



UN Development Programme

Georgia - Tbilisi



Award ID: 00050852

Award Title: FOSTER

Start Year: 2008

End Year: 2010

Implementing Partner

(Executing Agency): DIRECT EXECUTION

Budget (US\$) as of Last Revision on 15-December-2008		
Donor	Fund	Amount
UNDP	04180 TRAC3 - EARLY RECOVERY	1,180,496.00
EC	XXXX Programme Cost Sharing	1,617,076.32
Award Total		2,797,572.32
Unprogrammed/Unfunded		0.00

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Responsible Party


(Implementing Agent): UNDP (Direct Execution)

Revision Type: Substantial Revision 1


Brief Description:

This project budget revision is made to reflect:

Introduction of the new output (00063905) in the FOSTER project for expanding the Livelihood Component of the FOSTER project through rehabilitating small and medium size infrastructure in the Shida Kartli Region as an initiative 100% funded by European Commission in the amount of 1,617,076.32 (equivalent of 1,250,000 Euro per official UN ex. rate for Nov-08 amounting to 0.773) and implemented by UNDP per attached project document.

Agreed by:  David Tkeshelashvili, State Minister on Regional Matters

Agreed by:  Per Eklund, Ambassador, Head of the EC Delegation to Georgia

Agreed by:  Robert Watkins, Resident Representative, UNDP Georgia



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**REHABILITATING SMALL AND MEDIUM SIZE INFRASTRUCTURE
IN THE SHIDA KARTLI REGION**

PART B. FULL APPLICATION FORM

I. THE ACTION

1. DESCRIPTION

1.1. Title

Rehabilitating Small and Medium Size Infrastructure in the Shida Kartli Region

1.2. Location(s)

Georgia, the Shida Kartli Region, Municipalities of Gori, Kaspi, Khashuri and Kaspi

1.3. Cost of the action and amount requested from the Contracting Authority

Total eligible cost of the action (A)	Amount requested from the Contracting Authority (B)	% of total eligible cost of action (B/Ax100)
1,250,000Euro	1,250,000Euro	100%

1.4. Summary (max 1 page)

Total duration of the action	18 months
Objectives of the action	<p>Rehabilitating Small and Medium Size Infrastructure in the Shida Kartli Region</p> <p><u>Overall objective:</u> Facilitating the restoration of basic livelihoods in the Shida Kartli region, which has suffered heavily as a result of the recent crisis, through the rehabilitation of damaged and dilapidated infrastructures in the region.</p> <p><u>Specific Objectives:</u></p> <p>Rehabilitation of at least 40 damaged or under-maintained productive and social infrastructure facilities in the Shida Kartli region;</p>
Partner(s)	Office of the State Minister for Regional Issues, Administration of the Governor of the Shida Kartli Region,
Target group(s) ¹	Municipalities of Gori, Kaspi, Kareli and Khashuri of the Shida Kartli Region
Final beneficiaries ²	Population of the Shida Kartli Region, including IDPs, those resettled and

¹ "Target groups" are the groups/entities who will be directly positively affected by the project at the Project Purpose level – See paragraph 2.3 in Section II for the list.

² "Final beneficiaries" are those who will benefit from the project in the long term at the level of the society or sector at large

	other vulnerable groups
Estimated results	<ol style="list-style-type: none"> 1. At least 40 infrastructural reconstruction and rehabilitation projects completed 2. Coordination on implementation of infrastructure projects achieved 3. Visibility of intervention realized
Main activities	<ul style="list-style-type: none"> • Consult local governments on specific priorities on infrastructure rehabilitation for the targeted area • Prepare design of technical characteristics of works • Select the implementing national private companies under transparent procurement process • Technical supervision of the infrastructure rehabilitation works • Final delivery of infrastructure rehabilitation works • Organize and attend donor and other stakeholder meetings • Coordinate and communicate with local government representatives on infrastructure rehabilitation projects • Prepare press statements for media • Organize local and national media visits to construction sites • Communicate support of donor who made action possible

Where applicable, clearly indicate the sector³, theme, or geographical area specified in the call for proposals to which the proposed action would apply:

³ See paragraph 2.2 in Section II for the list of Sectors
2007

1.5. Objectives (max 1 page)

The objective of this action is to facilitate the restoration of basic livelihoods in the Shida Kartli region, which has suffered heavily as a result of the recent crisis, through the rehabilitation of damaged and dilapidated infrastructures in the region. This will lead to improved small and social infrastructures which in turn will improve the life and livelihoods of the local population, including IDPs, those resettled and other vulnerable groups, in the Shida Kartli Region. Moreover, the generated employment associated with these rehabilitation projects is expected to benefit the local population through increased employment opportunities and improved skills sets for the local labour force - especially in the construction vocations - as well as positively stimulate local supply chains.

1.6. Relevance of the action (max 3 pages)

The infrastructure is severely dilapidated in the Shida Kartli region, due to recent conflict-related damages, and also due to a lack of systematic maintenance. Hence, improvement in the conditions of the main productive/social infrastructure had already been planned in the pre-conflict period within the municipal development plans. However, the implementation of such plans was disrupted by the conflict and the ongoing resettlement will put additional pressure on the affected municipalities which now have to cope with increased demand for restoration of basic services (repair of, for example, the water supply, natural gas system, sewage systems, municipal roads, schools, hospitals, kindergartens and the like).

A Joint Needs Assessment (JNA) was conducted by the EU, the World Bank, and the UN, which have shown a clear need for reconstruction and rehabilitation of the infrastructure. Reflecting on the JNA, the UNDP initiated consultations with the State Minister's office on Regional Issues (soon to be transformed into the Ministry on Regional Development and Infrastructure), local authorities and communities, including representatives from IDP groups, returnees and host families and relevant CBOs, to identify priority recovery needs for the short- and medium-term. These consultations resulted in the launch of a comprehensive project, "Fostering Sustainable Transition and Early Recovery (FOSTER)", aimed at strengthening the capabilities of local governments to cope with crises and restoring basic services and livelihoods in Shida Kartli region. The planned interventions in the framework of this project will ensure that both IDPs as well as the local population, residing in the most affected areas, benefit from the assistance and will target their immediate needs and priorities. The three main objectives are: (1) Strengthening local government capacities to respond to crisis, particularly recovery needs and priorities, (2) Restoring livelihoods in priority urban and rural areas, and (3) strengthening of Community Security, Rule of Law, and Social Cohesion.

The EU, through its stability instrument, has earmarked infrastructure rehabilitation as one of the priorities for intervention in support of the restoration of livelihoods in the conflict affected region. This proposal of a joint EU-UNDP initiative aims to address one of the main challenges in the region related to the damaged or under-maintained productive/social infrastructures. The objective is to provide support to the economic development and recovery of the region and improvement of the welfare of the affected groups, both IDPs, resettled, and the local vulnerable population, by means of reconstruction and rehabilitation of small and medium sized infrastructures. The budget of the FOSTER Project for infrastructure rehabilitation is rather modest - around 10 small sized projects with a total budget of just USD 320,000. Consultations with the targeted municipalities and community representatives have shown that the reconstruction and rehabilitation needs are in fact much larger. Initial estimations foresee a required funding for infrastructure rehabilitation/reconstruction projects, of at least 40 million GEL. There is a clear need for upscaling these activities by means of expanding the duration of the project and attracting specialized staff, and increasing the budget for projects to be rehabilitated.

This project aims to facilitate restoration of basic services and livelihoods in the Shida Kartli region, and in particular the municipalities of Gori, Kaspi, Kareli, and Khashuri. It will ensure that the local population and IDPs, residing in the most affected areas, benefit from the assistance in the form of the small-scale rehabilitation of productive and social community infrastructures, with a focus on health and educational facilities.

This project will require an allocation of EUR 1,400,000 to cover the costs for small and medium scale infrastructure rehabilitation and equipment provision, with a focus on health and educational facilities. These activities are to be implemented in the course of 18 months, starting in January 2009. The geographic coverage of these activities includes the Shida Kartli Region, and the municipalities of Gori, Kaspi, Kareli, and Khashuri.

A conflict-sensitive and risk reduction approach will be applied, since the monitoring and evaluation of the project will go together with an update of the context analysis, and an assessment of how the project will affect future disaster risks, including the coping capacity of the conflict-affected area. Likewise, the project applies a disaster risk reduction approach, especially in the reconstruction work, in order to use the current crisis response to strengthen the communities' abilities to prevent, mitigate and respond to future man-made crises, or so-called natural disasters (for example, by taking into account fire safety and earthquake resistance in newly built constructions). The project will be managed in an environmentally responsible manner, and efforts to minimize potential negative environmental impacts will be taken into account, in connection with the rehabilitation work, procurement, and in the selection of contractors. During the bidding process, for example, potential contractors will be requested to consider inclusion of mitigation measures, according to Georgian environmental legislation, to ensure that such concerns are properly addressed.

1.7. Description of the action and its effectiveness (max 14 pages)

The objective of the action is to facilitate the restoration of basic livelihoods in the Shida Kartli region, which has suffered heavily as a result of the recent crisis, through a rehabilitation of damaged and dilapidated infrastructures in the region. This will lead to improved small and social infrastructures, which in turn, will improve the life and livelihoods of the local population, including IDPs, those resettled and other vulnerable groups, in the Shida Kartli region. Moreover, the generated employment associated with these rehabilitation projects is expected to benefit the local population through increased employment opportunities and improved skills sets for the local labour force - especially in the construction vocations - as well as positively stimulate the local supply chains.

This project has three main outputs or expected results. The main output is the (i) rehabilitation of at least 40 damaged or under-maintained productive and social infrastructure facilities in the Shida Kartli region; (ii) rehabilitation works to be executed in combination with an effective coordination mechanism, to avoid overlaps in activities, as well as; (iii) media and public outreach activities to promote EU supported initiatives into the project.

The local vulnerable population will benefit from the increased quality of the productive and social community infrastructure, through an increased level of social services, an improved business climate - as a result of the improved access and preconditions (such as transport links to supply raw materials), and the positive spill over effects of such rehabilitated works in a community or village. It is expected that the marked upswing in works associated with reconstruction will lead to job creation associated with those works. While it is not guaranteed that the created jobs will continue after such works are completed, they will potentially provide short-term employment opportunities for those directly affected by the conflict, as well as for the wider community. Provided the conflict-affected communities and other vulnerable groups can access these opportunities, the creation of these jobs (albeit on a temporary basis) will mitigate the risks of these groups falling deeper into poverty, while at the same time laying the foundations for their future gainful participation in labour markets.

This project will engage national private companies to execute the infrastructure rehabilitation works. Local companies will be encouraged to participate to whatever extent possible. The companies will be selected in a transparent and competitive process, but this selection is nonetheless dependant on the availability of experienced construction companies and the supply of construction materials (preferably) from a local source, or imported. Preliminary assessments and experiences under the FOSTER project have shown the availability of sufficiently qualified building companies, as well as a well developed supply chain for construction materials. This will in turn support the assumption that the targeted number of infrastructure rehabilitation projects will be reached.

As an expeditious implementation of the rehabilitation works is vital for the region, it is important to put in place solid and proper quality assurance mechanisms to ensure the quality of the end products. Step by step quality assurance by the project team, including (specialized) engineers, as well as close involvement and feedback of the local authorities and population during the execution phase, will ensure the desired quality of the infrastructure projects. Local authorities will eventually measure,

independently from the project, the quality of the final products and certify that the products fulfil the technical requirements and the final beneficiaries' needs.

Besides the physical construction process, a coordination mechanism will be sought to ensure any absence of overlap between the activities implemented under this project and those implemented by other actors and donors in the region. The primary coordination responsibility rests with the local authorities and the newly [to be] established Ministry on Regional Development and Infrastructure. The FOSTER project has provided coordination assistants to the municipalities of Gori, Khashuri, Kareli and Kaspi, to support them in coordination efforts. A coordination adviser will be provided shortly to the Administration of the Governor of the Shida Kartli Region. All these will naturally strengthen the coordination capacities of the local authorities. In addition, with the creation of a new Ministry on Regional Issues and Infrastructure, the overall responsibility for infrastructure rehabilitation activities will lie with this Ministry, which would facilitate communication and enhance the coordination mechanisms. Regular donor coordination meetings are yet another mechanism for coordination. The project team, especially the project manager, will attend these meetings, and be updated on the activities of other stakeholders and development partners, and align the project plans accordingly. Thus, employing all these mechanisms in close cooperation with the Ministry of Regional Development and Infrastructure and local authorities will help to make sure that the implemented projects are in line with regional and municipal development plans. Lists of projects to be undertaken will be regularly updated. Finally, normal communication lines between the project staff and the main active organisations in the region shall be kept.

The success of the project rests for the largest part on the approval and satisfaction of the final beneficiaries - the local population, including IDPs, those resettled, and other vulnerable groups. Inclusion of the beneficiaries in the selection of the rehabilitation works, along with the involvement of the local authorities and communities, is important, as well as reporting back to them during the process of the implementation of the rehabilitation works, and also during delivery of the end products. The media will be the main vehicle through which the beneficiaries will be kept informed about the progress and end results of the project. A public outreach campaign will run parallel to the rehabilitation works. The visibility of this project, and the EU's role and contribution in making it happen, will hence be ensured.

As repeatedly mentioned above, this project will indirectly stimulate temporary employment in the region, as the construction companies are expected to demand temporary local labour force, alongside their professional staff. This, matched with the initiative on building capacities for VET development in the region, will create fertile grounds and incentives for the local population to enroll in professional development courses, especially in the construction professions, as they will have opportunities to take advantage of such opportunities.

This project is very suitable for replication in other areas and regions of Georgia. The general state of dilapidation of infrastructure gives enough reasons to extend and expand this described action. This project tackles only a fraction of the total need for infrastructure rehabilitation, and additional funding would therefore result in even greater satisfaction of the needs of the local vulnerable population. Moreover, these planned interventions will benefit in a positive way the business climate of the region, due to improved access and facilities, and a general improvement in the education and health sectors (due to rehabilitation of schools and medical facilities), and will benefit the population as a whole in the medium and longer term. Positive spill over effects can also materialize, resulting in an improved living environment, which should attract people outside the region to settle here, and to additionally spur tourism.

1.8. Methodology (max 4 pages)

1.8.1. Methods of Implementation

This project will support the restoration of basic productive and social infrastructures (water supply, natural gas system, sewage systems, municipal roads, schools, hospitals, kindergartens, etc.), critical for the population. The infrastructure priorities are will be identified following intensive consultations with the municipalities, the State Minister's Office for Regional Issues, and local communities, through a series of participatory meetings. Furthermore, recently developed municipal development plans will be consulted to ensure consistency with the local development strategies. A number of infrastructure projects have already been implemented (the size ranging from USD 4,000 up to USD 55,000) under the FOSTER project, for which a detailed technical list was agreed upon. The developments on the ground are dynamic and change with rapid pace, with the inevitable results that lists for this project can only be compiled, so far, in advance of the actual start of implementation of the works.

During the selection process, factors such as the importance of services to the vulnerable population, labour intensiveness, the number of people affected, the number of female beneficiaries, the environmental impacts, etc., will be taken into account. The project will involve the private sector, preferably from the targeted areas, in the implementation of rehabilitation works, and thus contribute to strengthening the local economy. National private companies for each individual sub-project will be contacted under a procurement process, undertaken according to UNDP procurement rules. The private companies will also be encouraged to engage the IDPs and the local population on a temporary basis as the main (unskilled) work force for undertaking the works.

The project team, notably the Chief engineer, will be responsible for the production of the technical specification of the works. Since the types of rehabilitation works can differ significantly, various engineering specialities will be engaged to ensure the quality of the technical specifications of each project undertaken.

Initial lists of infrastructure facilities requiring rehabilitation will be provided by the local authorities. A team of engineers will study the lists of projects proposed by the municipal authorities and assess their suitability, against the set of criteria as defined under the project (for example: small and medium sized infrastructure rehabilitation projects, with a special focus on schools, hospitals and communal roads), as well as determining if weather conditions allow for certain works to be carried out. Based on these assessments, the Project will make a decision on the projects to rehabilitate for the coming period. This list will then be communicated back to the Governor of the Shida Kartli Region, with copies to the Minister on Regional Development and Infrastructure, and the respective municipalities, requesting final approval from his side. At the same time, the approved list will be presented to the Project Board for final approval. The engineers will then make an estimation of the costs related to every aspect of the rehabilitation work, and prepare the bill of quantity. The procurement process will continue with the receipt of at least three competitive bids, out of which the lowest responsive offer will be selected. The selected company will be hired for completing the infrastructure project under the conditions specified in the contract.

The Project Manager and the team of engineers will ensure the proper overall supervision of the execution of the respective works, taking into account the elements of cost, time and quality. The team will ensure the proper use of building materials and timely delivery, although the main partners responsible for delivering the end product are the subcontracted construction firms. During the implementation phase, safety requirements regarding the reconstruction works will be taken into account, as well as a proper mitigation of negative environmental side effects. The final delivery of the works will be accompanied by the appropriate outreach activities. This especially provides the right opportunity to provide visibility to the EC as the primary donor of the project, and to make the public aware of their support in the region. Delivery of the project will also represent the last point of quality assurance of the delivered products. Upon this guaranteed delivery, according to the contract, the final payment will be authorized.

The above mentioned activities will follow each other in a contiguous manner in order to meet the target of at least 40 infrastructure projects to be rehabilitated. This means that projects can be tendered in clusters of more than one project, enabling companies to bid for a larger contract and thus increasing the attractiveness of the action.

An important precondition for improving the impact of the proposed interventions will be an effective coordination with other actors implementing activities in the region. Currently, on a weekly basis, donor coordination meetings are organized in Gori, with the purpose of informing others about planned and current activities, seeking coordination of each other's interventions and to provide a platform for discussion. This coordination meeting will be the primary forum for informing about the planned projects' activities and to seek an avoidance of overlap. On a bilateral basis, the project team will liaise with the local authorities, the Ministry for Regional Development and Infrastructure, and other implementing organizations in the field of infrastructure, on an ad hoc basis. Finally, coordination with the government on various levels is an important aspect of our coordination activities. Local, regional, and national governments have to be informed about the projects planned outputs and activities, and brought in line with regional and municipal development plans, and planned construction and reconstruction activities of the government. Agreed upon priorities and projects will therefore be agreed and verified at every stage of project implementation, to avoid duplication and to ensure the relevancy of interventions.

1.8.2. Ensuring the Visibility of the EU

A key to the success of this proposed action is a wide public support of the proposed interventions, which will be achieved by an appropriate visibility of the projects' activities.. From the very start of the

implementation, an outreach plan will be worked out and agreed upon with the EC Delegation in Georgia, in order to plan outreach events and to promote media coverage at important delivery points. At a minimum, the plan will satisfy the minimum visibility requirements of the EU-supported activities, and will be elaborated in close collaboration with the communications officer of the EC Delegation in Tbilisi. The start of these rehabilitation works, highly important to the local community, will be properly highlighted and communicated to the local and regional media. The project manager will be primarily responsible for ensuring the distribution of press statements to the media, for organizing site visits to works under construction or completed, thus guaranteeing a proper visibility of the EC. Every rehabilitated facility will have a sign stating that the works were made possible with EU funding and support. The project will receive support from the UNDP communication officer in promotional activities.

1.8.3. Attitude of Stakeholders

This proposed initiative has been discussed and reviewed by all stakeholders at national and regional levels. Overall, there is a very positive and supportive attitude towards the proposed initiative from all concerned parties.

This initiative has support from the State Minister of Regional Issues, the Administration of the Governor of the Shida Kartli Region, the Heads of the Municipalities of Gori, Kaspi, Kareli, and Khashuri, and the local communities. This support became particularly apparent during the community meetings that were organized in all four municipalities to discuss the immediate needs of the recovery and development processes.

This initiative has received positive feedback from both the Ministry of Economic Development and the Ministry of Finance.

1.8.4. Project Management Arrangements

The UNDP Country Office in Georgia (UNDP CO) will be the implementer of this joint EU-UNDP initiative and will be responsible for producing outputs and for the use of resources. As such, it will bear overall accountability for delivering the project in accordance with its applicable regulations, rules, policies and procedures (ref.: *UNDP Programme and Operations Policies and Procedures*). As per UNDP's *Financial Regulations and Rules*, the following general principles will be given due consideration while executing procurement in connection with the project: Best Value for Money; Fairness, Integrity & Transparency; and, Effective Competition.

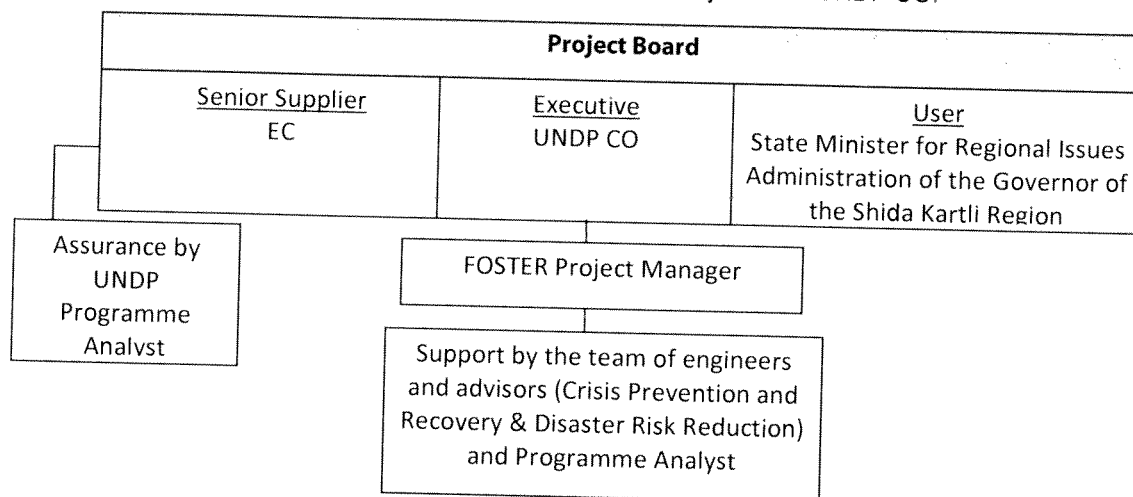
As this project is an expansion of the Infrastructure rehabilitation component of the oCBOing FOSTER project (budgeted at 1,180,496USD and fully funded by UNDP), it will be implemented as part of the latter and, therefore, its governance structure, and support capacities and infrastructure will be fully available to this project.

The UNDP has established a project office in Gori, staffed with a Programme Manager, two Project Coordinators, and an Administrative Assistant, funded by the FOSTER project. The Programme Manager will be the official liaison between the UNDP CO and the Municipalities of Khashuri, Kareli, Gori, and Kaspi, and will be responsible for the day-to-day management of the project. International and national experts will be engaged to provide technical advice and assistance in designing and implementing the project. Coordination with the local authorities will be further facilitated by the team of Recovery Activity Coordinators, also funded by the FOSTER project, fielded in each of the municipalities. The UNDP CPR Advisor, DRR Advisor, and CPR Programme Analyst, will be availing support and guidance for project implementation. The office in Gori is equipped with the necessary IT equipment and furniture, and will have two vehicles at its disposal.

In anticipation of any expansion of the scale of these infrastructure rehabilitation activities, the UNDP, through its FOSTER project, has strengthened its capacities for implementing these works – an international and three local engineers have already been hired to prepare and accelerate assessment of feasible facilities for this rehabilitation, and to prepare technical specifications and bills of quantities for the tendering process. The existing team will be further strengthened by hiring a procurement assistant to oversee the tendering process for selecting implementing companies.

This project will not create a new governance structure, but will be supervised by the FOSTER Project Board, with the three relevant roles of executive, supplier and user. While the executive ensures the funds are managed properly and in a cost-efficient manner, the user actually uses its benefits and the supplier provides resources and skills to produce the output. Therefore, the project executive role rests with UNDP CO, whereas the supplier role lies with the State Minister on Regional Issues (SMRI)

(the Ministry of the Regional Issues and Infrastructure). The Municipalities of Khashuri, Kareli, Gori, and Kaspi, are the principle users of the output. The Board meetings will take place on a quarterly basis during the project implementation period. The EC will be invited to the project meetings. Project assurance is provided by the relevant CPR Programme Analyst within UNDP CO.



1.8.5. The Procedures for Follow up and Internal/External Evaluation

In accordance with the programming policies and procedures outlined in the UNDP User Guide, this project will be monitored through the following:

Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the ER Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis (see Annex 4) a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Report (QPR) shall be submitted by the ER Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- A project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project.
- A Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events.
- A project review shall be conducted at the end of the second quarter of the project period, to assess the performance of the project and to evaluate performance against the Annual Work Plan (AWP). Another assessment will be made the fourth and final quarter. This review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which how long the project should be continued beyond the end of the initial project period, if need be.
- Update of the context analysis.

Reporting procedures as per internal UNDP and EC requirements will be followed.

In addition, acceptance of any rehabilitation works will be made following a thorough technical assessment made by the professional engineer.

In the course of implementation the project will be evaluated by an independent evaluator to assess the quality of works in a broad sense, and the impact of the project on the enhancement of livelihoods in the region. This assessment should help the project, as well as UNDP and EC, to take stock of achievements in the course of implementation, and make necessary adjustments in selection criteria, procedures, or other important factors, should that become necessary.

1.9. Duration and indicative action plan for implementing the action

The duration of the action will be 18 months. The project will be implemented in a continuous manner, meaning that there will not be specific phases for projects selection, preparation of technical specifications, approvals, tenders, etc. Rather, selection of facilities, development and implementation of rehabilitation projects will be going in parallel.

Table below summarises the implementation schedule of activities:

2009														
Activity	Semester 1						Semester 2						Implementing body	
	1	2	3	4	5	6	7	8	9	10	11	12		
1.1 Consult local governments specific priorities on infrastructure rehabilitation for the targeted area														Project Team
1.2 Prepare design of technical characteristics of works														Project Team
1.3 Select the implementing national private companies under transparent procurement process														Project Team
1.4 Technical supervision of the infrastructure rehabilitation works														Project Team
1.5 Final delivery of infrastructure rehabilitation works														Subcontracted construction company
2.1 Organize and attend donor and other stakeholder meetings														Project Team
2.2 Liaise with donors and other organization active in the region particularly on infrastructure rehabilitation														Project Team
2.3 Coordinate and communicate with local government representatives on infrastructure rehabilitation projects														Project Team
3.1 Develop public outreach plan														Project Team
3.2 Prepare press statements for media														Project Team
3.3 Organize local and national media visits to construction sites														Project Team
3.4. Communicate support of donor who made action possible														Project Team

2010														
Activity	Semester 1						Semester 2						Implementing body	
	1	2	3	4	5	6	7	8	9	10	11	12		
1.1 Consult local governments on general strategy and specific priorities on infrastructure rehabilitation for the targeted area														Project Team
1.2 Prepare design of technical characteristics of works														Project Team
1.3 Select the implementing national private companies under transparent procurement process														Project Team
1.4 Technical supervision of the infrastructure rehabilitation works														Project Team
1.5 Final delivery of infrastructure rehabilitation works														Subcontracted construction company
2.1 Organize and attend donor and other stakeholder meetings														Project Team
2.2 Liaise with donors and other organization active in the region particularly on infrastructure rehabilitation														Project Team
2.3 Coordinate and communicate with local government representatives on infrastructure rehabilitation projects														Project Team
3.1 Develop public outreach plan														Project Team
3.2 Prepare press statements for media														Project Team
3.3 Organize local and national media visits to construction sites														Project Team
3.4. Communicate support of donor who made action possible														Project Team

1.10 Sustainability (max 3 pages)

1.10.1. Risk Analysis

The matrix below details the character of some key risks that might be relevant to the programme. The matrix also provides a level of probability (low, medium, high) and measures to mitigate the identified risks:

		type	probability	impact	mitigation measures
1	Deteriorated security situation in the region	political	low	implementation of rehabilitation activities terminated. Negatively impact on timeliness, sustainability and effectiveness of the project activities.	-redirecting activities towards those areas in the region which have a satisfactory security level. - a flexible approach in determining the priorities and to ensure conflict sensitivity in implementation
2	Insufficient coordination of rehabilitation activities by the local authorities and the Ministry of Regional Issues and Infrastructure	operation al/ political	medium	impediment of project implementation , waste of resources.	-engagement of FOSTER recovery assistants in municipality planning activities. -engagement of FOSTER coordination adviser in coordination of recovery activities in the regions. -close cooperation with the Ministry on Regional Issues and Infrastructure and local authorities. -procedures for selection and approval of rehabilitation project is in place, and followed
3	Different priorities of local communities and government with regard to infrastructure rehabilitation projects	social	medium	-little or no impact of the works undertaken -tensions among the local communities and the project -no appreciation of works undertaken by the project	-open process of selection of infrastructure rehabilitation projects -active involvement of and consultations with local communities -consulting local development plans where relevant
4	Insufficient capacity of the construction companies to respond to increased demand on reconstruction works	economic	medium	-time delays due to the need for re-announcements of tenders. -increased prices due to discrepancies between supply and demand -possible compromise on the quality of works	-active advertisement of tenders. -bidders conferences announced to encourage companies to participate. -tendering the works in batches to make them more attractive to the companies
5	Rehabilitation works not meeting technical requirements	physical	medium	- low efficiency of the project. -delays in implementation	-well developed and clearly defined technical specifications of the works to be undertaken -close monitoring of the rehabilitation process by the project engineer -developed procedures for acceptance -consultations with the contractors on the expectations and requirements vis-à-vis the quality of works
6	Price volatility due to the GEL/USD exchange rate fluctuations and global economic crisis	economic	medium	-proposals submitted diverge significantly from the original bill of quantities -companies not able to honour their commitments due to the price increase	- short term contracts. -continuous monitoring of prices. realistic bill of quantities. -respective clauses in the contract (i.e., requirement for contingency or unforeseen expenditures)

1.10.2. Sustainability

This project will target at least 40 infrastructure facilities for rehabilitation and reconstruction. These facilities are thought to be publicly owned social infrastructures, having a critical impact on the livelihoods of the local population – hospitals, schools, kindergartens, buildings of Sakrebulo, water supply systems, gas supply systems, sewage, etc. Selection will be made following consultation with

the local authorities, the Ministry of Regional Issues and Infrastructure, and local communities, thus ensuring real demand and need for the rehabilitations.

It is assumed that the maintenance costs of the rehabilitated facilities will be born completely by the state, local authorities, or the communities. Every facility will be submitted to the Governor's Administration and local authorities, following an exchange of letters, where the further status of the renovated infrastructure and ways of maintenance for the next 3 years will be specified. This will ensure that the activities undertaken by the project have a sustainable effect.

1.10. Logical framework

Please fill in Annex C⁴ to the Guidelines for applicants.

2. BUDGET FOR THE ACTION

Fill in Annex B (worksheet 1) to the Guidelines for applicants for the total duration of the action and for its first 12 months. For further information see the Guidelines for grant applicants (Section 2.1.4).

⁴ Explanations can be found at the following address:
http://ec.europa.eu/europeaid/reports//index_en.pdf