

**Mid-Term Review (MTR) for project**  
**KIK/23 Procurement of four diesel units to operate the railway**  
**section Malbork - Grudziądz, in order to improve the safety,**  
**management, efficiency and reliability of the local transport**  
**system**

Warsaw, 25 September, 2015

Priority area of the Swiss - Polish Co-operation Programme: Environment and Infrastructure

Focus area of the Swiss - Polish Co-operation Programme: Rehabilitation and modernisation of basic infrastructure and Improvement of the environment

Objective 3: To improve the management, the safety, the efficiency and the reliability of communal/regional public transportation systems

## 1. Background

The Swiss-Polish Cooperation Programme (SPCP) covers 58 projects accounting for some CHF 464.6 mio. Approximately 40 percent of this funding is benefiting the structurally weak regions of South-Eastern Poland. Approximately 40 percent of this funding finances 16 infrastructural projects in the field of environment protection out of which 3 projects focus on railway infrastructure. The total budget allocated in these 3 projects amounts to ca. CHF 38 mio. The total budget allocated in that project amounts to ca. CHF 14,3 mio. The projects aim is the improvement of the public transport quality in the region of Pomorskie Voivodship.

## 2. Objectives of the MTR

The objectives of the MTR of KIK/23 are:

1) to assess the progress of implementation of the project, identifying its strengths, weaknesses and risks;

2) to suggest corrective measures in order to better achieve the overall objectives.

The MTR shall review the following assumptions:

- The activities planned are being implemented and they are implemented timely;
- The results already achieved are coherent with those planned and the target indicators are realistic;
- The conditions announced in the project decision letter are respected;
- The project methodology is applied;
- The institutional capacities are in place;
- The funds already spent were used effectively (adequately to the results achieved) and efficiently (outputs - qualitative and quantitative - in relation to the inputs).

The MTR takes into account also qualitative aspects of the project activities, especially as it comes to the project changes already applied.

The MTR shall provide recommendations on the strategic as well as operational level of project. These will address the following issues:

- New orientation of the project implementation (if possible at this stage)?
- What can be improved?
- Are corrective measures to be implemented?

### 3. Organisation of the MTR

According the Article 7.2 of the Project Agreements: 'A review shall be organised by the NCU at the end of the second year of the implementation of the Project. The purpose is monitoring of the project execution and deciding about possible actions to correct weaknesses. The terms of reference for the review shall be consulted with Switzerland.'

The exact time of the MTR is arranged between SCO, NCU and IB, having in mind the level of physical and financial advancement of the project.

NCU organizes the MTR in collaboration with IB and SCO. The agenda, the methodology and the content of the report have to be agreed between NCU, SCO and IB. IB are in charge of the logistics of the MTR. In order to lay a solid basis, the team members representing various organizations (IB/NCU/SCO) shall have a similar knowledge level about the project and apply the same criteria / reporting principle in the MTR.

The IB hires external expert in order to consolidate the lack of personal resources, and in order to get an independent perception of the project and to support the quality of the MTR in methodological and thematic areas.

### 4. Methodology

#### 4.1. Analysis of a project documentation

The following documents are to be analysed: Final Projects Proposal (incl. Annexes), Decision Letter, Project Interim/Annual Reports, Project Change Request, Project logframe and budget, reports of external controls, Swiss experts' comments on the tender documentation including quality criteria, and other documents e.g.: reports of external expert, proposals of further amendments of the project scope and of the project budget.

## 4.2. Request to the Executing Agencies before the MTR

At least two weeks before the MTR the EA will be informed in writing by the NCU about the forthcoming review and about the expectations towards the EA in this respect. The NCU letter will also contain a list of questions concerning the project implementation status: general issues (see point 4.3. below) and technical issues (see point 4.4) , as well as a request for consolidated financial data (see point 4.3.A. and Annex 1, Annex 2).

The EA reply shall be given at least one week prior to the date of the MTR in English and in Polish in a written form addressed to NCU/IB/SCO (already existing documents can be annexed to the communication).

Additionally, the EA may receive some subsequent questions concerning the project to be addressed at the MTR, depending on the actual situation in the project.

Technical issues are to be investigated by the technical expert and will be addressed before or/and during the MTR visit.

The EA is also invited to propose any other issues that are in their opinion worth to be addressed during the MTR.

During the MTR, the EA shall make a maximum 20 min presentation (in Polish or in English - language to be defined) about the achieved results/current implementation status.

The MTR detailed agenda shall be proposed by the review team (NCU/IB/SCO) to the EA, and agreed by all parties with due advance.

## 4.3. General issues and questions to the EA (to be answered in writing before the MTR)

### A. Project progress:

#### Budget and expenses

1. What are the budget and expenses until **31<sup>st</sup> of August 2015** of each activity? The expenses should be shown according to the categories of simplified budget (please use the table format enclosed as Annex 1).
2. Additionally the amounts of grant received and co-financing should be provided (please use the table format shown as Annex 2).

#### Physical and financial status

3. What is the physical and financial implementation status of the project so far? Please try to estimate both in percentages.
4. Are there any delays or discrepancies (between physical and financial progress), and if so, what are the reasons?
5. Any changes to schedule, current spending against the planned budget and expenditure schedule, any corrective measures implemented?
6. What is the status of implementation of information and promotion part?

### **Project results and indicators**

7. What are the specific outcomes/outputs achieved **up to 31<sup>st</sup> of August 2015** (please use the indicators set out in the logical framework)? To which extent are they on track to be achieved?
8. Impact analysis and usefulness of the project – how do you assess the expected effects of the project on the target group?
9. What were / are the major factors influencing the achievement or non-achievement of the objectives? *Are there any changes in assumptions?*

### **Project changes**

10. Which (major) changes have been introduced in the course of the project implementation? Please provide a list.
11. Are there any other changes planned in the project.

### **B. Cooperation and steering**

12. How is the management of the project organized?
13. How do the EA assess the cooperation with the project stakeholders (partners, beneficiaries), including the division of roles and responsibilities? (if applicable)

### **C. Sustainability and context**

Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. When evaluating the sustainability of the project, the following question shall be considered:

14. Does the EA anticipate the sustainability of the project after donor funding is ceased and what action is being taken at this stage to guarantee this sustainability?

### **D. Best practice & up-scaling**

15. Which are innovative approaches or good practices that merit dissemination and up-scaling? Does the EA share the best practices and lessons learned gained in the project with other SPCP Executing Agencies or other entities?

### **E. Project specific issues**

16. Please provide details regarding eligibility of VAT tax in case of your project.
17. Please update information on current and foreseen risks and opportunities.
18. Please elaborate on status of fulfilment of conditions 5 from the Decision Letter (public transport promotion).
19. Please elaborate information on the next phases of the projects (schedule of milestones, including also major informational activities, and expenses)

## **4.4. Technical issues to be investigated by technical expert**

1. Quality of equipment, technical check of the trains, the expert is supposed to cross-check if the trains meet quality standards, including those indicated by Swiss experts in their comments on the tender documentation, and to provide recommendations.
2. Quality of the viaduct modernization works.
3. Recommendations of technical expert's for quality standards for the upcoming tenders that result from the extension of the project and addition of new activities (e.g. modernization of the train, passenger information system)

4. Assessment of feasibility of the schedule and any risks associated with not meeting the final deadlines for works.

Based on the assessment of the above mentioned criteria and questions (point 4.3. and 4.4.), the evaluators are expected to come up with a number of key lessons learnt and corresponding recommendations, including suggestions for corrective measures allowing to reorient the project so as to increase effectiveness and relevance of the intervention.

## 4.5. Reporting

For the project a report is to be prepared. The reports should present the project status and in principle confirm and elaborate on the preliminary conclusions and recommendations formulated during the debriefing panel. In case there are major differences in viewpoints on important issues, it should be highlighted in the respective fields.

All team members contribute to the reports. However the technical expert recruited by the IB elaborate a part of the report regarding technical issues (incl. quality of equipment, installation and modernizations works). The IB draft a part of the report concerning the content related issues connected with the physical implementation of the project. Afterwards the report (consisting of two above-mentioned parts) is commented/bilaterally consulted with the NCU and SECO/SCO and finally circulated among EA by the NCU.

A written response of the EA to the MTR reports shall be provided to the NCU within 2 weeks after the reports receipt.

If project changes are recommended in result of the MTR, those that require approval of the NCU and the SCO shall be processed further according to the agreed procedures.

## Annex 1 – budget and expenses

| Project title: .....<br>INCURRED EXPENSES UP TO ..... |                        |              |  |  |                        |   |
|---|------------------------|--------------|--|--|------------------------|---|
| Category  |                        | Budget [PLN] | Incurred cumulative expenses to date [PLN] | Percentage of budget spent to date [%] | Remaining budget [PLN] | Incurred cumulative expenses to date - Category / Total [%] |
| I.  | Budget category...     |              |  |  |                        |   |
| 1.1.  | Budget sub-category... |              |  |  |                        |   |
| II.   | Budget category...     |              |  |  |                        |   |
| 2.1.  | Budget sub-category... |              |  |  |                        |   |
| TOTAL   |                        |              |  |  |                        | 100%  |

## Annex 2 – grant and co-financing

| Project title: .....<br>GRANT AND CO-FINANCING PROVIDED UP TO ..... |                         |                      |
|---|-------------------------|----------------------|
| Category  | PLN                     |                      |
|   | Amount provided to date |                      |
|   | [PLN]                   | Category / Total [%] |
| Swiss contribution  |                         |                      |
| Co-financing  |                         |                      |
| TOTAL   |                         | 100%                 |

## Annex 3 – indicative reporting structure

|    |  |
|----|--|
| 1. | Executive Summary  |
| 2. | Background   |
| 3. | Methodology of the MTR   |
| 4. | Status of project implementation in terms of: <ul style="list-style-type: none"> <li>a) Physical and financial progress</li> <li>b) Project changes in comparison to the FPP</li> <li>c) Institutional capacities and steering (incl. partnership, if applicable)</li> <li>d) Effectiveness and efficiency</li> <li>e) Achievements at outcome and output levels, success and critical factors</li> <li>f) Sustainability</li> <li>g) Lessons learnt, innovations, best practices</li> </ul> |
| 5. | Conclusions and recommendations  |
| 6. | Dissenting views, if applicable  |
| 7. | Annexes  |

