

STANDARD TWINNING LIGHT PROJECT FICHE

1. Basic Information

- 1.1 Publication notice reference:
- 1.2 Programme: Transition Facility IPA/2013/24986 (Annex of C (2013) 8057 final);
Institution Building Envelope
- 1.3 Twinning Number: HR 14 IPA FI 03 16 TWL
- 1.4 Title: Support to further development and strengthening of the system of
central public procurement within the CPO (CRO CPP)
- 1.5 Sector: Public Procurement (Finance, Internal Market and Economic Criteria)
- 1.6 Beneficiary country: Republic of Croatia

2. Objectives

- 2.1 Overall objective:

Further enhancement of the efficiency of central public procurement system.

- 2.2 Project purpose:

Improvement of the category management during the whole life-cycle of the public procurement process and development of communication strategy and action plan related to all participants in the context of centralized procurement.

- 2.3 Contribution to Accession Treaty/Relevant national documents:

Following the signature of the **Accession Treaty** on 9 December 2011 by the heads of State or Government of 27 Member States (MS) and the Republic of Croatia and its ratification procedure, the Republic of Croatia joined the European Union (EU) on 1 July 2013. Article 36 of the Accession Treaty states that Commission shall monitor all commitments undertaken by Republic of Croatia during the accession negotiation. The area of public procurement is listed within the Annex VII of the Treaty.

With its legislative framework (Public Procurement Act and subordinate legislation), the Republic of Croatia took over the *acquis* in the sector of public procurement. In particular, it relates to Directive 2014/24/EU of the European Parliament and of the Council, from February 2014, related to public procurement. In the context of the project it is important to develop a scope of the Most Economic Advantageous Tender (MEAT) criteria (the best ratio between price and quality). Moreover, the project will encourage the procurement through central procurement bodies as a generator of savings and other benefits, and usage of electronic means of communication.

The project responds to **Strategic Plan of the State Office for Central Public Procurement for the period 2015-2017 and 2016-2018** which indicates its priorities and objectives among which are the need for informatization of the central public procurement procedures, ensuring better transparency, achieving the “best value for money“, encouraging

the competition and participating the small and medium-term enterprises (SMEs) and continuous training and capacity building.

Strategy and Action Plan of the State Office for Central Public Procurement from January 2013, prepared in collaboration with SIGMA OECD, for the period 2013-2015, was one of key priority areas that SIGMA had recommended in the peer review report in 2011. Within this document, the priority areas are defined, among others: Category Development and Management, Client Relationships and Communication Strategy and Performance Measurement. Following recommendations were given to the State Office for Central Public Procurement (CPO):

- to develop a methodology for monitoring and evaluation of progress of the strategy work,
- to establish an efficient category planning and management system based on a strong involvement of the key stakeholders,
- to develop a more comprehensive IT plans for the e-Catalogue and information needs collection systems,
- to develop and establish an efficient cooperative and inclusive environment with its clients, and in particular the group of main clients, that will ensure a close and supportive involvement of clients in all phases of the procurement process,
- to increase the dialogue with the supply market in product and service areas of relevance to CPO,
- to award a larger number of framework agreements with the use of the MEAT criterion,
- to develop a performance measurement system enabling CPO to determine the efficiency and quality of its procurement function in terms of how well it has managed to produce “value for money” for its clients while being cost-effective and in possession of efficient and sound systems for managing the procurement processes in all key aspects.

Project Implementation Plan of Long-term Reform of Fiscal Consolidation Measures for the period 2014-2016 - Central Public Procurement, points out that, according to the indicators of international best practice, the reasons for more intensive application of the central public procurement model are modernization of the public procurement system in terms of efficiency and functionality, and indirectly for the reduction of costs of public procurement procedures. This measure has been implemented to increase the volume of central public procurement in order to achieve greater savings and efficiency in the public procurement sector.

Strategy on Development of the Electronic Public Procurement in the Republic of Croatia for the period 2013-2016 provides information on strategic direction for introduction of additional elements of e-procurement and measures to be undertaken in order to achieve goals, through which the CPO is assigned to have a leading role in the area of e-procurement in practice.

On 8 July 2014, within the **Commission Staff Working Document Country Report for Republic of Croatia 2015 Including an In-Depth Review on the prevention and correction of macroeconomic imbalances**, Council of the European Union adopted the recommendations for the Republic of Croatia, among which is: "To strengthen transparency and efficiency of public procurement at both central and local levels, and the capacity to monitor implementation and to detect irregularities."

It is also stated that the CPO is successfully expanding the scope of central procurement to a wider range of central-government institutions, which contributes to increasing efficiency of public procurement and to build an administrative capacity within the State Office for Central Public Procurement. Apart from measures that will be specified in the Action Plan of the Anti-Corruption Strategy for the period 2015-2016, implementing the anti-corruption strategy, new Public Procurement Act has been prepared to transpose provisions of the relevant new EU Directives, especially regarding MEAT criteria and applying green public procurement.

With the **Action Plan of the Anti-Corruption Strategy for the period 2015-2016** the priority is to implement measures to achieve measurable results for neutralization of corruption risks in the critical areas identified by the **Anti-Corruption Strategy for the period 2015-2020**. It defines the competent authorities for implementation of each particular activity, deadlines, budget and indicators of implementation, with the aim of preventing the corruption at all level of the public administration, including local and regional levels.

Action Plan for Green Public Procurement for the period 2015-2017 with a perspective to 2020, aims to achieve energy savings. The goal is to provide at least 50% of public tenders with the use of green public procurement criteria. Public authorities are significant consumers in the Republic of Croatia, who annually consume about 39.5 billion HRK. Therefore, using its purchasing power to choose 'green' goods and services can make a significant contribution to sustainable consumption.

By achieving its results, the project will contribute to the enhancement of administrative capacity of the CPO and related stakeholders. In addition, development of various methodological tools will provide assistance to all participants within the public procurement system.

3. Description

3.1 Background and justification:

State Office for Central Public Procurement (CPO)¹ is a central purchasing body that conducts procurement procedures for goods, services or public works for the central government bodies², and in some categories, also for other bodies in the jurisdiction of the central government bodies.

Since the establishment of the CPO in 2009 more than 150 framework agreements have been concluded. Procurement conducted by CPO resulted in savings both in achieved price as well as in reducing the administrative costs, compared to situation where the central government bodies would have implemented procurement procedures on their own. Additional savings can be achieved by introducing an electronic way of doing business, which would also affect the elimination of the gap in transactions between the central body, government bodies / contract authorities and the private sector. Establishment of the collaborative culture in public procurement shows that through mutual work, the government acts responsibly towards the stakeholders and taxpayers.

Since the beginning of its operations, the CPO has established 17 categories of goods, services or works to be procured. Public procurement procedures have been conducted in

¹ The abbreviation CPO refers to both current State Office for Central Public Procurement, as well as former Central Procurement Office of the Government of the Republic of Croatia.

² Central government bodies are as follows: Office of the President of the Republic of Croatia, Croatian Parliament, Government of the Republic of Croatia, 20 ministries, 4 state offices, 7 state administrative organizations.

accordance with the needs of clients and the execution of the framework agreement has been followed up but further improvement of procurement procedures, as well as assessment of information gathered during realization period, is needed, especially in those categories where there are significant changes in the market (e.g. in terms of technology.). Therefore, there is a current need to analyse and improve the established categories and the category management.

Category management is a long-term process that involves managing and customizing product categories and includes definition of products which are included or excluded in procurement procedures, role of categories on the market, assessment of the current performance, setting objectives and targets for the category.

The typical central procurement process includes several phases, from planning and tendering to management of the framework agreements. The CPO plans to implement activities that will lead to improvement throughout the procurement process and all its phases, such as: analysis of procurement categories, SWOT analysis, risk analysis, total cost of ownership analysis, development of the public procurement strategies, development of the short term and long term initiatives concerning some procurement categories, estimation of needs/consolidation of different requirements, technical consultation with the market, defining catalogues etc.

Related to the tendering phase of the procurement process, the CPO intends to improve the processes regarding developing and defining of the award criteria and life cycle costing, as well as choice of type of framework agreements in line with the best EU practices. In the phase related to the management of framework agreement, key performance indicators (KPIs) and performance measurement are expected to be addressed and improved.

While implementing the procurement procedures the CPO deals with different inquiries from the clients, vendors, non-governmental organizations (NGOs) and journalists. The existing communication with the stakeholders needs to be improved and to achieve this objective, there is a need to establish communication strategy with an action plan, which would help the CPO to plan and conduct communication activities to raise awareness and ensure dissemination of correct messages concerning central procurement. In addition, there is also need for training activities for all stakeholders.

Through implementation of the developed communication strategy, the CPO will raise public awareness about good public procurement practise among all stakeholders, including the government, key clients and other contracting authorities, the market, NGOs and journalists.

3.2 Linked activities:

SIGMA experts have provided technical assistance and support within the public procurement sector over the past few years. Since February 2010 until July 2014, representatives of SIGMA were actively engaged in conducting analysis of the situation inside and outside of the CPO, including the former Office for the Central Public Procurement. Moreover, they supported its development through workshops, consultations and advices as well as provided technical consultation in preparing the Strategy and Action plan of the State Office for Central Public Procurement. They prepared a set of recommendations and guidelines for further development of the CPO, including also improvement and strengthening of the expertise of the CPO staff in the area of central public procurement.

IPA 2008 “Strengthening capacities to remedy irregularities in public procurement procedures” (Twinning No: HR/2008/IB/FI/04TL, MS Twinning partner: Austria)

The Twinning light project started in January 2011 and finished in September 2011, and the beneficiary was the Ministry of Economy, Labour and Entrepreneurship (MELE). The overall objective of the project was contribution to strengthening of a sound and transparent public procurement system in the Republic of Croatia, in accordance with EU standards and reducing the potential for irregularities, including fraud and corruption, in public procurement procedures. As one of the outputs of the project, the brochure and a leaflet named "Public procurement corruption" were made, available in Croatian and English version, for contracting authorities and tenderers, with the list and description of detected risks of irregularities in public procurement procedures, as well as the guidelines that provide help to users. The achieved results were focused on further improvement of the legislative framework in the sector through gap analysis on existing legislative framework with recommendations for its improvement, development of standardized tender documentation, training needs analysis with training program and study visit as well as public awareness campaign.

Phare 2006 “Further Development of State Commission for Supervision of Public Procurement Procedures and Review System in the Republic of Croatia” (Twinning No: HR/2006/IB/FI/04TL, MS Twinning partner: Poland)

The Twinning light project started in November 2008 and finished in July 2009, and the beneficiary was the State Commission for Supervision of Public Procurement Procedures and Review System in the Republic of Croatia. The overall objective of the project was to contribute to development and strengthening of a sound and transparent public procurement review system in the Republic of Croatia, in accordance with EU standards and reducing the potential of fraud and corruption in public procurement. Through education (workshops, internships, study visits) in the area of concessions, public procurement procedures, judgments (rulings) of the European Court, framework arrangements and electronic procurement, administrative capacities of the State Commission were strengthened and awareness of the legal protection system in public procurement was raised. As direct results with great impact on Croatian public procurement sector, two manuals on legal protection issues were developed, brochures, leaflets and reports on legal protection were prepared and the beneficiary's website was updated.

Phare 2005 “Strengthening of administrative capacity to implement new public procurement legal framework” (Twinning No: HR/05/IB/FI/07TL, MS Twinning partner: Hungary)

The Twinning light project started in January 2008 and finished in November 2008, and the beneficiary was the Public Procurement Office (PPO) of the Government of the Republic of Croatia. The main purpose of the project was the contribution to the development of the Croatian public procurement system in three main elements (support in the legislative work; revision and upgrade of the Croatian training system related to public procurement; update of the Manuals of Public Procurement). Under the project, 14 workshops with training programme were organized and implemented, study visit as a part of training for 12 people was conducted and manuals for contracting authorities and tenderers were prepared.

Bilateral project "Further Strengthening of The Public Procurement System in the Republic of Croatia" (the Netherlands)

The project started in January 2008 and finished in September 2008, and the beneficiary was the Ministry of Economy, Labour and Entrepreneurship (MELE). The goal of the project

was further strengthening of the public procurement system in the Republic of Croatia by assistance to the Directorate for the Public Procurement System within the MELE through provision of expertise and experiences for improving professionalism of the purchase and tendering function. The project results (training on improving of professionalism of the function of public procurement, manual and glossary of public procurement) aimed to strengthen capacities both of the participating and decision-making parties in the public procurement sector.

Cards 2002 “Capacity strengthening of the State Commission for Supervision of Public Procurement Procedures” (Twinning No: HR/2002/IB/FI/03, MS Twinning partner: Slovenia)

The project started in June 2005 and finished in December 2006, and the beneficiary was the State Commission for Supervision of Public Procurement Procedures. The aim of the project was to contribute to the development of sound and transparent public procurement system in Croatia in accordance with EU standards and reducing potential for fraud and corruption.

Cards 2002 “Strengthening the Croatian Public Procurement System” (Twinning No: HR/2002/IB/FI/01, MS Twinning partners: Germany and Slovenia)

The project started in June 2005 and finished in December 2006, and the beneficiary was the Public Procurement Office of the Government of the Republic of Croatia. The overall objective was to contribute to development and strengthening of a sound, transparent and competitive public procurement system in the Republic of Croatia, in accordance with EU standards, promoting efficiency and effectiveness in the use of public funds and reducing the potential for fraud and corruption. The project contributed to strengthening of the methodological and legislative framework, professional skills and capacities of stakeholders as well as raising public awareness about the new public procurement system.

According to the Public Procurement Act and linked legislation, the CPO is one of the major authorities in the sector of public procurement in the Republic of Croatia and directly benefits of strengthened and enforced Croatian public procurement, which was the objective of the above-mentioned linked projects. There is no overlapping of the above mentioned projects with this Twinning light project, which will further upgrade and enhance efficiency of the public procurement process in the specific areas targeted by the project.

3.3 Results:

Result 1: Recommendations, handbooks and methodologies on the category management with the aim of improvement of the efficiency of central procurement procedures and effectiveness of the CPO developed

Indicators of achievement:

- Gaps and needs (G&N) analysis of the category management in the CPO conducted and G&N report prepared
- Report on the experience and practices of at least two EU Member States related to activities of central procurement bodies linked to the scope of this project, including benchmarking procurement outcomes among different central procurement bodies within the EU prepared and translated into Croatian language
- A set of recommendations for development, implementation and management of e-catalogues in the pre-award and post-award phase of the procurement process in procurement categories prepared and translated into Croatian language

- At least two handbooks for improvement of the category management processes including the Most Economically Advantageous Tender (MEAT) criteria, evaluation of life cycle costs (LCC) in procuring goods and services as well as in regard to green procurement prepared and translated into Croatian language
- A set of recommendations for improvement of the efficiency of central procurement procedures and effectiveness of the CPO, with the methodology for performance measurement, prepared and translated into Croatian language

Result 2: Capacities and knowledge of the CPO staff enhanced

Indicators of achievement:

- Training needs analysis (TNA) of the CPO staff regarding central public procurement procedures conducted and TNA report with training programme/materials prepared
- 2 workshops, each in duration of 2 days and for 10 participants conducted
- Study tour (4 working days; 7 participants) in an EU Member State with the aim to exchange experience and know-how on the best EU practices regarding central public procurement organized and carried out

Result 3: Modern, efficient and flexible Communication Strategy with the CPO stakeholders developed and implemented through an awareness raising event and guidelines for stakeholders

Indicators of achievement:

- Communication Strategy with Action Plan³ prepared and translated into Croatian language
- Awareness raising event (one day conference) carried out
- A set of guidelines for the CPO clients, vendors and other stakeholders⁴ involved in the central procurement activities prepared and translated into Croatian language

3.4 Activities:

Member State is kindly requested to develop activities in the submitted proposal which are needed in order to achieve the results stipulated in the fiche.

Minimum two visibility events will be organized in the course of the implementation of the project; Kick-off meeting at the start of the implementation and the Final meeting at the end of the implementation of the project activities.

3.5 Means/ Input from the MS Partner Administration:

MS Project Leader may participate in the project also as the short-term expert (STE) and in this case, the MS Project Leader should satisfy requirements stipulated in the fiche for both the Project Leader and the relevant STE profile.

³ Action Plan will cover activities such as: preparing, conducting and analysing satisfaction surveys, awareness raising campaigns, training sessions, conferences, newsletters, identification, involvement and cooperation with the representatives of the academic community, etc.

⁴ Guidelines will include different approach for each target group (e.g. economic operators and the market, non-governmental organizations and public media, the key CPO clients and other contracting authorities).

3.5.1 Profile and tasks of the Project Leader

Profile of the Project Leader

Requirements:

- University level education or equivalent professional experience of 8 years in public administration
- Minimum 5 years of experience in the field of central public procurement
- Proven contractual relation to public administration or mandated body, as defined under Twinning Manual 5.4.5
- Working level of English language
- Computer literacy
- Experience in project management

Asset:

- Experience in international projects

Tasks:

- Ensuring backstopping and financial management of the project in the MS
- Co-managing the implementation of the project in cooperation with the Beneficiary Country Project Leader
- Participation in Steering Committee meetings
- Designing and organizing visibility events
- Executing administrative issues
- Organization of study visit
- Mobilization of the short-term experts, coordination of their work and availability
- Project reporting
- Overall responsibility and direction of the MS Twinning partner inputs and proposing corrective measures, if needed
- Ensuring sound implementation of envisaged activities

3.5.2 Profile and tasks of the short-term experts

For each of the proposed experts in the submitted proposal the Member State is kindly requested to indicate the expert's profile.

Profile of the Short-term expert 1 (STE 1)

Requirements:

- University level education or equivalent professional experience of 7 years in public administration
- Minimum 3 years of experience in practical application of public procurement procedures
- Working level of English language
- Computer literacy
- Proven contractual relation to public administration or mandated body, as defined under Twinning manual 5.4.5

Assets:

- Professional working experience in body which is responsible for organization and implementation of public procurement procedures for other public bodies (central purchasing body)
- Experience in the area of category management
- Experience in preparing guidelines or recommendations on public procurement procedures
- Experience in planning and delivering trainings in the field of public procurement

Tasks of the Short-term expert 1:

- Conducting G&N analysis and preparation of corresponding report
- Preparing report on the experience and practices of at least two EU Member States related to activities of central procurement bodies
- Preparing recommendations for development, implementation and management of e-catalogues
- Preparing handbooks for improvement of the category management processes
- Preparing recommendations for improvement of the efficiency of central procurement procedures and effectiveness of the CPO
- Conducting TNA and preparing TNA report with training programme/materials
- Implementing trainings and workshops
- Participating in other relevant activities in cooperation with other short-term experts

Profile of the Short-term expert 2 (STE 2)

Requirements:

- University level education or equivalent professional experience of 7 years in public relations (PR)
- Minimum 3 years of experience in public relations
- Working level of English language
- Computer literacy
- Proven contractual relation to public administration or mandated body, as defined under Twinning Manual 5.4.5

Assets:

- Experience in preparation of communication strategy or action plan
- Experience in implementing awareness raising activities
- Experience in conducting trainings

Tasks of the Short-term expert 2:

- Preparing Communication Strategy
- Preparing Action Plan
- Organizing and implementing awareness raising campaign
- Preparing guidelines for stakeholders involved in the central procurement activities
- Participating in other relevant activities in cooperation with other short-term experts

Note:

The pool of experts should include:

- At least one short term expert who in addition to the respective profile requirements has experience in the area of category management
- At least one short term expert who in addition to the respective profile requirements has

experience in conducting trainings

4. Institutional Framework

The beneficiary institution of the project is the State Office for Central Public Procurement (CPO). The internal organizational unit within the CPO that will be directly involved in the project implementation is the Category Management Sector. There are currently 16 employees in the CPO, responsible for category management and legal affairs.

According to the Strategy of the Development of the System of Public Procurement in the Republic of Croatia and with the aim of achieving savings through implementation of a systematic approach to public procurement, the Government of the Republic of Croatia adopted the Regulation establishing the Central Procurement Office of the Government of the Republic of Croatia in November 2009.

Upon entry into force of amendments to the Law on Organization and Scope of Ministries and other central state administration in 2013, the Central Procurement Office ceased its operations and State Office for Central Public Procurement took over its activities.

In line with the Public Procurement Act the CPO provides professional services of carrying out the tasks of central procurement for central state administration bodies, which include: establishing the overall procurement requirements for products and services of entities bound by central procurement and setting up a database of requirements of entities bound by central procurement according to procurement categories; coordinating the activities among the entities bound by central procurement; market research; planning the implementation of procurement procedures; setting up and managing the database of awarded contracts and framework agreements, and submitting statistical reports to the Government of the Republic of Croatia; implementing advanced technologies in public procurement procedures; administrating the central procurement portal and publishing awarded contracts and framework agreements, and contracts awarded based on the framework agreements; drawing up tender documents and other necessary documentation; implementing procurement procedures; contracting; control of the execution of contracts and framework agreements; analysing the efficiency of central procurement through continuous monitoring of savings made; drawing up proposals of decisions specifying products and services purchased through central procurement; carrying out other tasks that by their nature fall within the scope of the CPO work.

The project results will not lead to the change of the institutional framework as described above. The CPO will ensure the coordination of the project stakeholders.

Two Steering Committee meetings will be held for the purpose of reviewing the progress made under the project as well as to discuss results achieved and/or problems occurred. The first Steering Committee meeting will be held during the third month of project activities implementation in order to discuss and comment the draft start-up report. The second Steering Committee meeting will be organised during the last month of the implementation period of the Action to discuss the draft final report.

It should be noted that the participation of the Member State Project Leader in Steering Committee meetings has to be combined with expert missions in case the Member State Project Leader is also a short-term expert in the twinning light project. If the Member State Project Leader is not short-term expert in the twinning light project then his visits to Croatia, (one visit every three months) as part of his overall task to ensure coordination and political

steering of the project, should be organised at the same time as the two Steering Committee meetings of the project.

The exact participants of the Steering Committee meetings will be defined during the implementation of the project, but will at least include the following members:

- BC Project Leader
- MS Project Leader
- CFCA Project Manager
- MRDEUF Sector Manager

The beneficiary is committed to provide all necessary infrastructure such as office space and desktop computers with internet connection for experts, venue for holding seminars and workshops, and to ensure the necessary local staff/experts inputs.

5. Budget

Support to further development and strengthening of the system of central public procurement within the CPO (CRO CPP)	Transition Facility Contribution	National Co-financing	TOTAL
Twinning Light Contract	(90%) 225 000 EUR	(10%) 25 000 EUR	250.000,00 EUR

The total amounts of the Transition Facility Contribution and National Co-financing stipulated in the above table represent the total maximum amounts and therefore, they may be reduced at the level of the Twinning contract, while the relevant ratio (percentages) should be maintained as fixed.

The co-financing requirement foreseen under Transition Facility will be considered fulfilled according to the provision of the relevant Financing Decision.

Interpretation costs will be reimbursed from the budget only for the purpose of workshops and seminars, up to 7% of the Contract amount can be used for translation and interpretation purposes.

Provisions for visibility costs and expenditure verification costs should be included in the budget.

6. Implementation Arrangements

6.1 Implementing Agency responsible for tendering, contracting and accounting:

Central Finance and Contracting Agency (CFCA)
Ulica grada Vukovara 284
10000 Zagreb, Croatia
Mr Tomislav Petric, Director
Phone: +385 1 6042 400
Fax: +385 1 6042 598
E-mail: procurement@safu.hr

Twinning Administrative Office
Central Finance and Contracting Agency
Ulica grada Vukovara 284
10000 Zagreb, Croatia
Ms Nirvana Sokolovski, Twinning NCP
Phone: +385 1 6042 400
Fax: + 385 1 6042 598
E-mail: twinning@safu.hr

6.2 Main counterpart in the BC:

Senior Programme Officer (SPO)
Ms Ivančica Franjković, Deputy Head of the Office
State Office for Central Public Procurement (CPO)
Ulica Ivana Dežmana 6/II
10 000 Zagreb, Croatia
Phone: +385 1 4599 831
Fax: +385 1 4599 844
E-mail: ivancica.franjkovic@sredisnjanabava.hr

BC Project Leader:
Ms Danijela Pažur Ivančić, Head of the Sector of Legal Affairs
State Office for Central Public Procurement (CPO)
Ulica Ivana Dežmana 6/II
10 000 Zagreb, Croatia

6.3 Contracts:

It is envisaged that the Project will be implemented through one Twinning Light Contract with the maximum amount of 250.000,00 EUR.

6.4 Reporting:

The Start-up Report will cover first two months of the contract and will be submitted during the third month.

The Start-up report should:

- Clearly define the aims and purpose of the aid provided by the project,
- Give detailed description of the content of particular parts of the project,
- Work out in detail the activities carried out and the results achieved,
- Work out in detail all modifications agreed with the beneficiary institution,
- Review difficulties met during the implementation of the project and measures that were undertaken for their removal,
- Provide all findings obtained in the meanwhile and preliminary conclusions, and
- Contain a general plan of activities for the implementation of the remained duration of the project.

The Final Report shall be submitted within three months upon the completion of the project activities and in any case within the legal duration of the project, and it should contain the following:

- Complete review of all activities carried out by MS experts during the implementation of the project,
- Achieved progress concerning each activity,
- Summary of all project results, with particular emphasis on mandatory results,
- Estimation of the project impact compared with the project aims and measures of the achieved progress,
- Identification of all important problems met during the implementation of the contract and solutions that have been applied,
- Lessons drawn from the project, and
- Recommendations for further steps in future projects.

The reports must be endorsed and countersigned by the beneficiary, who may make additional comments.

Reports shall be submitted to the State Office for Central Public Procurement, the Central Finance and Contracting Agency, the Ministry of Regional Development and EU Funds and the concerned service of the European Commission in a form of 3 hard copies and an electronic version. All reports should be written in English.

6.5 Language:

The working language is English.

7. Implementation Schedule (indicative)

7.1 Launching of the call for proposals: 2Q 2016

7.2 Start of project activities: 3Q 2016

7.3 Project completion: 1Q 2017

7.4 Duration of the execution period: 9 months; the execution period will end 3 months after the implementation period of the Action (work plan) which will take 6 months.

8. Sustainability

The achievements of the project will be incorporated into the central procurement processes and consolidated by the beneficiary through its activities related to introducing and implementing all the methodological tools like e-catalogues in the pre-award and post-award procurement phase.

During the implementation of this project, the CPO will be provided with support for establishment of long-term methodology tools, especially regarding the most economically advantageous tender (MEAT) criteria and evaluation of life cycle cost (LCC), which will benefit not only to the CPO but also to the contracting authorities and vendors as well for all the future procurement procedures.

Usage of instructions, recommendations, guidelines and handbooks for the CPO will be actively promoted through the beneficiary's activities, such as interaction and communication with stakeholders.

Introducing central procurement “smart” tools through the best practices of EU Member States will lead to accomplished objectives that would enable a simpler, more cost-efficient, transparent, competitive and effective public procurement system.

In the scope of the project, the CPO employees will be trained on specific and most needed topics of public procurement, through workshops and study visit, and they will apply newly acquired knowledge in their everyday work and transfer it to the new colleagues as well to the other persons of interest within the contracting authorities and other stakeholders in the field of public procurement.

In order to ensure full sustainability, the CPO will regularly implement communication activities among all stakeholders (e.g. satisfaction surveys, training sessions, newsletters, meetings and conferences) in order to further strengthen public relations in the field of public procurement in line with the best approach to different target groups of stakeholders.

9. Crosscutting issues

Based on fundamental principles of promotion of equality, participation in the project shall be guaranteed based on equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. The project does not involve activities with an environmental impact.

10. Conditionality and sequencing

Not applicable.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. List of relevant laws and regulations

Annex 1. Logical framework matrix in standard format

Support to further development and strengthening of the system of central public procurement within the CPO (CRO CPP)		Programme name and number: Transition Facility IPA/2013/24986 (Annex of C (2013) 8057 final); Institution Building Envelope	
State Office for Central Public Procurement (CPO)		Contracting period expires: 3 years from the day on which the Commission notifies the Republic of Croatia that all of its internal procedures necessary for the adoption of this Decision have been fulfilled	Disbursement period expires: 4 years following the expiration of the contracting deadline
		Total budget: 250.000,00 EUR	Transition Facility financing: 225.000 EUR (90%) National co-financing: 25.000 EUR (10%) ⁵
Overall objective	Objectively Verifiable Indicators	Sources of Verification	
Further enhancement of the efficiency of central public procurement system.	<ul style="list-style-type: none"> • More effective and efficient central public procurement system • At least 75% of the CPO staff improved their effectiveness and efficiency in conducting category management (two years after completion of project) • Increased transparency, efficiency and service quality in CPO processes • Developed handbooks, guidelines, recommendations and other relevant documentation in line with central public procurement requirements in use after completion of project 	<ul style="list-style-type: none"> • CPO reports and statistics • National reports statistics including the DPPD-MoE • Relevant EC reports 	
Project purpose	Objectively Verifiable Indicators	Sources of Verification	Assumptions
Improvement of the category management during the whole life-cycle of the public procurement process and development of	<ul style="list-style-type: none"> • Methodology for the category management developed • CPO staff trained and their knowledge increased • Communication Strategy and Action Plan developed 	<ul style="list-style-type: none"> • Twinning project reports • Documentation produced under the project (reports, 	<ul style="list-style-type: none"> • Recommendations from the project applied • Employees of the CPO

⁵ The total amounts of the Transition Facility Contribution and National Co-financing stipulated in the above table represent the total maximum amounts and therefore, they may be reduced at the level of the Twinning contract, while the relevant ratio (percentages) should be maintained as fixed. The co-financing requirement foreseen under Transition Facility will be considered fulfilled according to the provision of the relevant Financing Decision.

<p>communication strategy and action plan related to all participants in the context of centralized procurement.</p>	<ul style="list-style-type: none"> • Guidelines for stakeholders prepared 	<p>recommendations, training programmes/materials, guidelines, handbooks, etc.)</p> <ul style="list-style-type: none"> • Communication Strategy • Action Plan • List of participants on trainings • List of participants on study visit • List of participants on awareness raising event 	<p>fully available for project implementation</p>
<p>Results</p>	<p>Objectively Verifiable Indicators</p>	<p>Sources of Verification</p>	<p>Assumptions</p>
<p>Result 1: Recommendations, handbooks and methodologies on the category management with the aim of improvement of the efficiency of central procurement procedures and effectiveness of the CPO developed</p>	<ul style="list-style-type: none"> • Gaps and needs (G&N) analysis of the category management in the CPO conducted and G&N report prepared • Report on the experience and practices of at least two EU Member States related to activities of central procurement bodies linked to the scope of this project, including benchmarking procurement outcomes among different central procurement bodies within the EU prepared and translated into Croatian language • A set of recommendations for development, implementation and management of e-catalogues in the pre-award and post-award phase of the procurement process in procurement categories prepared and translated into Croatian language • At least two handbooks for improvement of the category management processes including the Most Economically Advantageous Tender (MEAT) criteria, evaluation of life cycle costs (LCC) in procuring goods and services as well as in regard to green procurement prepared and translated into Croatian language • A set of recommendations for improvement of the efficiency of central procurement procedures and effectiveness of the CPO, with the methodology for performance measurement, prepared and translated into Croatian language 	<ul style="list-style-type: none"> • Twinning project reports • Documentation produced under the project (reports, recommendations, training programmes/materials, guidelines, handbooks, etc.) • Communication Strategy • Action Plan • List of participants on trainings • List of participants on study visit • List of participants on awareness raising event 	<ul style="list-style-type: none"> • Full commitment of the parties involved • Adequate BC experts appointed to participate in the work groups established for drafting operational documents • Employees of the CPO are fully available for the project implementation and participation at trainings

<p>Result 2: Capacities and knowledge of the CPO staff enhanced</p> <p>Result 3: Modern, efficient and flexible Communication Strategy with the CPO stakeholders developed and implemented through an awareness raising event and guidelines for stakeholders</p>	<ul style="list-style-type: none"> • Training needs analysis (TNA) of the CPO staff regarding central public procurement procedures conducted and TNA report with training programme/materials prepared • 2 workshops, each in duration of 2 days and for 10 participants conducted • Study tour (4 working days; 7 participants) in an EU Member State with the aim to exchange experience and know-how on the best EU practices regarding central public procurement organized and carried out • Communication Strategy with Action Plan prepared and translated into Croatian language • Awareness raising event (one day conference) carried out • A set of guidelines for the CPO clients, vendors and other stakeholders involved in the central procurement activities prepared and translated into Croatian language 		
Activities	Means	Specification of costs	Assumptions
Activities to be implemented correspond to the activities developed in the selected MS proposal.	Analysis, consultation, preparation of documentation, round table discussion, training, workshop, study visit, conference.	Twinning light project 250.000,00 EUR	In line with the assumptions specified for results.
			Preconditions: N/A

Annex 2. List of relevant laws and regulations

1. Regulation establishing the Central Procurement Office of the Government of the Republic of Croatia (Official Gazette No. 138/2009) (<http://www.sredisnjanabava.hr/legal-framework>)
2. Regulation on amendments to the regulation on the Office for Central Public Procurement of the Government of the Republic of Croatia (OG 78/10) (<http://www.sredisnjanabava.hr/legal-framework>)
3. Regulation on the internal organization of the State Office for Central Public Procurement (Official Gazette No. 3/2015)
4. Decision on procurement categories (OG 67/12) (<http://www.sredisnjanabava.hr/legal-framework>)
5. Law on Organization and Scope of Ministries and other central state administration (Official Gazette No. 150/2011, 22/2012, 39/2013, 125/2013, 148/2013)
6. The Public Procurement Act (Official Gazette No. 90/2013, 83/2013, 143/2013, 13/2014, and subordinate legislation)
7. Anti-Corruption Strategy for the period from 2015 to 2020 (Official Gazette No. 26/2015)