and social impacts during the construction and operation of the road, providing environmental and social benefits and improving environmental and social quality as well as improving information flow with the affected communities. All the findings and mitigation measures envisaged in the Environmental and Social Action Plan were subsequently incorporated in the respective tender documents and works contracts. A separate assignment for Environmental and Social Action Plans for the local roads component of the investment project was undertaken.

The €50 million EBRD loan aimed not only to enable the rehabilitation and upgrading of the regional and local roads in Macedonia, but also to assist the Government of Macedonia with a programme of institutional support for the newly established Agency for State Roads in line with the new Law on Roads. The project was consistent with the National Transport Strategy, adopted by the Government of Macedonia in 2007, and which gave priority to the maintenance and repair of the existing main road network. The rationale of the EBRD loan was derived from this policy and was also consistent with the Government's policy to develop the regions and economic growth through the development of effective transport links. Furthermore, the loan built on the Government's committed to continuing the programme of institutional reform in the roads sector. This is why the institutional strengthening for the Agency for State Roads was such a key component of the project.

TAM – Altimed

TAM – Pinskiyev

TAM – Bereza Cheese Plant JCS

Commitment Number	CEI-2010-01-02F; CEI-2010-02-03F; and CEI-2010-03-04F
Value	€59,399; €55,217; and €55,773
Countries of operations	Belarus
Sector of operations	SME support
Related investment	n/a

The EBRD EGP (Enterprise Growth Programme, formerly known as Turnaround Management – TAM) helps small and medium to large sized enterprises transform themselves. EGP advisors enable enterprises to make structural changes and develop new business skills at senior management level, helping them to thrive and compete in market economies. EGP operates in conjunction with the EBRD's Business Advisory Service (BAS). The EGP's advisory services are provided by experienced former CEOs and directors from economically-developed countries. Advisors transfer management and technical know-how to enterprises, conveying principles of responsible corporate governance and sharing commercial experience directly with senior managers. The EGP is managed on a not-for-profit basis, utilising donor funds to support the projects.

EGP projects develop strong, self-reliant management in partner enterprises, creating a new and sustainable resource that continues to be of benefit after the project ends. It produces skilled, dynamic managers who can contribute to the revitalisation of their sectors and bring about industry restructuring from within, which can be more effective than externally-imposed solutions.

The CEI Fund has supported the EGP consistently throughout its partnership with the EBRD. In 2010 it financed three EGP assignments in Belarus:

Altimed was founded in 1996 and it has grown in the domestic market by substituting imports of orthopaedic devices, reaching over 90 per cent market share of the Belarusian hip-joint segment. At the start of the project, the company was making 96 per cent of its sales in Belarus and was considering the opportunity of exporting its orthopaedic devices to the EU market. It was also developing new products for the dental as well as the heart surgery markets. The EGP team addressed several issues in the management of *Altimed*, including: bringing a new awareness about the practical implications of the company's aim, operational logistics, familiarity with common management tools and clinical/marketing studies that are normal practice in the EU, and quality systems certification. One major impact of the EGP team was to increase *Altimed* management awareness the implications of different aims, of business opportunities and threats as well as logistics and management accounting know-how. It is the EGP Team's belief that both the proposed and self-developed solutions will make a significant difference to the future growth of the company. The project enjoyed the full support of management. *Altimed* management implemented all of the main operating proposals made by EGP. Management expressed that the practical expertise offered by every EGP Team's member made a significant contribution to understanding

of the mismatch which existed between strategic goals and organisational activities, of the EU market and the structural changes required to satisfy clients' needs in very competitive markets.

Pinskiyev was founded in 1880. In the early 1990's it was privatised to management and employees who still own the Company. It is currently registered as a 100 per cent privately owned entity with some 2,000 shareholders who are the company's current and former employees. Production is typically verticalized. It starts with a logging plant and a saw mill that produces sawn timber, planks to size and a number of finished and semi-finished items destined both to the other factories of the group and to the market in general. Another group of factories produced plywood, chipboard, melamine covered chipboard, veneer and different heat and pressure moulded items from plywood. The other factories produce finished furniture. The focus of the EGP team from the beginning was helping the company in the development of strategic and operational business plans that included initially, advisory assistance to improve the organisation structure; improve manufacturing and product standards; improve design; review business strategies; and improve environmental practises. The EGP team addressed all the critical issues to ensure the development of the business. The changes suggested in management, marketing, and business strategies have reinforced the potential of the company that has the possibility to further grow on a national scale and further strengthen its position as the market leader. Most of the recommendations offered were considered and accepted although some recommendations will require more time to implement.

Bereza Cheese Plant JCS was created in 1944 in the ecological clean region of the Brest Region. It started producing four milk products and developed a range of some 150 items including whole milk products, cheese and dry milk products. Fifty per cent of total sales, at the start of the assignment, were in the domestic market and 50 per cent exported, of which some 90 per cent to Russia. In 1994 the company was reorganised and partially privatised. The EGP team tackled several issues including marketing (especially regarding the overreliance on the Russian market), production and quality management, and organisational structure and human resource management. The approach to marketing (the very core issue to address) enhanced during the period of this EGP assignment. Substantial advice has been given for improving quality control to achieve a consistent higher quality of product and enhance traceability command. The insights given to the CEO by the EGP analysis of the organisational structure and human resources management will, it is hoped, act as a catalyst for the company to continue its improvements in these areas.

WeBSEDF: TC Banker

Commitment Number	CEI2-2010-07-07
Value	€170,888
Countries of operations	Regional
Sector of operations	Energy
Related investment	€96.1 million

The TC resources provided by the CEI Fund at the EBRD were used for hiring a dedicated regional advisor to support the implementation of the Western Balkans Sustainable Energy Direct Financing Facility ("WeBSEDF" or the "Facility") during a two year period. WeBSEDF is an investment facility that provides debt financing of up to €6 million for the implementation of renewable energy and industrial energy efficiency projects mainly to small and medium-sized enterprises in the Western Balkans, which include Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro and Serbia. The Facility was officially launched on 1 April 2009. The initial allocation of €50 million was increased to €100 million in January 2012.



The main objectives of the regional advisor was to focus on structured business development activities, project evaluation, due diligence and (if needed) monitoring of existing projects. The role was filled in by a chemical engineer with professional experience at the International Energy Agency and as a management consultant (Strategy and Finance) for large energy projects in Europe and the Middle East. He took his assignment in Sarajevo (Bosnia and Herzegovina) in January 2011 and completed it in September 2012. During this period,

the consultant was heavily involved in identifying and evaluating potential renewable energy and industrial energy efficiency projects in the whole region covered by the Facility. He was instrumental in introducing a more rigorous technical screening at an early stage to allow better allocation of scarce resources. He also provided substantial input on a number of more advanced projects in Albania and Bosnia and Herzegovina and tried to develop some early leads in Montenegro. As a result, the Facility saw substantial increase in the number of projects that were financed, including the first two energy efficiency projects in Bosnia and Herzegovina and one small hydropower plant project in Albania. As a whole, the contribution of the consultant was quite valuable and highly appreciated.

Specific tasks of the consultant included:

- Improve procedures in the Facility in order to minimise the occurrence of weak projects being evaluated for too long before screening out or strong projects being delayed due to unnecessary bureaucracy;
- Work throughout the whole project life cycle as a team member within the projects that were started prior to his arrival;
- Support business development efforts and attend meetings with clients all around the Region;
- Follow up on leads identified by Facility bankers and the WeBSEDF Project Consultant, advising EBRD Resident Offices on the opportunity to proceed with projects in early stages of development;
- In consultation with the Energy Efficiency and Climate Change team, visit prospective Bank clients to assess energy efficiency opportunities, discuss energy strategy with management, decide on whether to proceed with a detailed energy audit and prepare consultants' visit to conduct such audits.

Overall, by the end of 2012, WeBSEDF supported the development of 31 small hydropower plants with total installed capacity of 55.6 MW, 2 biomass fired CHP plants and comprehensive energy efficiency improvements in a meat processing plant and a chain of supermarkets. Once completed, these projects will lead to the generation of some 386.4 GWh of electricity from renewable energy sources a year and to reduction in the CO₂ emissions of the region by approximately 446,765 tonnes of CO₂/year.

Capljina Water Supply Environmental and Social Due Diligence

Commitment Number	CEI2-2011-07-03
Value	€49,400
Countries of operations	Bosnia and Herzegovina
Sector of operations	Municipal infrastructure
Related investment	€13.5 million

This assignment assisted a joint EBRD, EU and domestic government investment in the Public Utility Company Capljina. An EU Delegation conducted in 2010 a feasibility study focused on priority investments, which needed to be updated. This assignment, which consisted of environmental and social due diligence (ESDD), would serve to update the EU feasibility study and to assist directly the Public Utility Company Capljina in the implementation of the overall programme. In detail, this assignment consisted of the following tasks: assessment of the project's compliance with national regulations; EU requirements and EBRD performance requirements; preparation of environmental and social review summary; preparation of a draft stakeholder engagement plan; preparation of an environmental and social action plan and affordability.

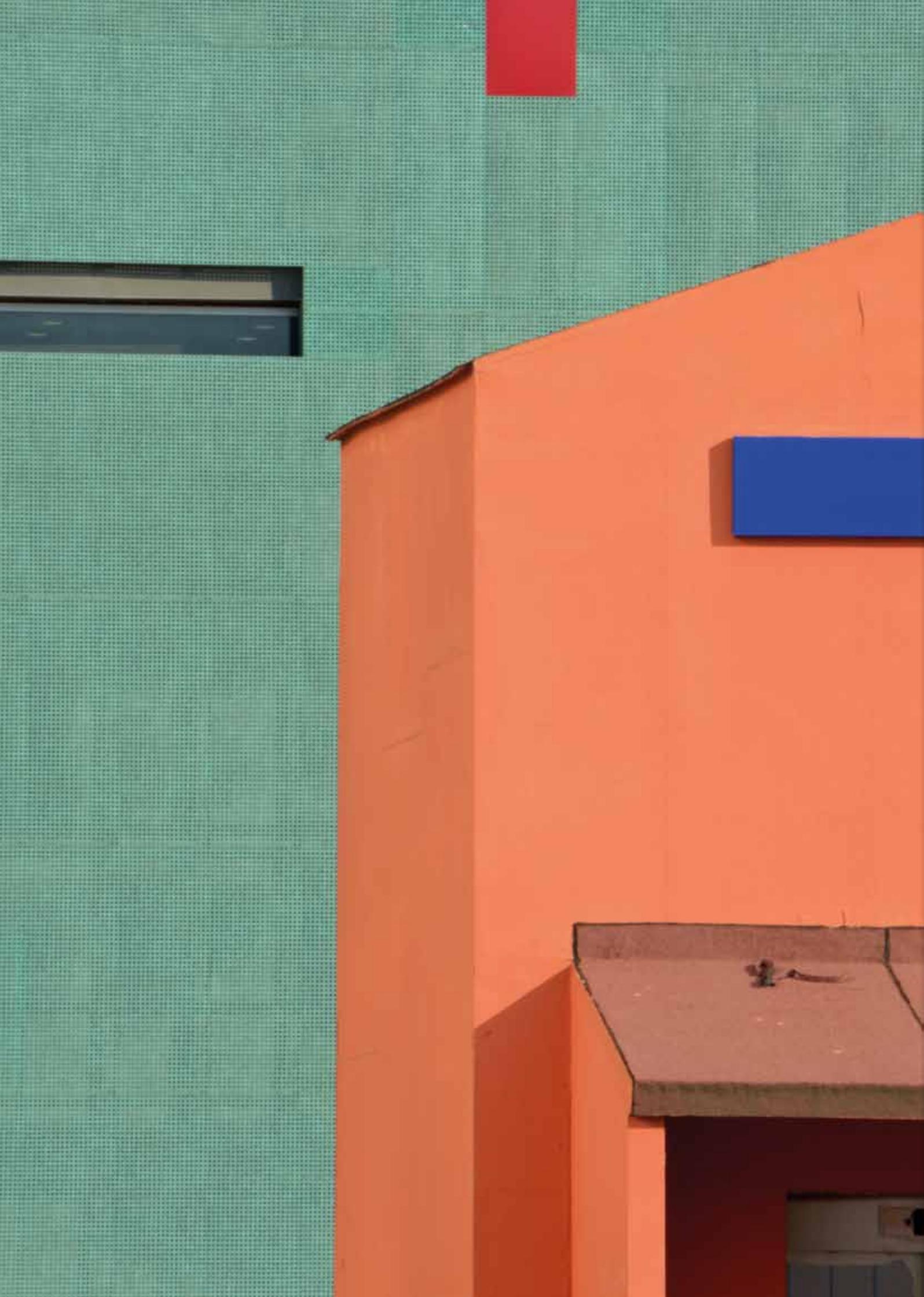
The Public Utility Company Capljina provides municipal services including water and wastewater, solid waste collection/disposal and maintenance of public areas in the Municipality of Capljina (population 30,000), in the south of the Federation of Bosnia and Herzegovina. The Company is 100 per cent owned and controlled by the Municipality. Close to 80 per cent of the population of Capljina is covered by the water supply system. In 2009 the company produced 2.5 million m³ of water and invoiced only 1.3 million m³, hence the percentage of non-revenue water stood high at 50 percent. The Company also claims to be in compliance with relevant EU directives for potable water. The sewage system, however, is more underdeveloped with some 2,200 connections estimated to cover about 8,500 people or 35 per cent of the population in the municipal centre. Furthermore, the company does not comply with relevant EU directives for urban wastewaters. The ESDD will review the existing investment documentation and current construction works on the priority investment programme. Capljina includes a protected wetland area and several cultural and historical sites which will need to be considered in the ESDD. The associated impacts from waste water and waste management activities undertaken by the Municipality will also need to be taken into account during due diligence, together with current Environmental, Health and Safety (EHS) contractor management and monitoring practices.

The TC has supported preparation of the Capljina project and has confirmed that the Project is in compliance with National Regulations, EU Requirements and EBRD Performance Requirements. An affordability assessment was important as well to determine the impact of the potential tariff increases. As the Client lacks capacity for preparation of key Environmental and Social documents, the consultant prepared an Environmental



and Social Review Summary, draft Stakeholder Engagement Plan and Environmental and Social Action Plan. As a result of this due diligence, the loan agreement was signed in April 2012. The entire cost of the investment, which this TC assisted, is €13.5 million. The investment will be used for water supply network construction to cover suburban parts of the Municipality in the Dubrave plateau in order to connect approximately 1,300 new households (5,000 inhabitants), as well as for the Trebizat area, adding another 500 households. This will be financed by EU grants of €4.5 million, a local budget contribution of €4 million and an EBRD sovereign loan of €5 million. These investments are expected to impact the environment, social and municipal development of Capljina.

The loan is expected to have three types of transition impact: (i) improved regulatory framework through the Public Service Agreement between the Company and the City and clear tariff methodology; (ii) demonstration of successful company restructuring; (iii) Improved standards through introducing and monitoring of International Financial Reporting Standards.



Know-how Exchange Programme

The CEI Know-how Exchange Programme (KEP) is an instrument dedicated to offering co-financing to projects and programmes focused on the transfer of know-how and best practices from EU to non-EU member states of the CEI. As such, the KEP offers grants to institutions from EU countries willing to share their experience with their partners in the non-EU CEI countries.

The CEI Fund at the EBRD has provided financing to KEP projects since the Programme's launch in 2004. Since then, the interest over KEP among the applicants has steadily increased. To date, 57 projects have been approved under the KEP in the period 2004-2012 for a total CEI Fund committed contribution of more than €1.5 million (see Annex 6). Given its nature as a co-financing Programme, the total value of all 57 KEP projects supported by the CEI Fund at the EBRD so far is almost €5 million.

The success of the Programme encouraged other CEI member states to contribute financially to the KEP, in parallel to the financing provided since 2004 by the Italian Government. In 2008 the Austrian

Government joined the KEP, and is thus contributing additional funds on an annual basis for KEP projects managed by the CEI Executive Secretariat. Lastly, the Polish Ministry of Foreign Affairs also made ad-hoc voluntary contribution towards the KEP (see page 33).

As shown in Chart 3.1, the projects supported by the CEI Fund at the EBRD targeted all non-EU CEI member states. The countries that benefited the most from direct KEP assistance, since the establishment of the Programme in 2004, were Moldova and Ukraine, while the Western Balkan countries have been addressed by projects having a regional character. Chart 3.2 shows that the countries with most know-how providers were Italy and Poland, followed by Slovenia. Bulgaria and Romania are the only two countries that have been involved both as recipient and provider countries because of their entrance in the European Union in 2007.

Concerning the areas of intervention, Chart 3.3 illustrates a rather balanced distribution among all the areas of intervention: sustainable agriculture, capacity building, enterprise development, and sustainable energy.

KEP Priorities

The priority areas of KEP intervention concern the following topics grouped in three thematic headings:

I European integration, capacity building and market economy

- European integration
- strengthening of the rule of law through the introduction of appropriate European standards
- strengthening of capacities of the central administration
- assistance in economic transformation
- support to second-generation reforms
- improvement of local labour market efficiency and development of the micro, small and medium-size enterprise sectors
- strengthening of the administrative structures at regional and local levels
- strengthening of the social advancement of recipient countries

II Agriculture, energy and environment

- energy (know-how transfers in the areas of energy efficiency, renewable sources of energy, clean energy and climate change)
- environment (protection of the natural environment, waste management, water management and water resource development)
- development of agriculture and rural areas (including food safety and food quality applications and regulatory standards, farm development plans, development of infrastructure for wholesale trade of agricultural products, training of specialists in farming-related areas; and promotion of rural and environmentally sensitive tourism)

III Infrastructure planning and development

- technical assistance for infrastructure development
- development of Geographic Information Systems

Chart 3.1.

Distribution of KEP projects by number of assignments according to the countries of know-how recipient. The projects with regional spread are highlighted in red.

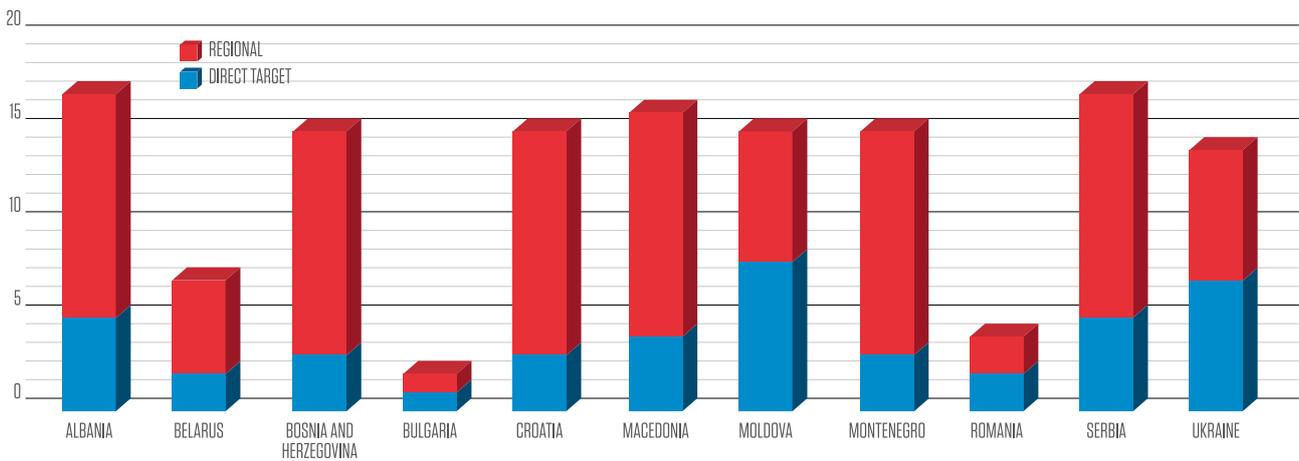


Chart 3.2.

Distribution of KEP projects by number of assignments according to the countries of know-how provider. The projects which benefited from multiple know-how providers are highlighted in red.

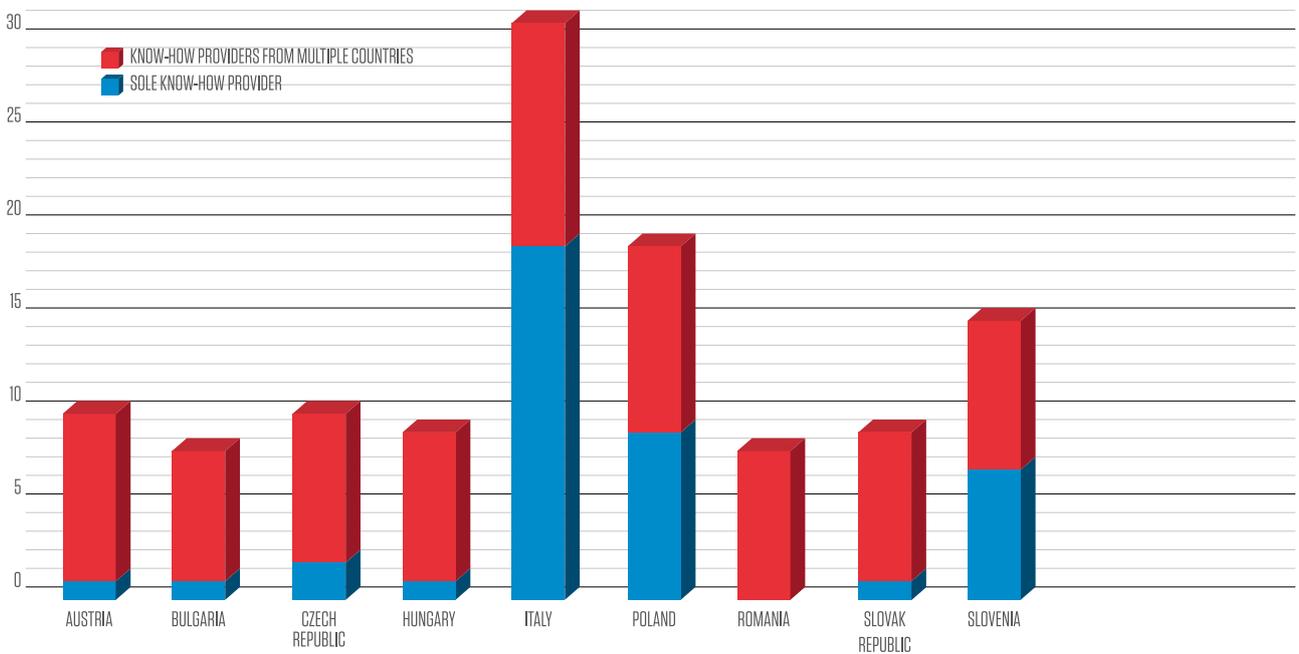
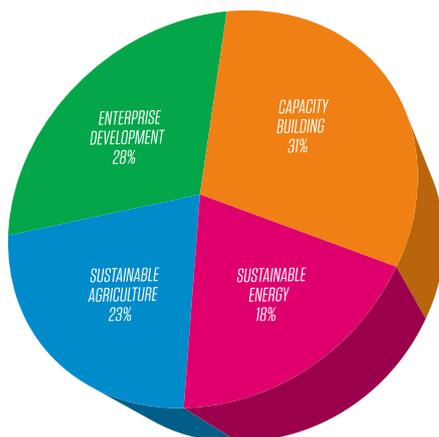


Chart 3.3.

Distribution of KEP projects by number of assignments according to the area of intervention.



The role of the Office for the CEI Fund at the EBRD in the management of the Programme

The Office for the CEI Fund at the EBRD manages the KEP and monitors the implementation of the KEP projects co-financed by grants from the CEI Fund at the EBRD. The strong operative links between the Office and the EBRD have had a positive impact on the definition of the Programme's priorities which, for the most part, deal with areas also covered by the Bank's operations. The role of the Office for the CEI Fund at the EBRD is not limited to the provision of grants. It concerns the whole project cycle, starting from the initial screening and appraisal of applications, through the monitoring of project implementation, to ex-post evaluation of results.

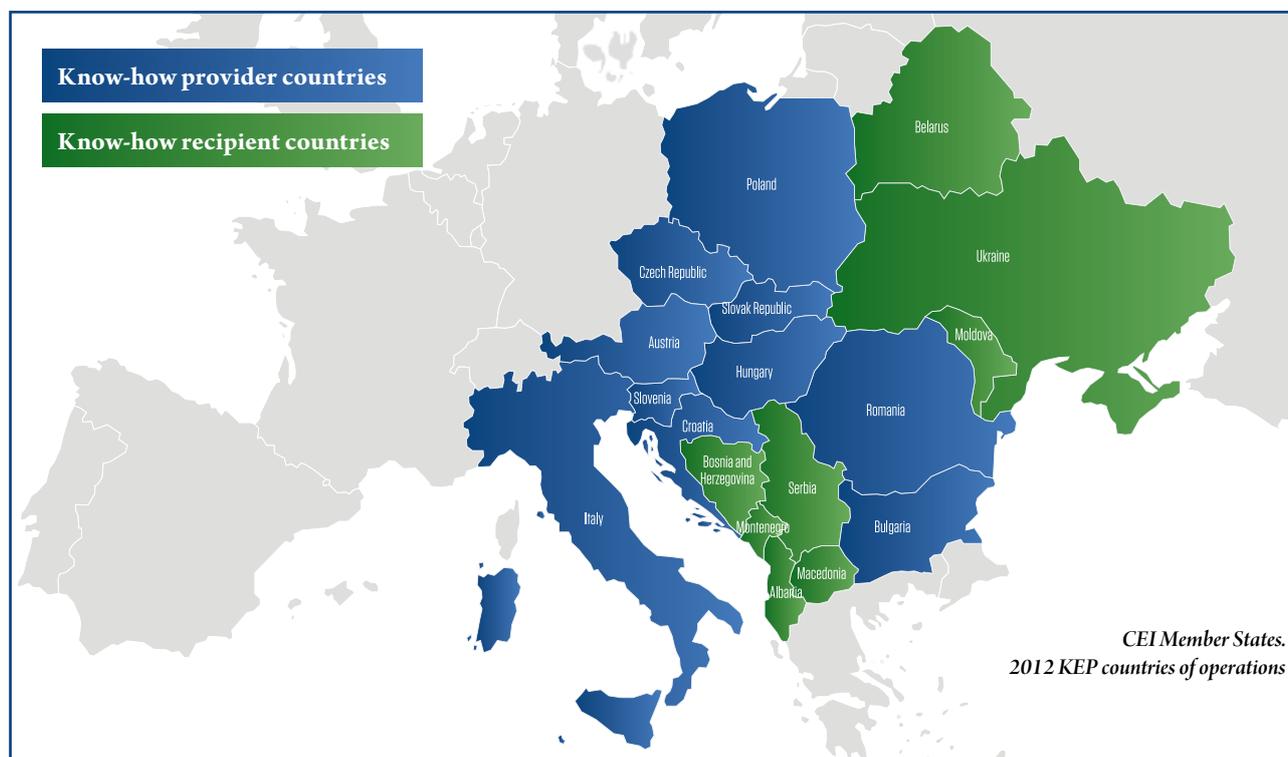
In 2012 the Office for the CEI Fund at the EBRD launched a Call for Proposals for the selection of new KEP projects. In total 55 project proposals were received for a total requested CEI contribution of almost €2 million and for a project total cost of more than €5 million. The received project proposals were evaluated against a set of pre-defined selection criteria and projects with the highest scores were granted funding (within the available budget). The Office for the CEI Fund at the EBRD carried out the evaluation of projects according to the best practices developed by the EBRD and according to the Bank's

procurement rules.

From time to time, the Office's staff also assists partners in developing and streamlining project activities. In doing this, the Office for the CEI Fund at the EBRD actively supports the dialogue between the provider and the beneficiary of a KEP project, allowing for mutual understanding and boosting the active role of the recipient in project development. Based on its staff's experience with previous projects, the Office is, among the actors of a KEP project, in the unique position of having seen which activities may have a higher potential impact. The staff, thus, makes recommendations on project activities, in order to best tailor assignments to the recipients' needs and capacities of assimilating know-how, while taking most advantage of the providers' expertise. Additionally, the Office may also provide guidance throughout the project implementation. During the phase in which projects are effectively carried out, the Office's staff conducts a continual process of monitoring to ensure the smooth execution of the know-how transfer. Lastly, as exemplified in the publication *Lessons for Sustainable Transition Impact⁷*, the Office continues to evaluate projects by analysing the impact and sustainability of their activities even after completion. This work of post-implementation evaluation results in lessons learnt that feed into the Office's management of the entire Programme. The Office for the CEI Fund at the EBRD, through its hands-on approach to each phase of the KEP project cycle, ensures that all these challenges are addressed and monitored quickly and efficiently.

Poland's financial support to the CEI Know-how Exchange Programme (KEP)

In 2011 the Polish Government made a voluntary contribution of €25,000 to the CEI Know-how Exchange Programme (KEP). Resources from Poland were used to co-finance a project promoted by a Polish applicant in the framework of the Call for Proposals that Office for the CEI Fund at the EBRD launched in 2012. Poland had already made a similar contribution to the Programme in 2008 and this new donation is highly appreciated. In addition to providing financial support, Poland-based institutions have also been very active as know-how providers of best practice and transition experience to 19 KEP assignments (see chart 3.2).



⁷ In 2011, the Office for the CEI Fund at the EBRD published *Lessons for Sustainable Transition Impact - an impact assessment and analysis of KEP projects supported by the CEI Fund*. The study can be downloaded from www.cei.int (publications' section).



Know-how Exchange Programme

Projects approved in 2012

In 2012, 10 new assignments were approved for a total CEI Fund contribution of more than €320,000. The total value of these projects was more than €1.1 million. The projects were selected within the 2012 KEP Call for Proposals launched by the Office for the CEI Fund at the EBRD.

The 10 project proposals approved in 2012 are fully in line with the strategies of the CEI Fund at the EBRD, and with the mandate of the KEP. Through these projects, the CEI Fund at the EBRD would support the transfer of know-how on several issues of great importance for the non-EU CEI member states, in their approach towards EU standards. By employing a wide range of project activities and know-how transfer tools, the 10 assignments aim to tackle issues such as the conservation of environment, use of natural resources and reduction of natural risks which hinder economic development; good governance in local administration and NGOs; the stimulation of technical research and innovation; harmonisation of public sector accounting with international standards and best practices; improved territorial management and sustainable use of natural resources; ecotourism development and investment; and fine-tuning policy for the growth of the SME sector.

The projects also target beneficiaries of know-how from almost the entire CEI region, assuring a wide dissemination of expertise and benchmarks. The projects target institutions in all of the countries of the Western Balkans, with a particular emphasis on Albania, and Macedonia – three projects each. The projects, however, also target know-how recipients in Ukraine (three assignments) and Belarus (one assignment).

There is also variety in the countries of the know-how providers of the 10 projects. Italian organisations remain at the top of the list with four assignments, followed by Polish institutions (2 assignments). The remaining projects will disseminate the know-how of organisations from Bulgaria, the Czech Republic, and Slovenia, as well as the Organisation for Economic Co-operation and Development (OECD). This continues the trend of the willingness of emerging donors from among the new EU member states to share the lessons they learnt during their own EU integration processes with peers from the rest of the CEI member states. These 10 projects have the full potential to support the alignment of the non-EU CEI member states with European and international standards, by transferring high-level expertise and know-how.

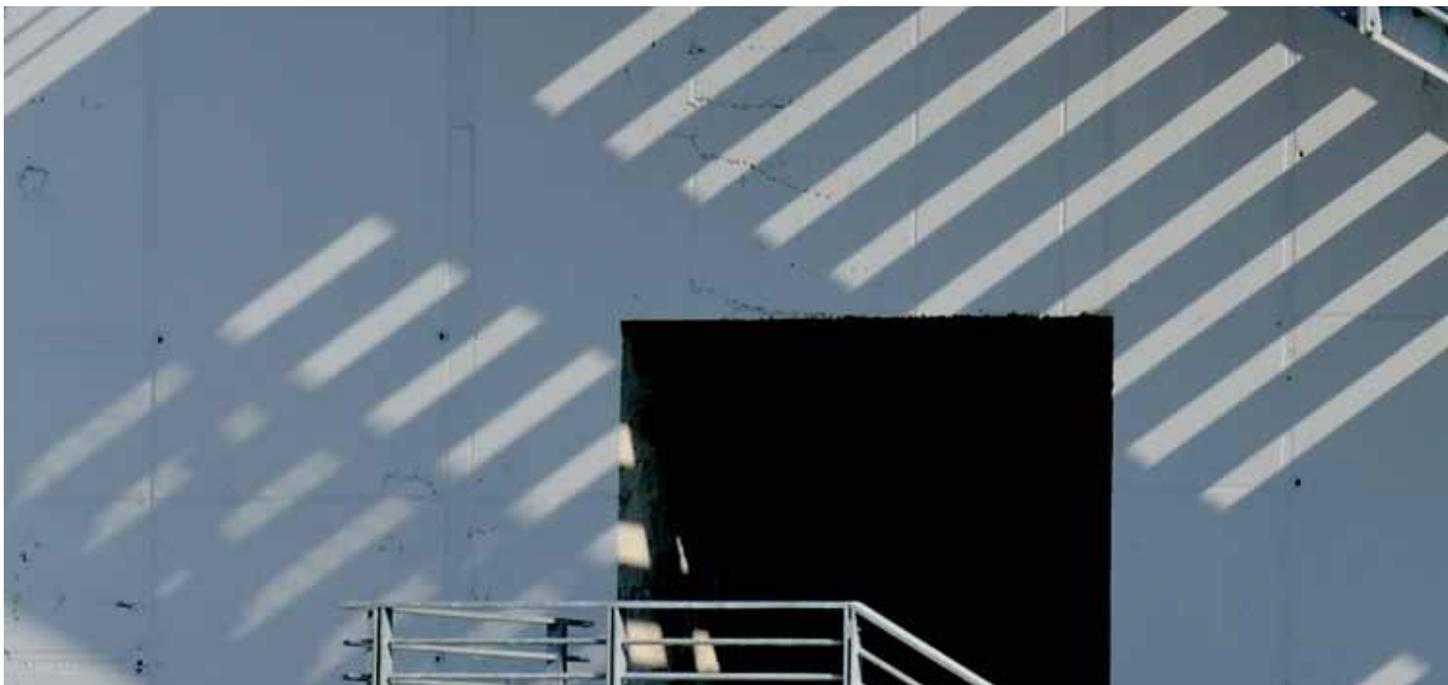
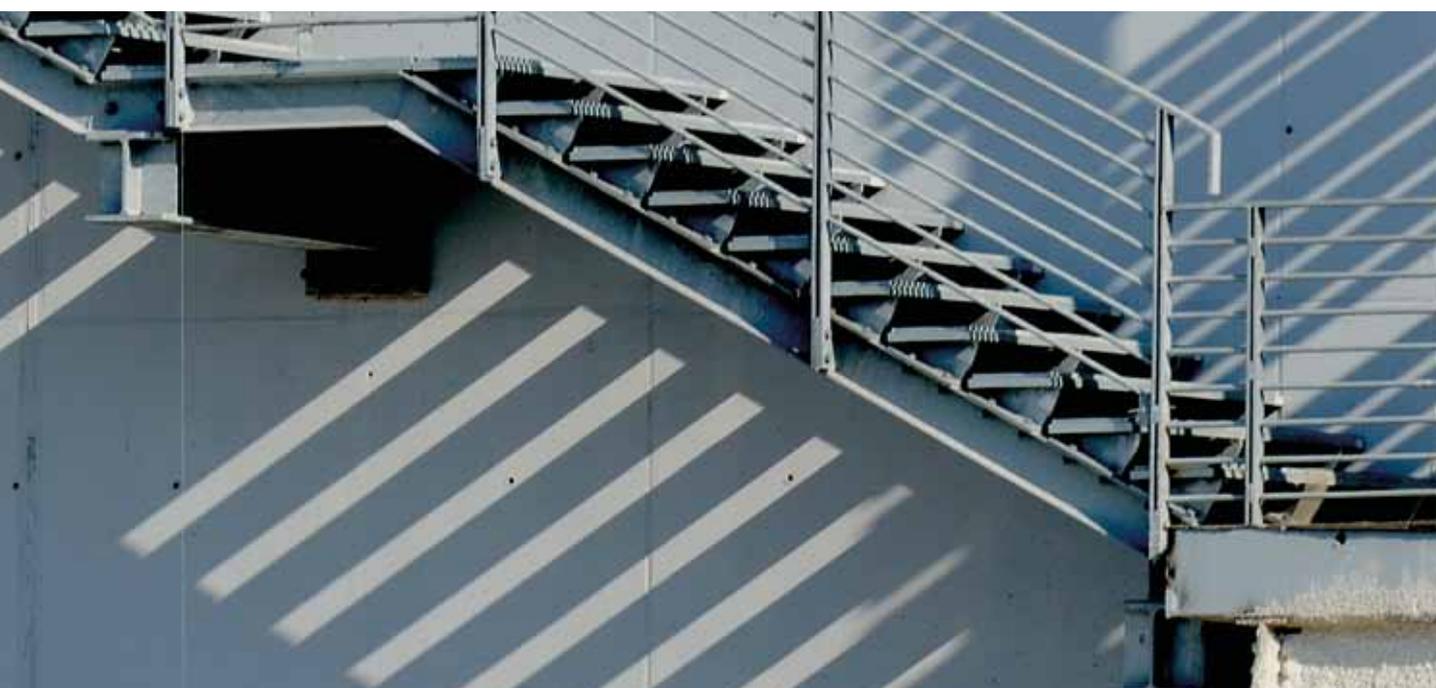


Table 3.1. List of KEP projects approved in 2012

reference number	project name	know-how provider country / organisation	know-how recipient country	project total cost (€)	CEI co-financing (€)
1206KEP001-12	Improving environmental and disaster prevention capacity in Serbia	Italy	Serbia	80,200.00	35,500.00
1206KEP002-12	Performance budgets in Cherkasy and Vinnitsa - support for good governance and financial transparency of local governments in Ukraine	Poland	Ukraine	231,784.00	30,100.00
1206KEP003-12	Conditions for technology transfer of experience for Tirana City - Context	Italy	Albania	84,390.00	31,875.00
1206KEP004-12	Application of open source software and methods for territorial analysis and sustainable use of natural resources in Belarus	Italy	Belarus	66,250.00	31,250.00
1206KEP005-12	Public Accountants Certification Training (PACT) in Macedonia, level 1 cohort 2 and level 2 cohort 1	Slovenia	Macedonia	235,657.00	40,000.00
1206KEP006-12	Know-how for Donetsk Region – strengthening of administrative structures and regional development in Ukraine	Poland	Ukraine	37,939.00	17,145.00
1206KEP007-12	Promotion of Rural and Environmentally Sensitive Tourism in the Lower Danube and Black Sea Coast of Ukraine	Bulgaria	Ukraine	65,803.00	29,315.50
1206KEP008-12	ENvironmental Impact assessment of the Kozuf metalloGenic district in southern MAcedonia in relation to groundwater resources, surface waters, soils and socio-economic consequences Acronym: ENIGMA	Czech Republic	Macedonia	77,800.00	38,000.00
1206KEP009-12	Renewable Energy Knowledge and Technology Transfer in Albania and in Bosnia -Herzegovina	Italy	Albania, Bosnia and Herzegovina	89,737.00	39,110.00
1206KEP010-12	Competitiveness and New Industrial Policy: Building capacities for diagnosis, design and implementation	CEI-EU members/ OECD as coordinator	Regional (Western Balkan countries)	181,838.00	30,000.00
Total				1,151,398.00	322,295.50



Improving Environmental and Disaster Prevention Capacity in Serbia

Reference number	1206KEP.001-12
Know-how provider country	Italy
Know-how recipient country	Serbia
Area of intervention	Sustainable energy
Implementation dates	March 2013 - November 2012
Project total cost	€80.200,00
CEI co-financing	€35.500,00

Know-how provider

Regional Environmental Protection Agency of Emilia Romagna - ARPA EMR, Italy (www.arpa.emr.it)

Established in 1995, the mission of ARPA EMR is to protect health, ecosystems and territorial safety and to promote the use of resources within a framework of sustainable development. Among ARPA EMR activities and tasks are monitoring and modelling of regional hydro-meteorological parameters as well as of various environmental components and environmental impact assessments of plans and projects. ARPA also manages and surveys environmental and territorial impacts of human activities and the Regional Environmental Information System. At national level, the Agency cooperates with the Regional and National Departments of Civil Protection, the Institute for Environmental Protection and Research, the Ministry of Environment and all other Regional Agencies for the Environmental Protections.

Know-how recipient

The Serbian Environmental Protection Agency– SEPA, Serbia (www.sepa.gov.rs)

Established in 2004 SEPA performs tasks related to development, coordination and management of National Information System for environmental protection. The Agency is also involved in the implementation of the national air and water quality monitoring system, the collection and aggregation of environmental data helping to set up the National Environmental Policy, and the development of procedures for the processing of environmental data and evaluation. At national level, SEPA cooperates with all major statutory Authorities responsible for the environmental protection, specifically the Serbian Hydro-meteorological Institute and the Regional Environmental Centre.

Project background

The project is conceived according to the guidelines of the Climate Change Framework Action Plan for Adaptation for South East Europe and is also part of the pipeline of multiple activities conducted in the Drina River basin by the Ministry of Environment, Mining and Spatial Planning. The main goal of the project is to reinforce the cooperation between the

project partners, while assessing the overall environmental and hydro-meteorological situation in the Serbian part of Drina river basin (extension of about 20,000 Km² and a river length of 346 Km), that was selected by the project partners as a priority area of intervention.

Project activities

The project will identify and describe the most urgent interventions needed to protect the environment of the Drina river basin within the institutional structures, at either local or central level. The assignment presents several activities in order to train the beneficiaries, transferring competences, methods and procedures to improve their capabilities of assessment of environmental issues and to monitor hydro-meteorological events. Moreover, safety against extreme natural events will be presented and analysed in order to reduce the costs for mitigation. Furthermore the assignment will develop Serbian technologies and capacities related to sustainable water management and its balanced use, focusing on priority water needs (potable, energy, agriculture, industry), while assuring the long-term protection of available water resources. Lastly, the project partners are expected to sign a Memorandum of Understanding between them on continue their cooperation after the finalisation of the project.

Expected project results

As long term results, the project expects to increase the capacity of evaluation of environmental issues with more continued and accurate monitoring of environmental parameters with the active involvement of local institutions and authorities. Moreover, it hopes to increase the safety of population, infrastructures and transportation and to reduce damages against extreme weather events. Furthermore the assignment will boost consciousness of population in terms of environmental conservation, reduction/control of pollution sources, and environmental recovery. It also expects to increase disaster preparedness at the level of local institutions and population, with more available new technologies for the real-time environmental monitoring and updated regulations at country level and furthermore, increase the diffusion of information and dissemination of data to population and economic operators in vital sectors, such as agriculture, energy, water supply and tourism.

Performance budgets in Cherkasy and Vinnitsa - support for good governance and financial transparency of local governments in Ukraine

Reference number	1206KEP.002-12
Know-how provider country	Poland
Know-how recipient country	Ukraine
Area of intervention	Capacity building
Implementation dates	January 2012 - December 2014
Project total cost	€231,784.00
CEI co-financing	€30,100.00

Know-how provider

The Polish-Ukrainian Cooperation Foundation PAUCI, Poland (www.pauci.org)

Established in 2005, the Polish-Ukrainian Cooperation Foundation PAUCI is the legacy organisation to the Poland-America-Ukraine Cooperation Initiative. Since 1999, this Initiative served as a unique tri-lateral inter-governmental programme aimed at sharing the best practices learned during the successful transition of Poland. Enriched by financial and technical assistance from PAUCI, more than 440 Polish and Ukrainian organisations have conducted some 200 partnership projects and activities influencing key areas of civil society and free-market development.

Know-how recipient

Cherkasy City Council (www.rada.cherkasy.ua/ua/), Vinnitsa City Council, Ukraine (<http://vmr.gov.ua>)

The beneficiaries of the project are the Ukrainian cities of Vinnitsa and Cherkasy. Cherkasy is the cultural, educational and industrial centre of the Cherkasy Region, while Vinnitsa is located on the banks of the Southern Buh, in central Ukraine and is the administrative centre of Vinnitsa region. From 2006 to 2012 the cities were involved in USAID funded Local Budgets Reform Project. Within this project the officers from Finance Department and from financial services of Vinnitsa / Cherkasy City Councils participated in a training programme on financial planning and management. However the process had a debated methodology and was strictly linked to planned nation-wide decentralisation reform in Ukraine, which was never enacted.

Project background

The complicated administrative structures of the beneficiaries are symptomatic of the budgeting practices, which do not encourage transparency. An alternative to the traditional system is the performance budget implemented in many Polish cities, modelled on U.S. solutions. The appropriateness of performance budget systems for Ukraine was perceived by PAUCI through previous projects financed by the Polish Aid

– a development assistance programme of the Polish Ministry of Foreign Affairs – and the United Nations Development Programme.

Project activities

The project's main goal is to strengthen the good governance capacity of local administration and nongovernmental organisations of Vinnitsa and Cherkasy as well as financial transparency of both cities based on experiences of performance budgeting introduced in Polish cities, especially in Krakow. The assignment's activities are divided into three main parts. First, a working visit of key international experts to Ukraine to meet the beneficiaries from Cherkasy and Vinnitsa. The second activity consists of a study visit to Poland by Cherkasy/Vinnitsa City management in order to showcase to key decision makers of both cities the benefits of performance budgeting. The third and last activity comprises of eight one-day introductory trainings in Vinnitsa and Cherkasy. These trainings will be provided for the representatives of local deputies, municipal administration, communal enterprises and NGO's working on communal issues. The number of one-day trainings will be four in each city for about 20 participants per training.

Expected project results

The beneficiaries are expected to introduce performance budgeting in their cities in order to increase the effectiveness of local finances, in accordance with performance budgeting methodology. After the completion of trainings, employees of Cherkasy and Vinnitsa Municipal Administration and Task Force members will gain knowledge and study practices of performance budgeting, through the help and supervision of the experts and will prepare the first draft of a pilot budget. At the end of the project it is expected that both cities will have prepared the complete performance budgets for the forthcoming year. It's also expected that the cooperation between NGOs and local administration in planning, monitoring and implementation of local policy and budgets will be strengthened. Finally, a conference will be held to present the project outcomes that will be disseminated also in a brochure published both on the internet and in printed version.

Conditions for technology transfer of experience for Tirana City - Context

Reference number	1206KEP.003-12
Know-how provider country	Italy
Know-how recipient country	Albania
Area of intervention	Enterprise development
Implementation dates	January 2012 – May 2013
Project total cost	€84,390.00
CEI co-financing	€31,875.00

Know-how provider

Archidata Srl, Italy (www.archidata.it)

Archidata is an Italian company that focuses on innovation and technology transfer, promotes public-private partnerships as well as networks, in a logic of open innovation and best practice exchange. Related to these activities, Archidata provides multiple services that include feasibility studies, SWOT analysis and the organisation of study visits for different projects. Since 2006 the company has focused on internationalisation in order to diversify its activities and open to new opportunities as well as to help Public Agencies and Regions to look for the same opportunities for their economies. Since the beginning of 2012 Archidata is focusing its activities in Albania and is cooperating with the Municipality of Tirana and many other national institutions.

Know-how recipient

Municipality of Tirana, Albania (www.tirana.gov.al)

The Municipality of Tirana, in particular the Strategic Projects and Foreign Investments Department, is developing some crucial large scale strategic projects related to the city public infrastructure and urban development, such as technological park, the multimodal passengers' terminal, city tram lines, extension of main city boulevard etc. These activities are aimed to develop a positive image of city in order to attract foreign investments. The Municipality aims to offer a thorough service to all existing foreign investors but also to those who have expressed interest to invest in Tirana, in terms of facilitating the process of initiation and conduct of their activity.

Project background

The project beneficiary realised that there is need to revitalise the economic resources the city has to offer and align its strategies with the national programmes as well as to promote throughout Europe the city's potential in order to attract foreign investors. The already initiated reforms focused on fighting the rising costs of the private sector, aiming to ease the local fiscal burden. The Context project therefore arises from a specific request – to transfer technology needed by the Municipality of Tirana – and as a consequence, the local administration needs to be supported

in defining a structured path for the development of a technological park (Techno-Park) and the specific guidelines on financing opportunities, which is this project's objective.

Project activities

The project's overall goal is to improve the quality of research and technology transfer in Albania, helping the Tirana Municipality to prepare financing opportunities guidelines for a Technology and Science Park in Tirana. The Techno-Park will be meant to support the area development through SMEs settlement and their cooperation with local and foreign universities to attract national and international young talent.

In order to plan the park, the activities of the project will consist of a needs assessment and SWOT analysis about Tirana economic context, a study visit in Italy to give the possibility to the Albanian beneficiaries to visit and analyse Italian best practices in the field and, lastly, the dissemination of final results on the financing opportunities for the establishment of the Techno-Park.

Expected project results

The project expects to establish an efficient coordination of Context activities as well as cooperation among the project partners. Moreover, it will elaborate a preliminary analysis of main sectors for the establishment of a Techno-Park and organise a five day study visit to Italy. The summarised methodology will be shared with Tirana Municipality by producing a Final Report on technology transfer needs. As identified during the analysis, the definition of guidelines for the financing of the Techno-Park will be recognised. A final conference will be organised in Tirana in an effort of secure commitment from the main stakeholders and local population by presenting the results of the project. An improvement should be shown in the short-medium term strategy on innovation for competitiveness and labour market offered by the Municipality of Tirana to its economic and social context. As long term results the establishment of the Techno-Park is expected to enable an inflow of foreign funds to the area. This should also improve partnerships and network capacities for future initiatives and innovations.

Application of open source software and methods for territorial analysis and sustainable use of natural resources in Belarus

Reference number	1206KEP.004-12
Know-how provider country	Italy
Know-how recipient country	Belarus
Area of intervention	Sustainable energy
Implementation dates	January 2013 - April 2014
Project total cost	€66,250.00
CEI co-financing	€31,250.00

Know-how provider

Department of Life Sciences of the University of Trieste, Italy
(www2.units.it/biologia)

The Department of Life Sciences of the University of Trieste was established in 2008 and it has a wide expertise in international projects. The main expertise and fields of interest of the Department are: Analysis of Ecological Systems, carrying out research into processes and patterns of terrestrial and aquatic ecological systems using multivariate analysis; Geographic Information Systems and Databases, for evaluating the environmental impact of human activities and for planning strategies for the rehabilitation of degraded areas; Remote sensing, vegetation and land use, integrating vegetation with remotely sensed data, and comparing land cover parameters with the traditional landscape classifications.

Know-how recipient

The Central Research Institute for Complex Use of Water Resources (CRICUWR), Belarus (www.cricuwr.by)

The Faculty of Geography, Belarusian State University, Belarus (BSU)

The Laboratory of Lakes Research, Belarus (www.bsu.by/en)

Republican Unitary Enterprise «Belarusian Research Geological Exploration Institute» (BRGEI), Ministry of Natural Resources and Environmental Protection of Belarus (www.geology.org.by)

All the project's beneficiaries are Belarusian institutions active in the field of research studies in environmental assessment of water protection, development of guidelines and recommendations on water resources management and protection, as well as international cooperation. Moreover, some of the beneficiaries have programmes of studies based on the geological and soil science studies.

Project background

Belarus is currently facing difficulties in the field of environmental protection and management, mainly related to factors such as water

quality, waste management, implementation of the Kyoto Protocol, land degradation, pollution, industrial waste and radioactive contamination. In this framework, the beneficiary scientific institutions expressed to the University of Trieste their high need and interest for acquiring helpful methods and open source tools for territorial analysis and sustainable use of natural resources.

Project activities

This project aims at transferring to the beneficiaries open source available tools (GIS software and numerical models) and related know-how (formation on methods application, assistance on development of effective projects). This will be achieved through the examination of the definition of available resources, and the analysis of the needs and perspectives in terms of planning and development policies. Furthermore the assignment will train a number of selected young Belarusian scientists in the field of territorial and resources management, helping them to develop applicative projects on the analysed issues. Lastly, the project partners will assist the Belarusian authorities in incorporating the project's outcomes in the national legislation framework.

Expected project results

The project's main goal is to provide the Belarusian partners with advanced open-source software and methods for territorial analysis and planning of the use of natural resource as well as to train a selected number of professionals, specifically young scientists, PhD and post-doc students. Furthermore, this project is expected to develop at least three draft territorial projects, one for each main issue covered during the formation courses, e.g. environmental conservation, agricultural use of soil, and sustainable energy. As for the long term results, the project is expected to improve the environment and energy planning as well as management capacities by the Belarusian Authorities, to enforce the importance and weight of the Belarusian beneficiary partners as providers of high level scientific knowledge and help to decision making with regard to the Belarusian Authorities.

Public Accountants Certification Training (PACT) in Macedonia, level 1 cohort 2 and level2 cohort 1

Reference number	1206KEP.005-12
Know-how provider country	Slovenia
Know-how recipient country	Macedonia
Area of intervention	Capacity building
Implementation dates	January 2013 - July 2014
Project total cost	€235,657.00
CEI co-financing	€40,000.00

Know-how provider

The Centre of Excellence in Finance (CEF), Slovenia (www.cef-see.org)

Established in 2001, the Centre of Excellence in Finance (CEF) is a regional non-profit institution established within the framework of the Stability Pact for South East Europe (SEE) by the Government of Slovenia and in cooperation with ministries of finance of other SEE countries. Members of the CEF are ministries of finance and central banks of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia and Turkey. The main objective of the CEF is to provide assistance to its member countries in public finance reform processes, mainly in the form of focused professional training and technical assistance. Since 2003, CEF has been developing permanent programmes in accounting and internal auditing, and assisting member countries in their implementation.

Know-how recipient

Ministry of Finance, Macedonia (www.finance.gov.mk)

The Ministry's main mission is to maintain stable public financing and a stable macroeconomic framework so as to provide for the continuation of the process of economic reforms and acceleration of the economic growth, contributing to better welfare and improvement of the living standard of Macedonian citizens. The Ministry of Finance of Macedonia has committed to strengthening the certified accountants' role in the public sector, and the institutionalisation of the accountants' professional standards and authorities.

Project background

As a Centre of Excellence in Finance (CEF) member, Macedonia has benefited from CEF assistance for the reforms of the public sector, particularly public finance. CEF efforts followed the EU agenda of economic transition that specially targeted introduction of transparency, economy, efficiency and effectiveness of the public finance management. New approaches to public finance management and new legislation were articulated through CEF permanent and short term projects offered to the civil servants of Macedonia. Needs' assessment has defined the

weaknesses in the financial management capacity and the necessity to introduce internationally recognised standards that will, by fair implementation, ensure transparency and the best value-for-money service of the public sector.

Project activities

The project is divided into two trainings. The Level 1, Cohort 2 will start with the selection of forty students by the CEF and the Ministry of Finance. The training will fulfil the goal of building the capacities of the public accounting function and through CEF coordination will introduce and enshrine the international accounting standards and best practices. For the Level 2 training, CEF will select, together with the Ministry of Finance, nine local tutors. CEF and CIPFA will train the potential tutors, develop and translate the material, guidelines and glossaries for the teaching process. The next step is the selection of forty students, from among the ones who successfully obtained the Certificate level (level 1) of PACT; the selection will be completed by the Ministry of Finance together with CEF assistance. Here the training phase of the project starts, involving the Ministry, CEF as well as tutors, together with the forty students. The training and certification programme will be gradually localised and a part of localisation process, CEF encourages an establishment (or reform) of a local institution/association in the country, to take over and run the programme independently and to improve the rules and practices for certified accountants.

Expected project results

The results will consist of forty students trained in public accounting level 1, cohort 2 and up to forty students finishing the level 2. Eight local tutors will develop their teaching and tutorial capacities. All the materials about public accounting theory and systemic exercises formed in the CIPFA trainings will be translated into the local language and handed over to the Ministry of Finance. In addition the establishment of a local institution/association in the country will be encouraged in order to run the programme of trainings independently. Furthermore, the localisation strategic plan will be drafted with recommendations for its implementation and handed over to the Ministry of Finance.

Know-how for Donetsk Region – strengthening of administrative structures and regional development in Ukraine

Reference number	1206KEP.006-12
Know-how provider country	Poland
Know-how recipient country	Ukraine
Area of intervention	Capacity building
Implementation dates	January 2013 - May 2013
Project total cost	€37,939.00
CEI co-financing	€17,145.00

Know-how provider

Marshal Office of the Wielkopolska Region, Poland (www.umww.pl/zagranica.html)

The Marshal Office of the Wielkopolska Region (UMWW) is a subsidiary body of the Self-Government of the Wielkopolska Region. One of the office bureaus is the International Cooperation Bureau, which coordinates the international cooperation of the Region. In 1999 the Regional Parliament adopted a resolution that focuses on developing local and regional democracy by means of exchange of experiences related to the theory and practice of the operation of public administration bringing local communities from foreign partner regions together, with particular attention to the youth and initiating measures for the establishment of cooperation between business entities from Wielkopolska and their foreign partners.

Know-how recipient

Local association of local authorities in Donetsk Region (LALADR), Ukraine

The Local association of local authorities in Donetsk Region (LALADR) – Ukraine, was founded in October 2009. Currently, it encompasses 397 of 404 local councils in the Donetsk Oblast. The Donetsk Oblast has been collaborating with Polish regions for a number of years. In 2010, the Marshal Office of the Wielkopolska Region established the first contact with the Donetsk Region State Administration. The Donetsk Oblast is the most densely populated (4.4 million citizens) and the most industrialised region of Ukraine (20 per cent of the country's industrial output).

Project background

Ukraine is developing reforms concerning regional policy development and reform of budgetary relations. Among the top priorities in the field there are the introduction of strategic planning for regional development on the basis of agreements between the Ukrainian government and relevant local government bodies, and the introduction of a mechanism for the concentration of financial means on the priority lines of regional development.

Project activities

The project is divided into four activities, with the first starting by organising a visit in the Donetsk Oblast for a two-day seminar. The topics will cover information on local management in Poland, presentation of the Marshal Office of the Wielkopolska Region, information on the Polish system of regional development, references to the regional development policy of the EU, and presentation of the substance and function of strategic planning. The second activity envisages internships in the Wielkopolska Region for the employees of the administrative structures of the Donetsk Oblast with the aim to acquire know-how and experiences related to best practices of the operations of Polish self-government institutions, with particular attention to the development and implementation of regional policy and organisation of the local self-governments. The third part consists of the preparation of the publication entitled Polish-Ukrainian glossary of basic terms related to regional development and territorial administration in the Polish, Ukrainian and Russian language. And as a fourth and last part of the project, a round up meeting of representatives of regional self-government organisations will be organised in order to present the project's results.

Expected project results

The project aims at supporting the Ukrainian beneficiary in the establishment of regional development instruments strengthening the institutional capacities of the territorial administration by theoretical and practical know-how transfer. The project's main outputs will be a three-language (Polish - Ukrainian - Russian) publication entitled: Polish-Ukrainian glossary of basic terms related to regional development and territorial administration, a training and a seminar for about twenty representatives of the beneficiary regional administration, as well as an internship programme for four representatives, during which the beneficiaries will familiarise themselves with the best practices of self-government administration in the Wielkopolska Region, Poland. Lastly, at the end of the project, the publication will be presented in a round-up meeting in order to disseminate the project's results.

Promotion of Rural and Environmentally Sensitive Tourism in the Lower Danube and Black Sea Coast of Ukraine

Reference number	1206KEP.007-12
Know-how provider country	Bulgaria
Know-how recipient country	Ukraine
Area of intervention	Sustainable agriculture
Implementation dates	January 2013 - July 2014
Project total cost	€65,803.00
CEI co-financing	€29,315.50

Know-how provider

Information and Nature Conservation Foundation (INCF), Bulgaria (www.ecologybg.com, www.crossculturebg.com)

The Information and Nature Conservation Foundation (INCF) is a non-profit organisation founded in 2005. Its mission is sustainable development through eco-tourism based on preserved natural and cultural resources. It supports civil society development, local communities' capacity building, information sharing and the creation of a new "communication culture" in Bulgaria, the Balkan's region and Europe that enables the understanding, adoption and implementation of contemporary civil practices and models. INCF works in partnership with governmental organisations, municipalities, NGOs, and private businesses. It has substantial experience in project development and implementation, information campaigns, event management, workshops, trainings and study tour organisation.

Know-how recipient

The Black Sea Odessa regional Branch of the Ukrainian Environmental Academy of Science (BSB - UEAS), Ukraine (www.bsb-ueas.org)

The Black Sea Odessa regional Branch of the Ukrainian Environmental Academy of Science (BSB - UEAS) was established in 1994 and has currently 35 members. BSB-UEAS is involved in education and awareness raising activities on environmental protection of the Black Sea and the Black Sea basin as well as sustainable socio-economic development of the Black Sea region. The organisation is a member of the regional Black Sea NGO Network and actively interacts and cooperates with other Black Sea public organisations and stakeholders in the littoral countries.

Project background

Tourism is a main economic branch for both Bulgaria and Ukraine. The development of ecotourism services is a priority to for the Ukrainian beneficiary because the BSB - UEAS hasn't acquired enough knowledge and experience of the business, nature conservation, cultural and communication dimensions and therefore, the project will work with all social and professional groups involved in sustainable tourism development in order to improve BSB - UEAS skills and know-how.

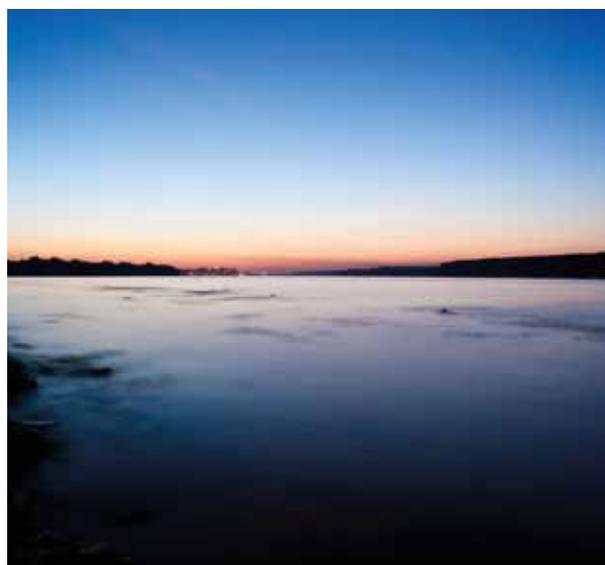
Project activities

The assignment will research rural and environmentally sensitive tourism, best practices with the benchmarks already in place in Bulgaria,

summarise and prepare them for transfer to Lower Danube and Black Sea Coast of Ukraine. It also includes the preparation of a database with stakeholders' and resources' information from the project area in Ukraine, and the preparation and running of an interactive four-day training programme. Lastly, the project will develop a guidebook with Bulgarian sustainable tourism development success stories and case studies and delivered it to relevant stakeholders in Ukraine as well as ensure the dissemination of the project's results and outputs.

Expected project results

The main goal of the project is to develop, test and distribute a rural and environmentally sensitive tourism know-how transfer model from around protected areas in Bulgaria with similar natural resources and attractions to the project area in Ukraine. The beneficiaries will be involved in a training workshop and a study tour. In addition, a guidebook will be developed and disseminated by the project partners. The assignment is expected to increase the beneficiaries' capacity related to the development and promotion of rural environmentally friendly tourism and trainings to ecotourism services providers. The know-how provider will present to the Ukrainian beneficiaries the mechanisms to attract investments from national and international organisations and it is expected to increase the Ukrainian capacity in managing its resources as well as to use the Ukrainian Unemployment Funds to support new business initiatives and ecotourism entrepreneurship.



ENVIRONMENTAL Impact assessment of the Kozuf metallogenetic district in southern Macedonia in relation to groundwater resources, surface waters, soils and socio-economic consequences Acronym: ENIGMA

Reference number	1206KEP.008-12
Know-how provider country	Czech Republic
Know-how recipient country	Macedonia
Area of intervention	Sustainable energy
Implementation dates	January 2013 - August 2014
Project total cost	€77,800.00
CEI co-financing	€38,000.00

Know-how provider

GIS-GEOINDUSTRY s.r.o., Czech Republic
(www.geoindustry.cz)

The know-how provider is a private company, specialised in economic geology, hydrogeology and geophysics. The company is also dealing with drilling operations, consulting engineering and services in processing of metallic and non-metallic raw materials. The company employs experienced specialists who are able to conduct projects from all stages of exploration, pre-feasibility and feasibility studies and opening the mine. The company has been successfully working within the framework of similar projects world-wide and therefore, its team is capable of providing technical expertise in all issues addressed by the project proposal.

Know-how recipient

Faculty of Natural and Technical Sciences of Goce Delcev University, Macedonia (<http://int.ugd.edu.mk>)

The main project know-how beneficiary and lead partner is the Faculty of Natural and Technical Sciences of Goce Delcev University at Stip, Macedonia. The Goce Delcev University integrates 13 faculties and a Higher Medical School with more than 5,000 enrolled students. The scientific research activities of the Faculty of Natural and Technical Sciences cover various areas of mining and geology, and this is accomplished with the help of funds received from projects financed by the Ministry of Education, international organisations, as well as commercial and other organisations from the country and abroad.

Project background

The Kozuf metallogenetic district (KMD) is located in the mountain range of the same name in the southern part of Macedonia and partly in Greece. As a result of past mining activities in the area there are unreclaimed dumps as well as unknown deposits, containing anomalous concentrations of harmful substances representing significant environmental and health hazards. Moreover, the area of interest lies in the seismically active Vardar river zone with frequent earthquakes and high risk of landslides. Furthermore, in the last decade there has been a significant deterioration of water quality in reservoirs and shallow groundwater's aquifers, which are an important source of drinking water, although the transfer of the above mentioned pollutants into various

environmental components and their entry into the food chain has not been observed yet.

Project activities

The assignment encompasses several activities which will start with a kick-off meeting with local representatives. A background research is going to take place in order to collect all relevant data on general natural conditions regarding geological, hydrological, hydrogeological and hydro-meteorological measurements and reports. This will be followed by the verification of previously gathered data on the field. As an integral part of the field work, a questionnaire survey of local people will be organised, in order to gather their views on the status of the surrounding environment. Furthermore, measurements and sampling on the field will be performed in order to examine the long-term environmental hazards associated with past mining activities and based on available and gathered data in the region, and an assessment on ore quality will be done. Next project activities include the preparation of water resource vulnerability map, landslides and soil erosion risk assessment, followed by the integrated water resource management and remedy suggestions. Moreover, two workshops and a final conference for the results dissemination will be organised.

Expected project results

One of the main expected results is a complex synoptic report on the comprehensive assessment of environmental impacts in Kozuf metallogenetic district in Macedonia as a base for following environmental remediation action. Other expected results include the creation of two databases. The first will contain information related to the current environmental situation in the area of interest in relation to geological and hydrogeological conditions, based on background research and field recognition. The second database will contain gathered information from the field survey and will be opened for updates and integration of local historical data. A variety of reports will be prepared, covering various steps of the project and the transfer of know-how with best technologies to the main beneficiary and stakeholder. The results and outputs of the project will lead to continuous evaluation of water resources and agricultural land threats. This will also enable future projects that provide a remedy of contaminated sites as well as monitoring benchmarks.

Renewable Energy Knowledge and Technology Transfer in Albania and in Bosnia and Herzegovina

Reference number	1206KEP.009-12
Know-how provider country	Italy
Know-how recipient country	Albania, Bosnia and Herzegovina
Area of intervention	Sustainable energy
Implementation dates	January 2013 - December 2014
Project total cost	€89,737.00
CEI co-financing	€39,110.00

Know-how provider

Oxfam Italia, Italy (www.oxfamitalia.org)

Oxfam Italy is an association, part of an international confederation of 17 organisations, working together in more than 90 countries around the world to build a future free from injustice and poverty. Oxfam's focus is on the promotion of local sustainable development through projects aimed at protecting natural, cultural and agricultural resources as well as the capacity building of local authorities and of civil society organisations. Oxfam Italia works in south-eastern European countries with several projects focused on eco-tourism, the sustainable use of natural resources, cultural heritage, rural development, support to small and medium enterprises, renewable energies, institutional building of local authorities, governments and civil society.



Know-how recipient

Shkodra Regional Council, Albania (www.qarkushkoder.org), Euroregion Drina, Bosnia and Herzegovina (www.euroregijadrina.com)

The direct beneficiaries of the project will be the Shkodra Regional Council in Albania and the Euroregion Drina in Bosnia and Herzegovina, local technicians, households, cooperatives, city halls, and students. All these beneficiaries will be involved in courses and trainings about the importance of using renewable energies in public awareness campaigns on the intelligent use of energy, information about pollution, greenhouse gases, solar energy, biomass system at community level and schools. The activities are meant to raise consciousness about environmental issues and the green economy.

Project background

Albania and Bosnia and Herzegovina both have substantial renewable energy resources that could be harnessed to meet energy needs of various sectors, thus promoting energy efficient use. Currently, a lack of consumer access to these resources means that the population of these countries is faced with a shortage of energy, especially in the most marginalised and underprivileged regions, despite an abundance of energy sources. Renewable energy can play an important role in helping to meet basic energy needs in urban and rural areas, especially in marginalised poor rural areas, through the use of modern technologies, which can provide alternative sources of energy for specific needs, such as hot water production using solar heaters and small-scale agro-processing industries.

Project activities

The project will organise two trainings of about 30 staff members at local and national level on renewable energies; one in Albania and one in Bosnia-Herzegovina. Furthermore, it will provide knowledge and assistance to 60 SMEs (30 in Albania, 30 in Bosnia-Herzegovina) on the techniques used to reduce energy costs using existing technologies. In the frame of this assignment six seminars and awareness raising activities (three in each country) will be organised, concerning pollution, greenhouse gases, solar, biomass system at community level and schools. In addition, awareness campaigns will be launched in each country in order to sensitise the communities and municipalities to the benefits of renewable energy. Moreover, a study tour in the Tuscany region for two representatives of each country is envisaged in order to share the information with the Province of Arezzo and to witness the experiences of renewable energies applied to agriculture and tourism.

Expected project results

This project is expected to significantly raise consciousness about environmental issues and the green economy in both Albania and Bosnia and Herzegovina.

Competitiveness and New Industrial Policy: Building capacities for diagnosis, design and implementation

Reference number	1206KEP.010-12
Know-how provider country	OECD Investment Compact for South East Europe + CEI-EU member countries
Know-how recipient country	Regional (Western Balkan countries)
Area of intervention	Enterprise development
Implementation dates	April 2013 - December 2014
Project total cost	€181,838.00
CEI co-financing	€30,000.00

Know-how provider

OECD Investment Compact for South East Europe (OECD-IC), EU CEI member states (www.investmentcompact.org)

The Investment Compact is a regional cooperation programme, managed by the Private Sector Development Division of the Organisation for Economic Co-operation and Development (OECD). The programme aims to assist the countries of south-eastern Europe in the elaboration and implementation of policies directed at promoting and supporting private direct investment, from domestic and foreign sources, as well as private sector development.

Know-how recipient

Ministries of Economy and SME Agencies of involved Countries (Regional –Western Balkans)

Mainly, the project aims to assist policy makers, officials and government bodies responsible for formulating and implementing industrial policy as well as the economic research and business community, in order to design and implement better policies to foster economic development. In particular, the beneficiaries are the ministries in charge of economic policy and development (typically, the Ministry of Economy the Ministry of Finance), government development, research and innovation agencies (Investment Promotion agencies, trade development and SME Development Agencies, R&D and Innovation agencies) as well as the representatives of the economic research and business community.

Project background

Policy makers in all countries face questions regarding the use of policies to improve the competitiveness of their economies. Industrial policy has been associated with both successful and failed economic development. There has been a renewed interest in industrial policy in recent years as policy-makers aim at reviving economic growth, especially in light of the successful industrial development of emerging economies. For instance, OECD discussions have focused on the relation between industrial policy, competition policy and national champions and on a possible role for industrial policy in the 21st century to foster new sources of growth. Also, the European Commission developed a new approach to industrial policy as part of the EU 2020 strategy considering both horizontal and sectoral

policies and putting competitiveness and sustainability at centre stage.

Project activities

The project is part of a wider initiative and the CEI KEP grant would be used for the assessment of the role of manufacturing for the competitiveness and growth of economies, where expert consultants will analyse the link between the manufacturing SME sector and competitiveness in domestic and foreign markets. Furthermore, a framework for assessing industrial policy-making will be developed and workshops with the main beneficiaries and key experts will be organised. At the regional workshop policy-makers and other stakeholders will discuss the proposed framework for assessing industrial policy and share experiences as well as opinions on industrial policy-making. Lastly, a final conference will be organised where policy makers and representatives of the business community will discuss the inventory of industrial policies and the role of industrial policy for sectoral and national competitiveness. The conference will also allow the dissemination of the project's conclusions and results.

Expected project results

The main outputs of the project are expected to be the creation of an inventory of industrial policies covering as main elements the policy rationale, the policy measure and the policy design and implementation. Moreover, the organisation of a regional workshop, where the discussion of the framework for assessing industrial policy and to commence a dialogue on industrial policy-making, will take place. As a finishing point, a final conference will be held where the inventory of industrial policies and the role of industrial policy for sectoral and national competitiveness will be discussed. Policy makers and other stakeholders will share experiences and discuss diagnosis, design and implementation features of industrial policies and associated risks. The project will also produce two working papers and a final report. The first working paper will provide a review of industrial policy in theory and in practice, and describe the framework that will be used to assess industrial policy. The second working paper will analyse the inventory of industrial policies. The final report will summarise the analytical findings, and the discussions from the regional workshop and the final conference.

Know-how Exchange Programme

Projects closed in 2012

In 2012, five KEP projects were closed, completing implementation of activities corresponding to a total CEI Fund at the EBRD contribution of more than €130,000. These CEI Fund grants enabled the execution of know-how transfer projects for a total value of about €500,000 targeting the following three areas of intervention: capacity building, enterprise development, and sustainable agriculture.

In three projects, Italian organisations acted as know-how providers, while in the case of the other two projects, institutions from the Czech Republic and Slovenia gave their know-how to the beneficiaries. Four assignments directly addressed recipients in individual countries: Albania, Bosnia and Herzegovina, Moldova, Montenegro. One assignment directed its actions regionally to all non-EU CEI member states.

Table 3.1. List of KEP projects closed in 2012

reference number	project name	know-how provider country	know how recipient country	project total cost (€)	CEI co-financing (€)	area of intervention
1206.026-08	Capacity Building in Public Accounting (CBIPA) in Moldova	Slovenia	Moldova	241,357.00	40,000.00	Capacity building
1206.009A-09	Capacity building and transfer of knowledge for the development of organic farming in Blidinje Nature Park	Czech Republic	Bosnia Herzegovina	65,089.13	15,536.13	Sustainable agriculture
1206KEP011-10	SAFEADRIA - Technical assistance to Luka Bar for the development of action plans to improve the capacity in the domains of environment protection, safety and security at work	Italy	Montenegro	57,776.78	26,519.54	Capacity building
1206KEP012-10	COOPERADRIA: Support to the capacity in developing and managing cooperation projects: Institute of Transport	Italy	Albania	45,899.20	15,621.87	Capacity building
1206KEP008-11	Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative-FIT4SMEs II	Italy	Regional	80,632.52	39,948.04	Enterprise development
Total				490,754.63	137,625.58	



Capacity Building in Public Accounting (CBIPA) in Moldova

Reference number	1206.026-08
Know-how provider country	Slovenia
Know-how recipient country	Moldova
Area of intervention	Capacity building
Implementation dates	November 2008 - January 2012
Project total cost	€241,357.00
CEI co-financing	€40,000.00

Know-how provider

The Centre of Excellence in Finance (CEF), Slovenia
(www.cef-see.org)

Established in 2001, the Centre of Excellence in Finance (CEF) is a regional non-profit institution established within the framework of the Stability Pact for South East Europe (SEE) by the Government of Slovenia and in cooperation with ministries of finance of other SEE countries. Members of the CEF are ministries of finance and central banks of Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovenia and Turkey. The main objective of the CEF is to provide assistance to its member countries in public finance reform processes, mainly in the form of focused professional training and technical assistance. Since 2003, CEF has been developing permanent programmes in accounting and internal auditing, and assisting member countries in their implementation.

Know-how recipient

Ministry of Finance, Moldova (www.mf.gov.md)

The Ministry of Finance of Moldova was the beneficiary of the project. Direct beneficiaries were 32 public servants, selected by the Ministry of Finance together with the CEF on the basis of their knowledge and experience.

Project background

In 2002 the Ministers of Finance of the Centre of Excellence in Finance member countries expressed an urgent need for a training and certification programme for public sector accountants. Responding to this request the CEF started the implementation of several projects to expand coverage of public sector accounting training and certification of public sector accountants. The Capacity Building in Public Accounting (CIPFA) programme emphasises the importance of establishing and maintaining international standards in public sector accounting, raising status of the profession in line with EU countries, and enhancing countries' ability to implement a modernised management accounting approach.

Project activities

The first phase of the project included the selection of local consultants, development of the local modules, translation of training materials, training of tutors, as well as support and formal recognition of the CIPFA qualification. Secondly, the first cohort of students started with the studies

in English. However, from the 30 students that expressed an interest to join the project, 11 dropped out during the study causing a drawback for the project's objectives and indicators. To improve the project results, additional activities were agreed between all stakeholders. Finally, as part of the localisation process, the CEF gave assistance to the Ministry of Finance in order to encourage the establishment of a local institution/ association in the country capable of delivering such training to take over the Programme. Moreover all training materials were translated and made available for studies in the Romanian language, to the trained and assessed tutors.

Project results

At the end of this project 17 students received CIPFA Certificate and 15 received CIPFA Diplomas. Furthermore, a set of training modules in line with international standards for such training were drafted, translated and handed over to the Ministry of Finance, and a number of local tutors were trained. The goal to improve the country's existing accounting in line with the international standards was only partially met due to the low number of certified accountants. Being aware of the need to raise the status of the accounting profession in line with EU countries, the Moldovan Ministry of Finance responded to the challenge by requesting a continuation of the project to train an additional cohort of students and tutors.



Capacity building and transfer of knowledge for the development of organic farming in Blidinje Nature Park

Closed in 2012

Reference number	1206.009A-09
Know-how provider country	Czech Republic
Know-how recipient country	Bosnia and Herzegovina
Area of intervention	Sustainable agriculture
Implementation dates	July 2009 - November 2011
Project total cost	€65,089.13
CEI co-financing	€15,536.13

Know-how provider

**Environment and Wetland Centre (ENWET),
Czech Republic (www.enwet.org)**

Founded in 2006, the Environment and Wetland Centre (ENWET) is a non-governmental organisation registered as a civic association in the Czech Republic. It has been established to promote conservation and restoration of the natural cultural heritage, focusing especially on the new democracies of the Balkan region and former Soviet Union. The organisation dwells on the experiences of its founding members gained in the field of applied ecology research, coordination of international projects, organisation of international workshops, international and national seminars and training courses.

Know-how recipient

**Javno Poduzece Park Prirode Blidinje (Blidinje Natural Park),
Bosnia and Herzegovina (www.pp-blidinje.com)**

Founded in 1995, Javno Poduzece Park Prirode Blidinje is a public company responsible of the management of the Blidinje Natural Park (Blidinje NP). The Park is situated 60 km north-west of Mostar on the territory of three municipalities: Jablanica, Tomislavgrad and Prozor. Its main tasks are the development of the area within principles of sustainability, conservation of natural resources, protection of biodiversity, conservation, restoration and sustainable use of traditional shepherd houses, which are part of the vernacular heritage of the Blidinje area.

Project background

In 2003 Bosnia and Herzegovina completed its National Environmental Action Plan with the goal to identify the short and long-term priority actions and measures to provide the basis for the preparation of long-term environmental protection strategy in accordance with the economic, social and political situation in the country. The Action Plan stipulated the preparation of a unified environmental protection agency in the context of macroeconomic reforms, a poverty reduction strategy and transition process. In this framework, the main development problem of the Blidinje

area is the depopulation of its traditional farming community and the impoverished living conditions of those who have remained.

Project activities

The project activities included two study tours, a seminar on sustainable farming in Blidinje NP in Mostar, other seminars in the municipalities of Posusje, Tomislavgrad e Jablanica and three farmers markets – biofairs within the Blidinje National Park. Moreover, a preparation of farm-specific conversion plans for three farms took place. Furthermore, the evaluation of current land use sustainability in the Blidinje NP was accomplished as well as the identification of other potential produce, such as berries and medicinal herbs. The project also focused on the production of public awareness and educational materials for schools, such as brochures, information leaflets and a memory game for children. Lastly, a seminar on sustainable farming and nature conservation in Blidinje was organised with the aim to present the project and to discuss follow-up activities and future projects.

Project results

Thanks to this project several goals were achieved, including the development of an economically viable model for sustainable land use based on short-circuited cycling of matter and water. In addition, organic farming was introduced. Furthermore, two study tours that were organised in the framework of this project enabled beneficiaries to make new international contacts, and to gain new knowledge and experiences. Moreover, a contact between farmers and experts from the Faculty of Agriculture in Mostar was created, providing the farmers with advice on experimental planting of new crops and fertilization of fields based on soil analysis. An important aspect of this project is also the promotion of local produce through bio-fairs, bio-markets as well as via promotional brochures. With these actions the public awareness of environmental issues and benefits of supporting organic products was also raised. Lastly, a conference was organised on decision-making for the development of organic farming in Blidinje.

SAFEADRIA - Technical assistance to Luka Bar for the development of action plans to improve the capacity in the domains of environment protection, safety, and security at work

Reference number	1206KEP.011-10
Know-how provider country	Italy
Know-how recipient country	Montenegro
Area of intervention	Capacity building
Implementation dates	November 2011 – February 2012
Project total cost	€57,776.78
CEI co-financing	€26,519.54

Know-how provider

CFLI - Consortium for the Intermodal and Logistics Training of Venice Port Authority, Italy (www.cfli.it)

The CFLI Consortium for the Intermodal and Logistics Training is the training structure owned by the Venice Port Authority. It currently operates in Venice, Genoa and Ancona. The centre has developed specific practices for the training of the different professional profiles (dockers, shippers, freight forwarders, custom agents, terminal staff, employees of the port authority), and provides consultancy services related to the definition of training needs, the drafting of catalogues of professional profiles, and specific training interventions on demand. Furthermore, CFLI has a good experience in the management of cooperation projects, and a three year standing cooperation experience with Luka Bar.

Know-how recipient

Luka Bar AD, Montenegro (www.lukabar.me)

Luka Bar AD is the company in charge of the management of the Port of Bar. At the time of the project implementation, the company was undergoing restructuring, with the separation of the business activities (management of terminals and port services) from the public interest activities (monitoring, administrative and legislative tasks, public management of the port areas). The Port of Bar is involved in the implementation of several cooperation projects in different domains, and has several years of cooperation with the Port of Venice and CFLI in the domain of the Interreg programme. The following projects were implemented: Interreg IIIA Adriatic APLOMB and ADRIAFORM, and the project WATERMODE.

Project background

At the time of the design of the project, Luka Bar was undertaking a significant port reform, which split in five parts the previous Luka Bar AD company. In this new regulatory framework, the establishment of a Port Administration public authority was under definition. This new Authority had to supervise the activities of public interest according to the Landlord model. To that extent and also in the framework of the accession process of Montenegro to the EU, Luka Bar was interested in acquiring

more knowledge on the organisation of the port activities in areas of human resources, quality management, safety and security procedures, environment protection, EU and international funds management.

Project activities

The project started with the kick off meeting during which the coordination group was established and the project partners focused on the interests and expectations related to the project. In a three day training seminar in Venice the know-how provider presented the technical assistance related to the environmental protection and hazard prevention in port areas as well as the safety and security procedures with training guidelines. These activities were followed by the drafting of the action plan on environmental protection as well as the action plan on training on safety and security. As a conclusion of the project, follow up of activities were carried out, including various meetings between Luka Bar representatives and CFLI's experts discussing the most relevant needs of Luka Bar and the possible funding opportunities. Lastly, with the aim of conveying the final results of the project, the final conference was held at the premises of Luka Bar, in Montenegro.

Project results

The project enabled the exchange of experiences in the area of environment protection and hazard reduction in port areas as well as in the area of safety and security with the training of port workers. The action plan to improve the Luka Bar capacities in the area of the protection of the environment and hazard reduction has been drafted and carried out. The project also resulted in the drafting of the action plan to improve the Luka Bar capacities in the area of training for safety and security in the port area. The partners' awareness on cooperation opportunities and funds available to improve the administrative capacities of the Montenegrin authorities was increased as the institutional and partners' awareness of CEI activities and cooperation initiatives. Finally, the project strengthened cooperation between the project partners for the development of common procedures in port infrastructures of the Adriatic area in the fields of environment, safety, and security.

COOPERADRIA: Support to the capacity in developing and managing cooperation projects: Institute of Transport

Closed in 2012

Reference number	1206KEP.012-10
Know-how provider country	Italy
Know-how recipient country	Albania
Area of intervention	Capacity building
Implementation dates	March 2011 - December 2011
Project total cost	€45,899.20
CEI co-financing	€15,621.87

Know-how provider

CFLI - Consortium for the Intermodal and Logistics Training of Venice Port Authority, Italy (www.cfli.it)

The CFLI Consortium for the Intermodal and Logistics Training is the training structure owned by the Venice Port Authority. It currently operates in Venice, Genoa and Ancona. The centre has developed specific practices for the training of the different professional profiles (dockers, shippers, freight forwarders, custom agents, terminal staff, employees of the port authority), and provides consultancy services related to the definition of training needs, the drafting of catalogues of professional profiles, and specific training interventions on demand. Furthermore, CFLI has a good experience in the management of cooperation projects.

Know-how recipient

Institute of Transport in Tirana (public institution which provides consultancy and assistance to the Ministry of Transport in policies, strategies and institutional reforms, Albania (www.ital.gov.al))

The Institute of Transport in Tirana is a public institution with over 20-years of experience in the field of research and studies for all modes of transport. At the time of the design of the assignment, the project activities of the Institute were managed by external staff, while the Institute staff took part in the scientific and technical activities. This organisation limited the proper ownership of the project by the Institute. Moreover its increasing participation in cooperation initiatives needed a stronger capacity of project development and management by its staff, to better integrate the project activities with the institutional mission of the Albanian partner.

Project background

In the framework of the EU Instrument for Pre-Accession Assistance (IPA), cross-border cooperation programmes represent for Albania a further opportunity to develop links with its immediate European Union neighbours. The assignment has been drafted starting from the request coming from the Albanian partner to improve its cooperation projects

management capacity, to ensure a stronger ownership of the project development and of the project outputs. The assignment, therefore, supported the capacity of the Albanian public administration to cope with the goals of the cooperation strand of the IPA Programme, and to acquire additional competences in other bilateral cooperation initiatives.

Project activities

The project started with a presentation meeting at the premises of the Venice Port authority, during which the coordination group was established. The main activities started with a three-day training session on European cooperation programmes and project development training, followed by the project management model training. The third part of the training focused on management, administration and reporting. This phase of the project was followed by the study visits to the relevant institutions in Albania (Italian Embassy, EC Delegation in Albania) and in the Veneto Region. The second training series on TWINNING Programme were implemented by the CFLI staff at the Institute of Transport premises and a project proposal was drafted and presented at the IPA Adriatic programme call of proposals.

Project results

The COOPERADRIA assignment was successful in improving the project development and management capacity of the Institute of Transport personnel in reference to the EU territorial cooperation and in particular with the IPA and South East Europe programmes. The implementation of the activities allowed the transfer of knowledge and skills related to the IPA funds targeted at the Albanian institutions, both through analysis of the main programme documents and through the activities of study visits and project development tests, related to the project development exercise and the support in the implementation of the reporting procedures of ongoing projects. The capacity of the Institute of Transport personnel to clearly define the needs and to articulate them in objective results and activities was tested successfully.

Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative-FIT4SMEs II

Reference number	1206KEP.008-11
Know-how provider country	Italy
Know-how recipient country	Regional (all non-EU CEI member states)
Area of intervention	Enterprise development
Implementation dates	October 2011 - June 2012
Project total cost	€80,632.52
CEI co-financing	€39,948.04

Know-how provider INFORMEST, Italy (www.informest.it)

INFORMEST – Service and Documentation Centre for International and Economic Cooperation – was established under the Italian Law 9/1/91 n.19, with the objective to promote economic development and cooperation, and provides strategic and operative support in the countries of central and eastern Europe, the newly independent states as well as China, Mongolia and Vietnam. In Italy, Informest has consolidated its reputation for excellence by becoming one of the four national agencies for cooperation in the area of southeastern Europe, where Informest's portfolio includes projects of assistance in pre-accession countries and support to their EU integration process. Informest also implemented projects aimed at providing technical assistance and support to partnership development and capacity building in the field of development of local entrepreneurial resources and in the planning, promotion and implementation of actions aimed at enhancing the social and economic cohesion of transition countries.

Know-how recipient Business Support Organisations in the non-EU CEI member states (Regional)

The direct recipients of the project were the 74 Business Support Organisations (BSO), such as chambers of commerce, business and SME associations, business incubators, and others from all nine non-EU CEI member states. Most of these BSOs were been selected in the first step of the programme – FIT4SMEs-I on the basis of their professional capacities, reliability and demonstrated commitment to implement the given know-how in their daily operations. The final indirect beneficiaries of the proposed intervention were small and medium-sized enterprises receiving assistance through the participating BSOs located in the nine recipient countries.

Project background

The SME sector in eastern Europe had since the beginning of the '90s a specific role as key generator of economic development and innovation

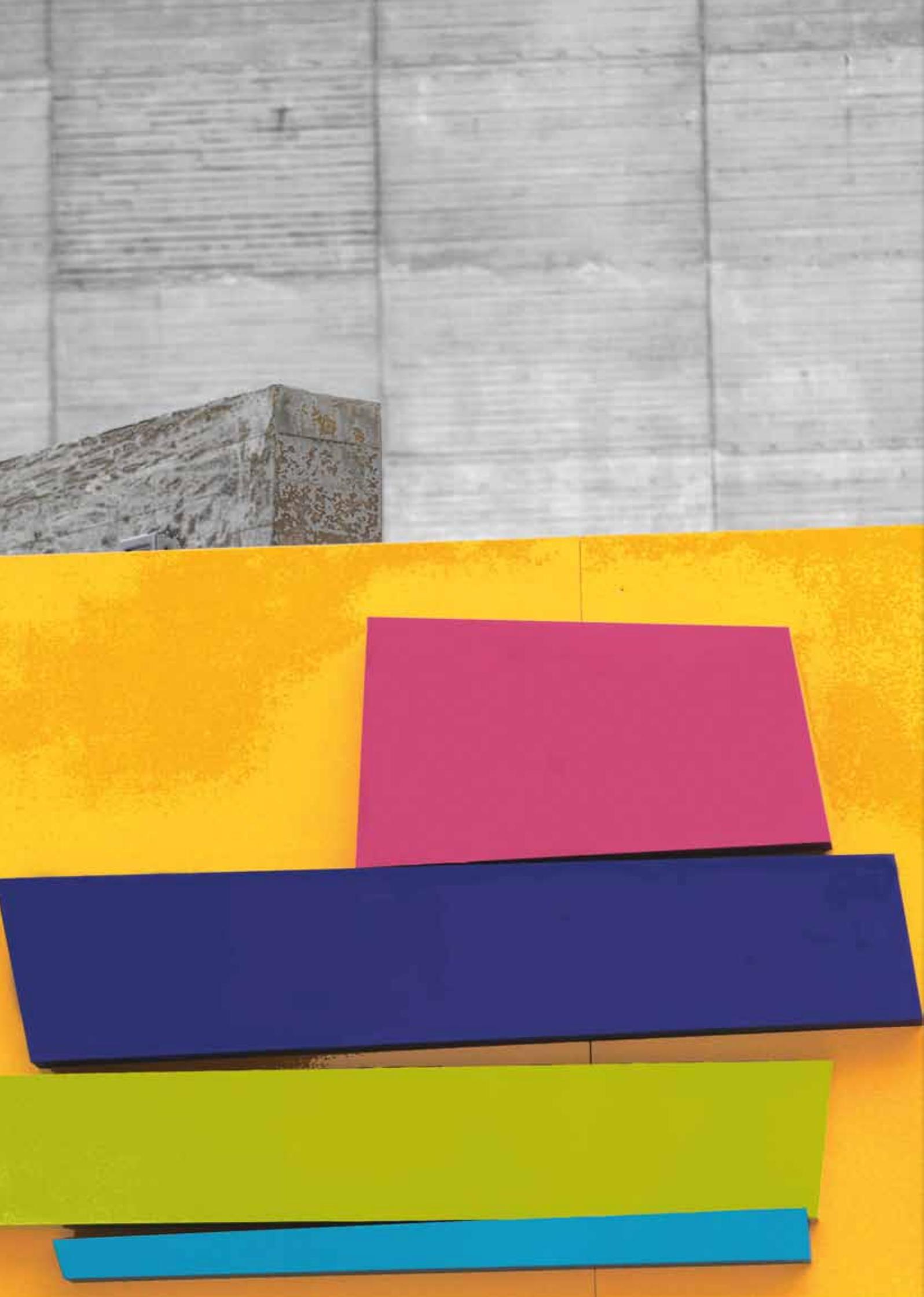
driver. Despite their vital role in the European economy, transition experience shows that SMEs in the CEI non-EU member states often lack knowledge about financial instruments provided by international financial institutions (IFIs) and/or they lack skills to access such facilities. Since the Italian industrial model is known worldwide as a successful example of endogenous development based on SMEs strongly rooted in their communities and because its economy relies heavily on micro and small firms, Italy offers a good lesson to transition economies striving to develop their SMEs.

Project activities

Firstly, new BSOs were registered in the programme for a total number of 74 BSOs. Secondly, three trainings were respectively held in Tirana for the BSOs coming from Macedonia, Montenegro and Albania, in Belgrade for the BSOs coming from Bosnia and Herzegovina, Croatia and Serbia, and in Kiev for BSOs coming from Belarus, Moldova, Ukraine. IFI representatives actively participated in the trainings' implementation as lecturers and facilitators. Attention was also given to a successful case study resulted from the cooperation between the EBRD and the CEI Fund, with the presentation of the Victoria Group, the largest agro-food company in Serbia.

Project results

The project was completed with success and the main objectives and expected results have been achieved through the project implementation with the full support and interaction of the local partners and the participant BSOs. Informest updated the FIT4SMEs BSO database and assessed with the questionnaires the BSO training needs. Also, from the envisaged minimum number of 25 BSOs, 74 BSOs actually participated in the three trainings, thus strengthening their capacity to provide comprehensive assistance to SMEs in the area of financial instruments for SMEs made available by IFIs. The communication strategy was implemented successfully and a final publication has been published gathering the 74 participating BSOs and training proceedings.



Future Outlook: 2013 Strategies

The present strategies were elaborated by the Office for the CEI Fund at the EBRD and the EBRD in agreement with the Italian Ministry of Foreign Affairs - Directorate General for the European Union.

They offer a briefing on country and sector strategies for projects and related activities to be financed through the CEI Fund at the EBRD during 2013 by allocating around €1.8 million (see Annex 2).

The assistance offered through the CEI Fund will direct its strategic focus towards those member countries which are not part of the EU (Western Balkan countries⁸, Belarus, Moldova, and Ukraine) and will prioritise the following sectors: sustainable energy, transport, municipal and environmental infrastructure, agribusiness and food security, institutional development, and SME support.

Regarding project related activities, once again in 2013 the Office for the CEI Fund at the EBRD will pay particular attention to the monitoring

and assessment phases of the project cycle, both for Technical Cooperation and Know-how Exchange Programme assignments, in order to maintain a continuous control over all the various project phases and the development of the programmes. This activity will allow the CEI to improve its reporting on the projects' outputs to the Donor.

The 2013 strategies for the use of the CEI Fund are in line with the EBRD's programmes and investments through which the Bank continues to provide support to CEI countries in the aftermath of the financial crisis, promoting economic recovery as well as the strengthening of financial sectors and the introduction of appropriate regulation throughout its sectors of operation.

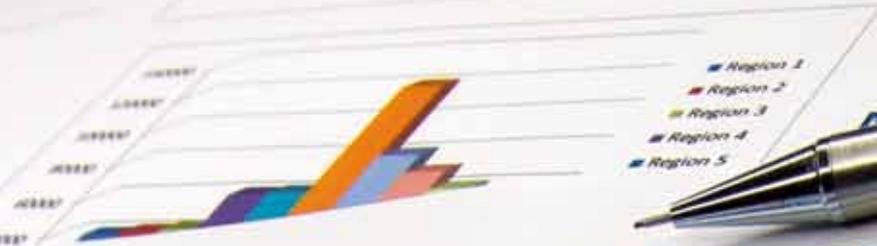
By providing dedicated technical assistance, and also through the CEI Know How Exchange Programme, the CEI Fund in 2013 aims to help the EBRD and the CEI countries to achieve their objectives of transition and integration, ensuring leverage and additionality in the use of the CEI Fund resources entirely provided by Italy.

Guido Paolucci

Programme Manager
Office for the CEI Fund at the EBRD
Donor Co-financing, EBRD



⁸ The DAC List of ODA Recipients approved in October 2011, effective 1 January 2012 no longer includes Croatia. Official development assistance (ODA) countries include all low and middle income countries, except G8 members, EU members, and countries with a firm date for entry into the EU. In Croatia, accession is foreseen for 1 July 2013. Consequently, Croatian is no longer eligible for technical assistance financed by the CEI Fund at the EBRD while became eligible as know-how donor in the framework of the Know-how Exchange Programme.



Product Group



Region	January	February	March	April	May	June	July	August	September	October
Region 1	40345	12000	14000	12000	16000	35000	12000	14000	15000	15000
Region 2	41368	13122	15234	13444	17043	39034	13065	15056	16037	16037
Region 3	42391	14244	16468	14888	18086	43068	14130	16112	17074	17074
Region 4	60233	15366	17702	16332	21129	47102	15195	17168	18111	18111
Region 5	1256	16488	18936	20776	22172	51136	16260	18224	19148	19148
Region 6	23	18610	22170	23220	22172	55170	40324	20280	23185	23185
Region 7	20732	23404	24664	27628	30473	59204	37479	21336	24222	24222
Region 8	21854	24638	26108	24783	27628	59204	34634	22392	25259	25259
Region 9	22976	25872	27552	21938	67272	63238	31789	23448	26296	26296
Region 10	24098	27106	28996	19093	71306	71306	28944	24504	27333	27333
Region 11	79490	205530	207980	218345	531530	243820	192520	211665	211665	211665

Sales January



Annex 1

Financial Report 2012

Financial Report 2012 for the CEI Fund at the EBRD contributed by Italy¹

A) Fund Summary - all years to 31 December 2012		€ ²
Inflows		
Net Inflow of funds 1992-2007 ³		26,563,961
Inflow (Italian lodgement) during 2008-2012		10,000,000
Accrued Interest up to 31/12/2012		2,958,118
EBRD Administration Fee		-1,209,660
Bank + other charges		-2,153
Total inflow 1992 - 2012		38,310,266
Expenditure		
Operational/ administrative expenditure for CEI-PS (London and Trieste, from 1992 up to 31/12/2003) including CEI Summit Economic Forum (1998-2003), international events, training for CEI Countries, cooperation activities, cooperation with international organizations, agricultural and energy projects		5,985,499
Closed and open TC assignments as of 31/12/2012		29,884,103
Total Commitments 1992-2012		35,869,602
Fund's Availability		
Total Available Fund Balance by EBRD Financial Control: CEI Account - as of 31/12/2012 (Annex 3)		35,830
Total Available Fund Balance by EBRD Financial Control: CEI2 Account - as of 31/12/2012 (Annex 4)		4,184,834
TC assignments not numbered as of 31/12/2012		-1,780,000
Expected recovery from operational activities and TC assignments in London		27,000
Expected recovery from operational activities and KEP in Trieste		34,000
Expected reimbursement from the EBRD related to the share in costs associated with the renewal of the contract of the Programme Manager from 1/05/2011 to 30/04/2013 (around €38,000)		
Expected credit from Croatia WHSM (around €850,000)		
Expected reimbursement from the CEI Executive Secretariat for the period 1/1/2012 - 29/2/2013 (around €95,000)		
Total available as of 31/12/2012		2,501,664
B) Fund Budget 2013-2014		
Budget Forecast 2013 (incl. operational activities, TCs, KEP and offices London and Trieste)		2,500,000
Expected Inflow during 2013		1,000,000
Expected Fund Availability for 2014		1,001,664

¹ This Financial Report and Budget uses unaudited figures for planning purposes. Audited accounts are available from the EBRD System and external auditors for the Fund.

² All currency amounts are denominated in EURO, unless otherwise indicated.

³ Total allocation from Italy as of 31/12/2007.

Budget 2013

Annex 2

Budget 2013 for TCs, KEP and Office operational activities (London and Trieste)

A) Projects	Trieste (€)	London (€)	Total €
Technical Cooperation Projects		1,550,000	
Know-how Exchange Programme	220,000		
Subtotal			1,770,000
B) Human Resources			
Permanent Staff (Programme Manager* + 4 staff members)	177,000	195,000	
Subtotal			372,000
C) Travels and Events			
Missions (TC and KEP project cycle)	28,000	35,000	
Meetings and hospitality	13,000	10,000	
Subtotal			86,000
D) Operational Expenses			
Cleaning, security, IT, audit and certifications	12,000		
Publications, visibility, website	18,000	10,000	
Utilities and maintenance	10,000		
Equipment	3,000		
Telephone, postage, stationery, and bank	16,000	8,000	
Subtotal			77,000
E) Contingencies and miscellaneous			
Reserves for projects and other expenses	105,000	90,000	
Subtotal			195,000
Total			2,500,000

* The Programme Manager (PM) is an EBRD employee. Any real increase in costs associated with the renewal of his contract in May 2011 (for two years) will be shared by EBRD and Italy at 50%.

Central European Initiative Fund Balance 2012

Table A
Fund Balance Report (cumulative to 31/12/2012)

	€
Agreement Amount	26,563,961
Commitments	-22,484,827
Subtotal	4,079,133
Bank Charges	-18,586
EBRD Administration Fee	-969,660
Foreign Exchange Gain / Loss & Other Income / Charges	16,844
Interest Income	2,913,597
Secretariat expenses	-5,985,499
Available Fund Balance	35,830

Table B
Fund Balance Report Breakdown

	€
Advance – Other	0
Advances to Business Advisory services Programme	0
Cash on Hand	222,181
Commitments not yet Disbursed	-190,040
Contributions Pledged but not Received	0
Other Liabilities	0
Placements and Debt Securities	3,689
Available Fund Balance	35,830

Table C
Additional Information

	€
Contributions to date	26,563,961
Disbursements to date	22,294,787

Central European Initiative Ministry of Foreign Affairs Fund Balance 2012

Annex 4

Table A
Fund Balance Report (cumulative to 31/12/2012)

	€
Agreement Amount	10,000,000
Commitments	-5,619,276
Subtotal	4,380,724
Bank Charges	-411
EBRD Administration Fee	-240,000
Interest Income	44,521
Available Fund Balance	4,184,834

Table B
Fund Balance Report Breakdown

	€
Cash on Hand	6,382,800
Commitments not yet Disbursed	-2,197,966
Contributions Pledged but not Received	0
Available Fund Balance	4,184,834

Table C
Additional Information

	€
Contributions to date	10,000,000
Disbursements to date	3,421,310

List of Technical Cooperation Assignments 1993-2012

<i>commitment number</i>	<i>commitment name</i>	<i>€ committed</i>	<i>committed stage</i>	<i>countries of operation</i>
CEI-1993-12-01	Kyiv to Western Border Highway feasibility study	784,844	closed	Ukraine
CEI-1994-04-01	Central European Initiative - transport information reporting project (design and supervision)	156,621	closed	Albania
CEI-1994-06-02	Commercial law training	1,910,891	closed	Regional
CEI-1994-08-03	CETIR - Central Initiative System - transport information reporting system	505,484	closed	Regional
CEI-1995-07-01	Industrial zone development (Phase I)	19,923	closed	Slovak Republic
CEI-1995-07-02	Co-financing advisory services	22,827	closed	Albania
CEI-1996-11-01	Board On-Line Documents (BOLD)	71,647	closed	Regional
CEI-1996-12-02	Board On-Line Documents (BOLD)	78,193	closed	Regional
CEI-1997-07-01	Funding of assistants for Directors representing constituencies of countries of operations	41,983	closed	Regional
CEI-1997-07-02	Commercial law training extension	619,474	closed	Regional
CEI-1997-08-03	Air navigation system management information	182,412	closed	Ukraine
CEI-1997-09-04	Emergency power system reconstruction project	76,218	closed	Bosnia and Herzegovina
CEI-1997-09-05	Emergency power system reconstruction project	133,581	closed	Bosnia and Herzegovina
CEI-1997-10-06	Board on-line documents	59,058	closed	Regional
CEI-1997-11-07	Law reform and training programme III / CEI support	82,566	closed	Regional
CEI-1998-03-08	Project screening for Bosnia-Herzegovina	62,683	closed	Bosnia and Herzegovina
CEI-1998-04-09	Sarajevo Airport Masterplan study	167,412	closed	Bosnia and Herzegovina
CEI-1998-07-10	Design and supervision consultants for Croatia Wholesale Markets	737,639	closed	Croatia
CEI-1998-08-11	Business Advisory Services - feasibility study	19,594	closed	Bosnia and Herzegovina
CEI-1998-09-12	Board on-line documents	63,962	closed	Regional
CEI-1999-07-01	Sarajevo International Airport - Lighting & Equipment	409,971	closed	Bosnia and Herzegovina
CEI-1999-07-02	BiH - Sarajevo International Airport - Firefighting Training	30,000	closed	Bosnia and Herzegovina
CEI-1999-11-04	BOLD Project Manager and CEI Deputy Programme Manager	81,148	closed	Regional
CEI-1999-12-05	Procurement assistance to the transport team	89,091	closed	Regional
CEI-2000-06-01	Business Advisory Service (BAS) Programme in Croatia - Ana Betica	24,633	closed	Croatia
CEI-2000-06-02	Business Advisory Service (BAS) Programme in Croatia - TAM Management & Support	37,600	closed	Croatia
CEI-2000-06-03	Business Advisory Service (BAS) Programme in Croatia - subsidy contributions	759,928	closed	Croatia
CEI-2000-06-04	Business Advisory Service (BAS) Programme in Croatia - office operating expenses	71,600	closed	Croatia
CEI-2000-06-05	Business Advisory Service (BAS) Programme in Croatia - office rent & Opex	85,945	closed	Croatia
CEI-2000-06-06	Business Advisory Service (BAS) Programme in Croatia - office equipment & furniture	20,967	closed	Croatia
CEI-2000-07-08	Business Advisory Service (BAS) Programme in Croatia - Local Programme Director	61,431	closed	Croatia
CEI-2000-07-09	Business Advisory Service (BAS) Programme in Croatia - Travel Expenses for Udo Schedel	9,680	closed	Croatia
CEI-2000-07-10	CEI Loans for Small Entrepreneurs in Albania	268,586	closed	Albania
CEI-2000-09-11	Business Advisory Service (BAS) Programme in Croatia - Project Officer	36,688	closed	Croatia

<i>commitment number</i>	<i>commitment name</i>	<i>€ committed</i>	<i>committed stage</i>	<i>countries of operation</i>
CEI-2001-02-01	CEI Romanian Railways Cooperation Project - Project Preparation and Implementation	409,448	closed	Romania
CEI-2001-03-02	Albania - Rehabilitation of Road Network	1,700,000	closed	Albania
CEI-2001-09-03F	CEI Wholesale Markets Foundation	464,812	closed	Regional
CEI-2001-10-04F	Business Advisory Service (BAS) Programme in South East Europe	1,243,645	closed	Regional
CEI-2002-06-01F	TAM Programme - CEI TAM Privatisation Support	468,284	closed	Regional
CEI-2002-08-02	Business Advisory Service (BAS) Programme in Croatia National Programme Director Kruno Placko	14,482	closed	Croatia
CEI-2002-08-03	Business Advisory Service (BAS) Programme in Croatia Assistant to National Prog. Director - Ana Betica	6,273	closed	Croatia
CEI-2002-12-04	BAS Programme / Contract of the BAS Croatia National Programme Director, Ana Klaric	21,965	closed	Croatia
CEI-2002-12-05	BAS Programme / Contract Extension of the BAS Croatia Assistant to National Programme Director, Ana Betica	3,111	closed	Croatia
CEI-2003-02-01	Macedonia, ATCO refresher courses	235,408	closed	Macedonia
CEI-2003-02-02	Macedonia, ATCO refresher courses	58,433	closed	Macedonia
CEI-2003-05-01	CEI Business Advisory Service (BAS) Programme in Croatia and Macedonia Programme Evaluation	9,748	closed	Regional
CEI-2003-06-01	CEI Romanian Railways Cooperation Project	16,099	closed	Romania
CEI-2003-07-01F	Business Advisory Service (BAS) Programme in SE Europe (Croatia, Slovenia, BiH, Bulgaria and Macedonia)	1,070,930	closed	Regional
CEI-2004-04-01	Bulgaria Water and Wastewater Project Facility:	204,233	closed	Bulgaria
CEI-2004-06-02	FAO CEI - EASTAGRI	56,323	closed	Regional
CEI-2004-10-03F	Regional: Energy Audits Programme Framework Agreements (D'Appolonia)	226,582	closed	Regional
CEI-2004-10-04F	Regional: Energy Audits Programme Framework Agreements (MWH)	238,162	closed	Regional
CEI-2004-10-05	Bulgaria Water and Wastewater Project	43,860	closed	Bulgaria
CEI-2005-02-03	Milavitsa Strategic Industry Advisor	15,110	closed	Belarus
CEI-2005-02-04	TAM - Tikves	38,972	closed	Macedonia
CEI-2005-04-05F	Business Advisory Service (BAS) Programme in Slovenia - Framework	92,232	closed	Slovenia
CEI-2005-07-06	CEI Insurance Privatisation Assistance for INSIG (Albania)	404,970	closed	Albania
CEI-2005-08-07	BiH Regional Railway Project: Environmental Analysis & Audit	19,800	closed	Bosnia and Herzegovina
CEI-2005-12-08	Bosnia - Sector Study of the Forestry Study	49,103	closed	Bosnia and Herzegovina
CEI-2005-12-09	Market Study for Sustainable Energy in the Slovak Republic	49,307	closed	Slovak Republic
CEI-2006-03-05	Regional: EastAgri CEI Network - Phase II	46,889	closed	Regional
CEI-2006-08-07	Macedonia: Consulting Services for Implementation of Management and Financial Procedures and Systems for Air Navigation System Provider	235,814	closed	Macedonia
CEI-2006-09-08	Brasov Urban Transport: Regulatory Strengthening Advisory Services to the City	69,084	closed	Romania
CEI-2006-09-09	Brasov Urban Transport: Corporate Development Programme	79,998	closed	Romania
CEI-2006-09-10	OECD Membership 2006	26,274	closed	Regional
CEI-2006-12-12	BiH Regional Railway Project: Assistance with Restructuring	279,950	closed	Bosnia and Herzegovina
CEI-2007-02-01F	TAM - Tikves	8,040	closed	Macedonia
CEI-2007-07-04	Crimea Municipal Infrastructure - Yalta Vodocanal IFRS	49,440	closed	Ukraine
CEI-2007-08-05	Albania: Tirana Creditworthiness Enhancement Programme (CEP)	330,018	closed	Albania
CEI-2007-08-06	BiH Regional Railway Project: Assistance with Restructuring (extension)	20,000	closed	Bosnia and Herzegovina
CEI-2007-09-07	Kiev City Transport: Financial Due Diligence & IFRS Audit - Kiev Metropolitan	60,000	closed	Ukraine
CEI-2007-12-08	Assessment of Sustainable Energy Potential in West Balkans	196,000	closed	Regional
CEI-2008-05-02	BIH Resettlement Framework and Action Plan for Corridor Vc	79,604	closed	Bosnia and Herzegovina
CEI-2008-07-04	BIH Resettlement Framework and Action Plan for Corridor Vc (Extension)	12,138	closed	Bosnia and Herzegovina
CEI-2008-09-05	Extension to IBP and Strengthening of SME Loans Procedures	191,544	closed	Belarus
CEI-2008-11-09F	Energy Audits Programme (CEI funded - extension) D'Appolonia	142,784	closed	Regional
CEI-2008-11-10F	Energy Audits Programme (CEI funded - extension) MWH	190,050	closed	Regional

<i>commitment number</i>	<i>commitment name</i>	<i>€ committed</i>	<i>committed stage</i>	<i>countries of operation</i>
CEI-2008-12-11	Macedonia: Environmental and Social Analysis for ASR	46,567	closed	Macedonia
CEI-2009-05-02	Sarajevo Water & Wastewater - Feasibility Study	190,840	closed	Bosnia and Herzegovina
CEI-2009-06-04	Mahovljani Interchange Feasibility & Environmental Due Diligence	170,140	closed	Bosnia and Herzegovina
CEI-2009-10-05	Assessment of SEI Potential in Belarus - Market Demand Study	74,512	closed	Belarus
CEI-2009-11-06	Sarajevo Water & Wastewater - Feasibility Study-Extension	37,125	closed	Bosnia and Herzegovina
CEI-2010-01-01F	TAM - Pantomarket	11,315	closed	Montenegro
CEI-2010-01-02F	TAM - Altimed	59,399	closed	Belarus
CEI-2010-02-03F	TAM - Pinski drev	55,217	closed	Belarus
CEI-2010-03-04F	TAM - Bereza Cheese Plant JCS	55,773	closed	Belarus
CEI2-2010-06-04	Life in Transition Survey II - Bosnia-Herzegovina	45,000	closed	Bosnia and Herzegovina
CEI2-2010-06-05	Life in Transition Survey II - Albania	45,000	closed	Albania
CEI2-2010-07-06	Rail Corridor X in Serbia and Macedonia: Lender's Monitor Advisor	196,300	disbursing	Regional
CEI2-2010-07-07	WeBSEDF:TC Banker	233,777	closed	Regional
CEI-2010-11-06F	Regional Energy Efficiency Programme for the Corporate Sector - CEI - MWH	165,996	closed	Regional
CEI-2010-11-07F	Regional Energy Efficiency Programme for Corporate Sector - CEI - D'Appolonia	66,392	disbursing	Regional
CEI2-2010-12-08	Support to ZS for Implementation of Energy Information Management System - Serbia	250,000	committed	Serbia
CEI2-2011-07-03	Capljina Water Supply Environmental and Social Due Diligence	49,400	closed	Bosnia and Herzegovina
CEI2-2011-12-04	JSC Serbian Railways: Lender's Monitor Advisor	175,000	committed	Serbia
CEI2-2012-04-01	Montenegro: Energy Efficiency Action Plan for ZPCG	150,000	committed	Montenegro
CEI2-2012-05-02	Market Study: Opportunities to Implement Sustainable Strategies in the Maritime Sector	235,000	disbursing	Regional
CEI2-2012-06-05	Enhancing Public Procurement Professionalism - Pilot	40,000	disbursing	Regional
CEI2-2012-06-06	Resource and Process Efficiency in Manufacturing Sectors	427,570	committed	Regional
CEI2-2012-06-07	Macedonia: Railway Corridor VIII - Energy Management System for PERI	175,000	committed	Macedonia
CEI-2012-07-01	Belgrade Public Transport and Traffic Infrastructure Extension - Preparation of technical requirements and tendering for public transport shelter lighting optimisation	100,000	committed	Serbia
CEI-2012-07-02	Energy Efficiency Programme for Corporate sector - CEI - D'Appolonia - Moldovan Railways	49,260	committed	Moldova
CEI2-2012-08-08F	EGP - MixNet	60,000	disbursing	Ukraine
CEI2-2012-11-09	Kotor - Cetinje Cable Car - Technical Review and Preparation of PPP Tender	200,000	committed	Montenegro
CEI2-2012-12-10F	EGP - Maize I	60,000	committed	Ukraine
CEI2-2012-12-11	Montenegro: Energy Efficiency Action Plan for ZPCG extension	20,000	committed	Montenegro
To be assigned	Macedonia: Consulting Services for Implementation of Management and Financial Procedures and Systems for Air Navigation System Provider - Extension	100,000	approved	Macedonia
To be assigned	CEI Support to Vitebsk Plant of Polymeric Products JSC, Belarus	75,000	approved	Belarus
To be assigned	Strengthening the capacity of the Belarusian Renewable Energy Association (BREA) for its active involvement in policy- and decision-making processes in Belarus	180,000	approved	Belarus
To be assigned	Sustainable Energy Action Plan (SEAP) for Chisinau	100,000	approved	Moldova
To be assigned	Grain growing know how	250,000	approved	Ukraine
To be assigned	Energy Audit Programme Agreements	450,000	approved	Regional
To be assigned	Green Energy Special Fund - Framework for Technical Preparation of Green Components	500,000	approved	Regional
To be assigned	Policy dialogue in the Ukrainian dairy sector	50,000	approved	Ukraine
To be assigned	Kotor Fortress Lift	75,000	approved	Montenegro
TOTAL		22,187,782		

List of Know-how Exchange Programme Projects 2004-2012

reference number	project name	know-how provider country / organisation	know-how recipient country	project total cost (€)	CEI co-financing (€)	stage	area of intervention
1206.009-04	Introduction to Public Finance Management	Slovenia	Macedonia	15,172	5,000	closed	Capacity building
1206.001-05	Sharing policy know-how in transition countries in CEI region	Czech Republic, Hungary, Poland, Slovak Republic, Slovenia	Regional	81,025	28,400	closed	Capacity building
1206.014-05	CEI support to Wholesale Markets Development in Ukraine	Italy, Poland / FAO as coordinator	Ukraine	65,164	36,502	closed	Sustainable agriculture
1206.016-05	AER PEER Review Initiative (APRI) in the CEI Region	Austria, Czech Republic, Hungary, Italy / AER as coordinator	Croatia, Romania, Ukraine	61,621	16,100	closed	Capacity building
1206.004-06	Prospects of EU-Ukraine economic relations	Poland	Ukraine	54,143	21,790	closed	Capacity building
1206.005-06	Entrepreneurship and Enterprise Development in South East Europe: identification and implementation of good policy practices	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	95,900	38,200	closed	Enterprise development
1206.006-06	SMILE (Support for Moldova: Innovation, Leadership and positive Environment)	Italy	Moldova	83,183	22,708	closed	Enterprise development
1206.007-06	Introduction to Public Finance Management for Junior Governmental Officials Assigned to Public Finance Management Positions	Slovenia	Romania	15,830	5,240	closed	Capacity building
1206.008-06	Support to the development of rural tourism and setting up of a professional tourist organization with member municipalities of the Rose Valley, Bulgaria	Austria	Bulgaria	50,118	20,500	closed	Sustainable agriculture
1206.009-06	Building Effective Fresh Fruit and Vegetables Quality Control System in Moldova	Slovak Republic	Moldova	10,791	1,660	closed	Sustainable agriculture
1206.010-06	Study tour on EU co-ordination	Austria, Poland	Romania	8,523	3,689	closed	Sustainable agriculture
1206.001-07	CEI support to Wholesale Markets Development in Ukraine (phase 2): Wholesale Markets Training at Regional Level	Italy, Poland / FAO as coordinator	Ukraine	36,147	14,832	closed	Sustainable agriculture
1206.002-07	Improving transparency in local government finance in Moldova through better budgeting process	Poland	Moldova	67,191	18,065	closed	Capacity building
1206.003-07	Human resources development and improvement of internal control in administration of small cities of Moldovan-Ukrainian borderland - Floresti, Soroca, Yampil	Poland	Moldova, Ukraine	117,712	23,249	closed	Capacity building
1206.004-07	Ecological agriculture and agrotourism promotion and development in the Eastern Ukrainian Carpathian Region and Moldova	Poland	Moldova, Ukraine	83,853	24,308	closed	Sustainable agriculture
1206.012-07	CEI study tour and workshop: Networking and cluster model to support SMEs internationalization	Italy, Slovenia	Regional	88,044	34,584	closed	Enterprise development
1206.001-08	Pilot project on enhancing sustainable local and rural development in the SAP (Stabilization and Association Process) countries by introducing the LEADER experience	Hungary	Regional (Western Balkan countries)	40,376	18,598	closed	Sustainable agriculture
1206.002-08	1st Ukrainian School of Civil Society Leaders	Poland	Ukraine	128,666	32,992	closed	Capacity building

reference number	project name	know-how provider country / organisation	know-how recipient country	project total cost (€)	CEI co-financing (€)	stage	area of intervention
1206.014-08	BIOM-ALBA: Analysis and study of the feasibility of a biomass chain in Albania	Italy	Albania	97,039	31,987	closed	Sustainable energy
1206.015-08	Promotion and development of agrotourism and ecological agriculture in Moldova	Poland	Moldova	109,061	13,273	closed	Sustainable agriculture
1206.018-08	MOLDAGROFOOD - Systems for the Organization of the Moldovan Food Farming Production Process	Italy	Moldova	83,185	36,023	closed	Sustainable agriculture
1206.020-08	Fostering Innovation in SMEs in the Western Balkans. Phase II	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	91,591	35,084	closed	Enterprise development
1206.021-08	Monitoring SME policy implementation in the Western Balkans	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	102,622	40,000	closed	Enterprise development
1206.026-08	Capacity Building in Public Accounting (CBIPA) in Moldova	Slovenia	Moldova	241,357	40,000	closed	Capacity building
1206.027-08	Transfer of Macrolotto best practice to the management of sustainable and equipped productive areas	Italy	Serbia	41,508	14,181	closed	Enterprise development
1206.002A-09	PORTRAIN	Italy	Albania	91,979	33,900	closed	Capacity building
1206.003A-09	Supporting Serbian SMEs in accessing to EU markets	Italy	Serbia	42,448	21,224	closed	Enterprise development
1206.004A-09	S.E.A. - System for Energy Autonomy	Italy	Moldova	121,600	40,000	disbursing	Sustainable energy
1206.005A-09	Assessment of energy sector in Bosnia and Herzegovina: AER Peer Review on Energy in Republika Srpska	Hungary, Romania / AER as coordinator	Bosnia and Herzegovina	25,992	12,092	closed	Sustainable energy
1206.006A-09	Development of decision support systems for integrated water management in Belarus	Italy	Belarus	64,306	31,288	closed	Sustainable energy
1206.007A-09	CEI Study Tour and Workshop: "The role of professional branch associations in fostering the competitiveness of SMEs in the IT sector - creating a common SEE IT brand"	Austria, Bulgaria	Regional	66,961	25,941	closed	Enterprise development
1206.008A-09	ICT Cooperation: Italy - Croatia Technology Cooperation	Italy	Croatia	14,492	6,239	closed	Enterprise development
1206.009A-09	Capacity building and transfer of knowledge for the development of organic farming in Blidinje Nature Park	Czech Republic	Bosnia and Herzegovina	65,089	15,536	closed	Sustainable agriculture
1206.011A-09	Technical assistance for the development and improvement of technologies, methodologies and tools for the enhanced use of agricultural biomass residues	Italy	Serbia	79,053	39,000	closed	Sustainable energy
1206KEP.005-10	Good governance in Chisinau - introduction of performance budget in the capital of Moldova	Poland	Moldova	123,544	32,683	closed	Capacity building
1206KEP.006-10	Farming and off-farming activities in mountain areas and Natural Parks: "the Italian experience" a study tour for Montenegro	Italy / FAO as coordinator	Montenegro	59,851	24,851	closed	Sustainable agriculture
1206KEP.007-10	Technical assistance and good practices sharing in order to promote female entrepreneurship in the tourism and services sector	Italy	Croatia	103,016	40,000	closed	Enterprise development
1206KEP.008-10	AER peer review on energy in Vojvodina "How to create sustainable energy communities within our regions?"	Italy, Romania / AER as coordinator	Serbia	28,815	13,066	closed	Sustainable energy
1206KEP.009-10	Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative	Italy	Regional	80,000	39,883	closed	Enterprise development
1206KEP.010-10	Monitoring SME policy implementation in the Western Balkans	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	142,858	40,000	disbursing	Enterprise development
1206KEP.011-10	SAFEADRIA - Technical assistance to Luka Bar for the development of action plans to improve the capacity in the domains of environment protection, safety and security at work	Italy	Montenegro	57,777	26,520	closed	Capacity building
1206KEP.012-10	COOPERADRIA: Support to the capacity in developing and managing cooperation projects: Institute of Transport	Italy	Albania	45,899	15,622	closed	Capacity building

<i>reference number</i>	<i>project name</i>	<i>know-how provider country / organisation</i>	<i>know-how recipient country</i>	<i>project total cost (€)</i>	<i>CEI co-financing (€)</i>	<i>stage</i>	<i>area of intervention</i>
1206KEP.013-10	Krapina Zagorje County Rural Development Strategy	Slovenia	Croatia	28,908	12,919	closed	Sustainable agriculture
1206KEP.005-11	Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative-FIT4SMEs II	Italy	Regional	80,633	39,948	closed	Enterprise development
1206KEP.009-11	Public Accountants Certification Training (PACT) in Macedonia	Slovenia	Macedonia	268,890	29,916	disbursing	Capacity building
1206KEP.010-11	Training of Internal Auditors in Public Sector in Montenegro	Slovenia	Montenegro	225,122	40,000	disbursing	Capacity building
1206KEP.011-11	Evaluating SME policy implementation in the Western Balkans	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	102,150	40,000	disbursing	Enterprise development
1206KEP.001-12	Improving environmental and disaster prevention capacity in Serbia	Italy	Serbia	80,200	35,500	approved	Sustainable energy
1206KEP.002-12	Performance budgets in Cherkasy and Vinnitsa - support for good governance and financial transparency of local governments in Ukraine	Poland	Ukraine	231,784	30,100	approved	Capacity building
1206KEP.003-12	Conditions for technology transfer of experience for Tirana City - Context	Italy	Albania	84,390	31,875	approved	Enterprise development
1206KEP.004-12	Application of open source software and methods for territorial analysis and sustainable use of natural resources in Belarus	Italy	Belarus	66,250	31,250	approved	Sustainable energy
1206KEP.005-12	Public Accountants Certification Training (PACT) in Macedonia, level 1 cohort 2 and level 2 cohort 1	Slovenia	Macedonia	235,657	40,000	approved	Capacity building
1206KEP.006-12	Know-how for Donetsk Region - strengthening of administrative structures and regional development in Ukraine	Poland	Ukraine	37,939	17,145	approved	Capacity building
1206KEP.007-12	Promotion of Rural and Environmentally Sensitive Tourism in the Lower Danube and Black Sea Coast of Ukraine	Bulgaria	Ukraine	65,803	29,316	approved	Sustainable agriculture
1206KEP.008-12	ENvironmental Impact assessment of the Kozuf metalloGenic district in southern MAcedonia in relation to groundwater resources, surface waters, soils and socio-economic consequences Acronym: ENIGMA	Czech Republic	Macedonia	77,800	38,000	approved	Sustainable energy
1206KEP.009-12	Renewable Energy Knowledge and Technology Transfer in Albania and in Bosnia -Herzegovina	Italy	Albania, Bosnia and Herzegovina	89,737	39,110	approved	Sustainable energy
1206KEP.010-12	Competitiveness and New Industrial Policy: Building capacities for diagnosis, design and implementation	CEI-EU members / OECD as coordinator	Regional (Western Balkan countries)	181,838	30,000	approved	Enterprise development
Total				4,940,603	1,519,889		

CEI Fund at the EBRD: Operations in Ukraine, holder of the CEI Presidency in 2012

The 2012 CEI Presidency, held by Ukraine, embarked on several initiatives which have enhanced the activities of the CEI Fund at the EBRD. As all undertaken activities, the organisation of the traditional CEI high-level events, i.e. the meeting of the Ministers of Foreign Affairs, benefited from the Ukrainian Government's commitment to regional cooperation. Along with the CEI Steering Committee and Committee of National Coordinators meetings, these events offered substantive opportunities to enhance the dialogue between the CEI and the most senior

management and country Directors of the EBRD. This contributed to the targeted use of the CEI Fund towards the most pressing areas of operations, within the Fund's strategies and priorities.

The CEI Fund at the EBRD has committed in Ukraine an aggregate amount of €6,567,136.32 through assignments of its two main programmes - Technical Cooperation Programme, and the Know-how Exchange Programme. Table A, below, summarises the distribution of this committed amount.

Table A. CEI Fund at the EBRD commitments for projects with impact in Ukraine

CEI Fund at the EBRD	Amount (€)		
	Ukraine	Regional	Total
Technical Cooperation Programme	1,496,696.00	4,699,852.00	6,196,548.00
Know-how Exchange Programme	182,676.40	187,911.92	370,588.32
Total			6,567,136.32

Technical Cooperation Programme

The CEI Fund at the EBRD committed €6,196,548 for 31 Technical Cooperation assignments with impact in Ukraine. 8 assignments targeted directly Ukrainian clients, with a CEI commitment of almost €1.5 million while 23 had a regional reach, including Ukraine (CEI commitment of around €4.7 million). This structure of the projects supported is indicative of the Fund's strategies and policies, which stress the importance of regional projects, which can lead to further collaboration and cohesion in the CEI region of operations.

The CEI Fund supported TCs in Ukraine focused on several sectors of operations such as agribusiness, energy, institutional development, SME support, and transport.

Ever focused on yielding strong leverages for its technical assistance, the CEI Fund has aimed to finance projects that would give Ukraine the highest return in order to support its transition and its approach towards European standards and policies.

Case study 1 (TC assignment)

Resource and Process Efficiency in Manufacturing Sectors (regional assignment targeting Ukraine)

The present CEI Fund supported framework aims at further scale-up sustainable energy activities in the manufacturing sector and at expanding the technical assistance currently offered to companies within the existing EBRD Industrial Energy Efficiency Programmes. By providing a more comprehensive support to the improvement of the production processes, integrating energy, and environmental and resource efficiency with system optimisation, this assignment highlighted potential pilot projects in Ukraine and in the Western Balkans. In particular, this framework assignment focuses on the inorganic chemical sector, mineral fertilizers, farming and agribusiness sector. An significant component of this TC assignment is focused on the sustainability of the Ukrainian agriculture sector.

The overall objective is to foster the enhancement of enterprises' competitiveness, through the optimal use of resources, technology innovation, introduction of best practice, and the improvement of corporate sustainability and progress towards improved environmental standards. This helps promoting market transformation and transition by facilitating the optimal use of resource and aligning the interest of technology suppliers and end-users. The identification of investment opportunities reviewed the performances of the most relevant companies in Ukraine and Western Balkans and developed a set of bankable business case studies, which can be considered as pilot projects for introducing cutting-edge technologies by means of the integrated approach to improve process and resource efficiency.

The selected Companies were object of a Resource Efficiency Audit covering macro data and information, after which a general overview has been prepared, presenting production mixes, processes and technologies in place, production volumes, energy and resources usage levels, environmental aspects management and policies at Company level, initiatives recently promoted to increase process/resource efficiency. A technical and financial analysis of a set of energy and resource efficiency improvement investments feasible at the examined Companies complete each developed case study.

Table B. TC assignments with impact in Ukraine

<i>commitment number</i>	<i>commitment name</i>	<i>€ committed</i>	<i>committed stage</i>	<i>sector of operation</i>	<i>countries of operations</i>
CEI-1993-12-01	Kyiv to Western Border Highway feasibility study	784,844	closed	Transport	Ukraine
CEI-1997-08-03	Air navigation system management information	182,412	closed	Transport	Ukraine
CEI-2007-07-04	Crimea Municipal Infrastructure - Yalta Vodocanal IFRS	49,440	closed	Municipal infrastructure	Ukraine
CEI-2007-09-07	Kiev City Transport: Financial Due Diligence & IFRS Audit - Kiev Metropolitan	60,000	closed	Municipal infrastructure	Ukraine
CEI2-2012-08-08F	Enterprise Growth Programme at MixNet	60,000	disbursing	SME support	Ukraine
CEI2-2012-12-10F	Enterprise Growth Programme at Maize	60,000	committed	SME support	Ukraine
To be assigned	Grain growing know how (with FAO)	250,000	approved	Agribusiness	Ukraine
To be assigned	Policy dialogue in the Ukrainian dairy sector	50,000	approved	Agribusiness	Ukraine
CEI-1996-11-01	Board On-Line Documents (BOLD)	71,647	closed	Institutional Development	Regional
CEI-1996-12-02	Board On-Line Documents (BOLD)	78,193	closed	Institutional Development	Regional
CEI-1997-07-01	Funding of assistants for Directors representing constituencies of countries of operations	41,983	closed	Institutional Development	Regional
CEI-1997-07-02	Commercial law training extension	619,474	closed	Institutional Development	Regional
CEI-1997-10-06	Board on-line documents	59,058	closed	Institutional Development	Regional
CEI-1997-11-07	Law reform and training programme III / CEI support	82,566	closed	Institutional Development	Regional
CEI-1998-09-12	Board on-line documents	63,962	closed	Institutional Development	Regional
CEI-1999-11-04	BOLD Project Manager and CEI Deputy Programme Manager	81,148	closed	Transport	Regional
CEI-1999-12-05	Procurement assistance to the transport team	89,091	closed	Transport	Regional
CEI-2001-09-03F	CEI Wholesale Markets Foundation	464,812	closed	Agribusiness	Regional
CEI-2002-06-01F	TAM Programme - CEI TAM Privatisation Support	468,284	closed	SME support	Regional
CEI-2004-06-02	FAO CEI - EASTAGRI	56,323	closed	Agribusiness	Regional
CEI-2004-10-03F	Regional: Energy Audits Programme Framework Agreements (D'Appolonia)	226,582	closed	Energy	Regional
CEI-2004-10-04F	Regional: Energy Audits Programme Framework Agreements (MWH)	238,162	closed	Energy	Regional
CEI-2006-03-05	Regional: EastAgri CEI Network - Phase II	46,889	closed	Agribusiness	Regional
CEI-2006-09-10	OECD Membership 2006	26,274	closed	Institutional Development	Regional
CEI-2008-11-09F	Energy Audits Programme (CEI funded - extension) D'Appolonia	142,784	closed	Energy	Regional
CEI-2008-11-10F	Energy Audits Programme (CEI funded - extension) MWH	190,050	closed	Energy	Regional
CEI2-2012-05-02	Sustainable Ports and Shipping in the Adriatic Sea and Black Sea	235,000	disbursing	Transport	Regional
CEI2-2012-06-05	Enhancing Public Procurement Professionalism - Pilot	40,000	disbursing	Institutional Development	Regional
CEI2-2012-06-06	Resource and Process Efficiency in Manufacturing Sectors	427,570	committed	Energy	Regional
To be assigned	Energy Audit Programme Agreements	450,000	approved	Energy	Regional
To be assigned	Green Energy Special Fund – Framework for Technical Preparation of Green Components	500,000	approved	Energy	Regional
TOTAL		6,196,548			

Know-how Exchange Programme

The CEI Fund at the EBRD has committed €386,688.32 for 14 KEP projects in which institutions from Ukraine acted as know-how recipients.

Out of the 14 committed projects, 7 assignments targeted the transfer of know-how uniquely towards Ukrainian recipients (CEI co-financing €182,676.40). The remaining 7 projects had a regional reach and aimed to transfer know-how to institutions in multiple countries, including

Ukraine (CEI co-financing €204,011.92). The total cost of the 13 assignments (CEI grants plus mandatory co-financing by project partners) amounted to €1,200,969.38.

The 14 projects focused on three areas of intervention of the KEP: capacity building (5 projects), enterprise development (4 projects), and sustainable agriculture (4 projects). Table C illustrates the 14 KEP projects committed from the CEI Fund at the EBRD with impact in Serbia.

Table C. KEP assignments with impact in Ukraine

reference number	project name	know-how provider country /organisation	know-how recipient country	project total cost (€)	CEI co-financing (€)	project stage	area of intervention
1206.014-05	CEI support to Wholesale Markets Development in Ukraine	Italy, Poland / FAO as coordinator	Ukraine	65,163.64	36,501.92	closed	Sustainable agriculture
1206.016-05	AER PEER Review Initiative (APRI) in the CEI Region	Austria, Czech Republic, Hungary, Italy / AER as coordinator	Regional	61,620.62	16,100.00	closed	Capacity building
1206.004-06	Prospects of EU-Ukraine economic relations	Poland	Ukraine	54,143.44	21,790.00	closed	Capacity building
1206.001-07	CEI support to Wholesale Markets Development in Ukraine (phase 2): Wholesale Markets Training at Regional Level	Italy, Poland / FAO as coordinator	Ukraine	36,147.00	14,831.60	closed	Sustainable agriculture
1206.002-08	1st Ukrainian School of Civil Society Leaders	Poland	Ukraine	128,665.61	32,992.34	closed	Capacity building
1206.003-07	Human resources development and improvement of internal control in administration of small cities of Moldovan-Ukrainian borderland – Floresti, Soroca, Yampil	Poland	Regional	117,712.46	23,249.06	closed	Capacity building
1206.004-07	Ecological agriculture and agrotourism promotion and development in the Eastern Ukrainian Carpathian Region and Moldova	Poland	Regional	83,853.22	24,308.00	closed	Sustainable agriculture
1206.012-07	CEI study tour and workshop: Networking and cluster model to support SMEs internationalization	Italy, Slovenia	Regional	88,043.83	34,583.62	closed	Enterprise development
1206.007A-09	CEI Study Tour and Workshop: "The role of professional branch associations in fostering the competitiveness of SMEs in the IT sector – creating a common SEE IT brand"	Austria, Bulgaria	Regional	66,961.04	25,940.71	closed	Enterprise development
1206KEP.002-12	Performance budgets in Cherkasy and Vinnitsa - support for good governance and financial transparency of local governments in Ukraine	Poland	Ukraine	231,784.00	30,100.00	approved	Capacity building
1206KEP.009-10	Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative	Italy	Regional	80,000.00	39,882.53	closed	Enterprise development
1206KEP.005-11	Financial facilities for SMEs: training and capacity building for Business Support Organisations in non-EU member states of the Central European Initiative- FIT4SMEs II	Italy	Regional	80,632.52	39,948.04	closed	Enterprise development
1206KEP.006-12	Know-how for Donetsk Region – strengthening of administrative structures and regional development in Ukraine	Poland	Ukraine	40,439.00	17,145.00	approved	Capacity building
1206KEP.007-12	Promotion of Rural and Environmentally Sensitive Tourism in the Lower Danube and Black Sea Coast of Ukraine	Bulgaria	Ukraine	65,803.00	29,315.50	approved	Sustainable agriculture
TOTAL				1,200,969.38	386,688.32		

Case study 2 (KEP project)

CEI support to Wholesale Markets development in Ukraine

Wholesale Markets (WMs) have been essential market infrastructures which ensure the efficient distribution of fresh food products at competitive prices. Ukraine was an important fruit and vegetable producer, nonetheless, despite significant production and consumption of fresh food products, the country lagged far behind its central European neighbours in organising wholesale trade in fresh agricultural products. Two KEP projects co-financed by the CEI Fund at the EBRD and implemented by the FAO contributed to the development of WMs in Ukraine by introducing experience and best practices developed in Italy and Poland in areas such as investment schemes, legislation, organisation of markets' operations, public support mechanisms, and others. The first project, *CEI support to Wholesale Markets Development in Ukraine*, was aimed at familiarising Ukrainian stakeholders from the public and private sectors with the principles of wholesale markets operations. The second project (*CEI support to Wholesale Markets development in Ukraine (phase 2): Wholesale Markets training at regional level*) targeted two Ukrainian regions – Odessa and Kharkov – with significant potential for wholesale agricultural trade, and in which private investors had already conducted pre-feasibility studies and had started obtaining the necessary permits to establish WMs from local authorities. In the framework of this project, the beneficiaries got acquainted with a range of aspects related to the development and the organisation of markets, and the roles of and interactions between public and private sector stakeholders.

ABBREVIATIONS AND ACRONYMS

AER	Assembly of European Regions
ARPA EMR	Regional Environmental Protection Agency of Emilia Romagna
ASR	Agency for State Roads
BAS	Business Advisory Service
BiH	Bosnia and Herzegovina
BRGEL	Belarusian Research Geological Exploration Institute
BSB – UEAS	Black Sea Odessa regional Branch of the Ukrainian Environmental Academy of Science
BSNN	Black Sea NGO Network
BSO	Business support organization
BSU	Belarusian State University
CBIPA	Capacity Building in Public Accounting
CEF	Centre of Excellence in Finance
CEI	Central European Initiative
CFLI	Consortium for Intermodal and Logistics Training, Italy
CFM	Moldovan Railways - Calea Ferată din Moldova
CFO	Chief Financial Officer
CIPFA	Capacity Building in Public Accounting
CIS	Commonwealth of Independent States
CO ₂	Carbon dioxide
CRICUWR	Central Research Institute for Complex Use of Water Resources
EBRD, the Bank	European Bank for Reconstruction and Development
EC	European Commission
EIR	EBRD Investment Ratio
EGP	Enterprise Growth Programme
EMIS	Energy Management Information System
ENP	European Neighbourhood Policy
ENWET	Environment and Wetland Centre
EU	European Union
FAO	The Food and Agriculture Organisation of the United Nations
GESF	Green Energy Special Fund
GIS	Geographic information systems
IBP	Institution Building Plan
ICT	Information and communication technologies
IFI	International financial institution
INCF	Information and Nature Conservation Foundation
INFORMEST	Service and Documentation Centre for International and Economic Cooperation
IPA	Instrument for Pre-Accession Assistance
IRR	Internal rate of return
KEP	Know-how Exchange Programme
KMD	Kozuf metallogenic district
KPI	Key Performance Indicators
LALADR	Local association of local authorities in Donetsk Region
LED	Light emitting diode
MPM	Masters in Procurement Management
MSME	Micro, small and medium enterprises
NEAP	National Environmental Action Plan
NGO	Non-governmental organisation
NP	Natural Park
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
OECD-IC	OECD Investment Compact
OICE	Italian Engineering, Architectural and Technical Economic Consulting Organisations
PACT	Public Accountants Certification Training
PAUCL	Polish-Ukrainian Cooperation Foundation, Poland
PhD	Doctor of Philosophy
PM	Programme Manager
PPP	Public-Private Partnership
R&D	Research and Development
SBS	Small Business Support (pag. 14, 20)
SEE	South-eastern Europe
SEI	Sustainable Energy Initiative
SEPA	Serbian Environmental Protection Agency
SME	Small and medium-sized enterprise
SWOT	Strengths, weaknesses, opportunities and threats
TAM	Turn Around Management Programme
TC	Technical Cooperation
TIR	Total Investment Ratio
UMWW	Marshal Office of the Wielkopolska Region
UNESCO	United Nations Educational, Scientific and Cultural Organization
USAID	United States Agency for International Development
WeBSedFF	The EBRD Western Balkans Sustainable Energy Direct Financing Facility
ZCGI	Zeljeznice Crne Gore Infrastruktura (Montenegro Railway and Infrastructure Company)
ZS	Zeljeznice Srbije (Serbian Railways Company)

GLOSSARY - COUNTRY GROUPINGS

EU CEI member states	Austria, Bulgaria, the Czech Republic, Hungary, Italy, Poland, Romania, the Slovak Republic, and Slovenia
Non-EU CEI member states	Albania, Belarus, Bosnia and Herzegovina, Croatia, Macedonia, Moldova, Montenegro, Serbia, and Ukraine
Western Balkan countries	Albania, Bosnia and Herzegovina, Croatia, Macedonia, Montenegro, and Serbia
ENP CEI countries	Belarus, Moldova, and Ukraine

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