

Project Fiche– IPA Multi-beneficiary programmes / Component I

1 IDENTIFICATION

| | |
|--|---|
| Project Title | Strengthening European Integration (SEI) |
| CRIS Decision number | 2013/024091 |
| Project no. | 13 |
| MIPD Sector Code | 9. Support and other activities |
| ELARG Statistical code | 04 – 40 Supporting Programmes |
| DAC Sector code | 43010 – Multi-sector aid |
| Total cost (VAT excluded)¹ | EUR 12 642 368 |
| EU contribution | EUR 11 610 000 |
| Management mode | Centralised (direct/indirect)/joint management |
| Centralised management: | Unit D3, Regional Programmes, DG Enlargement of the European Commission (direct) European Training Foundation (ETF) (indirect) |
| Implementation management | Unit D3 |
| Implementation modality | Stand alone project |
| Project implementation type | Services, Grants, Contribution Agreements, Administration Agreement, Delegation Agreement |
| Zone benefiting from the action(s) | Western Balkans: Albania, Bosnia and Herzegovina, Croatia, Kosovo*, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Turkey |

¹ The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

2 RATIONALE

2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED

This project will address a number of demand-driven requests for specific expertise, short-term advisory assistance, studies, and actions enhancing regional cooperation as well as attendance to IPA-related conferences and meetings/workshops by the administrations of the beneficiaries. In addition, the assistance will allow better and timely project preparation and implementation to proceed in a quick and effective manner.

2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES

This project supports all priority areas of the IPA Multi-beneficiary (MB) Multi-annual Indicative Planning Document (MIPD) and will facilitate the preparation and implementation of various types of projects to be financed under the IPA MB programme.

2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT

According to the latest Enlargement Strategy², regional cooperation and good neighbourly relations are essential elements of the Stabilisation and Association process and as such are closely monitored by the European Commission at all stages of the accession process.

2.4 PROBLEM ANALYSIS

The main objective of the IPA is to help beneficiaries face the challenges of European integration, implement the reforms needed to fulfil EU requirements and make progress in the Stabilisation and Association Process. The Multi-beneficiary programme is designed to respond to priority needs as indicated in the MIPD, taking into account activities implemented under the national programmes, the guidance provided in EU strategic documents, the lessons learned from the programming and implementation of previous EU assistance and the findings from consultations with, inter alia, the beneficiaries, International Financial Institutions (IFIs), the Regional Cooperation Council (RCC), EU Member States, civil society organisations and European Commission services.

The European Commission is responsible for the programming, contracting and implementation of the MB programme on behalf of the beneficiaries, but involves them and other stakeholders at an early stage in the programming to ensure ownership of and involvement in the projects.

In order to improve the quality and speed up the programming and implementation of the MB assistance it has been decided to allocate funds in each annual programme to prepare strategic documents and projects and to address horizontal challenges faced by the administrations of the beneficiaries on the path towards accession.

Also, the fulfilment of EU requirements and progress in the Stabilisation and Association Process both require an increasing number of qualified experts, competent civil servants and necessitate expertise and EU knowledge in judicial, economic and political matters. Specific administrative structures and management systems should be established or strengthened to satisfy the requirements of the EU *acquis* in a number of areas.

² COM(2011) 666 final

Also, while rolling out the sector approach in the enlargement countries, sound Public Finance Management and economic governance will play an increasingly important role in the enlargement process and adequate technical assistance and political dialogue will have to go hand in hand.

The allocation for this project will therefore also be used to address a number of institution building needs (e.g. training, technical assistance etc.) for priorities identified in the AP, NPAA or Regular Reports. The funds will provide for addressing a series of demand-driven requests such as short-term advisory assistance, attendance to accession related conferences and meetings/workshops by the administrations of the beneficiaries.

Eligible applicants are line ministries and public institutions/agencies and staff in the beneficiaries directly involved in the EU accession process.

2.5 LINKED ACTIVITIES AND DONOR COORDINATION

The SEI Project is linked to the Result Oriented Monitoring (ROM) Programme. This programme is designed to enhance the relevance, effectiveness, efficiency, impact and sustainability of the assistance to the Western Balkans and Turkey and to provide the Commission with regular analytical assessments on implementation of projects and programmes, which are used during the implementation phase of projects as well as in the design of new projects.

The SEI Project is also linked to the IPA Audit and Evaluation Programme. Audits provide the Commission with assurance as to the legality and regularity of assistance and evaluations provide the Commission with judgement of interventions according to their results, impacts and needs they aim to satisfy. They also contribute to the design of interventions and improve the quality and report on the achievements of interventions, the results of which are used in future programming.

2.6 LESSONS LEARNED

Both under CARDS and IPA, all national programmes have included similar projects which have proven to be an excellent tool for supporting the programming process and the implementation of accession-related actions. Under previous MB IPA programmes this type of assistance facilitated a participatory approach in programming and the timely preparation of projects and subsequent implementation.

3 DESCRIPTION

3.1 OVERALL OBJECTIVE OF THE PROJECT

To ensure strategic planning, effective programming and project development as well as implementation of the MB programmes, thus contributing to the overall progress of the accession process and increasing the effectiveness and impact, including visibility of accession-oriented projects financed through IPA.

3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT

The project aims to strengthen the ability of the beneficiaries to effectively develop new strategic documents, design and develop programmes and projects for financing under IPA. The project will also support the implementation of a number of accession-related actions and initiatives in regional cooperation of various public/private actors in order to meet specific

and urgent needs in the beneficiaries. Furthermore, to support the beneficiaries' participation in activities for the exchange of information, networking, participation in workshops, conferences, study visits and similar activities and to assist in smaller-scale projects supporting European integration.

3.3 RESULTS

- Regional Strategy Paper developed, embracing the new financial framework (2014-2020);
- Strategic plans designed in different sector areas;
- Stakeholder consultations organised;
- Project fiches, multi-annual and annual programmes developed;
- Tender documents, guidelines for calls for proposals, terms of reference and technical specifications drafted;
- Feasibility studies, Evaluations, Environmental Impact Assessments carried out, project preparatory and start-up actions implemented;
- Increased capacities of beneficiary institutions to introduce a Sector Wide Approach (SWAP) for IPA assistance; Economic governance framework prepared;
- Urgent/bridging support provided to regional initiatives, actions and measures that are deemed important for the accession process;
- Information and communication material on MB IPA assistance produced;
- Research and analysis on recent history in the Western Balkans conducted and material disseminated;
- Transitional justice reporting in the Western Balkans
- Assessments conducted and tracking mechanism established to measure progress in transparency and accountability in Enlargement countries.

Measurable Indicators

- Quality and timely processing of strategy paper, strategic plans;
- Quality of project fiches, multi-annual and annual programmes, number of stakeholder consultations;
- Quality and quantity of tender documents, calls for proposals, terms of reference and technical specifications;
- Number of feasibility studies, evaluations, EIAs, preparatory and start-up actions implemented;
- SWAP approach rolled out for IPA assistance at national level; benchmarks in economic governance, PFM and PEFA;
- Number of urgent/bridging actions implemented;

- Quantity and quality of information and communication as well as history material produced;
- Track record of National Integrity Systems.

3.4 MAIN ACTIVITIES

1) Development of Regional Strategy Paper, support in designing effective strategic plans in different sector areas (by means of service contracts/specific contracts under framework contracts and delegation agreement with the European Training Foundation (ETF)).

2) Support in planning and programming the IPA-funded projects, assisting in stakeholder consultations, advice on drafting project fiches and their annexes (by means of service contracts/ specific contracts under framework contracts).

3) Provide expert assistance in drafting the tender documents, guidelines for applicants, and/or terms of reference and technical specifications for the implementation of IPA funded projects (by means of service contracts/ specific contracts under framework contracts).

4) Carry out feasibility studies, evaluations, EIAs, project preparatory and start-up actions (by means of service contracts/specific contracts under framework contracts). Particular support (by way of grant) will be provided to the South East Europe Rural Development Standing Working Group (SGW SEE) for the preparation of a region-wide pilot initiative for area-based development (ABD) including one support scheme in of the most advanced target regions in close collaboration with the Commission services, in particular DG Enlargement and DG Agriculture and Rural Development.

5) Provide short-term technical assistance including training, study-visits, management, organisational and other expert advice - to support beneficiary institutions in developing/upgrading necessary technical know-how and management skills in project preparation and implementation, introduction of a Sector Wide Approach (SWAP) in IPA assistance, as well as participation in an enhanced economic dialogue (by way of Administration Agreement with the World Bank and Contribution Agreements with the European Central Bank and International Monetary Fund under joint management).

6) Support to regional networks/initiatives and organisations, regional meetings, workshops, study visits in strategically important areas (by way of grants or Contribution Agreements), inter alia by strengthening regional news exchange from the International Criminal Tribunal for the former Yugoslavia (ICTY), the International Court of Justice (ICJ) and the International Criminal Court (ICC) by means of a direct grant to the SENSE News Agency. Support to the outreach programme of ICTY by way of a Contribution Agreement. Urgent bridging support (by concluding Contribution Agreements) will be provided to the European Institute of Gender Equality and the European Environment Agency to carry out preparatory measures in the Beneficiaries as well as to the secretariat of the Central European Free Trade Agreement (CEFTA) in the implementation of the SEE 2020 strategy.

7) Develop and disseminate relevant information and communication material on IPA MB assistance in the region (by way of service contracts/specific contracts under framework contracts).

8) Support to CSOs and networks to (i) carry out analysis and research of the last 60 years of history, and (ii) transitional justice reporting focused on the last 25 years in the Western Balkans, by way of grants, following an open call for proposals

9) Conduct/update assessments of the National Integrity System in each of the enlargement countries, provide guidance on how to strengthen the accountability and transparency of the national systems and develop a methodology for a mechanism to track progress in anti-corruption efforts by way of grant to Transparency International (TI).

3.5 ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS-BORDER IMPACT (WHERE APPLICABLE)

The impact of the SEI Project is significant. Effective delivery of the project results in:

- More effective strategic planning, programming and implementation of IPA assistance – better designed strategies, programmes and projects produce better results that are also less likely to require subsequent addenda and contractual revision;
- Faster completion of tendering procedures, calls for proposals – properly prepared documentation can be approved more quickly and will require fewer corrigenda once launched;
- Higher quality responses from organisations and companies submitting bids/applications – tender documentation that is clear, logical and learns from experience elsewhere in the EU will ensure that submitted offers provide what the Contracting Authority requires;
- Faster contracting and disbursement of available funds;
- Improved effectiveness and visibility of projects;
- Facilitation of the accession process and enhanced regional cooperation.

3.6 SUSTAINABILITY

Sustainability is ensured through demonstrating how good project design leads to good project implementation. This will encourage all stakeholders to attach greater priority to the programming and project design phases and should improve ownership.

3.7 ASSUMPTIONS AND PRE-CONDITIONS³

It is assumed that the administrations of IPA beneficiaries are committed to an inclusive process of deepening regional cooperation.

4 IMPLEMENTATION ISSUES

This project will be implemented by means of service contracts/specific contracts under Framework Contracts and grant contracts, Contribution Agreements, Administrative Agreement, and Delegation Agreement (with ETF).

For the part of the project that will be implemented by grant contracts, including direct award, the essential selection criteria are financial and operational capacity of the applicant. The award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

³ Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.

4.1 INDICATIVE PROJECT BUDGET (AMOUNTS IN EUR)

| PROJECT TITLE | | | SOURCES OF FUNDING | | | | | | | | | | |
|--|--------|---------|--------------------|--------------------------|------------------|-------|------------------------------|-------|-----------------|------------------------|--------------|---------|----------------------|
| | | | TOTAL EXPENDITURE | TOTAL PUBLIC EXPENDITURE | IPA CONTRIBUTION | | NATIONAL PUBLIC CONTRIBUTION | | | | | | PRIVATE CONTRIBUTION |
| | IB (1) | INV (1) | EUR (a)=(b)+(e) | EUR (b)=(c)+(d) | EUR (c) | % (2) | Total EUR (d)=(x)+(y)+(z) | % (2) | Central EUR (x) | Regional/Local EUR (y) | IFIs EUR (z) | EUR (e) | % (3) |
| Activity 1-4, 7 | X | | 4 800 000 | 4 800 000 | 4 800 000 | 100 | | | | | | 0 | 0 |
| Service/Specific Contracts | - | - | 2 500 000 | 2 500 000 | 2 500 000 | 100 | 0 | | | | | | - |
| Agreement with ETF | - | - | 1 400 000 | 1 400 000 | 1 400 000 | 100 | 0 | | | | | | - |
| Grant to SGW SEE | - | - | 900 000 | 900 000 | 900 000 | 100 | 0 | | | | | | - |
| Activity 5 | X | | 2 000 000 | 2 000 000 | 2 000 000 | 100 | | | | | | | 0 |
| Adm. Agreement with WB | | | 1 000 000 | 1 000 000 | 1 000 000 | 100 | 0 | | | | | | |
| Contribution Agreements with ECB and IMF | - | - | 1 000 000 | 1 000 000 | 1 000 000 | 100 | 0 | | | | | | - |
| Activity 6 | X | | 2 497 923 | 1 800 000 | 1 800 000 | 72.05 | | | | | | 697 923 | 27.94 |
| Grant SENSE | | | 897 923 | 200 000 | 200 000 | 22.28 | 0 | | | | | 697 923 | 77.72 |
| Grant ICTY | | | 500 000 | 500 000 | 500 000 | 100 | 0 | | | | | | - |
| CA with EIGE | | | 100 000 | 100 000 | 100 000 | 100 | 0 | | | | | | |
| CA with EEA | | | 500 000 | 500 000 | 500 000 | 100 | 0 | | | | | | |

| | | | | | | | | | | | | | |
|----------------------|---|--|-------------------|-------------------|-------------------|--------------|--|----------|--|--|--|------------------|-------------|
| CA with CEFTA | | | 500 000 | 500 000 | 500 000 | 100 | | | | | | | |
| Activity 8 | X | | 1 444 445 | 1 300 000 | 1 300 000 | 90 | | | | | | 144 445 | 10 |
| Grants | | | 1 444 445 | 1 300 000 | 1 300 000 | 90 | | | | | | 144 445 | 10 |
| Activity 9 | X | | 1 900 000 | 1 710 000 | 1 710 000 | 90 | | | | | | 190 000 | 10 |
| Grant TI | | | 1 900 000 | 1 710 000 | 1 710 000 | 90 | | | | | | 190 000 | 10 |
| TOTAL IB | | | 12 642 368 | 11 610 000 | 11 610 000 | 91.83 | | 0 | | | | 1 032 368 | 8.17 |
| TOTAL INV | | | | | | | | 0 | | | | | |
| TOTAL PROJECT | | | 12 642 368 | 11 610 000 | 11 610 000 | 91.83 | | 0 | | | | 1 032 368 | 8.17 |

Amounts net of VAT; (1) In the Activity row, use "X" to identify whether IB or INV; (2) Expressed in % of the **Public** Expenditure (column (b)); (3) Expressed in % of the **Total** Expenditure (column (a))

4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

| Contracts | Start of Tendering/ Call for proposals | Signature of contract | Project Completion |
|--|---|-----------------------|--------------------|
| For activities 1 – 4 and 7: Up to 8 service contracts/specific contracts under Framework Contracts | Q1 2013 – Q3 2014 | Q1 2013 – Q4 2014 | Q4 2016 |
| For activity 1: Agreement with ETF | N/A | Q1 2013 | Q4 2016 |
| For activity 4: Grant to SWG SEE | N/A | Q1 2014 | Q4 2016 |
| For activity 5: Administrative Agreement with the World Bank | N/A | Q2 2014 | Q4 2016 |
| For activity 5: Contribution Agreements with ECB and IMF | N/A | Q4 2013 | Q4 2016 |
| For activity 6: Grant to SENSE | N/A | Q 1 2013 | Q 1 2015 |
| For activity 6: Contribution Agreement with ICTY | N/A | Q1 2013 | Q4 2015 |
| For activity 6: CA with EIGE | N/A | Q 4 2013 | Q 1 2015 |
| For activity 6: CA with EEA | N/A | Q 4 2013 | Q 4 2015 |
| For activity 6: CA with CEFTA | N/A | Q 4 2013 | Q 4 2015 |
| For activity 8: 3 Grants | Q 3 2013 | Q 1 2014 | Q 1 2016 |
| For activity 9: Grant to TI | N/A | Q 4 2013 | Q 4 2016 |

4.3 CROSS-CUTTING ISSUES

4.3.1 *Equal Opportunities and non discrimination*

Equal opportunities and non-discrimination principles will be respected at the programming and implementation stage as regards gender and minorities. Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

4.3.2 *Environment and climate change*

The activities in this project will allow to better mainstream environmental protection and climate change actions in the preparation and implementation of IPA projects.

4.3.3 Civil Society/Stakeholders involvement

Civil society and other stakeholders, in particular the RCC, other donors and IFIs are regularly consulted in the programming and project preparation for IPA MB programmes and benefit at the same time from better project implementation.

ANNEXES

1. Logical framework matrix in standard format
2. Amounts (in EUR) contracted and disbursed per quarter over the full duration of project
3. Details per EU funded contract

ANNEX 1: Logical framework matrix in standard format

| | | | | |
|--|--|--|--------------------|--|
| LOGFRAME PLANNING MATRIX FOR Project Fiche | | Project 12: Strengthening European Integration | | |
| | | Contracting period expires: 30 November 2014 | | Execution period expires: 30 November 2017 |
| | | Total budget | 12 642 368 | |
| | | IPA budget: | 11 610 000 | |
| Overall objective | Objectively verifiable indicators (OVI) | Sources of Verification | | |
| To ensure effective programming and project development as well as implementation of the MB programmes, thus contributing to the overall progress of the accession process and increasing the effectiveness and impact of accession oriented projects. | | | | |
| Specific objective | Objectively verifiable indicators (OVI) | Sources of Verification | Assumptions | |
| To strengthen the ability of the beneficiaries to effectively design and develop strategic documents, programmes and projects to be submitted for financing under IPA Multi-beneficiary Programmes as well as to enable the implementation of a number of accession-related actions of various public/private actors in order to meet specific and urgent needs in the beneficiaries. Furthermore, to support the beneficiaries' participation in activities for the exchange of information, networking, participation in workshops, conferences, study visits and similar activities and to assist in smaller-scale projects supporting European Integration | | | | |
| Results | Objectively verifiable indicators (OVI) | Sources of Verification | Assumptions | |
| <ol style="list-style-type: none"> 1. Strategy Paper, Strategic plans, programmes and projects are designed in different sector areas; 2. Stakeholder consultations organised, project fiches are drafted well pilot ABD support scheme effectively and efficiently implemented; 3. Tender documents, terms of reference and technical specifications drafted; 4. Project preparatory and start-up actions implemented. | <ol style="list-style-type: none"> 1. Quality and quantity of strategic plans; 2. Quality of project fiches, number of stakeholder consultations; 3. Quality and quantity of tender documents, ToR, technical specifications; 4. Number of preparatory and start-up actions implemented. | <ol style="list-style-type: none"> 1. Strategic plans 2. Project fiches, minutes from stakeholder consultations 3. Tender documents, terms of reference and technical specifications; 4. Results from preparatory and start up actions | | |

| | | | |
|---|---|---|--------------------|
| 5. Increased capacities of beneficiaries' institutions to prepare the ground for introducing a Sector Wide Approach (SWAP) for IPA assistance. | 5. Swap approach introduced for national IPA assistance. | 5. Sector programmes in IPA beneficiaries | |
| 6. Urgent/bridging support is provided to important regional initiatives and organisations | 6. Number of urgent /bridging actions implemented. | 6. Implementation reports from grant beneficiaries. | |
| 7. Information and communication material on IPA MB assistance produced, material on history analysis | 7. Quantity and quality of material. | 7. Reports and Information material | |
| 8. Output of research and analysis on history and transitional justice reporting in Western Balkans | 8. Quantity and quality of material. | | |
| 9. Assessment and track record of NIS | 9. Assessment reports and ranking | | |
| Activities to achieve results | Means / contracts | Costs | Assumptions |
| 1. Support in designing effective strategic documents and plans in different sector areas. | Service contracts/specific contracts under Framework contracts, Delegation Agreement with ETF | | |
| 2. Support in planning and programming the IPA-funded projects by assisting in stakeholder consultations, advise on drafting project fiches and their annexes. | Service contracts | | |
| 3. Provide expert assistance in drafting the tender documents and/or terms of reference and technical specifications for the implementation of IPA funded projects. | Grant to SWG SEE | | |
| 4. Feasibility studies, evaluations, EIAs, project preparatory and start-up actions. | Service contracts | | |
| 5. Provide short-term technical assistance including training, study-visits, management, organizational and other expert advice - to support the beneficiaries' institutions in developing/upgrading necessary technical know-how and management skills in project preparation and implementation as, introduction of a SWAP approach, as well as participation in an enhanced economic dialogue. | Administrative/Contribution Agreements | | |
| 6. Support to regional networks and organisation of regional meetings, workshops, study visits in strategically important areas: SENSE, support to outreach programme of ICTY, EIGE, EEA, CEFTA. | Grant Agreement/ Contribution Agreement | | |
| 7. Develop and disseminate relevant information and communication material on MB IPA assistance. | Service contract/specific contract under Framework contracts. | | |
| 8. Conduct research and analysis of history, and transitional justice reporting in the Western Balkans. | Grants | | |
| 9. Carry out or update of assessment of the NSI. | | | |
| | | EUR 11 610 000 (EU contribution) | |
| | | Plus EUR 1 032 368 (private contribution) | |

ANNEX 2: Amounts (in EUR) contracted and disbursed per quarter over the full duration of project

| Contracted | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 |
|---|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|
| Service/ Specific Contracts | | 200 000 | 700 000 | 400 000 | 600 000 | 200 000 | 200 000 | 200 000 |
| Agreement ETF | 1 400 000 | | | | | | | |
| Grant to SWG SEE | | | | | 900 000 | | | |
| Administrative Agreement with World Bank | | | | | | 1 000 000 | | |
| CA ECB, IMF | | | | 1 000 000 | | | | |
| Grant Agreement SENSE | 200 000 | | | | | | | |
| Contribution Agreement ICTY | 500 000 | | | | | | | |
| CA with EIGE | | | | 100 000 | | | | |
| CA with EEA | | | | 500 000 | | | | |
| CA with CEFTA | | | | 500 000 | | | | |
| Grants CFP history and transitional justice | | | | | 1 300 000 | | | |
| Grant to TI | | | | 1 710 000 | | | | |
| Cumulated | 2 100 000 | 2 300 000 | 3 000 000 | 7 210 000 | 10 010 000 | 11 210 000 | 11 410 000 | 11 610 000 |

| Disbursed | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 | Q2 2015 | Q3 2015 | Q4 2015 | Q1 2016 | Q2 2016 | Q3 2016 | Q4 2016 |
|--|----------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Service Contract/Specific Contracts | | | 160 000 | 500 000 | | 240 000 | 300 000 | 100 000 | 400 000 | 100 000 | | 300 000 | 100 000 | 100 000 | | 200 000 |
| Agreement ETF | | 600 000 | | | 500 000 | | | | | | 300 000 | | | | | |
| Grant to SWG SEE | | | | | 360 000 | | | | 315 000 | | | | 225 000 | | | |
| Administrative Agreement with WB | | | | | | | 600 000 | | | | 400 000 | | | | | |
| CA with ECB, and IMF | | | | 500 000 | | | | | 500 000 | | | | | | | |
| Grant Agreement SENSE | | 160 000 | | | | | | | | | 40 000 | | | | | |
| Contribution Agreement ICTY | | 300 000 | | | | 200 000 | | | | | | | | | | |
| CA with EIGE | | | | | 80 000 | | | | 20 000 | | | | | | | |
| CA with EEA | | | | | 200 000 | | | | | 200 000 | | 100 000 | | | | |
| CA with CEFTA | | | | | | 300 000 | | | | 200 000 | | | | | | |
| Grants CP history and transitional justice | | | | | 520 000 | | | | | 520 000 | | | | 260 000 | | |
| Grant to TI | | | | | 600 000 | | | | 450 000 | | | | 450 000 | | | 210 000 |
| Cumulated | 0 | 1 060 000 | 1 220 000 | 2 220 000 | 4 480 000 | 5 220 000 | 6 120 000 | 6 220 000 | 7 905 000 | 8 925 000 | 9 665 000 | 10 065 000 | 10 840 000 | 11 200 000 | 11 200 000 | 11 610 000 |

ANNEX 3: Details per EU funded contract

For activities 1 to 4 and 7, it is expected that part of the project will be implemented through approximately 7 service contracts for a total indicative amount of EUR 2 500 000, procured through calls for tender (1-2) or under framework contracts (5-6) depending on the amount. All service contracts should be signed between quarter 1, 2013 and quarter 4, 2014.

Part of activity 1 will be implemented by indirect centralised management through the European Training Foundation (ETF) in accordance with Article 54(2)(b) of the Financial Regulation⁴. ETF will support the beneficiaries to develop strategies and action plans in the policy area of employment, social policies and Human Resources (HR) development. To this end, the European Commission will sign in quarter 1, 2013 an Agreement with ETF for an amount of EUR 1 400 000.

ETF was initially created by Council Regulation (EEC) N° 1360/90 of 7 May 1990, repealed by Regulation (EC) N° 1339/2008 of the European Parliament and of the Council of 16 December 2008 establishing a European Training Foundation (recast). ETF has extensive experience from previous enlargement rounds in supporting candidate countries of in the area of HR development, employment strategies and vocational training. In the context of the Europe 2020 strategy and in view of preparing for future membership, the beneficiaries have to reinforce reform efforts underpinning a smart, sustainable and inclusive growth agenda while addressing skills depletion, shortages or gaps in dynamic sectors, regions and enterprises. A first phase of activities will focus on reviewing and developing the methodological instruments to develop HR development strategies, including assessing institutional capacities, setting up of monitoring systems and facilitating exchange of experience. The second phase will prepare the ground for implementing the methodology for the effective development of tailor-made sector strategies for employment and HR development for IPA II.

Furthermore, part of the project will be implemented by grant contracts, including direct award. The essential selection criteria are financial and operational capacity of the applicant. The award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

For activity 4, one direct grant contract is foreseen with the South East Europe Regional Rural Development Standing Working Group (SWG SEE) for an indicative amount of EUR 900 000 to be awarded in quarter 1, 2014, based on Article 190 (1) (f) of the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union⁵ (hereinafter referred to as "the Rules of Application"), since a particular type of body on account of its technical competence is required. Based on their regional presence and wide experience in horizontal actions, reviews and stakeholder coordination in the area of rural development, only the SWG SEE combines the required technical capacity, knowledge and above all independence and authority to undertake a fair and consistent assessment, with a view to creating the conditions for effective coordination of a future regional pilot initiative.

⁴ Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 248, 16.9.2002, p.1).

⁵ OJ L 362 of 31.12.2012, p. 1.

The support will allow continuing the preparation for implementation of the Area Based Development Approach (ABD) in the Western Balkans under the next financial framework (2014-2020), with the view to ensure sustainable socio-economic development of areas facing economic decline, depopulation and social and economic exclusion. The contract envisages to further build capacity and implementing structures, including Project Management Units (PMU) in the regions and a permanent secretariat in the SWG Headquarter; to consolidate the stakeholder structures established in the previous phase, and develop programming documents and/or a project pipeline for implementation. In addition SWG will launch and implement a pilot ABD support scheme (estimated value EUR 500 000 out of the total contract value of EUR 900 000) whereby support will be provided to projects developed on the basis of the Strategic Support Framework and action plans already developed under previous projects. Actions foreseen under the support scheme include inter alia the provision of seed funding to mobilise already existing funds on local and national level to support cross-border business relations and small scale investment in rural tourism, small business incubation and support centres, small scale investment in processing and marketing of agricultural products, village renewal and renovation/preservation of cultural heritage, use of renewable energy, local waste collection and management. Previous IPA assistance to the SWG SEE was used to identify the areas with a set of common problems; identify local stakeholders and establish a stakeholder group; and carry out a baseline study that identified the priority sectors to be addressed and included a SWOT analysis, a strategy and an action plan prepared for each selected region.

In order to prepare the beneficiaries for implementation of a sector-based approach and enhanced economic dialogue (activity 5), it is foreseen to sign in quarter 2, 2014 an Administration Agreement with the World Bank and in quarter 4, 2013, Contribution Agreements so as to enter into joint management with the European Central Bank and the International Monetary Fund respectively. All agreements are based on Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. The World Bank has extensive international experience in working with government counterparts to implement policy reforms and associated sector programmes, sound Public Financial Management and PEFA assessments. Experience and expertise of the ECB and IMF is urgently needed to prepare the beneficiaries for the enhanced pre-accession economic dialogue under the next Multi-annual Financial Framework (MFF). Enlargement Countries find it difficult to meet ensuing requirements, often due to weak administrative capacities. It is foreseen that these organisations will have to engage more systematically in supporting the beneficiaries and the process in the next MFF.

An indicative amount of EUR 1 000 000 is set aside for the World Bank and EUR 1 000 000 for Contribution Agreements with the ECB and the IMF (EUR 500 000 each).

For activity 6, it is foreseen to support the SENSE News Agency by way of direct grant, based on article 190 (1) (f), of the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union on account of its technical competence and high degree of specialisation.

Only the Sense News Agency, who has been covering regularly and systematically all the trials and other relevant activities at the International Criminal Tribunal for the former Yugoslavia (ICTY) for a number of years, has the technical capacity to conduct this assignment. An indicative amount of EUR 200 000, equivalent to 22% of the total cost of EUR 897 923, is foreseen for this grant, to be awarded in quarter 1, 2013.

It is also foreseen to support the Outreach Programme of ICTY with an indicative amount of EUR 500 000. To this end, a Contribution Agreement with ICTY should be signed in quarter 1, 2013, based on Article 190 (1) (f) of the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union on account of its technical competence and high degree of specialisation. Only the ICTY, responsible for the war crime judgements, has the technical capacity and knowledge to conduct this assignment, namely to promote transitional justice in the former Yugoslavia, through raising awareness of the ICTY's trials and of their role in the development of the rule of law and enforcement of human rights.

In addition, urgent bridging support will be provided to the European Institute of Gender Equality (EIGE) and the European Environment Agency (EEA) to carry out preparatory measures in the Beneficiaries and to liaise with the Beneficiary counterparts and stakeholders so as to facilitate future participation in their measures and to stimulate cooperation between the Beneficiaries and their stakeholders. Contribution Agreements should be signed in quarter 3, 2014 at the latest based on Article 190 (1) (f) of the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union, on account of their technical competence and high degree of specialisation. The support of EUR 100 000 will allow the European Institute of Gender Equality to continue actions with the aim to increase participation of women in the society and workforce, embedded in the SEE 2020 vision. The CA of EUR 500 000 to the European Environment Agency, in particular, will provide support to the Europe 2020 Greenhouse Gas Emission Control in candidate countries and potential candidates.

It is also foreseen to sign Contribution Agreements with the secretariat of the Central European Free Trade Agreement (CEFTA) for an amount of maximum EUR 500 000 to, on the one hand, continue co-financing the functioning of the CEFTA secretariat from September till end of December 2014 (EUR 60 000) and, on the other hand, provide initial support to the CEFTA secretariat in the implementation of the SEE 2020 strategy (EUR 440 000). The Contribution Agreements should be signed at the latest in quarter 4, 2014, based on Article 190 (1) (f) of the Rules of Application, on account of its technical competence and high degree of specialisation. The implementation of the CEFTA agreement is seen as essential for completing the regional free trade area, thus facilitating also implementation of SEE 2020. A functional regional market within CEFTA and continued *acquis* alignment are also important to attract investments in South East Europe.

It is also planned to launch in quarter 4, 2013 an open call for proposals to selected civil society organisations and networks to (i) carry out research and analysis of the recent past and history in the Western Balkans (lot 1), and (ii) to report on transitional justice with reference to the last 25 years in the Western Balkans (lot 2). With a maximum of 90% of co-financing rate and a total available EU budget of EUR 1 300 000, a maximum of 3 grants (2 for lot 1 and 1 grant for lot 2) will be awarded by quarter 2, 2014 at the latest. The selected organisations will be awarded grants based on the relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the proposed action, their experience and proven track record in conducting multi-stakeholder research and analysis, consultation, advocacy and reporting in the field of history, transitional justice and reconciliation. As a result of their research and analysis, the organisations are expected to produce material such as text books, but also ad hoc studies, articles, documents and conference results available on specific websites. Organisations from the beneficiary countries and from the EU are invited to apply.

A Grant Agreement will be signed with Transparency International (TI) for an indicative amount of EUR 1 710 000 to be awarded in quarter 1, 2014, based on Article 190 (1) (f) of the Rules of Application, on account of its technical competence and high degree of specialisation. The organisation has developed and already repeatedly tried out an innovative methodology to assess the performance of anti-corruption systems, the so-called National Integrity System assessment (NIS). With this expertise and experience they have a unique position to offer the Commission an assessment tool on anti-corruption. Their approach combines comprehensive research and active stakeholder engagement. The support will allow TI to conduct/update assessments of the NIS in each of the enlargement countries, provide guidance on how to strengthen the accountability and transparency of the national systems. In particular the development of a methodology for establishing a mechanism to track progress relating to improving anti-corruption efforts is relevant to the European Union. It will assist in measuring developments in the annual EU Progress Reports.

Cost-effectiveness is guaranteed as DG DEVCO and DG HOME have used or are currently making equally use of conducting the NIS and are/have been satisfied with the budgetary handling by the grantee. As the methodology for conducting the NIS have in the past been implemented in over 100 countries, including most EU Member States, the action can be considered as feasible. Transparency International is a recognized global player on anti-corruption whose effectiveness has been repeatedly proven in particular on conducting the NIS. Sustainability will be ensured as the newly developed tracking mechanism will remain a tool for the European Commission beyond the project cycle.