

# Guidelines for the management of the grant fund

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Including procedures, Terms of References, instructions and application forms

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## **Acronyms used:**

**dldp            Decentralization and Local Development Programme**

**LGU            Local Government Units**

**SCO-AI        Swiss Cooperation Office-Albania**



## **1. GENERAL**

### **1.1 Description of the dldp**

The Decentralisation and Local Development Programme (dldp) in the Shkodra and Lezhë regions is a program financed by the Swiss Agency for Development and Cooperation (SDC) and implemented by INTERCOOPERATION, the Swiss Foundation for Development and International Cooperation.

After a first phase 2006-2009, focussed on eight Local Government Units in the region of Shkodra, dldp has started its second Phase in March 2010 that will have a three years duration. The project area covers 33 Local Government Units in Shkodra and 21 in Lezhë Qark. The goal of the dldp is: Capacities of municipalities and communes in Shkodra and Lezhë are strengthened contributing to improved regional development in Northern Albania and decentralization reform at national level.

One of the outcomes of the program is: Municipalities and Communes in Shkodra and Lezhë Qark have improved their governance structures, capacities and selected local public services.

### **1.2 Description of the grant fund**

The DLDP as part of its program aims to set up a grant funds scheme through which to support partner LGUs in concrete improvements in public services and infrastructure, feasibility studies, information/communication activities, elaboration of studies, promoting of Inter-LGU projects.

The grant should serve as a “training and testing field” for the Local Government Units in the project area, for participatory decision making and transparent and accountable project management. The grant should also enable the targeted LGUs to access other funds at regional and national level.

Through the participation in the grant scheme, the LGUs in the two regions of the project will benefit from training and coaching to prepare good quality projects which will increase the efficiency of the good governance at local level.

Two calls for proposals will be launched (September 2010; End of 2011). The selection of the projects to be financed will be decided on competition principles, based on the anticipated impacts, the relevance to the goals of the program and the quality of the projects proposed.

The selection will be made in two phases. In the first phase, the LGUs will prepare project concepts; based on their evaluation, a selection of the best projects will be made. In the second phase, the qualified LGUs will be asked to submit full project proposals including all the necessary technical and legal documentation (i.e. technical designs; terms of reference; management plans etc.), to ensure the readiness of the projects for immediate financing.

The calls for proposals will be open to all the LGUs in the Regions of Shkodra and Lezhë. The LGUs will benefit from training on project cycle management and project proposal writing during the application phase. The LGUs, whose proposals are selected for implementation, will be fully responsible for the project implementation. A partial part on budget support scheme will be followed for the financial management. The LGUs that will benefit from the dldp grant scheme will be further supported in public procurement as well as project monitoring and reporting. It is planned that a total of 12-15 LGUs will benefit from the projects per each call.

### **1.3 Purpose of the document**

This manual is intended to serve as a guideline for the distribution and the management of the grant fund of the Decentralization and Local Development Program to be used by the dldp staff, the management board of this grant, the external evaluators and the local government units interested.

This manual includes:

- I. The description of the management structures of the grant, the relationship between them
- II. The description of the procedures of selection and implementation of the project
- III. The criteria of allocation of the funds between different projects
- IV. The application forms for the two rounds of the application.

These guidelines describe the process for the first call of the applications, based on the assumption that the first call will be a pilot phase and the main decision-making responsibility remains with the donor, Swiss Cooperation Office in Albania (SCO-AL). In the second call for applications, the management board of the grant, a body composed from the main stakeholders of the programme, is envisaged to have a stronger role in the management of the process<sup>1</sup>. The possible amendments to these guidelines for the second call should reflect the lessons learnt from this pilot phase.

#### **1.4 Working Principles**

- 1.4.1 **Impartiality.** The donor SCO-AL, the management board of this grant and the dldp staff will not practice any form of discrimination against or preferential treatment of any of the Local Government Units in the Regions of Shkodra and Lezhë potentially eligible for the grant fund. SCO-AL, the management board, the dldp staff and the external evaluators will strictly apply transparent and simple criteria, which are part of these guidelines in the decision-making process for the allocation of funds.
- 1.4.2 **Transparency.** The dldp staff and the Local Government Units implementing the projects will apply transparent, controllable and simple procedures. To the extent possible, the LGUs should involve the local communities in all the project cycle.
- 1.4.3 **Gender mainstreaming.** The projects proposed must consider addressing gender inequalities to the extent possible. Quality of gender mainstreaming in the projects proposed will be an important criterion of evaluation of the proposals.
- 1.4.4 **Cost-effectiveness.** The dldp staff and the LGUs benefiting from this fund will undertake all the necessary measures to maximize the benefits of the projects within the budget approved.
- 1.4.5 **Sustainability.** The LGUs benefiting from the projects financed through this grant will be responsible for the operation and maintenance of the projects once they are financed. The existence of a clear plan of sustainability for the projects financed will be an important part of the

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<sup>1</sup> The arrangements for the management of the second round of proposals are laid down in the accompanying letter of this report from the consultant and the scheme is fully described in the draft report.

evaluation criteria for the allocation of funds. The project proposal, technical design, implementation and operation and maintenance shall comply with the Albanian Laws about the environment. Preventive or remedial measures must be taken where appropriate to mitigate the possible environmental damages that might be caused through the projects.

## **2. THE MANAGEMENT STRUCTURES OF THE GRANT**

### **2.1 Swiss Cooperation Office Albania**

The responsibilities of SCO-AI in the first call of applications include the following:

#### *I. Approval of the general process:*

- Approval of the general process, timeline of the distribution of the grant.
- Approval of the criteria of distribution of the grant in the first and second loop.
- Approval of the application forms and other documents needed for an LGU to apply in the grant scheme.

#### *II. Confirmation of the decisions of the technical expertise in both loops*

- Confirmation of the decisions of the technical experts of the Qarks for the first screening of concept project proposals. The decision will be consulted in a meeting with the members of management board of the grant.
- Approval of the criteria for hiring of technical external evaluators for the applications
- Approval of the external evaluators proposed to be hired by the dldp staff.
- Confirmation of the decisions of the external experts for the second screening of full project proposals. The decision will be consulted in a meeting with the members of the management board of the grant.

### *III. Revision of the guidelines for the second round*

- Based on the feedback from the participating LGUs, service providers and management board, SCO-AL approves the changes for the second round of the application.

## **2.2 The Management Board**

**The Management Board** of the grant will be the main body composed of the relevant stakeholders of the program that will have a consultative role in this first call, pilot phase of the program.

**2.2.1 Composition.** This body will be composed of seven persons as a mix of political and technical members:

- The Representative of the donor, the Swiss Cooperation Office in Albania.
- The Chairman of the Region of Shkodra (could delegate to the Development Department Director of the Region)
- The Chairman of the Region of Lezhë, (could delegate to the Development Department Director of the Region)
- The executive Director of the Association of the Municipalities of Albania, (could delegate to other persons of the organizations with the appropriate skills)
- The Executive Director of the Association of the Communes of Albania, (could delegate to other persons of the organizations with the appropriate skills)
- The representative of another donor working in the same field<sup>2</sup>
- The representative from the civil society of the Regions concerned

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<sup>2</sup>It could be UNDP Regional Programme in this round, due to the harmonization of dldp grant fund with Regional Development Fund, and ADA in the second round, due to the expected joint Regional Programme of SDC and ADA in the regions concerned.

### **2.2.2 Responsibilities of the Management Board include:**

#### *I. Consults the donor for the decision-making on the selection of projects*

- Gives input for the process of the selection of best project concepts at the first screening.
- Gives input for the process of selection of the projects to be financed.

#### *II. Approval of the monitoring reports and award the best implemented project:*

- Approval of the final reports submitted by the Local Government Units.
- Based on the narrative reports submitted by the LGUs and other information<sup>3</sup> makes a decision on a best project and awards a second project to the LGU with the best performance.

#### *III. Revision of the guidelines*

- Based on the first round experience proposes to the donor the revision of the guidelines, process and responsibilities of the stakeholders for the second round of the grant fund.

### **2.2.3 Functioning of the Management Board**

The decisions of the management board will be taken with the consensus of all the members. If a consensus cannot be reached between the members, then a simple majority of the present members will be needed to make the decisions.

In the pilot phase, the Management Board will be chaired by the representative of the donor SCO-AL

The chairman of the management board:

- Will keep close contacts with the dldp staff in order to prepare the materials for each meeting
- Will announce the dates of the meeting and the agenda for the other members of the board.
- In coordination with the dldp staff, will prepare the agenda for each meeting.

The management board functions based on rules and regulations, signed by all members in the first meeting.

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<sup>3</sup> See Annex 5 for the details of the selection of the best project.

## **2.3 Dldp staff**

### **2.3.1 Relationships with the SCO-AL**

- Prepares the guidelines, criteria and application forms and submits them to the donor.
- Facilitates the relationships of the donor with the Qark experts for the first loop of applications
- Facilitates the relationship of the donor with the independent experts for the second loop of applications.

### **2.3.2 Relationships with the Management Board**

- Acts as a facilitator and a coordinator of the Management Board of the grant.
- Is responsible for organizing the meetings of the Management Board.
- Members from the dldp staff participate as observers in all the meetings of the Management Board without the right to vote.
- Is responsible for recording the minutes of meeting and the decisions of the Management Board.
- Prepares all the materials for the meetings of the Management Board.

### **2.3.3 Responsibilities in the application process**

- Is responsible for the information of the Local Government Units eligible for the grant funds through open meetings at Qark level.
- Accepts and records all the application forms from the Local Government Units, respecting the deadlines set in the approval in both loops of this process.
- Is responsible for training the Local Government Units for the preparation of the projects concepts and full project proposals. It provides further assistance in procurement, monitoring and reporting for the qualified LGU in the second loop.
- Responsible for preparing the ToRs and hiring the technical evaluators.

- Responsible for informing the LGUs about the results of their application<sup>4</sup>.
- Responsible for preparing the investment plans in both loops based on the approvals of the projects and the budget available.

#### **2.3.4 Responsibilities in the implementation**

- Responsible for signing the Project Agreements with the Local Government Units who are awarded a project.
- Responsible for implementing the financial agreements with the Local Government Units.
- Responsible for continuously monitoring the projects performance and advising LGUs in improvements when needed.
- Responsible for collecting the information through narrative and financial reports from the LGUs as required in the project agreement.
- In order to ensure high quality outputs and processes, in case of “soft” projects feasibility studies, technical designs, urban plans, plans for management of services, one stop shops, projects in the information/communication area, the dldp staff will suggest additional obligatory criteria and will give its no-objection prior to the procurement process. Within the rules of the Albanian procurement rules, priority should be given to the quality of the experts to be contracted.
- If deemed necessary, in these type of projects, the LGU might delegate the implementation of such projects/components to the dldp staff.
- Dldp staff will decide on whether to accept this delegation or continue with the usual procurement approach, on a case by case basis, depending on the relevance of the project to the specific objectives of the program and the workload. In any case, the details of the relations among the LGU, dldp staff and the service provider will be set out in the financing agreement.

#### **2.3.5 Responsibilities in capitalizing the good experiences**

- It facilitates the process of best awarded projects, submitting the reports to the Management Board.
- It disseminates the good practices.

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<sup>4</sup> See Annex 1 “Standard letters of acceptance, rejection, for the next stage of application”

## **2.4 The Local Government Units**

### **2.4.1 Responsibilities in the application process**

- Prepare the project concept in line with the application form<sup>5</sup> provided by the dldp staff respecting the deadlines of application.
- Prepare the full project proposal in line with the application form<sup>6</sup> provided by the dldp staff, including allocation of the budget in the preparation process if needed, respecting the deadlines of application.
- Commitment of the minimum of 20 % “cash” contribution for the project.
- Prepare all the permissions, licenses required by the Albanian Laws in regard to the preparation for the implementation of a project.

### **2.4.2 Responsibilities in the implementation**

- The Local Government Units, which will be awarded with a project, will be the direct responsible institution for the implementation of the project, unless specified differently in the project agreement.
- The Local Government Units will be responsible for organizing a procurement process according to the Albanian Law.
- The LGU will be responsible to hire a supervisor according to the Albanian Law in case it is needed for the investment works.
- The LGUs will be responsible to base their full project proposals on technical projects/plans/feasibility studies (especially in case of investments) prepared by them and to plan maintenance funds in their budgets, ensuring the sustainability of investment.
- In case of “soft” projects, if decided that the project will be implemented by dldp staff, the LGUs will be responsible to fully cooperate with the dldp staff, in order to facilitate the processes of gathering the information needed, facilitating public meetings, getting the licenses and approvals needed.

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<sup>5</sup> See Annex 2”Application form for the project concept phase”

<sup>6</sup> See Annex 3 “Application form for the full project proposal phase”

## **2.5 Qark experts**

In the first loop of applications, the evaluation of the concept project proposals will be evaluated by experts of the two Qarks of the programme.

### **2.5.1 Composition of the evaluation group**

Both Qarks will create an evaluation group composed of three experts. The groups will be chaired by the Director of the Development Department and will have two other members at expert's level. The expert's group composition might be approved by the donor, SCO-AL.

### **2.5.2 The Qark experts responsibilities**

- Reading carefully all the project concept proposals from the LGUs.
- Impartially evaluate them based on the criteria annex to this manual.
- Prepare and submit a report to the dldp staff on the results of the evaluation.
- Discuss with the experts of the service providers the scoring for all the projects.
- Reflect comments and changes required by the donor.

## **2.6 External evaluators**

In order to achieve a distribution of the grant based on technical criteria, the dldp staff will hire a group of external experts to do the evaluation of the full project proposals. A team of maximum three experts will be hired by the dldp based on the Terms of Reference<sup>7</sup> approved by the donor. The external experts will evaluate the projects based on the set of criteria annexed to this manual and the application forms from the LGUs.

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<sup>7</sup> See annex 4 attached "Terms of Reference and qualifications needed for the external evaluators"

### 2.6.1 Profile of the evaluators

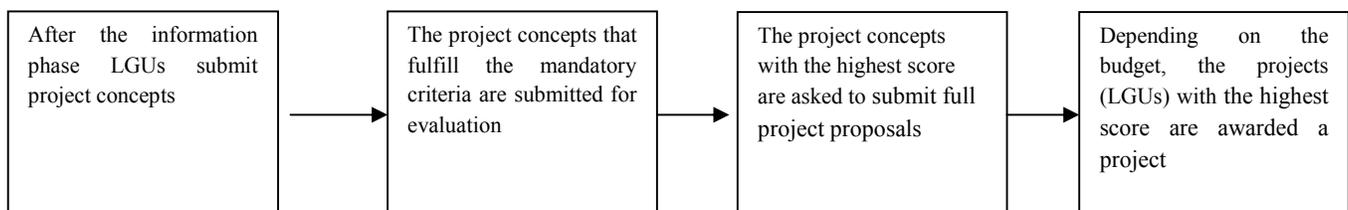
The evaluators must have considerable experience in cooperation with the LGUs, knowledge of the local government sector in the country and familiarity with the territory of the regions concerned. The composition of the team of the evaluators must be as follows:

- A civil engineer experienced in implementation/supervision of small scale infrastructure projects at communal/municipal level
- An expert of local government/public services delivery
- An expert in socio-economic impact evaluation.

### 2.6.2 The responsibilities of the external evaluators include:

- Read carefully all the submitted project proposals.
- Impartially evaluate them based on the criteria annexed to this manual.
- Prepare and submit a report to the donor on the results of the evaluation.
- Reflect comments and changes required by the donor.

Fig. 1 “The scheme of project evaluation”



### **3. ELIGIBILITY**

#### **3.1 Eligible applicants**

The eligible applicants are all the LGUs (municipalities in urban areas, communes in rural areas) in the regions of Shkodra and Lezhë.

Inter LGU projects are encouraged and they will have a higher ceiling of financing, depending on the number of the LGUs applying.

The LGUs can apply in partnership with local associations and/or other public bodies. In the project concept and full project proposal, clear responsibilities must be set between partners. In any case, the LGU must be the leading partner, will sign the agreement with dldp and will be the sole responsible for the implementation of the project.

##### **3.1.1 Limitation per applicant**

One LGU can apply for only one project per one call of application in this grant fund. (i.e. one LGU applies only for one project in 2010 and another one in 2011).

If the LGUs come with a joint proposal, they should clearly define who will be the main applicant. The main applicant will be responsible for the implementation of the project. All the LGUs in the joint projects must commit to the local contribution in a proportion agreed between them in advance.

#### **3.2 Eligible projects**

In principle, the grant can finance all projects that are directly related to the direct functions of the Local Government Units such as infrastructure rehabilitation, improvement of public services, information and communication activities, studies and plans with the following limitations:

- This grant will not finance road reconstruction/rehabilitation
- This grant will not finance partial projects. The projects financed by this grant must be “stand alone” projects.

The eligible projects will be the following:

## **I. Public services improvement**

- 1- Creation/rehabilitation of small park green areas, playgrounds for children.
- 2- Repairing of sidewalks, small urban repairs, squares, public lightning etc.
- 3- Improvement of solid waste collection.
- 4- Improvement of public transport services, improvements of signals.
- 5- Kindergartens, elderly houses.
- 6- Community/cultural centers, rooms.
- 7- Sports field, including schools sports places.
- 8- Improvements in the water supply scheme (i.e. water meters).
- 9- Improvement of market facilities.
- 10- Footbridges, bicycle roads, touristic paths etc.
- 11- Urban plans.
- 12- Feasibility studies.
- 13- Preparation of technical designs.

## **II. Information and communication**

### **1- Infrastructure and equipments** such as:

- One stop shops.
- Information centers.
- Sign boards.

### **2- Improvement of transparency, communication with the citizens** such as:

- Construction/improvement of websites.
- Publication and printing of budgets.
- Media campaigns to increase the transparency in the local decision-making process.
- Projects to improve the participation of vulnerable groups etc.
- Digitalization of registers, taxes, assets.
- Surveys on the client's perception etc.

If the project is not on the above list, the applicant should discuss its idea with the dldp staff and the service provider that is in charge of the information/communication stage to get a preliminary no-objection to go ahead with the application.

A combination of the software projects (studies, plans etc.) with the hardware (investments) is also possible given that the infrastructure and soft part are complementing each other (i.e. a plan for the management of the solid waste and implementation of the plan).

Inter-LGU projects are eligible for both categories.

### **3.3 Project costs and local contribution**

The cost covered by the dldp in a project should be in a range from 10,000 to 40,000 Euros.

In the case of the Inter-LGU Projects, the ceiling of the budget rises accordingly depending on the number of LGUs applying. The ceiling will be the ceiling per one LGU multiplied by the number of LGUs benefitting (i.e. 80,000 Euros per two LGUs etc.) In any case the total budget awarded for inter-LGU projects must not exceed 50 % of the total budget in each round.

The local contribution should be at least 20 % of the total project cost. LGUs that can contribute more will be given a higher score in the evaluation

The eligible costs include civil works contracts and service contracts. Costs will not cover salaries for the personnel of the Local Government Units. The project activities in all the cases, studies, information campaigns and civil works must be carried out by specialized contractors and service providers.

Land or building purchases even for the purposes of the project will not be an eligible cost.

The costs of the project must include taxes as well. The VAT will be covered by the contribution of LGU.

The costs of supervision, handing over, will be covered by the LGU outside the project.

## **4. PROJECT CYCLE**

### **4.1 Information**

The dldp staff, through a local specialized NGO, shall inform the eligible applicants about the rules and opportunity to benefit from financing of the grant fund. Information shall be provided through public meetings at Qark level with the eligible LGU representatives.

### **4.2 Identification of projects**

The identification of projects is the responsibility of the LGUs. The LGUs will make sure to select for application, projects that do fulfill the mandatory criteria made public in the information sessions.

### **4.3 Preparation of project concepts**

The eligible LGUs will be responsible to prepare the project concepts according to the application form distributed to them by the dldp. During the information/training meetings, the dldp staff/ the service provider shall present the Grants objectives and rules and shall train the potential applicants on the project cycle management and preparation of concept project proposals.

### **4.4 First phase: Appraisal and screening of concept project proposals**

The projects will be appraised by a group of experts from the respective Qarks and the service providers based on their thematic expertise.

The appraisal will be done based on the information provided by the applicant LGU in the application form and other documents if provided.

The appraisal will be done based on mandatory and evaluation criteria.

In the first stage, the mandatory criteria will be checked and the applications that do not comply with the mandatory criteria will be disqualified. Dldp staff will verify whether the applications fulfill the mandatory criteria.

The mandatory criteria will include the following for this phase:

- A) The concept project proposed is a direct function of the Local Government Unit
- B) The project concept is submitted on time
- C) The project proposed is not a partial investment
- D) Confirmation that the LGU is willing to pay a minimum of 20 % of the contribution in “Cash”
- E) There is a decision of the Council of Commune that the project is a priority for support
- F) The project concept is part of a Strategic Document (Strategic Development Plan, Economic Development Plan etc.)
- G) The project concept considers gender aspects
- H) Confirmation on property issues

The applications that qualify, will be given a score based on the evaluation criteria<sup>8</sup> that will include evaluation of the expected social and economic impact in the life of the beneficiaries’ communities and institutional criteria that will evaluate the quality of the proposal submitted.

The project concepts will be ranked based on the score, and dldp staff based on the budget division per line, will propose to the donor the number of projects to be qualified for the next stage.

In order to ensure a fair participation in the competition from both Qarks, the projects qualified in this stage will be shared 60 % from Shkodra Qark and 40 % from Lezhë Qark<sup>9</sup>.

The dldp staff will formally inform all the applicants both in case of rejection of their application and in case of invitation for the full proposal stage.

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<sup>8</sup> See attached annex 5 “The Selection criteria for both loops of the proposal and for awarding the best project”

<sup>9</sup> (i.e. if 20 projects are qualified for next stage, 12 of them will be from Shkodra Qark and 8 of them from Lezha Qark) This distribution reflects the ratio of the number of LGUs in Shkoder and Lezha Qarks.

#### **4.5 Preparation of full project proposals**

Dldp staff will ask the qualified LGUs to prepare a full project proposal.

The full project proposal must be submitted by the Local Government Units according to the format distributed to them by the dldp and respecting the deadline of submission.

LGUs that were asked to prepare full project proposals will receive training and coaching from a specialized service provider on project cycle management and on project proposal writing.

#### **4.6 Appraisal of the full project proposal**

The projects will be appraised by the team of independent external experts hired by the dldp and approved by the donor.

The appraisal will be done based on the information provided by the applicant LGU in the application form and other documents attached.

The appraisal will be done based on evaluation criteria, because the qualified projects already have fulfilled the mandatory criteria in the first phase.

The application, besides the full project proposal, will include all the needed documentation for the project to be ready for implementation (such as technical design in case of investments, terms of reference in case of studies, urban plans, the needed approvals and permissions are granted from the respective authorities)

The sustainability of the project will be one of the main criteria of evaluation. Depending on the type of the project, a maintenance/operational plan of the facility, a plan of the next steps that the municipality/commune will undertake after the project ends in case of studies/information campaigns, will be attached to the project proposal form. At the same time as part of the application, the LGUs must show that gender aspects are properly considered. The LGU must as well show that the project can be realistically implemented within a timeframe of six months.

The applications that qualify will be given a score based on the evaluation criteria<sup>10</sup> that will be more focused on the detailed analysis of the quality of the project proposal and supporting documentation. The full project proposals will be ranked based on the score they will get.

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<sup>10</sup> See attached annex 5 “The selection criteria for both loops of the proposals and award of the best project”

#### **4.7 Decision-making and preparation of the work plan**

The donor, SCO-AL, in consultation with the Management Board, based on the budget available and the budget requested from each project will decide on the number of projects to be qualified for the next stage.

The donor will approve the final list of the projects to be financed based on the reports from the external evaluators.

The dldp will formally inform all the applicants both in case of rejection of their application and in case of invitation for the signing of the agreement.

#### **4.8 Agreement between the dldp and LGUs**

After the approval, the dldp will sign an agreement with all the LGUs that were awarded a project, detailing all the procedures of the implementation of the projects and where roles, responsibilities of both parties will be clearly defined<sup>11</sup>.

The project proposal and other documentation will be attached to the agreement; however, based on the best judgment from the dldp staff and hired expertise, modifications can happen between those two stages. In that case, the project agreement prevails.

#### **4.9 Implementation of projects**

The implementation of the projects is a responsibility of the Local Government Unit unless otherwise agreed in the project agreement. In this case, the details of the tripartite relation are set in the project agreement.

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<sup>11</sup> See attached Annex 6 “The project implementation agreement”

#### **4.9.1 Procurement**

All the activities will be implemented through private contractors/service providers that were selected through an open and transparent bidding process.

All the procurement will follow the Albanian Laws on procurement, training will be provided by the programme through cooperation with the Albanian Public Procurement Agency.

The organization of the procurement process is entirely a responsibility of the Local Government Unit. The dldp staff might participate as an observer in the tender process.

In order to ensure high quality outputs and processes, in case of “soft” projects feasibility studies, technical designs, urban plans, plans for management of services, one stop shops, projects in the information/communication area, the dldp staff will suggest additional obligatory criteria and will give its no-objection prior to the procurement process. Within the rules of the Albanian procurement rules, priority should be given to the quality of the experts to be contracted.

If deemed necessary, in these types of projects, the LGU might delegate the implementation of such projects/components to the dldp staff.

Dldp staff will decide on whether to accept this delegation or continue with the usual procurement approach, on a case by case basis, depending on the relevance of the project to the specific objectives of the program and the workload. In any case, the details of the relations between the LGU, dldp staff and the service provider will be set out in the financing agreement.

#### **4.9.2 Monitoring of the progress**

Once contracts are signed with entrepreneurs for the implementation of the projects, the LGUs will periodically report to the dldp staff through the reporting forms that will be provided<sup>12</sup>.

When appropriate, the dldp staff and technical expertise that might be hired, will conduct site visits in the presence of the LGU representatives.

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<sup>12</sup> See Annex 8 “Reporting Format”

Dldp staff reserves the right to make comments in writing for the implementation and can advise the LGU to improve the quality of the project implementation. In case the LGU does not comply with the quality requirements, the dldp reserves the right to withdraw funding. The details of this relationship are set in the financing agreement.

As per the project agreement, in case of “soft” projects, dldp might be directly responsible to monitor the progress of the contract in close cooperation and consultation with the beneficiary LGU.

### **4.9.3 Criteria and process for the selection of the best project<sup>13</sup>**

After the implementation of the first round of the grant fund, a best project will be selected. The LGU that has implemented the best project will have the chance to get financed on another project form the grant fund, provided that the project proposed matches all the financing criteria of the guidelines. The best project will be awarded form the management board of the fund based on some criteria that will evaluate the performance of all the implemented projects.

The evaluation criteria for the best project will include:

- Quality and deadlines of the implementation of the project.
- The quality of reporting.
- The quality of participation of the beneficiary communities during the implementation of the project.
- The visibility of the project in the media.

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<sup>13</sup> The process and the criteria for awarding the best project are described in more details in the Annex 5 “The selection criteria for both loops of the proposals and award of the best project”.

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- Criteria and application form used by GTZ program and the Regional Council of Shkodra.

Other sources used:

- Website of the Albanian Development Fund: <http://www.albaniandf.org/>
- Website of the European Commission [http://ec.europa.eu/index\\_en.htm](http://ec.europa.eu/index_en.htm)

## 6. LIST OF ANNEXES

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**Annex 1: Standard letter of acceptance**

\_\_\_\_\_ on / /201

**To:** Mr./Mrs. \_\_\_\_\_, Mayor of Commune/Municipality \_\_\_\_\_

**Subject:** On the results of your application for the first loop of the dldp grant fund

Dear Mr./Mrs. \_\_\_\_\_

As you are informed from the information sessions organized, in order to evaluate the project concepts submitted by the LGUs of Shkodra and Lezhë regions, a group of experts, composed of staff from the Region where your LGU belongs, was formed.

After the evaluation of your project concept, we inform you that your project received **xx** out of 100 possible points in the score. We are glad to inform you that this score allows you to qualify for the second loop where you will be asked to submit a full project proposal.

We will let you know about the date and time of the information session on how to prepare the full project proposal.

Thank you for your efforts in this process,

On behalf of DLDP,

\_\_\_\_\_  
Name, signature, stamp

Standard letter of rejection

\_\_\_\_\_ on / /201

**To:** Mr./Mrs. \_\_\_\_\_, Mayor of Commune/Municipality \_\_\_\_\_

**Subject:** On the results of your application for the first loop of the dldp grant fund

Dear Mr./Mrs. \_\_\_\_\_

As you are informed from the information sessions organized, in order to evaluate the project concepts submitted by the LGUs of Shkodra and Lezhë regions, our programme hired a group of external evaluators.

After the evaluation of your project concept, we inform you that your project received **xx** out of 100 possible points in the score. We regret to inform you that this score does not allow you to qualify for the next stage. The project concept ranked the last had a score of **xx** points.

Amongst the main reasons that your proposal could not win were (**quote from the comments of the evaluators on the lowest scores received**):

- **The lack of a clear concept etc.**

We thank you for the participation in our call for proposals and encourage you to participate in the next round of applications in the coming year.

Thank you for your efforts in this process,

On behalf of DLDP,

---

Name, signature, stamp

Standard letter of acceptance

\_\_\_\_\_ on / /201

**To:** Mr./Mrs. \_\_\_\_\_, Mayor of Commune/Municipality \_\_\_\_\_

**Subject:** On the results of your application for the second loop of the dldp grant fund

Dear Mr./Mrs. \_\_\_\_\_

As you are informed from the information sessions organized, in order to evaluate the project concepts submitted by the LGUs of Shkodra and Lezhë regions, our programme hired a group of external evaluators.

After the evaluation of your project concept, we inform you that your project received **xx** out of 100 possible points in the score. We are glad to inform you that this score makes your proposal eligible for financing under this grant.

Our staff will contact you about the next steps to complete the financing agreement and go ahead with the implementation of the project.

Thank you for your efforts in this process,

On behalf of DLDP,

---

Name, signature, stamp

## Standard letter of rejection

\_\_\_\_\_ on / /201

**To:** Mr./Mrs. \_\_\_\_\_, Mayor of Commune/Municipality \_\_\_\_\_

**Subject:** On the results of your application for the second loop of the dldp grant fund

Dear Mr./Mrs. \_\_\_\_\_

As you are informed from the information sessions organized, in order to evaluate the project concepts submitted by the LGUs of Shkodra and Lezhë regions, our programme hired a group of external evaluators.

After the evaluation of your project concept, we inform you that your project received **xx** out of 100 possible points in the score. Given the limited budget at our disposal, we regret to inform you that this score makes it impossible to finance the project. The project proposal ranked the last had a score of **xx** points.

Amongst the main reasons that your proposal could not win were **(quote from the comments of the evaluators on the lowest scores received :**

- **The lack of a clear concept etc.**

We thank you for the participation in our call for proposals and we want to let you know that we appreciate the work done by you and your staff in both rounds of this call. We strongly encourage you to participate in the next round of applications in the coming year.

Thank you for your efforts in this process,

On behalf of DLDP,

---

Name, signature, stamp

**Annex 2: Application form for the project concept phase**

**1. General Data**

<b>The applicant/s:</b>	
<b>Contact person/s:</b>	
<b>Title of the project</b>	
<b>Location</b>	
<b>Budget requested form the dldp</b>	
<i>Date of submission (to be filled by dldp staff)</i>	
<i>Number of project (to be filled by dldp staff)</i>	

2. **Background and problem analysis.** A brief analysis of the situation that you want to change explaining the need for the project; is the project aligned with strategic documents of your LGU? (max. 1pg.)

**3. Project description (max 2 pg.)**

3.1 Title of the Project	
3.2 The overall objective of the project	
3.3 The specific objective/s of the projects	
3.4 The expected results of the project	
3.5 The activities of the project. List the main activities and their duration	
3.6 Project cost (in Eur)	
<i>Total project costs</i>	
<i>Budget requested form the dldp</i>	
<i>Budget contributed from the LGU</i>	

Please describe the basis for the calculation of the cost

**4. Target Groups and beneficiaries (max. 0.5 pgs)**

**5. Other information (max. 0.5 pgs)** (relevant information that is not given in the text above and you judge it as necessary and important )

Attached to this document you will find:

1. The decision of the LGU council that states that this project is a priority for support
2. The confirmation that the LGU intends to co-finance the project in at least 20 % of the total amount of the project cost
3. Confirmation that the proposed project is a public asset (not relevant in case of “soft projects”)
4. Confirmation that the LGUs participating in the project recognize the leading role of the main LGU applicant (in case of inter-Lgu projects)
5. <sup>1</sup> \_\_\_\_\_
6. \_\_\_\_\_

I confirm that the information provided in the documents of this application is correct.

Sincerely,

\_\_\_\_\_

Name, signature of the mayor, the stamp of the LGU

\_\_\_\_\_  
<sup>1</sup> In case you have other attachments to the application form.

**Annex 2 1: Instructions for the preparation of the application form for the project concept phase**

**1.General Data**

<b>The applicant/s:</b>	<i>Name of the LGU, Region. In case of inter-LGU cooperation list all the LGUs, specifying the main applicant</i>
<b>Contact person/s:</b>	<i>Name, address, telephone number of the person responsible for keeping contacts for the project</i>
<b>Title of the project</b>	<i>The title of the project must be short, concise and refer to key objectives or activities of the project</i>
<b>Location</b>	<i>The village, neighborhood, the exact location where the project will be implemented</i>
<b>Budget requested form the dldp</b>	<i>Insert the amount in EUR<sup>1</sup></i>
<i>Date of submission (to be filled by dldp staff)</i>	<i>Please leave the box empty</i>
<i>Number of project (to be filled by dldp staff)</i>	<i>Please leave the box empty</i>

**2. Background and problem analysis.** A brief analysis of the situation that you want to change explaining the need for the project; is the project aligned with strategic documents of your LGU? (max 1pg.)

*A first paragraph on some main data about the LGU, geographical location, main characteristics on demography, and economy.*

*A second paragraph with some description of the sector/subsector that the project will contribute to in the territory of the LGU and the existing condition of the service that you are targeting through the project.*

*Explain clearly the problem that you are targeting through the project. The problem statement provides a description of the specific problem(s) the project is trying to solve, in order to “make a case” for the project.*

*Answer also to the following issues:*

*1.1 Is the project part of the short term-priorities of a Local/Regional Development plan, land use, territorial development plan, or any other strategic document at local level, (please attach a copy of the relevant document)*

*1.2 Is the project part of a mid-term budget that your LGU has approved (please attach the relevant document)*

<sup>1</sup> If your budget is in Albanian Lek, use the daily exchange rate from the Bank of Albania

### 3. Project description (max 1 pg.)

<p>3.1 Title of the Project <i>The title of the project must be short, concise and refer to key objectives or activities of the project</i></p>	
<p>3.2 The overall objective of the project <i>When you formulate the overall objective, please keep in mind that an overall objective is something that your project contributes to and cannot be achieved only through the activities of the project. There should be only one overall objective per project.</i></p>	
<p>3.3 The specific objective/s of the project <i>The specific objectives should address the core problem in terms of the benefits to be received by the project beneficiaries or target group as a direct result of the project.</i></p>	
<p>3.4 The expected results and indicators of the project <i>Results describe the services or products to be delivered to the intended beneficiaries. This is what the project management is promising to deliver. The results are more detailed than the objectives and the goal, and should be possible to measure through the use of objective indicators.</i></p>	
<p>3.5 The activities of the project. List the main activities and their duration <i>The activity plan should include specific information and explanations of each of the main planned project activities. The duration of the project and of the main activities should be clearly stated.</i></p>	
<p>3.6 Project cost (in Eur) <i>Give a pre-estimation of the budget showing the basis for your calculation (i.e. based on previous activities carried out in the parts from your LGU, similar projects from other organizations, prices manual if relevant etc.) If you already have a detailed cost analysis, a design prepared, a plan etc. please refer to it. Indicate the budget needed from the grant fund and the budget to be committed from the LGU. (keep in mind the limits of the budget that can be contributed from the dldp).</i></p>	
<i>Total project costs</i>	<i>1=2+3</i>
<i>Budget requested form the dldp</i>	<i>2</i>
<i>Budget contributed from the LGU</i>	<i>3</i>
<i>Please describe the basis for the calculation of the cost</i>	

**4. Target Groups and beneficiaries (max. 0.5 pgs)**

*Define the target group and show how it will benefit from the project. This section should provide a description of the size and characteristics of the target groups, and especially of direct project beneficiaries. Please make a distinction between the direct and indirect beneficiaries. Give concrete numbers of people, businesses, organizations etc., based on the civil registry data, official statistics that your LGU or other institution have; please always refer to them. If needed attach extra information. Please describe how the project will affect women directly or indirectly and how can they benefit from this project proposal implementation.*

**5. Other information (max. 0.5 pgs)**

*Relevant information that is not given in the text above and you judge necessary and important. If you think that important information is missing and you do not have enough space you can attach other documents, illustrations (i.e. pictures, maps) to the application form. You should list them below in the lists of attachments.*

Attached to this document you will find:

- 1 The decision of the LGU council that states that this project is a priority for support
- 2 The confirmation that the LGU intends to co-finance the project in at least 20 % of the total amount of the project cost
- 3 Confirmation that the proposed project is a public asset (not relevant in case of “soft projects”)
- 4 Confirmation that the LGUs participating in the project recognize the leading role of the main LGU applicant (in case of inter-LGU projects)
- 5 <sup>2</sup> \_\_\_\_\_
- 6 \_\_\_\_\_

I confirm that the information provided in the documents of this application is correct.

Sincerely,

\_\_\_\_\_  
Name, signature of the mayor, the stamp of the LGU

<sup>2</sup> In case you have other attachments to the application form.



**Annex 3: Application form for the full project proposal phase**

**1- General Data**

<b>The applicant/s:</b>	
<b>Contact person/s</b>	
<b>Title of the project:</b>	
<b>Location</b>	
<b>Budget requested form the dldp</b>	
<b>The project code in the local or regional strategy</b>	
<i>Date of submission (to be filled by dldp staff)</i>	
<i>Number of project (to be filled by dldp staff)</i>	

**2- A summary of the project idea (max. 1 pg.)**

--

**3- Situation analysis (max 2 pgs.)**

--

**4- Stakeholder analysis; Target Groups and beneficiaries (max. 1 pg.)**

--

**5- Overall objectives and specific objectives (max. 1 pg.)**

--

**6- Expected results (max. 1 pg.)**

Result	Indicators	Means of verification
Result 1		
Result 2		
Result 3		

**7- Activities of the project and implementation arrangements (max. 3 pgs.)**

**EXAMPLE:**

Activity	Month 1	2	3	4	5	6	Responsible body
Procurement							The LGU, the tender commission
Contracting of works							The LGU, the mayor
Implementation of works							The contractor, the supervisor
Hand over							LGU, contractor, supervisor
Etc.							

**8- The organization of the procurement process (max. 1 page)**

--

**9- Project budget (max. 2 pages)**

<i>Total project costs</i>	$1=2+3$
<i>Budget requested form the dldp</i>	2
<i>Budget contributed from the LGU</i>	3

**10- Risks/Assumptions (max. 0.5 pgs)**

--

**11- Monitoring and Evaluation plan (max. 0,5 pgs)**

--

**12- Sustainability of the project (max. 2 pgs)**

--

**13- Quality factors (max 2 pgs.)**

**14- Data about the applicant (s) (max 2 pgs.)**

Attached to this document you will find:

1. The decision of the LGU council that it has reserved the amount needed for at least 20 % of co-financing the total amount of the project cost in its budget for 2011
2. The budget of the project
3. The license of the designer, the technical design and cost-estimation (in case of investment)
4. The decision of the Council of Territory Regulation that approves the design (in case of investment)
5. Other licenses and permits that might be needed before the tendering of works (in case of investment)
6. The maintenance/operation plan for the asset to be invested by the project (in case of investment)

7. The terms of reference for the service provider (in case the project is a study, plan or information/communication project)
8. Agreement between the LGU-s participating in the project, where roles and responsibilities of each partner are defined, where the main applicant is defined and where the contribution of each of the LGUs participating is agreed (in case of inter-LGU projects)
9. \_\_\_\_\_
10. \_\_\_\_\_

I confirm that the information provided in the documents of this application is correct.

Sincerely,

\_\_\_\_\_

Name, signature of the mayor, the stamp of the LGU

**Annex 3 1 Instructions for the Application form for the full project proposal phase**

**1. General Data**

<b>The applicant/s:</b>	<i>Name of the LGU, Region. In case of inter-LGU cooperation list all the LGU-s, specifying the main applicant</i>
<b>Contact person/s</b>	<i>Name, address, telephone number of the person responsible for keeping contacts for the project</i>
<b>Title of the project:</b>	<i>The title of the project must be short, concise and refer to key objectives or activities of the project</i>
<b>Location</b>	<i>The village, neighborhood, the exact location where the project will be implemented</i>
<b>Budget requested form the dldp</b>	<i>Insert the amount in EUR<sup>1</sup></i>
<b>The code of the project in the local or regional development strategy</b>	<i>If the local or regional strategy is organized with a number of priority areas, programs and projects, you might enter here the corresponding code of the project proposed. Example: The project “Construction of the deposit site for the waste of xx village”. The project is part of the priority field of public services (in strategy priority area 3), and then inside this area is part of the program of improvement of cleaning of the commune (in strategy number 3.2) , and then inside the program is the fourth project in this program (in the strategy numbered 3.2.4) Then, the code of the project is <b>3.2.4</b></i>
<i>Date of submission (to be filled by dldp staff)</i>	
<i>Number of project (to be filled by dldp staff)</i>	

**2. A summary of the project idea (max. 1 pg.)**

<p><i>The summary should include:</i></p> <ul style="list-style-type: none"><li><i>– The total duration of the project, the number of months foreseen for the implementation</i></li><li><i>– The overall and specific objectives in few lines</i></li><li><i>– The implementing LGUs and partners (if relevant)</i></li><li><i>– Target groups and beneficiaries</i></li><li><i>– Expected results</i></li><li><i>– Main activities</i></li></ul> <p><i>The summary must be fulfilled at the end after you have finished all the other sections.</i></p>
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<sup>1</sup> If your budget is in Albanian Lek, use the daily exchange rate from the Bank of Albania

### **3. Situation analysis (max 2 pgs.)**

*Please describe the following:*

*Relevance of the projects proposed in relation to strategies at national and regional level. (quote objectives of the strategies if necessary, try to be very specific)*

*Relevance of the project at local level. Make a description of the territory of the LGU-s, the (sub) sector of your project and the plans, programs at local level to improve the situation.*

*Explain clearly the problem(s) that you are targeting through the project. The problem statement provides a description of the specific problem(s) the project is trying to solve, in order to “make a case” for the project. Keep in mind that this analysis is very important and should be the starting point for the whole project.*

### **4. Stakeholder analysis; Target Groups and beneficiaries (max. 1 pg.)**

*Define the target group and show how it will benefit from the project. Give concrete numbers of people, businesses, organizations etc., based on the civil registry data, official statistics that your LGU or other institution has, please always refer to them. If needed attach extra information. Please make a distinction between the direct and indirect beneficiaries. Please quantify the number of the women that will benefit from the project implementation and their ratio to the total number of beneficiaries.*

*The section should also provide a detailed description of the size and characteristics of the subgroups of the target groups and all the other stakeholders that are likely to be affected by the project; how are they affected and their possible attitude towards the project.*

### **5. Overall objectives and specific objectives (max. 1 pg.)**

*When you formulate the overall objective, please keep in mind that an overall objective is something that your project contributes to and cannot be achieved only through the activities of the project. There should be only one overall objective per project. Describe also other complementary projects and activities that need to happen in order to achieve the overall objective.*

*The specific objectives should address the core problem in terms of the benefits to be received by the project beneficiaries or target group as a direct result of the project. The coherence of the whole project proposal is an important criterion of evaluation. The objectives must be in line with the problem analysis.*

**6. Expected results (max. 1 pg.)**

*Results describe the services or products to be delivered to the intended beneficiaries. This is what the project management is promising to deliver. The results are more detailed than the objectives and the goal, and should be possible to be measured through the use of objective indicators. For each of the expected results show the indicators and means of verification for them. Show this in the following table:*

Result	Indicators	Means of verification
Result 1		
Result 2		
Result 3		

**7. Activities of the project and implementation arrangements (max. 3 pgs.)**

*List the activities of the project in a sequential order. Name them sequentially: i.e. activity 1 (Title); activity 2 (title) and describe each of them. Explain in detail who will carry out the activities (the LGU, the entrepreneur, the service provider, the partner LGU), where and when will they be carried out, what are the necessary means to implement them. Link the activities to the expected results.*

*Please make sure to show that the project can be realistically implemented within six months. This will be important criteria of evaluation.*

*After the description, prepare an activity plan in the format below. Make sure that the activity titles correspond to the ones described earlier in this session. Do not use actual start and end dates, but month 1, month 2 etc. assuming that you are ready to start if you get the fund approved:*

*The Action plan has the following format:*

EXAMPLE:

Activity	Month 1	2	3	4	5	6	Responsible body
Procurement							The LGU, the tender commission
Contracting of works							The LGU, the mayor
Implementation of works							The contractor, the supervisor
Hand over							LGU, contractor, supervisor
Etc.							

**8. Organization of the procurement process (ma x. 1 pg.)**

*Please describe in this section the organization of the procurement for the project. Who will be responsible for the preparation of the tender documents, the organization of the process; describe the legal basis for the organization of the procurement and describe the experiences of your LGU in similar procurements during the last three years.*

*Regarding the projects that are not investments, it is important the quality of the technical expertise and the methodology proposed (the methodology should be similar to best experiences elaborated under the dldp in the past) and not only the price offered. In these cases, the procurement method is more complex than the procurements of civil works or purchasing of materials and most of the LGU-s do not have a previous experience.*

*For this type of projects, if you believe that you need assistance for the designing and detailing of the terms of reference and the contract for this service or if you believe that you do not have sufficient experience to carry out this type of procurement, you might ask the dldp staff for:*

- a) Technical assistance for the designation of the tender documents*
- b) The delegation of the whole procurement process to the dldp staff.*

*In each of these two cases, you should clearly express the request in the application and this can be done only for the projects that are not investments or purchases. DLDP, on a case by case basis, will decide whether it will accept or not the delegation. In every project, the dldp staff will give its no objection to the tender documents.*

**9. Project budget (max. 2 pages)**

*Make a description of the calculation of budget, how were the costs calculated, make reference to attached documents such as the cost-estimation by the designer or refer to other activities in the past from the LGU or other institutions that you used for the calculations of costs.*

*Please note that salaries or other benefits for the staff of the municipality/commune, operational expenses for the municipality/commune are not eligible. In case of investments, the costs of the preparation of the technical design are part of the application process and will not be reimbursed by the dldp as costs of the project. The costs of supervision and handing over will be paid by the municipality and will not be considered as part of the co-financing. The budget must include taxes. Note that the LGU must co-finance at least 20 % of the all project cos. This must be certified by a decision of the Council of the LGU that confirms the amount of money needed as part of the budget of the LGU for 2011.*

<i>Total project costs</i>	<i>1=2+3</i>
<i>Budget requested form the dldp</i>	<i>2</i>
<i>Budget contributed from the LGU</i>	<i>3</i>

*Please attach to this document the budget table or refer to other supporting documentation that the budget is part of (i.e. technical design, terms of reference etc.)*

### **10. Risks/Assumptions (max. 0.5 pgs.)**

*Identify here the main risks associated with the project implementation that might interfere with the project implementation.  
Please also describe the assumptions, (usually not under your responsibility), that might interfere with the foreseen project implementation.  
For both describe your plan to deal with them.*

### **11. Monitoring and Evaluation plan (max. 0,5 pg.s)**

*How will you make sure to measure the progress reached versus the planned one?  
How will you evaluate whether the project has achieved its specific objectives?*

### **12. Sustainability of the project (max. 2 pgs)**

*Please explain here how the results of the project will be sustained after the financing from the dldp ends. Show in concrete terms your institutional sustainability plan. How will the project results be mainstreamed into the work of your municipality / commune, who will be the departments responsible for that?  
Show in concrete terms the budget that your LGU has committed in the last three years for similar activities (maintenance of similar assets, information and communication, studies etc.) and demonstrate the possibility of your LGU budget to accommodate the needed resources in the following years.  
Make a thorough calculation of the budget needed for the sustainability in the coming five years.  
In case of investments it is absolutely mandatory to attach a concrete plan for the maintenance/and/or operation of the asset. It is recommendable that you ask it to the designer that will prepare the technical design.  
Be aware that sustainability will be one of the key criteria to award the winning projects.*

**13. Quality factors (max 2 pgs.)**

*Please explain here the following:*

- a) **Gender aspects.** Will the project contribute to gender equity and how? Has the project considered the interest of women? Will the women be involved or consulted during the implementation?*
- b) **Transparency of implementation.** Describe how will you inform and/or involve the benefiting community during the implementation of projects.*
- c) **Innovation.** If relevant (you can leave this empty) you need to explain whether the idea of your project the method of implementation or the technology planned to be used brings a new approach in you LGU and more broadly in the region and that it has a potential to be replicated in the future.*

**14. Data about the applicant (s) (max 2 pgs)**

*Please describe here the following:*

- General data on the LGU (Territory; demography; local economy etc.)*
- Data on your local government. Staff organization and hierarchy, number of staff the budget of the last three years, the local revenues in the last three years (see table)*

<i>Year</i>	<i>Total budget</i>	<i>Own revenue</i>
<i>2008</i>		
<i>2009</i>		
<i>2010</i>		

- A list of projects of similar nature to the projects you are proposing, implemented in the last three years :*

<i>Donor</i>	<i>Title of project and short description</i>	<i>Budget</i>	<i>Start date-end date</i>

Attached to this document you will find:

1. The decision of the LGU council that it has reserved in its budget for 2011 the amount needed for at least 20 % of co-financing the total amount of the project cost.
2. The budget of the project
3. The license of the designer, the technical design and cost-estimation. (in case of investment)
4. The decision of the Council of Territory Regulation that approves the design. (in case of investment)
5. Other licenses and permits that might be needed before the tendering of works (in case of investment)
6. The maintenance/operation plan for the asset to be invested by the project (in case of investment)
7. The terms of reference for the service provider (in case the project is a study, plan or information/communication project)
8. Agreement between the LGU-s participating in the project, where roles and responsibilities of each partner are defined, where the main applicant is defined and where the contribution of each of the LGUs participating is agreed (in case of inter-LGU projects).
9. <sup>2</sup> \_\_\_\_\_
10. \_\_\_\_\_

I confirm that the information provided in the documents of this application is correct.

Sincerely,

\_\_\_\_\_  
Name, signature of the mayor, the stamp of the LGU

\_\_\_\_\_  
<sup>2</sup> In case you have other attachments to the application form.



## **Annex 4: Terms of reference and experience requirements for the technical evaluators**

### **A. General**

The Decentralisation and Local Development Project (Dldp) in the Shkodra and Lezhë regions is a program financed by the Swiss Agency for Development and Cooperation (SDC) and implemented by INTERCOOPERATION, the Swiss Foundation for Development and International Cooperation.

The DLDP as part of its program aims to set up a grant funds scheme through which to support partner LGUs in concrete improvements in public services and infrastructure, feasibility studies, information/communication activities, elaboration of studies, promoting of Inter-LGU projects.

The grant should serve as a “training and testing field” for participatory decision making and transparent and accountable project management and should also enable the targeted LGUs to access other funds at regional and national level.

The selection of the projects to be financed will be decided on competition principles, based on the anticipated impacts, the relevance to the goals of the program and the quality of the projects proposed.

The selection will be made in two phases. In the first phase the LGU-s will prepare project concepts, based on which a selection of around 20 projects will be made.

In the second phase, the 20 LGU-s will be asked to submit full project proposals including all the necessary technical and legal documentation (i.e. technical designs; terms of reference, management plans etc.) to ensure the readiness of the projects for immediate financing.

Standard application forms and selection criteria have been prepared for both phases. These criteria and a detailed description of the mechanism of the distribution of the grant are part of a manual attached to these TOR<sup>1</sup>.

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<sup>1</sup> See attached Annex 1 “Guidelines on the distribution and management of the DLDP grant fund”

## **B. Objectives and Scope of Work**

The overall objective of this assignment is the evaluation of the full project proposals submitted by the Local Government Units of Shkoder and Lezha.

DLDP intends to hire three external experts to carry out the evaluation of the proposals.

The tasks of the consultant include the following:

1. Read carefully all the project concepts prepared by the LGU-s.
2. Decide whether all the proposals fulfill the mandatory criteria and record the reasons for their rejection.
3. Evaluate all the full project proposals qualified based on the evaluation criteria and keep notes of strengths, weaknesses of each of the proposals.
4. If needed and requested by the DLDP in case of uncertainties a limited number (2-3) days of field trips might be necessary.
5. Submit on time the evaluation scores per each project and a general table with the score of each criterion per each proposal.
6. Discuss with the other evaluators and the DLDP staff the strengths and weaknesses of each proposal.
7. Each evaluator will give the scores individually, than the scores will be discussed between the evaluators under the facilitation of the dldp staff. If possible, during the discussions, the differences in evaluation will be minimized and the evaluators will come up with the same evaluation.
8. If the differences in the evaluation are still considerable even after the discussion, then the average score will be sent to the donor for approval, including the reports of scoring per each evaluator.

It is expected that around 20 full project proposals will be submitted at this stage. If required by the client the evaluators must be able to participate in a meeting with the donor, SCO-AL or in a meeting of the management board to explain the use of the criteria.

**C. Deliverables and time frame:**

A report containing evaluation scores per each full project proposal including written notes as well as a general table with the score of each criterion per each proposal, will be delivered to the donor, SCO-AL within 10 working days. If needed, comments of the donor should be reflected in an improved report.

**D. DLDP Support to the consultant**

The DLDP, will act as a liaison among the consultant, the local government unit and Management Board. DLDP will distribute timely the full project proposals in written and electronic format. The DLDP, if necessary, will make a presentation of the project aiming to familiarize the consultant with the overall project, and more specifically the objectives, methodology, criteria, actors involved, and responsibilities of each party in the grant fund. The consultant is expected to be equipped with its own office and equipment.

**E. Qualifications required**

The local consultant will submit the Curriculum Vitae highlighting studies and reports, in areas similar to the tasks assigned.

The team of the evaluators will have a composition of three professionals with the following requirements:

<b>Qualifications (1. Civil Engineer)</b>
Required experience: <ul style="list-style-type: none"><li>▪ A bachelor degree in civil engineering</li><li>▪ <b>At least five years of experience as a civil engineer</b></li><li>▪ <b>Experience in evaluation design and/or supervision of small municipal infrastructure projects</b></li><li>▪ <b>Knowledge and demonstrated work experience with the Local Government Units</b></li></ul>

- **Familiarity with the project management cycle**
- Ability in written communication for producing timely reports and briefings.
- Previous experiences in the region of this project is preferred
- Master's degree or further demonstrated qualifications in engineering or other aspects related to this task are preferred.

#### **Qualifications (2. Local Government/Service Delivery Expert)**

Required experience:

- **A bachelor degree in engineering, urban planning law or economics**
- **At least five years of experience working with the local government units**
- **Previous experience in public local service delivery, feasibility studies, local development planning, urban planning etc.**
- **Previous experience in evaluation of projects in competitive schemes**
- **Good understanding of the project management cycle**
- **Experience in international donor financed projects**
- Ability in written communication for producing timely reports and briefings.
- Previous experiences in the region of this project is preferred
- Master's degree or further demonstrated qualifications in local government, service delivery, project management or other aspects related to this task are preferred.

### **Qualifications (3. Expert in socio-economic impact evaluation)**

Required experience:

- **A bachelor degree in social sciences or economics**
- **At least five years of experience working with the local government units**
- **Previous experience in evaluation of impacts, feasibility studies, preparation of plans, profiles of local communities, local participation and good governance projects at local level in the country**
- **Previous experience in evaluation of projects in competitive schemes**
- **Good understanding of the project management cycle**
- **Experience in international donor financed projects**
- Ability in written communication for producing timely reports and briefings
- Previous experiences in the region of this project is preferred
- Master's degrees in economics, social sciences or further demonstrated qualifications in local government, project management or other aspects related to this task are preferred

### **F. Other**

The consultant must demonstrate impartiality and transparency in the evaluation of different proposals and should not have any conflict of interest, (i.e. working in any of the LGU-s, or being part of the formulation of project proposals from the LGU-s).

The evaluations prepared must be confidential and the information of any kind regarding the project should not be disseminated without the written consent of the DLDP staff.



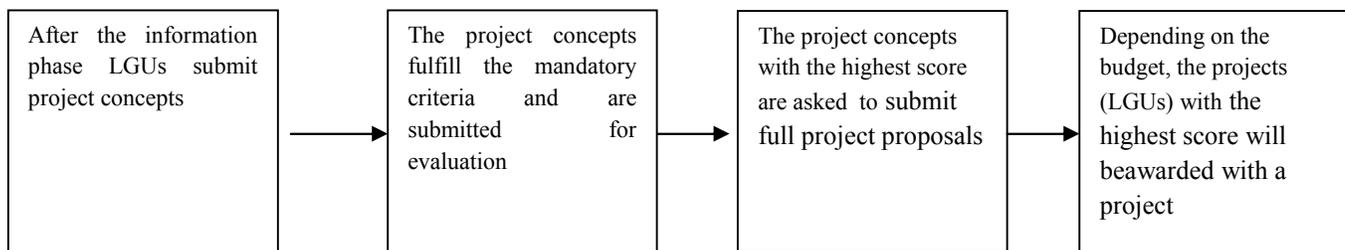
## **Annex 5: The Selection criteria for both loops of the proposals and the award of the best project:**

### **Summary**

The selection criteria will be mandatory and evaluation ones. The mandatory criteria will be used in the first round of the application. DLDP will evaluate whether the project concepts fulfill the mandatory criteria. Then each project concept will be evaluated by evaluation criteria and based on the ranking of the score around 20 projects will be qualified for the second loop of the competition.

In the second round evaluation criteria will be used to rank the projects and decide on which project will get the financing. In this document are listed the criteria to be used for both rounds of application and explanation of their use for the external evaluators.

**Fig 1.1 “The scheme of project evaluation”**



After the implementation of the first round of the grant fund, a best project will be selected. The LGU that has implemented the best project will have the chance to get financed on another project from the grant fund, provided that the project proposed matches all the financing criteria of the guidelines.

**1. The criteria and selection process for the project concept phase:**

**I. MANDATORY CRITERIA:**

- I) The project proposed is a direct function of the Local Government Unit.
- J) The project is submitted on time
- K) The project proposed is not partial investment
- L) Confirmation that the LGU is willing to pay the 20 % of the contribution in “Cash”
- M) There is a decision of the Council of Commune that the project is a priority for support
- N) Confirmation on property issues

**II. EVALUATION CRITERIA:**

A project can achieve a score of a maximum of 100 points (80 points + 20 points) in case of inter-LGU projects.

**A. Institutional and Good Governance Criteria (50 points)**

- 1. Alignment with the local or regional strategy ( 0 to 10 points)
- 2. Soundness/cohesion of the proposal, including the form of the presentation (0 to 15 points)
- 3. Contribution to the effectiveness of governance (0 to 10 points)
- 4. Contribution to the transparency of the local government (0 to 5 points)

**B. Social Economic criteria (40 points )**

- 1. Number of direct beneficiaries (0 to 10 points)
- 2. Expected impact in the economy sectors (0 to 5 points)
- 3. Poverty scale of the LGU (0 to 5 points)
- 4. Orientation towards marginalized groups (0 to 5 points)
- 5. Oriented towards women (0 to 10 points)
- 6. Immediate character of the project (0 or 5 points)

**C. Inter-LGU cooperation (0 to 20 points)**

- 1. The cooperation between LGU-s in submitting joint projects (0 to 20 points)

### III. THE PHASES OF THE PROCESS:

- A) Dldp informs the LGU-s about the process and the criteria of the application co financed by the grant fund.
- B) The experts contracted by dldp trains the LGU-s representatives on “project proposal writing”.
- C) The expert contracted by dldp informs the Qark experts and the service providers on the method of evaluation of projects based on the scoring of the criteria approved from SCO-AL.
- D) The dldp staff accepts the applications from the LGU-s respecting the deadlines approved.
- E) The dldp staff verifies whether the applications from the LGU-s fulfill the mandatory criteria. The dldp staff sends experts and the service providers (according to their areas of expertise), to the Qarks for further evaluation of the projects that fulfill the mandatory criteria.
- F) The experts from both Qarks evaluate all the project proposals from both Qarks and exchange their opinions before putting the final scores.
- G) The service providers evaluate the projects based on their previous experience and their areas of expertise.
- H) The dldp staff facilitates the discussions between the service providers and the Qark experts for the differences in the scores. The group of Qarks experts delegates two representatives (one per each Qark) and the service providers delegate one representative to negotiate regarding the differences in the scores. The representatives are selected before the meeting and have decision-making powers. If possible, during the discussions, the differences are reduced and both evaluators come out of the meeting with a common evaluation.
- I) If the differences in the score are big, even after the negotiations, than both scores are attached as annexes and the average score goes to the donor for approval.
- J) The expert contracted by dldp will be responsible for preparing the report that will be submitted to the donor. The report shall contain a narrative section where the process of evaluation will be described, a simple table with the results of the evaluation and annexes with the evaluation of each project.
- K) The donor, SCO-AL, has the right to approve the project or request further explanations about it. The SCO-AL comments are obligatory to be reflected in a revised report form all parties. The decision of the SCO-AL is the recognition of the fact that the evaluation is a process based on the guidelines approved by it.
- L) The dldp staff assists the donor SCO-AL for the division of the budget per line. Based on the proposal, SCO-AL makes the final decision for the approval of the projects list in consultation with the management board of the project.
- M) After the approval, the service providers according to their areas of expertise give recommendations to the qualified LGU-s on possible improvements before submitting the full project proposals.
- N) Dldp informs all the participating LGU-s on the results of the evaluation.

#### IV. THE STAKEHOLDERS OF THE PROCESS:

- **LGU-s**-The Local Government Units submit their project concepts to dldp.
- **The dldp staff**- The dldp staff accepts the applications from the LGU-s, verifies whether they fulfill the mandatory criteria, facilitates the coordination process between all the stakeholders, assists the donor for the final decision-making, especially regarding the budget distribution per line.
- **The Qark Experts**- The Qark of Shkodra and Lezhë form a group of three experts each, chaired by the Directors of the respective Development Departments. Their responsibility includes the reading carefully and the evaluation of all the projects submitted by the LGU-s, the discussion with the service providers aiming at a common evaluation.
- **The Service Providers**- are the organizations contracted by the project with a confirmed expertise in the areas of waste management and urban planning (Co-Plan), information and communication and one stop shops (FLAG), public services (URI). Their responsibilities include reading carefully and evaluating all the project concepts, discussion with the Qark experts aiming at a common evaluation and giving recommendations for the LGU-s qualified for the second phase for possible improvements before the submission of the full project proposals.
- **The Donor**<sup>2</sup>-SCO-AL will have the main decision-making power in this process. It will accept the report of the evaluation process and it will decide on the approval of the process, reserving the right for further clarifications or suggestions. It decides for the approval of the list of qualified projects for the second phase of the evaluation. Before the final decision the donor consults the management board of the grant. The donor has the veto power in this process.
- **The management board** – of the grant fund is a body composed from the main stakeholders, the Chairmen of the Qarks, the Associations of the Municipalities/Communes, other donors, civil society. In this round of applications, the board will have a consultative role, aiming at the strengthening of its role in the second round of applications. The board has the right to make comments on the final report of the first round, in order to improve this process in the next round of applications.

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<sup>2</sup> During the first pilot round

## **2. Selection criteria for full project proposal phase :**

The selection criteria for the full project proposal phase will include evaluation criteria. A project can receive a maximum of 100 points. Based on the score of each project, a ranking will be done and the projects with the highest score will be awarded the financing.

Although in this stage no mandatory criteria are included, since it is expected that they will be fulfilled in the project concept phase, some of the criteria as described below can disqualify the full project proposals. They include the following:

- The LGU has not presented the needed technical documentation (such as technical design, cost-estimate, terms of reference)
- The LGU has not considered gender aspects in the proposal
- The full project proposal scores less than 20 points in the criterion B (Technical Qualities of the full project proposal) failing to meet the minimum standards to be ready for project implementation.

### **I. EVALUATION CRITERIA**

#### **A. Financial and management capacity of the applicant: (20 points )**

1. Co-financing amount (0 to 10 points )
2. Experience in managing similar projects (0 to 10 points)

#### **B. Technical qualities of the full project proposal (40 points)**

1. Quality of the content of the project proposal (0 to 10 points)
2. Quality of the presentation of the full project proposal (0 to 5 points)
3. Qualities of supporting documentation (0 to 15 points)
4. Budget and cost-effectiveness (10 points)

#### **C. Sustainability of the project (20 points)**

1. Are the expected results sustainable institutionally? (0 to 10 points)
2. Are the expected results sustainable financially? (0 to 10 points)

#### **D. Value-added aspects of the full project proposal (20 points)**

1. Gender mainstreaming (0 to 10 points)
2. Innovation (0 or 5 points)
3. Transparency during implementation (0 to 5 points)

## **II. THE PHASES OF THE PROCESS:**

- A) The dldp staff organizes the process of contracting external experts for the evaluation of the full project proposals.
- B) The selected experts are approved by the donor, SCO-AL.
- C) The experts contracted by dldp train the LGU-s qualified for the second round (trainings are open to all the LGU-s) on “project proposal writing” and presents the process of application for the second phase.
- D) If deemed necessary, dldp organizes thematic workshops, in order to explain the technical recommendations in specific areas of the project concepts.
- E) The dldp staff accepts the applications from the LGU-s within the deadlines approved.
- F) The dldp staff and the expertise hired inform the external experts for the usage of the criteria for the evaluation of the full project proposals.
- G) The dldp staff sends the applications submitted by the LGU-s qualified to the external experts.
- H) The external experts evaluate individually all the projects submitted, with the scoring system according to the criteria. If necessary, dldp staff arranges field trips in case there is uncertainty about the data provided in the applications.
- I) The dldp staff facilitates the discussions between the external experts for differences in scores. If possible, during the discussion these differences are reduced and all the parties have a common evaluation.
- J) If the differences in evaluation are big, even after the discussions, than the records of all the three evaluations are kept and the average score goes for approval to the donor. If the experts decided on the disqualification of the projects because they have not met the mandatory criteria, the experts are obliged to report the details of the reasons of that decision.
- K) The expert contracted by dldp will be responsible for preparing the report that will be submitted to the donor. The report shall contain a narrative section where the process of evaluation will be described, a simple table with the results of the evaluation and annexes with the evaluation of each project.
- L) The donor, SCO-AL, has the right to approve the project or request further explanations about it. The SCO-AL comments are obligatory to be reflected in a revised report form all parties. The decision of the SCO-AL is the recognition of the fact that the evaluation is a process based on the guidelines approved by it.
- M) The dldp staff assists the donor SCO-AL for the division of the budget per line. Based on the proposal, SCO-AL makes the final decision for the approval of the projects list in consultation with the management board of the project.
- N) After the approval, the service providers according to their areas of expertise give recommendations to the qualified LGU-s on possible improvements before signing the project agreement.
- O) Dldp informs all the participating LGU-s on the results of the evaluation.

### III. THE STAKEHOLDERS OF THE PROCESS:

- **LGU-s-**The Local Government Units submit their full project proposals to dldp.
- **The dldp staff-** The dldp staff accepts the applications from the LGU-s, facilitates the coordination process between all the stakeholders, assists the donor for the final decision-making, especially regarding the budget distribution per line.
- **The external experts** – A group of three independent experts will be hired from the dldp staff for the final evaluation of the projects. They are responsible for the evaluation and scoring of the projects according to the criteria agreed. The experts will initially work independently for the projects scoring. After the initial scoring, the experts facilitated by the dldp staff will work together to reduce the differences in the scoring. If this is impossible, then the final score reflects the average of all the three evaluations.
- **The consultants hired by the project** – are the organizations engaged in the framework of the project. They will be responsible for holding thematic workshops for the LGU-s to improve their full project proposals, coaching the LGU-s in project proposal writing training the external experts in project evaluation and the consolidation of the report for the donor.
- **The Donor**<sup>3</sup>-SCO-AL will have the main decision-making power in this process. It will accept the report of the evaluation process and it will decide on the approval of the process, reserving the right for further clarifications or suggestions. It decides for the approval of the list of qualified projects for the second phase of the evaluation. Before the final decision, the donor consults the management board of the grant. The donor has the veto power in this process.
- **The management board** – of the grant fund is a body composed from the main stakeholders, the Chairmen of the Qarks, the Associations of the Municipalities/Communes, other donors, civil society. In this round of applications, the board will have a consultative role, aiming at the strengthening of its role in the second round of applications. The board has the right to make comments on the final report of the first round, in order to improve this process in the next round of applications.

#### 3. The criteria and process for the selection of the best project

After the implementation of the first round of the grant fund, a best project will be selected. The LGU that has implemented the best project will have the chance to get financed on another project from the grant fund, provided that the project proposed matches all the financing criteria of the guidelines. The best project will be awarded from the management board of the fund based on some criteria that will evaluate the performance of all the implemented projects.

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<sup>3</sup> During the first pilot round

## **I. EVALUATION CRITERIA**

- Quality and deadlines of the implementation of the project. **(40 %)**

Main indicators for the measurement of these criteria will include:

- Respecting the deadlines of the implementation of the project
- The quality of the implementation based on the narrative reports and supervision reports

- The quality of reporting. **(20%)**

Main indicators include:

- Submission of the reports on time
- Quality and quantity of the information provided in the reports
- The quality of participation of the beneficiary communities during the implementation of the project. **(20%)**

Main indicators include:

- Information of the citizens during the implementation of the project.
- Direct participation of the community during the implementation of the project (i.e. community suggestions that were taken into account etc.)
- The visibility of the project in the media. **(20%)**

Main indicators include:

- The number of articles in the printed media with a positive coverage of the project implementation.
- The number of programs in the electronic media with a positive coverage of the project implementation.
- The importance of the media broadcasting the information on the project.

## **II. THE PHASES OF THE PROCESS:**

- A) The dldp informs all the participating LGU-s the evaluation criteria for the award of the best project.
- B) In the final report of the project, the LGU-s report also on the evaluation indicators for the best project.
- C) The expert contracted by the program on project cycle management prepares a short report for each project, keeping in mind the criteria but especially focusing on the quality of the implementation of the project and the quality of reporting, based on the reports of the supervisor and the quality and frequency of LGU reporting.
- D) Each of the members of the management board based on the LGU reports, facilitated by the abovementioned expert, make an evaluation for each of the projects and select the top three projects. The top three most voted projects are eligible for being the best project.
- E) The dldp staff and the candidate LGU-s organize a field trip in each of the three projects for the members of the management board to see closely the results of each project implemented.
- F) Based on the data gathered in the field, the members of the board vote for the best project; the project that collects more votes is the winner.
- G) The LGU prepares a new project-proposal that will be financed from the program, given that the proposal respects all the conditions part of the guidelines.



**Annex 5 1: Explanation of the criteria for the evaluators project concept phase:**

**MANDATORY CRITERIA:**

**A) The project proposed is direct function of the Local Government Unit**

It should be clear that the project implementation, operation and maintenance are within the LGU functions and that the project is not dependent on any other institution to be implemented/operated/sustained. In case of uncertainties, the LGU must discuss the issue with dldp staff.

**B) The project is submitted on time**

The dldp staff will record all the application forms in a register and will record the entrance date of each application.

**C) The project proposed is not a partial investment**

The projects proposed must not be part of a project that in the future will be supported by other funds that are not secured yet.

**D) Confirmation that the LGU is willing to pay the 20 % of the contribution in “Cash”**

In the first round, the LGU in the accompanying letter signed and stamped by its highest authority must commit that it will pay in “cash” (meaning that in kind contribution, i.e. labor, materials etc. are not accepted as a contribution) from its own budget at least 20 % of the total cost of the project.

**E) There is a decision of the Council of Commune that the project is a priority for support**

In the application form, the LGU must attach a decision form of the council of the LGU that supports the project application and states that it is a priority for the council.

**F) Confirmation on property issues.**

In case the project is a small investment, or improvement of services that will take place in a given territory, the LGU must send a letter together with the application stating that the location proposed is publically owned and there are no unresolved disputes on that land/building. The project will not pay for compensation of assets. In case there are other doubts after this confirmation, the dldp staff (technical evaluators) reserve the right to ask for further clarifications and documents, (i.e. ownership certificates from the cadastre office, court orders etc.<sup>1</sup>)

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<sup>1</sup> See Annex 7 “Confirmation on property issues”

## EVALUATION CRITERIA:

The evaluation criteria here are made of the following criteria:

- A. Institutional and Good Governance Criteria ( the capabilities of the LGU + the qualities of the project proposal)
- B. Social Economic criteria, (such as the expected impact on the local economy poverty, gender oriented etc.)
- C. Inter-LGU cooperation

### A. Good governance and institutional criteria:

#### 1 Alignment with the local or regional strategy ( 0 to 10 points)

Local Development Plan	The LGU does not have a Local Development Plan	Part of the Local development Plan	Part of the Regional Development Plan
Score (points)	0	5	10

The evaluator will need to check in the documents attached whether the project is part of the short-term priorities of the local/regional development plan attached or quoted).

#### 2 Soundness/cohesion of the proposal, including the form of the presentation (0 to 15 points)

##### Quality of the content (0 to 10 points)

Quality of the content of the project proposal	Poor	Average	Good	Very good
Score (points)	0	3	5	10

The following will be measured by the evaluator:

- Is the need for the project described clearly?
- Is there a clear linkage between the problem described and the objectives of the project?
- Are the objectives/ expected results realistic?
- Is there a clear linkage between the objectives of the project and the activities to achieve that objective?
- Is there a clear sequence of activities and a realistic timeframe?

### Quality of the presentation (0 to 5 points)

Quality of the presentation of the project proposal	Poor	Average	Good	Very good
Score (points)	0	1	3	5

The following will be measured by the evaluator:

- Is the project written in correct language with clear phrases?
- Is the project formatted with the same font, paragraph and characters in the whole text?
- Are there other materials attached beyond the obligatory ones that serve to better describe the project (such as pictures, maps etc.)?

### 3 Contribution to the effectiveness of governance (0 to 10 points)

Is the project implementation likely to contribute to more effective governance?	No	Small impact	Moderate impact	High Impact	Very high impact
Score (points)	0	2	4	7	10

The evaluator here will evaluate based on the following:

- Is the project likely to be used as a tool for a better control of the territory?
- Is the project likely to raise revenues for the municipality/commune?
- Is the project contributing to the enforcement of collection of taxes and tariffs?

### 4 Contribution to the transparency of the local government? (0 to 5 points)

Is the project implementation likely to contribute to a more transparent local government?	No	It's likely as an indirect effect	It is one of the objectives of the project
Score (points)	0	3	5

The evaluator here will evaluate based on the following:

- Is the project oriented towards information to the citizens on the decision-making processes at local level?
- Is the project oriented towards strengthening of citizen participation<sup>2</sup>?

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<sup>2</sup> This is meant about the content of the project, (I.e. the project is an information center, one stop shop, boards etc. the quality of participation during the implementation of the projects will be evaluated in the second loop.

## **B. Social-economic criteria:**

### 1. Number of direct beneficiaries **(0 to 10 points)**

Number of direct beneficiaries (resident for more than 6 months in the project location)	< 500	500-1,000	1,000-1500	1,500-3,000	>3,000
Score (points)	0	2	4	7	10

The evaluators will verify based on the data provided in the application form. If needed, they will make cross-check on the data based on other sources of population and especially in defining the direct beneficiaries of a certain project. In case the benefitting population is more than 3,000 or when there is a very high number of indirect beneficiaries, the project can get the highest score (10 points).

### 2. Expected impact in the economy sectors (special impact on tourism, agriculture, support to businesses; to be evaluated from the technical evaluators) **(0 to 5 points)**

Economic impact	Low impact	Moderate impact	High impact
Score (points)	0	2	5

The evaluators based on their experience and knowledge of the region will judge whether the project is likely to have an impact in the economy sectors vs. being an improvement of facilities.

### 3. Poverty scale of the LGU<sup>3</sup> **(0 to 5 points)**

Poverty headcount	<10%	10-20%	20-30%	>30%
Score (points)	0	2	3	5

Poverty will be measured as the headcount % of people living in poverty in the LGU. This is a given data based on the last poverty measurement at LGU level in 2008 (INSTAT/World Bank/UNDP). Data on poverty will be given to the evaluators by the dldp staff.

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<sup>3</sup> A list with the poverty headcount of the LGUs of the region is attached.

4. Orientation towards marginalized groups **(0 to 5 points)**

Are the beneficiaries targeted in the project, a vulnerable group (young/children/elderly/minorities)	No	As an indirect effect	Yes
Score (points)	0	2	5

The project will get the highest score if in the project it is clearly expressed in the objective that improvement in the living conditions/services for the vulnerable groups mentioned and a medium score if it is argued that the project will have an effect on the above, although not as a primary objective.

5. Oriented towards women **(0 to 10 points)**

Are the beneficiaries targeted in the project, the women?	No	As an indirect effect	Yes
Score (points)	0	5	10

The project will get the highest score if in the project it is clearly expressed in the objective that improvement in the living conditions/services for women and a medium score if it is argued that the project will have an effect on the above, although not as a primary objective.

6. Immediate character of the project **(0 or 5 points)**

Is there a strong urgent need for the project?	No	Yes
Score (points)	0	5

It can be expected that few projects will get this score; it is however there to support projects that have a deep impact on the lives of people like creation of access to basic services of health and education, mobility etc. (i.e. a footbridge for an isolated village, repairing of a classroom where students are obliged to study in the next village etc.)

**C. Inter-LGU cooperation**

1. Inter-LGU cooperation

Is the project proposed by more than one LGU?	No	2 LGU-s	>2 LGU-s
Score (points)	0	15	20

The application form should show clearly the number of the Local Government Units applying.

d_prefecture	id_district	id_comune	DISTRICT	COMUNE	FGT0_est
9	18	1	KURBIN	FUSHE KUQE	15.15%
9	18	2	KURBIN	LAÇ	13.11%
9	18	3	KURBIN	MAMURRAS	15.77%
9	18	4	KURBIN	MILOT	15.44%
				BALLDRENI I	
9	19	1	LEZHE	RI	16.47%
9	19	2	LEZHE	BLINISHT	12.37%
9	19	3	LEZHE	DAJÇ	14.09%
				KALLMET I	
9	19	4	LEZHE	MADH	16.99%
9	19	5	LEZHE	KOLÇ	14.50%
9	19	6	LEZHE	LEZHE	13.11%
9	19	7	LEZHE	SHENGJIN	9.54%
9	19	8	LEZHE	SHENKOLL	17.51%
9	19	9	LEZHE	UNGREJ	20.66%
9	19	10	LEZHE	ZEJMEN	13.66%
			MALESI E		
10	22	1	MADHE	GRUEMIRE	9.64%
			MALESI E		
10	22	2	MADHE	KASTRAT	13.41%
			MALESI E		
10	22	3	MADHE	KELMEND	26.87%
			MALESI E		
10	22	4	MADHE	KOPLIK	34.82%
			MALESI E		
10	22	5	MADHE	QENDER	6.05%
			MALESI E		
10	22	6	MADHE	SHKREL	18.39%
9	25	1	MIRDITE	FANE	35.81%
9	25	2	MIRDITE	KAÇINAR	28.14%
9	25	3	MIRDITE	KTHELLE	25.59%
9	25	4	MIRDITE	OROSH	30.40%
9	25	5	MIRDITE	RRESHEN	20.16%
9	25	6	MIRDITE	RUBIK	16.14%
9	25	7	MIRDITE	SELITE	31.96%
10	29	1	PUKE	BLERIM	33.15%
10	29	2	PUKE	FIERZE	37.56%
10	29	3	PUKE	FUSHE ARREZ	46.08%
10	29	4	PUKE	GJEGJAN	33.41%
10	29	5	PUKE	IBALLE	35.47%
10	29	6	PUKE	PUKE	25.31%
10	29	7	PUKE	QELEZ	29.36%
10	29	8	PUKE	QERRET	27.74%
10	29	9	PUKE	QAFE MAL	30.52%

10	29	10	PUKE	RRAPE	21.78%
10	32	1	SHKODER	ANA E MALIT	9.12%
10	32	2	SHKODER	BERDICE	9.33%
10	32	3	SHKODER	BUSHAT	8.87%
10	32	4	SHKODER	DAJC	6.06%
10	32	5	SHKODER	GURI I ZI	19.27%
10	32	6	SHKODER	HAJMEL	21.26%
10	32	7	SHKODER	VAU DEJES	25.18%
10	32	8	SHKODER	POSTRIBE	8.86%
10	32	9	SHKODER	PULT	28.01%
10	32	10	SHKODER	RRETHINAT	12.54%
10	32	11	SHKODER	SHALE	38.49%
10	32	12	SHKODER	SHKODER	19.82%
10	32	13	SHKODER	SHLLAK	25.65%
10	32	14	SHKODER	SHOSH	28.45%
10	32	15	SHKODER	VELIPOJE	11.60%
10	32	16	SHKODER	VIG MNELLE	27.21%
10	32	17	SHKODER	BARBULLUSH	8.42%
10	32	18	SHKODER	TEMAL	44.72%



**Annex 5 2: Explanation of the criteria for the evaluators for the full project proposals phase:**

**A. Financial and management capacity of the applicant: (20 points)**

1. Co-financing amount **(0 to 10 points )**

Co-financing amount	20 %	20- 30 %	30-40 %	40-50%	>50%
Score (points)	0	4	6	8	10

Based on the information provided in the application form in the budget section the evaluators will be able to evaluate the amount committed for co-financing by the LGU.

2. Experience in managing similar projects **(0 to 10 points)**

Number of projects of similar nature funded by the LGU itself, donors or government managed in the past three years (08; 09;10)	0	1	2	4	>4
Score (points)	0	2	4	7	10

The data for this should be in the application form, where the LGU will explicitly be asked to provide a list with projects of similar nature (meaning similar with the project concept in terms of its content). The evaluator must evaluate whether all the projects in the list presented by the LGU can be really classified as a similar experience

**B. Technical qualities of the full project proposal (40 points)**

1. Quality of the content of the project proposal **(0 to 10 points)**

In a similar manner with the first phase the evaluators will judge on the quality of the project proposed. Obviously, being a full project proposal stage, the quality requirements are higher.

## Quality of the content

Quality of the content of the project proposal	Poor	Average	Good	Very good
Score (points)	0	3	5	10

The following will be measured by the evaluator:

- Is there a clear and exhaustive description of the background, relevant strategies and problem analysis in the project?
- Is there a clear linkage between the problem described and the objectives of the project
- Are the objectives/expected results realistic?
- Is there a clear linkage between the objectives of the project and the activities to achieve that objective
- Do the activities proposed respond to the problem analysis? Is there a realistic time frame proposed? Are the responsibilities clearly defined for the project implementation?

### 2. Quality of the presentation of the full project proposal **(0 to 5 points)**

Quality of the presentation of the project proposal	Poor	Average	Good	Very good
Score (points)	0	1	3	5

The following will be measured by the evaluator:

- Is the project written in correct language with clear phrases?
- Is the project formatted with the same font, paragraph and characters in the whole text?
- Are there other materials attached beyond the obligatory ones that serve to better describe the project (such as pictures, maps etc.)

### 3. Qualities of supporting documentation **(0 to 15 points)**

Quality of supporting documentation	Poor	Average <sup>1</sup>	Good	Very good
Score (points)	0	5	10	15

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<sup>1</sup> In case the full projects proposal will have 5 points or less in this criteria 20 points or less in section B they will be disqualified.

The evaluators will evaluate here:

- The quality of the technical design in case of the investment or public services improvements. In case of investments, the quality will be measured based on recognized engineering standards
- The quality of the terms of reference or draft contracts in case of studies and other “soft” projects. Generally, the evaluators will evaluate whether all the needed documents are ready for the procurement of the service provider.
- The readiness of the supporting documentation for implementation (Are the needed licenses and permits needed for the implementation of the project part of the file)?

4. Budget and cost-effectiveness **(10 points)**

Quality of the budget proposed	Poor	Average <sup>2</sup>	Good	Very good
Score (points)	0	3	5	10

The evaluators will judge on the following:

- Are the costs of the projects based on realistic cost-estimation and calculations?
- Is there a solid argument for the budget presented based on previous experience or recognized price manuals of the costs of the project?
- Are the proposed expenses necessary for the implementation of the projects?

**C. Sustainability of the project (20 points)**

1. Are the expected results sustainable institutionally? **(0 to 10 points)**

The institutional sustainability of the project	Poor	Average	Good	Very good
Score (points)	0	3	5	10

The evaluators will judge based on the information provided in the application form and the quality of the functioning and maintenance plan:

In case the project proposed is an investment:

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<sup>2</sup> In case the full projects proposal will have 3 points or less in this criteria or less than 20 points in section B they will be disqualified.

- Experience in the maintenance/operation of similar projects.
- Does the LGU have structures in place for the operation/maintenance of the project?
- Does the maintenance plan describe the needed institutional arrangements for the operation/maintenance of the project?

In case the project is a study/information campaign/other “soft” project:

- Is the concept of sustainability clear in the full project proposal?
- Does the project foresee capacity building of the local actors so they can take over this function after the end of the project?

In case the proposed project is a study:

- Is there a clear action plan in order to implement the findings of the study?
- Does the project foresee the needed steps to formalize the plans (such as Approval in the LGU councils?)

2. Are the expected results sustainable financially? **(0 to 10 points)**

The evaluators will judge based on the information provided in the application form and the quality of the functioning and maintenance plan:

In case the project proposed is an investment:

- Are the costs of the operation/maintenance based on realistic cost-estimation and calculations?
- Is the cost of the operation/maintenance affordable by the LGU budget?
- Is the project likely to generate enough income for its operation and maintenance?

3. In case the project is a study/information campaign/other “soft” project:

- Is the cost of the sustainability of the action affordable by the LGU budget?
- Is the project likely to generate enough income to cover the actions foreseen in the sustainability section?

**D. Value-added aspects of the full project proposal (20 points)**

1. Gender mainstreaming **(10 points)**

Quality of gender mainstreaming in the full project proposal	Poor <sup>3</sup>	Average	Good	Very good
Score (points)	0	3	5	10

<sup>3</sup> In case the full project proposal will receive a score of 0, the project will be disqualified in this criteria.

The evaluators will judge on the following:

- Is the full project proposal oriented towards women needs?
  - Do women constitute a large percentage of the beneficiaries?
  - Will the project contribute to raising gender awareness in the local government, local community?
  - Women participation during the implementation of the project
2. Innovation (5 points)

Is the full project proposal innovative in its idea, methodology of implementation, technologies used?	No	Yes
Score (points)	0	5

The idea here is to promote innovative ideas in terms of:

- Is the idea described original or unique compared to other proposals or in general in terms of services offered by the LGU?
- Does the methodology described for the implementation of the project include innovative actions, implementation, structures and arrangements?
- Does the project proposal foresee use of innovative technologies that have a potential for extensive use in the future?

The score mechanism is designed as such to give this score of 5 points to **a maximum of three proposals**, (if they deserve it), that really bring something new in terms of qualities described above.

3. Transparency during implementation (5 points)

Quality of the community transparency plan during the implementation of the project?	Poor	Average	Good	Very good
Score (points)	0	1	3	5

The evaluation will be conducted on the following:

- Is there a plan of citizen information during the implementation of the project?
- Frequency and methods of information during the implementation of the project?
- Is there an active participation of the citizens foreseen in the implementation of the project? (The project can receive a maximum score only if active participation is foreseen).



**Annex 5 3: Template report for the evaluators project concept phase:**

Evaluations report page 1/4:

LGU: \_\_\_\_\_

Project Title: \_\_\_\_\_

<b>A. Institutional and Good Governance Criteria (40%)</b>	<b>Score</b>
1. Alignment with the local or regional strategy	/10
2. Soundness/cohesion of the proposal, including the form of the presentation	/15
3. Contribution to the effectiveness of governance	/10
4. Contribution to the transparency of the local government	/5
<b>Total score</b>	<b>/40</b>
Comments <sup>1</sup> : (especially in regards to 2,3 and 4):	

<sup>1</sup> Comments are to be made especially on the criteria that have a more subjective evaluation. However, in case there are doubts, comments should be made on all the criteria.



<b>C. Inter-LGU cooperation (20%)</b>	<b>Score</b>
1. Inter-LGU cooperation	/20
<b>Total score</b>	<b>/20</b>
Comments:	

<b>Total score</b>	<b>Score</b>
<b>Institutional and Good Governance Criteria</b>	/40
<b>Social Economic criteria</b>	/40
<b>Inter-LGU cooperation</b>	/20
<b>Total score</b>	<b>/100</b>
Other general comments :	
_____	_____
Name and signature of the evaluator	Name and signature of the evaluator
_____	_____
Name and signature of the evaluator	Name and signature of the evaluator
_____	_____
Name and signature of the evaluator	Name and signature of the evaluator

**Annex 5 4: Template report for the evaluators full project proposal phase:**

LGU: \_\_\_\_\_

Project Title: \_\_\_\_\_

Evaluations report page 1/5:

<b>A. Financial and management capacity of the applicant: (20 %)</b>	<b>Score</b>
1 Co-financing amount	/10
2 Experience in managing similar projects	/10
<b>Total score</b>	<b>/20</b>
Comments <sup>1</sup> :	

<sup>1</sup> Comments are to be made especially on the criteria that have a more subjective evaluation. However, in case there are doubts comments should be made on all the criteria.

<b>B. Technical qualities of the full project proposal (40 %)</b>	<b>Score</b>
1 Quality of the content of the project proposal	/10
2 Quality of the presentation of the full project proposal	/5
3 Qualities of supporting documentation <sup>2</sup>	/15
4 Budget and cost-effectiveness <sup>3</sup>	/10
<b>Total score</b>	<b>/40</b>
<p>Comments:</p>	

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<sup>2</sup> In case the full project proposal will have 5 points or less in this criteria or less than 20 points in section B, they will be disqualified. Clear and detailed comments are needed in this case.

<sup>3</sup> In case the full project proposal will have 3 points or less in this criteria or less than 20 points in section B they will be disqualified. Clear and detailed comments are needed in this case.

<b>C. Sustainability of the project (20 %)</b>	<b>Score</b>
1 Are the expected results sustainable institutionally?	/10
2 Are the expected results sustainable financially?	/10
<b>Total score</b>	<b>/20</b>
Comments:	









**Annex 6: LGU co-financing project agreement template**

**Decentralization and Local Development Programme in Shkodra and Lezhë  
Regions (DLDP)**

**LGU Co-financing Project Agreement**

**Municipality /Commune\_\_\_\_\_**

**Project** “**Insert project title**” hereinafter referred to as the **Project**

**Between** Intercooperation (IC) Albania, DLDP programme office in Shkodra  
Represented by **Insert name, title, Programme Manager**  
hereinafter referred to as the **IC Albania**

**and** The Municipality/Commune\_\_\_\_\_

Represented by **Insert name**, the Mayor of \_\_\_\_\_Municipality/Commune  
hereinafter referred to as the **Municipality/Commune**

**Contribution of the  
IC through  
Decentralisation  
and Local  
Development  
Programme (IC  
ALBANIA)** Max. 40, 000.00 EURO (with the daily rate of the **XX** Bank at the  
moment of the payment)

**Contribution of the  
Municipality** **Insert sum** Albanian Lekë

**Period of  
Agreement** **Insert number of** months

**Date of Signing** **Insert date**

## INTRODUCTION

Decentralization and Local Development Programme	<i>1.1 The Decentralization and Local Development Programme in the Shkodra and Lezhë Regions is a Swiss Government (SDC) funded programme supporting the Local Government Units in the Shkodra and Lezhë region, implemented by IC Albania.</i>
Legal Framework	<i>1.2 The legal base for this Agreement is the framework Agreement between the Government of the Swiss Confederation and the Government of the Republic of Albania on Technical, Financial and Humanitarian Co-operation, signed on <b>insert date</b> and ratified by the Albanian Parliament as law No. <b>insert number</b> on <b>insert date</b> and the Programme Agreement between Government of the Swiss Confederation and the Government of the Republic of Albania on Decentralization and Local Development Programme in the Shkodra and Lezhë Regions (DLDP) signed on <b>insert date</b>.</i>
IC ALBANIA programme	<i>1.3 The goal of the dldp is: capacities of municipalities and communes in Shkodra and Lezhe are strengthened contributing to improved regional development in Northern Albania and decentralization reform at national level.</i>
Content of the agreement	<i>1.4 This agreement covers the support for project implementation of the <b>insert title of project</b>, part of the support of IC Albania/DLDP to <b>insert name of commune/municipality</b> in the frame of DLDP. The details of the project are detailed in Annex 1.</i>

## LGU Projects and Selection procedure

Eligibility of Project	<i>1.5 IC Albania defined a set of mandatory criteria for the qualification of the project proposals, as well as a set of additional “scoring-criteria” for the evaluation of projects. The projects were selected through a competitive process based on criteria measuring the qualities of the projects, its relevance to the goals of the programme and its expected impact for the beneficiary LGU-s and local communities.</i>
Selection procedure	<i>1.6 All projects qualified for co-funding were screened and evaluated in two phases from by Qark experts and external experts based on the abovementioned criteria. The final decision was made by the donor, SCO-AL, in consultation with the management board of the grant fund.</i>

## Responsibility for the project implementation

Responsibilities for the project	<i>1.7 The municipality/commune is responsible for the works’ design and technical specifications, the procurement, providing all permissions and fulfill all legal conditions required by the Albanian law, the management, the implementation and supervising of the project, the involvement of the community and local staff involved in the process, according to project proposal, report templates and community participation plan which are an integral part of this agreement.;</i>
The Municipality/Commune	<i>1.8 The Municipality/Commune is obliged to accomplish all the engagements foreseen in the project proposal, related to community participation, according to a plan and schedule attached to this agreement.</i>

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*1.9 The municipality is also responsible:*

1. To assure all legal procedures and standards for the approval of the project (approval by municipal KRRT...)
2. Financial commitment: The municipality is committed to reserve a budget and contribute with min. **insert amount** of co-financing for the implementation of the project.
3. The municipality/commune has the overall responsibility for the procurement, providing all permissions and fulfilling all legal conditions required by the Albanian law.
4. The municipality/commune is fully responsible for the implementation, the management and supervising of the project. To ensure a good coordination and cooperation during the whole process, through the members of their core team, with a clear mandate from the mayor, the municipality shall nominate and mandate a person as project leader, who will be the main contact person during the project.
5. The municipality/commune will regularly inform the citizens on all details of the project intervention in a transparent manner.
6. To ensure the maintenance and sustainability after finalization of the project with a reserved budget line for the maintenance in the budget of the coming budgetary year, in line with the annexed maintenance plan.
7. The municipality/commune will periodically report about the project progress based on report templates which are an integral part of this agreement.
8. Tasks as project supervision, colaudation and handing over are directly the responsibility of LGU and IC only participates. Thus all the financial part of project supervision and handing over must be covered by additional LGU financial resources.

IC Albania

*1.10 IC Albania is responsible;*

1. To participate in the tender commission, to monitor the implementation and handing over of the works.
2. IC Albania will give some recommendations to the municipality for pre-conditions to be fulfilled by the implementing company which will be selected, and some details for the materials to be used.
3. To nominate a person as IC project responsible, who shall be the main contact person. IC will also regularly monitor and consult the work progress through an engineer.
4. Financial commitment: IC Albania is committed to reserve in its DLDP budget a max amount of 40'000 Euro for the implementation of the work, once the technical documentation is finalized and approved.

Ownership

*1.11 All works executed within the Project are the property of the municipality/commune.*

Relationship with the contractor

*1.12 For implementing the project, based on this agreement, the municipality/commune will sign a separate agreement with a contractor coming out as a winner from a regular tender procedure in accordance with the Albanian Legislation.*

*Before signing the final agreement between the municipality /commune and contractor, IC Albania must be consulted in a written form by the municipality/commune. The municipality /commune will include possible recommendations from IC in its final agreement with the contractor.*

## **Project Budget and co-funding**

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Definition of Indicative Budget	<i>1.14 The overall indicative budget for the procurement of works of this project is provided in the amount of <b>Insert amount</b><sup>1</sup> leke (see details below).</i>
Co-funding parts	<i>1.15 The parties agree to provide the following amounts for co-funding of the project:</i> <ul style="list-style-type: none"><li>• Contribution of the IC Albania through DLDP: = <b>insert amount</b> EURO paid in ALL with the daily rate of <b>xx</b> Bank at the day when they are transferred to the Treasury account of the municipality).</li><li>• Contribution of the municipality:= <b>Insert amount (insert amount in words)</b> Albanian lek (ALL).</li></ul> <p>IC Albania co-funding part can not be exceeded, even if the final overall costs of the project will be higher.</p>
Basic Principles of IC Albania co-funding	<i>1.16 IC Albania does not pay work performed by LGU employees or their part time staff, or any other operational costs of the municipality/commune.</i>

## **Project funding and payment procedures**

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Payment Arrangements	<i>1.17 In order to enable transparent payments, the disbursements will be allocated to the Treasury account in Raiffeisen Bank to be forwarded to the municipality.</i> <p>No. account: _____, Dega Thesarit <b>Insert the name, Insert the name of commune/municipality.</b></p>
Right to cancel co-funding by IC ALBANIA	<i>1.18 IC Albania reserves the right to cancel the co-funding of the Project in case of inappropriate implementation or non-fulfillment of agreed obligations, after informing first in writing the municipality.</i> <i>1.19 The contribution of the municipality should be always minimum 20% of the offer, if the winning offer is less than the contribution of IC Albania. In this case IC Albania contribution will be reduced accordingly.</i>
Currency of Payments	<i>1.20 Payments will be done to the Treasury account of the <b>Insert name</b> Bank, in Albanian Lek (ALL).</i>
Cost Overruns	<i>1.21 In case of cost overrun, costs in excess of the agreed amounts based on the indicative budget are to be borne by the municipality.</i>
Payment arrangements	<i>1.22 IC Albania will transfer its co-funding part only in one disbursement at</i>

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<sup>1</sup> This total amount is calculated considering the daily Exchange rate of **xx** Bank of **insert date** , 2008 which was 1 Euro= **xx** Albanian Lek. Exact amount will be calculated with the daily rate at the moment of the payments.

and payment schedule	<p><i>Treasury <b>Insert name of</b> Branch, (after the final report is approved) :</i></p> <ul style="list-style-type: none"> <li>○ The payment of the co-funding part of IC Albania will be done after IC Albania has approved the final report of the municipality according to IC templates attached to this agreement.</li> </ul>
The guarantee funds	<p>1.23 <i>According to the law and to the contract with the contractor, the municipality will administer the 10 % of the guarantee fund of the winner offer and then the 5 % of the guarantee fund (in Treasury account) for technical work and will ensure that all the defects are revised. The guarantee period is for a minimum of 1 year. IC Albania will be informed by the municipality how the guarantee fund is administered.</i></p>
Treasury procedures	<p>1.24 <i>IC will respect the Treasury rules and procedures for its money transfers, according to the schedule and conditions specified in this agreement.</i></p>
Other Payments	<p>1.25 <i>IC ALBANIA shall not be, or made responsible for any payments other than the above listed.</i></p>

### **Procurement procedures**

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Procurement Procedures	<p>1.26 <i>Procurements under the Project shall be done by the municipality, according to the Law on Public Procurement (Law No.9643 dt.20.11.2006, changed by the Law No. 9800, 10.09.2007, changed by the Law No. 9855, dt. 26.12.2007) and strictly in accordance with the requirements of the Project Proposal.</i></p> <p><i>IC Albania reserves the right to nominate a member of the selection commission.</i></p> <p><i>In any case, the municipality/commune will submit to IC Albania all relevant information, minutes and reports (with the relevant documents) on the proposed selection of contractors/supplier(s) for comments, before the final decision on selection of the contractor is made.</i></p> <p>In case of complaint about procurement procedures, the municipality will inform IC Albania in due time.</p>
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### **Reporting and Information**

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Dissemination of Information	<p>1.27 <i>The municipality/commune agrees that all information and experience gained in connection with the Project will be disseminated within the municipality/commune and made available to IC Albania and / or any of the other DLDP partner LGUs.</i></p>
Reports and records keeping	<p>1.28 <i>All participating parties will keep records of their inputs so that an overview of the total 'resource investment' required for the project can be reported according to the IC Albania reporting template.</i></p>
Preliminary condition	<p>1.29 <i>Before starting the works the municipality/commune will submit to IC Albania a list of documents, according to the template report attached to</i></p>

*this agreement (building permission etc...), as an IC Albania preliminary condition for IC co-financing part.*

- Final Report
- 1.30 *At the end of the project before the payment, a Final Report shall be submitted to IC Albania in a consolidated form (according to the template annexed).*
- 1.31 *Other documents and information may be requested by IC Albania during project implementation.*
- Information to IC Albania on Important Events
- 1.32 *The municipality/commune is obliged to inform IC Albania well in advance about important events related to project implementation so that IC Albania may be present if deemed necessary. Such events are:*
1. Preparation of tender documentation and announcements
  2. Bids inviting and offers opening
  3. Final selection of contractors and contracts allocation
  4. Public citizen meetings etc.
  5. Decision on changes of important aspects of the project and its implementation
  6. Inauguration planning and organizing
  7. Publications/Media relations about the project

### **Supervision, monitoring and assistance by IC Albania**

- 
- Municipality/commune as main responsible
- 1.33 *The municipality/commune as main responsible for the project implementation, according to the Albanian legal framework, will organize the coordination, implementation and monitoring of all the activities.*
- Right of inspection, examination monitoring
- 1.34 *IC Albania or a third party commissioned by IC Albania has the right to monitor and inspect the implementation and progress of the works and the project related funds/financial situation and other documents at any time in any manner as IC Albania deems useful (personal inspection, inspection/audit by a third party). In such cases, the municipality will support the inspection by providing all necessary information, documents and other support required.*
- IC monitoring
- 1.35 *IC Albania, will monitor the project implementation, in collaboration with the nominated supervisor of the municipality/commune, and with the technical and administrative staff of the municipality/commune.*

1.36 IC Albania will organize the supervising and monitoring of the project in the following ways;

- Participation as a member of the tender commission
- Supervise on behalf of IC Albania the implementation of the works “supervisor of the municipal supervisor”; participation in key moments, approval of situations, assurance of time schedule etc. IC engineer will visit periodically the project site and he/she will be the main link between IC Albania and the LGU for technical issues. All technical documents must be signed by the IC engineer.
- Participation in co-laudation and taking over meetings on behalf of IC
- Technical work will be monitored by the IC engineer. IC Albania will provide a list of required documents as part of the templates of the progress and the final report. The IC engineer will have all necessary assistance from the municipality and the third parties to monitor and evaluate the process of implementation.
- IC Albania will closely monitor the community information and participation as it is foreseen at the narrative project proposal. Evidences, which prove the fulfillment of community participation plan (and gender equality approach), will be requested.

1.37 IC Albania reserves the right to intervene in case of difficulties in order to improve the implementation of the project.

1.38 IC Albania will support its assistance and monitoring to the project by other financial resources within DLDP.

## **Audit and taxes**

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VAT, possible exemption

*The budget is calculated including the VAT. IC Albania will try to advocate getting its project co-funding part VAT exempted. In case this is successful, the municipality will be instructed by IC ALBANIA how to proceed with the VAT reimbursement procedure.*

Financial inspection and Audit

1.39 *The municipality agrees to provide IC Albania all reports of internal and external auditing and inspection related to IC Albania co-funded activities.*

1.40 *The municipality will deliver to IC Albania a copy of the regular financial annual inspection (part related to the project) done by the Prefecture. If IC Albania deems useful, it can conduct a separate audit on the IC Albania co-funded activities.*

## **Final Provisions**

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Period of Agreement

1.41 *This Project Agreement enters into force upon signing of the agreement and expires after all the obligations according to the agreement and the project proposal are fulfilled (including handing over of the project), but not later than **Insert date**. All obligations of IC Albania regarding the Project will cease after this date.*

Integral Parts of the Agreement	<p>1.42 <i>The Project Proposal, Reporting template and other annexes, if any, are an integral part of this Project Agreement.</i></p> <p>All the changes of this agreement will be done only in written form.</p>
Discrepancies between Documents	<p>1.43 <i>In case of contradictions between the Project Proposal and the Project Agreement, the ruling paragraphs shall be those of the Project Agreement, respecting the general aims of IC Albania and its DLDP programme. The following order of priority shall prevail:</i></p> <ol style="list-style-type: none"> <li>1. Project Agreement</li> <li>2. Project Proposal of LGU, which is an integral part of this Project Agreement</li> <li>3. Protocols and Minutes of Meetings</li> </ol>
Amendments or Termination of Agreement	<p>1.44 <i>Alterations and amendments as deemed to have become desirable during project implementation must be presented to IC Albania in a written form for discussion. Amendments to this Project Agreement will be considered binding only if they are in written and signed by all parties.</i></p> <p><i>IC Albania shall have the right to terminate this Project Agreement for reasons such as excessive time delays, incompetent project management, unsatisfactory quality, negligence in the project implementation, fraud and corruption, major force with immediate effect by given written notice to the municipality.</i></p>
Anti-corruption clause and Misappropriation of Funds	<p>1.45 <i>The municipality/commune and / or its delegate(s) shall commit neither offer to any third party, nor seek, accept or promise directly or indirectly for itself or for any other party, any gift or benefit which would amount to or could be considered as an illegal or corrupt practice.</i></p> <p><i>In case of suspicion of misappropriation of funds and/or corruption, IC Albania may immediately annul the present agreement and the procurement or resulting award, block assets and accounts, and start criminal or civil proceedings against parties involved foreseen by applicable law.</i></p>
Conflict of Interest	<p>1.46 <i>The municipality/commune covenants that while carrying out the Project, it will notify IC Albania in written of any situation where a Conflict of Interest may arise, whether or not it is a party to the potential conflict and whether or not it will benefit or be compensated. In case of Conflict of Interest, the municipality acknowledges IC Albania's rights and responsibilities to act and to ensure whenever possible that any potential conflict does not evolve and that any actual conflict is discontinued. IC Albania may take any other action deemed appropriate.</i></p>
Conflict Resolution, Place of Jurisdiction and Applicable Law	<p>1.47 <i>In case of controversies or disputes arising out of or related to this agreement or the breach thereof, the parties hereby agree to mobilize all efforts and to enter into discussions in order to find an acceptable solution by direct negotiation. Good services of the Steering Committee can be requested for mediation. Only if no solution may be found by agreement, the case shall be settled before the regular Albanian courts.</i></p>

**The legal jurisdiction is the court of Shkodra, Albania.**

Number of  
Agreements, prevailing  
language

*1.48 This Agreement is made in English and Albanian in three copies in each language, all versions being equally authentic. In case of divergence of interpretation between English and Albanian language, the English version shall prevail.*

**Annexes:**

1. Narrative and technical project proposal, submitted by the municipality to IC
2. Community participation and monitoring plan/schedule
3. Technical project design and preventive approved by the municipality
4. Reporting template including a list of technical documents required
5. Recommendation for the tender documents with regard to the selection of the implementation company and some materials to be used

Place, date:

**Intercooperation Albania**

**Municipality /commune of**

---

Insert Name

---

Insert Name

IC ALBANIA Insert function

Mayor



**Annex 7: Standard letter of ownership confirmation**

\_\_\_\_\_ on / /201

**Subject:**           Ownership confirmation

**To:**                Decentralization and Local Development Programme

I the undersigned Chief of Commune/Mayor, Mr (s) \_\_\_\_\_ , representing the Commune/Municipality/ \_\_\_\_\_ , certify, after investigation of the Mortgage and Land use Departments, that the land and/or building, which is the subject of the present request for financing, belongs totally to the Commune/Municipality.

- To the best of my knowledge, I attest that there I know of no conflict or action concerning the ownership of the above property and its use for the above-stated purpose.

- I attest to the Decentralization and Local Development Programme that the present land or building(s) will be used for the above-stated purpose

\_\_\_\_\_  
Name and Signature, Stamp of the Mayor



**Annex 8: FINAL REPORT FORM**

*This form will be used by the DLDP partner Local Government Units (LGUs) as a template for the preparation of final report upon the implementation of the project.*

<b>Project Title:</b>	
<b>Local Government Unit:</b>	
<b>Reporting Period:</b>	
<b>Report submission date:</b>	
<b>Author(s) of Report:</b>	

**I. Executive Summary**

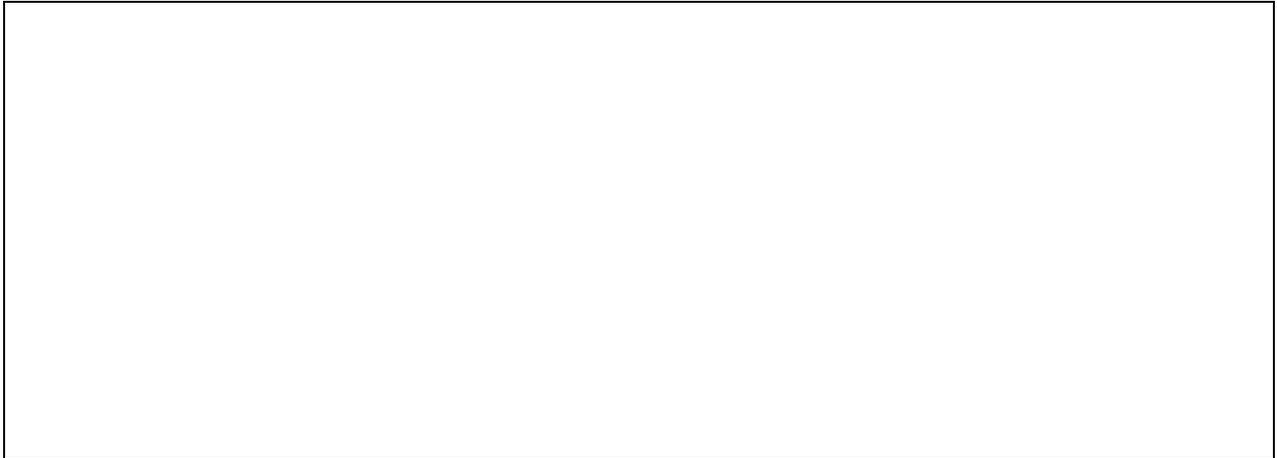
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## **II. Resume of the Project Goals**

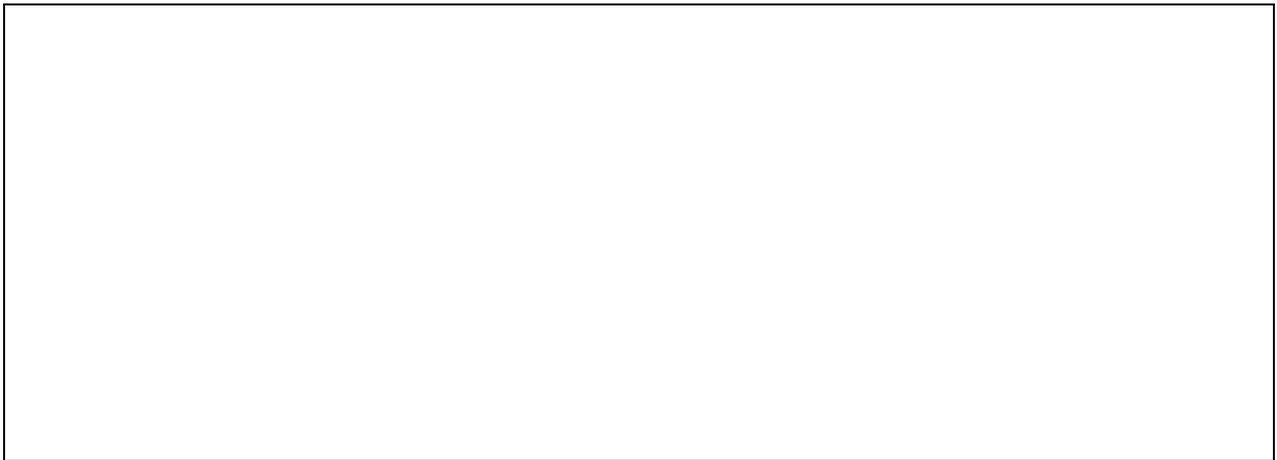
## **III. Description of Project Activities**

## **IV. Project Results Analysis**

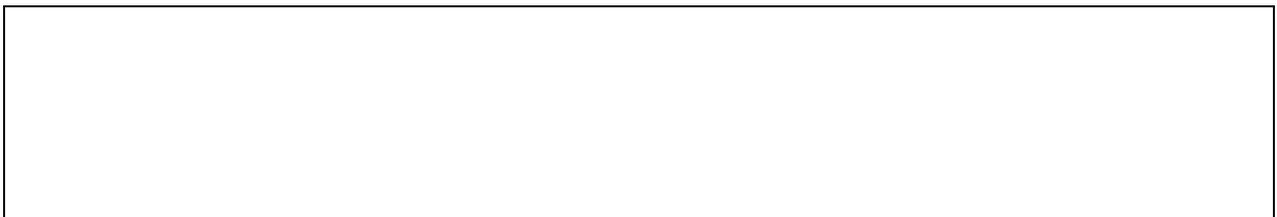
**V. Sustainability**

A large, empty rectangular box with a thin black border, intended for text or content related to the 'Sustainability' section.

**VI. Project Management**

A large, empty rectangular box with a thin black border, intended for text or content related to the 'Project Management' section.

**VII. Citizen Participation during the implementation of the projects**

A large, empty rectangular box with a thin black border, intended for text or content related to the 'Citizen Participation during the implementation of the projects' section.

**VIII. Gender mainstreaming**

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**IX. Visibility of the project**

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**X. Lessons Learned**

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**VIII. ANNEXES**

**Annex 8.1: Instructions for the preparation of Final report form**

*This form will be used by the DLDP partner Local Government Units (LGUs) as template for the preparation of final report upon the implementation of the project.*

<b>Project Title:</b>	
<b>Local Government Unit:</b>	<i>Name of the LGU, Region. In case of inter-LGU cooperation list all the LGUs, specifying the main applicant</i>
<b>Reporting Period:</b>	
<b>Report submission date:</b>	
<b>Author(s) of Report:</b>	

**I. Executive Summary**

*There should be a short summary of the key points from the report, highlighting the main conclusions and recommendations. (max 1 page)*

## II. Resume of the Project Goals

*Make a resume of the project goals and results achieved. This section will provide the necessary context for the other sections of the report.(max 1 page)*

*In order to prepare this section please answer:*

- *What were the project goals and approach?*
- *Which were some of success factors for the project?*
- *What performance indicators were used to enable the success of the project to be assessed? (The indicators have to be related with issues like:*
  - *Project relevance: To what extent are the project goals compatible with the community needs and the goal of DLPD?;*
  - *Project Efficiency: To what extent the human and financial resources were used in compliance with planned activities?;*
  - *Project effectiveness: To what extent were the project goals met?*
  - *Project impact: What is the impact of the project relating to the improvement of citizens' lives and community development?;*
  - *Project sustainability: How will the project be sustainable upon termination of funding? Please include the budget and human resources needed to ensure the sustainability of the achieved results.*
- *To what extent has the project contributed to the general objectives of DLPD?*
- *Who were the project actors? Which were their expected roles?*
- *To what extent was LGU's capacity on project management increased? In which components is further assistance needed in the future?*

## III. Description of Project Activities

*Please describe what activities were undertaken in the course of project implementation. Please refer to the project proposal and compare what is planned and what is actually implemented. It is important to describe whether the project is implemented in compliance with what is planned. If not, please describe why and what have you done to improve the situation.(max. 3 pages)*

*The following questions can help you accordingly:*

- *What activities are undertaken during the project implementation?*
- *Did actors contribute in compliance with what was planned? If not, which were the activities undertaken to improve the situation?*
- *To what extent was it possible to adhere to the action plan and timeframe?*
- *If there were delays or other problems related to project implementation, which were their effect on the achievements of project objectives? What was done to overcome the delays or solve the problems?*

- *To what extent has the project staff increased its capacities on project management and community development?*

#### **IV. Project Results Analysis**

*This is the most important part of the report. In the final report, emphasis must be given to what is achieved as a result of project implementation. (max. 2 pages)*

*To make an evaluation of the results, the following issues should be addressed:*

- *Did you face with technical issues in the course of project implementation? If yes please describe. What tools and approaches did you use to overpass these difficulties?*
- *What were the main results of the project? To what extent did the community involvement contribute to their achievement?*
- *What new management aspects did you learn from the project implementation? What could be done differently and why? Which are some of your thoughts related to this issue?*
- *How did the results contribute to the overall goal of DLDP?*
- *Which was the added value of “quick start projects” funded by IC Albania to DLDP?*

#### **V. Sustainability**

*Sustainability is one of the key issues in every project. It implies the durability of project results after IC Albania funding. In any case a follow up is needed to fully meet all the project objectives. Sustainability is related with infrastructure and know-how investment. (max. 1 page)*

*To prepare this section please answer to the following questions:*

- *Have you planned any infrastructure component to attain project sustainability? (additional budget for capital investment maintenance, extension of the investment in the future, warranty period, etc.). If yes, specify.*
- *How can you apply the new experience and the new knowledge gained during the project implementation to other LGUs? How can this experience be shared with them?*
- *Is there any need for further follow-up assistance upon termination of funding by IC Albania?*

## **VI. Project Management**

*In this section, describe the role and cooperation of different actors in project management and its implementation (LGU staff, supervisor, IC Albania, community members and their representatives, contractor, etc). Emphasis must be given to the cooperation between actors and team work during the project implementation, strengths and weaknesses of the project management, new positive experience brought to the community by the project staff, etc. (max. 1 page)*

## **VII. Citizen Participation during the implementation of the projects**

*In this section, please describe the benefitting community participation during the implementation of the project:*

*Did the LGU take any initiatives to include the local community in the process of the project implementation?*

*Were the citizens informed on the project, how did that happen?*

*Could the citizens comment on the quality of the implementation of the project? Did you establish any feedback mechanism?*

*More generally, to what extent was the participation of community to effectively implement different project phases?*

## **VIII. Gender mainstreaming**

*In this section, please describe the impact of the project in the women's life?*

*Were the women directly involved during the implementation of the project?*

*Did they work in the implementation of the project?*

*Were they consulted a project identification or implementation stage?*

## **IX. Visibility of the project**

*Did the project have any coverage in the media?*

*Was this coverage positive or negative?*

*If any, where were the articles of the newspaper published in the local or central media? Please give the number of the articles and the names of the newspapers, attach them to the report.*

*If any, were there any news chronicles or programs in the electronic local or central media? Please give the number of programs and the names of the radio/TV stations. Attach records if necessary.*

## **X. Lessons Learned**

- *What type of positive experience did you gain from the project implementation?*
- *To what extent could your new experience contribute to your future projects?*
- *How much can your experience from the implementation of this project be of use to other LGUs? How can this experience be shared with them?*
- *What would report as “success story” relating to the implementation of this project?*

## **XI. ANNEXES**

*It should include all the technical documents as required, as well as financials statements documenting the use of financial sources.*



## **Annex 9: The rules of functioning of the Management Board of the grant fund of dldp**

### **I. General**

- The Management Board of the grant fund is a body composed of the main stakeholders of the program with a main function consulting the donor, SCO-AL for the procedure of the distribution of the grant fund of the dldp programme.

### **II. Composition**

This body will be composed of seven persons as follows:

- The Representative of the donor, the Swiss Cooperation Office in Albania.
- The Chairman of the Region of Shkodra (could delegate to the Development Department Director of the Region)
- The Chairman of the Region of Lezhë, (could delegate to the Development Department Director of the Region)
- The executive Director of the Association of the Municipalities of Albania, (could delegate to other persons of the organizations with the appropriate skills)
- The Executive Director of the Association of the Communes of Albania (could delegate to other persons of the organizations with the appropriate skills)
- The representative of another donor working in the same field
- The representative from the civil society of the Regions concerned

### **III. The Responsibilities of the Management Board**

- *Consults the donor for the decision-making on the selection of projects.* Gives input for the process of the selection of best project concepts at the first screening. Gives input for the process of selection of the projects to be financed.
- *Approval of the monitoring reports and awards the best implemented project.* Approval of the final reports submitted by the Local Government Units. Based on the narrative reports submitted by the LGUs and other information makes a decision on a best project and awards a second project to the LGU with the best performance.
- *Revision of the guideline.* Based on the first round experience proposes to the donor the revision of the guidelines, process and responsibilities of the stakeholders for the second round of the grant fund.

### **IV. Functioning of the Management Board**

- The management board meeting is called by the Chairman of the board in order to fulfill the responsibilities set in the guidelines for this board.
- A meeting of the management board will be valid when at least five members are present.
- The decisions of the management board will be taken with the consensus of all the members. If a consensus cannot be reached between the members then a simple majority of the present members will be needed to make the decisions.

### **V. The Chairman of the Management Board:**

- In the pilot phase, the Management Board will be chaired by the representative of the donor SCOA that will have the veto power in the approval of funds distribution.
- Will keep close contacts with the dldp staff in order to prepare the materials for each meeting.
- Will announce the dates of the meeting and the agenda for the other members of the board.
- In coordination with the dldp staff will prepare the agenda for each meeting.

## **VI. The secretariat of the management board**

- The staff of the programme (dldp) will act as a secretariat of the management board.
- The secretariat will keep the minutes of the meeting, that will be distributed to the members of the board for comments and signing in the next meeting.
- The secretariat of the board assists the chairman of the board for the organization of meetings, compiling and distribution of the agenda.
- The secretariat is responsible for the archive of the minutes of meetings and the decisions taken by the management board.

## **VII. The first meeting**

- The first meeting of the board is called form the chairman of the board.
- The members of the board are confirmed in this meeting.
- During this meeting, the roles and responsibilities of the members of the board are explained.
- In the first meeting, the members of the management board sign these rules of functioning of the board.
- This regulation enters into force with the signing of at least five members of the board and serves as such for the first round of the grant fund of dldp.