EU PPF
EU PROJECT PREPARATION FACILITY
Serbia's perspective for sustainable growth

ppf.rs | europa.rs | mei.gov.rs | cfcu.gov.rs

REPUBLIC OF SERBIA
MINISTRY OF EUROPEAN INTEGRATION

MINISTRY OF FINANCE
Department for Contracting and Financing
of EU Funded Projects

This Project is funded
by the European Union

Project management

Why Project Management?

Main funding sources for infrastructural projects in Republic of Serbia

The Donor community in the Republic of Serbia consists of over 30 bilateral donors/development partners, multilateral organizations and international financial institutions.

- **The EU (leading donor);**
- **International organisations** (Council of Europe Development Bank, European Investment Bank, European Bank for Reconstruction and Development, World Bank, United Nations);
- **Bilateral donors** (Japan, Kingdom of Denmark, Kingdom of Norway, Kingdom of the Netherlands, Kingdom of Sweden, People's Republic of China, Republic of Austria, Hellenic Republic, Republic of India, Republic Of Poland, Republic of Slovenia, United Kingdom, Swiss Confederation).

Why Project Management?

•**The EU spends over € 959.988 million (2014-2020)**, divided into more than 80 funds and programmes

•Around **6% goes to the administration of the European institutions** whereas around 94% is allocated to various European programmes (€ 902.389 mil.).

• 20% is managed by the European Commission.
• **the remaining 80% are managed by other authorities (€ 721.911 mil).**

•There are more than 100 authorities managing EU funds

Why Project Management? – cont.

- 2014 Serbia has adopted a single investment project pipeline, which includes the most strategic priority investment projects in the environment, transport, energy and competitiveness sectors for the coming years.

- However, capital expenditure execution remains hampered by weaknesses in budgeting, planning and contract oversight

source:EC Revised Indicative Strategy paper for Serbia (2014-2020), 10/08/2018

Why Project Management? – cont.

Issues

- Experience in the implementation of projects in financial perspective 2007-2013 **showed insufficient emphasis on the importance of quality project management**, resulting in difficulties in the implementation, as well as failures in achieving project goals.

- Effective project management - increased focus on project management in the new EU financial regulation 2014-2020.

Why Project Management? – cont.

Result

- European Commission recognized **proper project management as one of the key** elements of project success, when defining the legislative framework for using EU funds and developing rules and regulations for financial perspective 2014 – 2020.

- When requesting EU assistance for his project, beneficiary needs to **demonstrate its capacity** to implement the project, as well as to secure project short and long term sustainability.

- Project beneficiary to explain **technical, legal, financial and administrative capacity** of its organization in project application forms of European fund

Why Project Management? – cont.

Indicative allocation for Serbia 2018 -2020 **722,2 mil. EUR**

As a member state allocation will be increased by factor > 5

Characteristics of tendered workplan

	Elements	% of Plans
Number of activities	1-49	70%
	> 50	30%
Activities relationships	NO	71%
	YES	29%
Scheduling tool	MS Excel	47%
	MS Project	53%
Resources adhered to the plan	NO	71%
	YES	29%
Critical path	NO	71%
	YES	29%

statistical data from Croatia water infrastructured projects

Comparison planned vs. actual first 6 months

EC Regulations

- REGULATIONS
  - 1303/2013 – General (common) Regulation (CPR)
  - 1301/2013 – ERDF Regulation
  - 1304/2013 – ESF Regulation
  - 1300/2013 – CF Regulation

- IMPLEMENTING ACTS
  - More than 29 „Fiches-a
- GUIDELINES
  - (programming, ex-ante conditions, sectoral guidelines, etc.)

Stakeholder analysis

EU – Project cycle

What is a Project?

- **ISO:** "Unique set of processes consisting of coordinated and controlled activities with start and end dates, performed to achieve project objectives."
- **PMI:** "Temporary endeavour undertaken to create a unique product, service, or result"
- **EK:** "Instrument for achieving higher goals (programme) as important tool for implementation of EU policies"

- **EU projects should form part of, and be consistent with:**
  - **National development policies;**
  - **EK development policy and country strategy;**
  - **Government programmes;**
  - **Development priorities**

Delay of problem solving caused additional two problems in later phases

Project Manager

Nadležna tijela

dure

What is Project Management? – ISO 21500

Figure 4 — Project stakeholders

Application of:

- Methods
- Tools
- Techniques
- and competencies to a project.

Important to keep in mind

- Keep in simple
- Step by step
- Fits for purpose
- Tailor made
- Obtaining proper support
- Comply with the requirements

PM Standards and methodologies

Ipma.world

ec.europa.eu

iso.org

pmi.org

PMI approach

Table 1-4. Project Management Process Group and Knowledge Area Mapping

Knowledge Areas	Project Management Process Groups				
	Initiating Process Group	Planning Process Group	Executing Process Group	Monitoring and Controlling Process Group	Closing Process Group
4. Project Integration Management	4.1 Develop Project Charter	4.2 Develop Project Management Plan	4.3 Direct and Manage Project Work 4.4 Manage Project Knowledge	4.5 Monitor and Control Project Work 4.6 Perform Integrated Change Control	4.7 Close Project or Phase
5. Project Scope Management		5.1 Plan Scope Management 5.2 Collect Requirements 5.3 Define Scope 5.4 Create WBS		5.5 Validate Scope 5.6 Control Scope	
6. Project Schedule Management		6.1 Plan Schedule Management 6.2 Define Activities 6.3 Sequence Activities 6.4 Estimate Activity Durations 6.5 Develop Schedule		6.6 Control Schedule	
7. Project Cost Management		7.1 Plan Cost Management 7.2 Estimate Costs 7.3 Determine Budget		7.4 Control Costs	
8. Project Quality Management		8.1 Plan Quality Management	8.2 Manage Quality	8.3 Control Quality	
9. Project Resource Management		9.1 Plan Resource Management 9.2 Estimate Activity Resources	9.3 Acquire Resources 9.4 Develop Team 9.5 Manage Team	9.6 Control Resources	
10. Project Communications Management		10.1 Plan Communications Management	10.2 Manage Communications	10.3 Monitor Communications	
11. Project Risk Management		11.1 Plan Risk Management 11.2 Identify Risks 11.3 Perform Qualitative Risk Analysis 11.4 Perform Quantitative Risk Analysis 11.5 Plan Risk Responses	11.6 Implement Risk Responses	11.7 Monitor Risks	
12. Project Procurement Management		12.1 Plan Procurement Management	12.2 Conduct Procurements	12.3 Control Procurements	
13. Project Stakeholder Management	13.1 Identify Stakeholders	13.2 Plan Stakeholder Engagement	13.3 Manage Stakeholder Engagement	13.4 Monitor Stakeholder Engagement	

- **Process oriented**
- Much more like a “cookbook”
- 10 knowledge areas
- Input-Transformation-Output fashion
- more on HOW then on WHY and WHAT
- Useful for basic PM education
- The standard is presented in
PM BoK = Project Management Body of Knowledge

IPMA approach

- Competences oriented
- Much more like a “definition”
- Three areas of competences
- more on WHAT and WHY then HOW
- 29 competence elements

The Open PM2 Initiative

- Developed by the EC
- One common PM open to all
- The Centre of Excellence in PM² (CoEPM²)
- PM²
  Publications: http://europa.eu/PM2/Publications
- Contact: EC-PM2@ec.europa.eu

PM2 rationale and benefits

- Weak roles and responsibilities definition
- Lack of coherent project governance
- Absence of standardised templates and reporting

PM2 benefits

- Incorporate important elements of all previous mentioned methodology and best practices
- Open methodology
- Light and easy to implement
- Complete ”roles and responsibility” model
- Customisable to aligned with other processes
- Easy to use and understand
- EU initiative

PM2 Methodology

- project governance model (i.e. Roles & Responsibilities)
- project lifecycle (i.e. Project Phases)
- processes (i.e. project management activities)
- artefacts (i.e. documentation templates and guidelines)

PM2 Lifecycle

Project → **Outputs** → **Outcomes** → **Benefits**

Temporary	Unique	Output	Constraints
Start & End	Non routine	Product or Service	Time, Cost, Quality…

The PM2 Phases

Initiating Phase

Planning Phase

Executing Phase

Closing Phase

Monitoring & Control

PM² Roles & Responsibilities

RASCI		Description
R	Responsible	Does the work. Others can be asked to assist in a supporting role. There is just one responsible person for any given task.
A	Accountable	Ultimately answerable for the correct and thorough completion of the work. There is just one accountable person for any given task.
S	Supports	As part of a team, roles with a support function work with the person responsible. The support role helps complete the task.
C	Consulted	Those whose opinions are requested and with whom there is two-way communication. The consulted role does **not** help complete the task.
I	Informed	Those who are kept informed of progress.

Initiating	AGB	PSC	PO	BM	UR	SP	PM	PCT
Project Initiation Request	I	n.a.	A/S	R	S/C	I	n.a.	n.a.
Business Case	I	C	A	R	C	S	S	n.a.
Project Charter	I	C	A	S	C	S	R	C
Planning	**AGB**	**PSC**	**PO**	**BM**	**UR**	**SP**	**PM**	**PCT**
Planning Kick-off Meeting	I	A	C	S	C	C	R	C
Project Handbook	I	I	A	S	C	I	R	C
Project Stakeholder Matrix	I	I	A	S	C	I	R	C
Project Work Plan	I	A	C	S/C	C	C	R	S/C
Outsourcing Plan	A	C	C	C	I	S	R	I
Deliverables Acceptance Plan	I	A	C	S	I	C	R	C
Transition Plan	I	A	C	C	C	C	R	C
Business Implementation Plan	I	I	A	R	C	I	S	I
Management Plans								
Requirements Management Plan	I	I	A	C	C	I	R	S
Project Change Management Plan	I	I	A	C	I	I	R	I
Risk Management Plan	I	C	A	C	I	I	R	I
Issue Management Plan	I	I	A	C	C	I	R	C
Quality Management Plan	I	A	C	C	C	C	R	C
Communications Management Plan	I	I	A	S	C	I	R	C
Executing	**AGB**	**PSC**	**PO**	**BM**	**UR**	**SP**	**PM**	**PCT**
Executing Kick-off Meeting	I	A	C	S/C	C	C	R	C
Project Coordination	I	I	A	S	I	I	R	I
Quality Assurance	I	I	I	S	C	I	A	R
Project Reporting	I	I	A	S/C	I/C	I/C	R	C
Information Distribution	I	I	A	C	I	I	R	C
Monitor & Control	**AGB**	**PSC**	**PO**	**BM**	**UR**	**SP**	**PM**	**PCT**
Monitor Project Performance	I	I	A	C	C	I	R	C

Monitor & Control	AGB	PSC	PO	BM	UR	SP	PM	PCT
Monitor Project Performance	I	I	A	C	C	I	R	C
Control Schedule	I	I	A	C	C	I	R	C
Control Cost	I	I	A	C	C	I	R	C
Manage Stakeholders	I	I	A	S/C	I	C	R	I
Manage Requirements	I	I	A	C	C	I	R	S
Manage Project Changes	I	C	A	S	I	I	R	C
Manage Risks	I	C	A	S/C	C	I	R	C

Closing	AGB	PSC	PO	BM	UR	SP	PM	PCT
Project-End Review Meeting	I	A	C	S	C	C	R	C
Project-End Report	I	A	C	S	C	C	R	C
Administrative Closure	I	C	A	C	I	C	R	I

PM² Responsibilities: RASCI

PM² Project documentation

- defines the project scope for approval, ensuring that all project stakeholders and project team members share the same expectations

- provides all stakeholders with a clear picture of the project requirements

- facilitates communication with internal and external groups

- provides a baseline for monitoring and controlling a project's progress
- a
- provides a record of important decisions

- provides the information required by official audits

- supports organisational memory which can be used to increase the chances of success of future projects

PM2 Artefacts Landscape

PM2 Phases, Input / Outputs

PM2 Tailoring

Activities

Initiating
- Document the idea/need
- Identify key stakeholders (and their needs)
- Create a business justification for the project
- Define the project scope and organisation

Planning
- Organise a Kick-off Meeting
- Tailor the PM² process
- Assign roles & responsibilities
- Elaborate project scope
- Develop work breakdown & project schedule
- Develop project plans
- Distribute plans to stakeholders

Executing
- Organise a Kick-off Meeting
- Coordinate project execution
- Conduct Meetings
- Assure Quality
- Create Project reports
- Distribute information
- Ensure deliverables acceptance

Closing
- Organise a Project-End Review Meeting
- Capture lessons learned and post-project recommendations
- Get final project acceptance
- Release project resources
- Archive project information

Artefacts

- ☐ Project Initiation Request
- ☐ Business Case
- ☐ Project Charter
- ☐ Project Logs (setup).

- ☐ Planning Kick-off/ MoM
- ☐ Project Handbook
  - Roles & responsibilities
  - Management plans
- ☐ Project Stakeholder Matrix
- ☐ Outsourcing Plan
- ☐ Project Work Plan
- ☐ Deliverables Acceptance Plan
- ☐ Transition Plan
- ☐ Business Implementation Plan

- ☐ Executing Kick-Off/MoM
- ☐ Meeting Agendas/MoMs
- ☐ Project Progress Report
- ☐ Project Status Reports
- ☐ Quality Review Report
- ☐ Change Requests
- ☐ Deliverables Acceptance Note

- ☐ Project-End Review Agenda/ MoM
- ☐ Project-End Report
  - Lessons Learned
  - Best Practices
  - Post Project Recommendations
- ☐ Project Acceptance Note

Ready for Planning — RfP — Ready for Executing — RfE — Ready for Closing — RfC

Monitor & Control

Activities

- Monitor Project Performance
- Control Schedule
- Control Cost
- Manage Quality
- Manage Requirements
- Manage Project Change
- Manage Risks
- Manage Issues and Decisions
- Manage Stakeholders
- Manage Deliverables Acceptance
- Manage Transition
- Manage Business Implementation
- Manage Outsourcing

Artefacts

Regularly updated
- ☐ Risk Log
- ☐ Issue Log
- ☐ Decision Log
- ☐ Change Log
- ☐ Project Work Plan
- ☐ Requirements Document

Checklists
- ☐ Phase-exit Review Checklist
- ☐ Quality Review Checklist
- ☐ Deliverables Acceptance Checklist
- ☐ Transition Checklist
- ☐ Business Implementation Checklist
- ☐ Stakeholder Checklist

PM2 Project Manager competences

•understand the PM methodology
•have technical competences to manage project

Contextual Competences	Behavioral Competences
• Project Orientation • Programme Orientation • Portfolio Orientation • Strategy Implementation • Permanent Organisation • Personnel Management • Business Systems • Products & Technology • Security • Safety & Environment • Finance • Legal Source: IPMA-ICB	• Leadership • Engagement & Motivation • Self-Control • Assertiveness • Relaxation • Openness, Creativity • Results orientation • Efficiency • Consultation • Negotiation • Managing Conflict & Crisis • Reliability • Values appreciation and Ethics

Role – The Project Manager (PM)

- Assumes **responsibility for project deliverables**
- Proposes and executes the project plans as approved by Project Steering Committee (PSC)
- **Manages and coordinates the Project Core Team** (PCT) activities and resources
- Ensures that project objectives are achieved within the quality, time, and cost objectives
- Manages stakeholder's expectations
- Ensures that all key management artefacts are delivered and approved by
- the Project Owner (PO)
- **Communicates and reports project progress** to the Project Steering Committee (PSC)
- Ensures the interoperability and integration of the different project related deliverables, systems, services and applications

EU PROJECT PREPARATION FACILITY PROJECT

All documents, information, materials and pictures from this EU PPF training are available for download @www.ppf.rs / webpage - DOCUMENTS

Questions and assistance

Robert Kartelo
Trainer, EU PPF | PPF6/EuropeAid/135637/IH/SER/RS*r*
+381 11 4040721
E-mail info@ppf.rs
www.ppf.rs

Thank you for your attention!