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**COMMISSION IMPLEMENTING DECISION**

**of 9.12.2015**

**adopting a multi-annual Action Programme for Montenegro on Employment, Education  
and Social policies for the year 2015-2017**

## COMMISSION IMPLEMENTING DECISION

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### **adopting a multi-annual Action Programme for Montenegro on Employment, Education and Social policies for the year 2015-2017**

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures of the implementation of the Union's instruments for financing external action<sup>1</sup> and in particular Article 2(1) thereof,

Having regard to Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance<sup>2</sup> and in particular Article 7 thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002<sup>3</sup> and in particular Article 84(2) thereof,

Whereas:

- (1) Regulation (EU) No 231/2014 lays down the objectives and main principles for pre-accession assistance to beneficiaries listed in Annex I to that Regulation.
- (2) In accordance with Article 7 of Regulation (EU) No 231/2014 the assistance should be implemented through annual or multi-annual, country-specific or multi-country programmes. These programmes should be drawn up in accordance with the framework for assistance referred to in Article 4 of Regulation (EU) No 231/2014 and the relevant country or multi-country indicative strategy papers referred to in Article 6 of that Regulation.
- (3) In accordance with Article 6(3) of Regulation (EU) No 236/2014, the Commission may adopt multi-annual action programmes for a period up to seven years under IPA II. For years other than the initial commitment year, the commitments are indicative and depend on the future annual budgets of the Union.
- (4) The Council established an Accession Partnership or a European Partnership for all beneficiaries listed in Annex I to Regulation (EU) No 231/2014. The Commission adopted an indicative strategy paper for Montenegro for 2014 - 2020 on 18 August

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<sup>1</sup> OJ L 77, 15.03.2014, p. 95.

<sup>2</sup> OJ L 77, 15.03.2014, p. 11.

<sup>3</sup> OJ L 298, 26.10.2012, p.1.

2014 which provides indicative allocations for the sectors for pre-accession assistance.<sup>4</sup>

- (5) Considering the proposals for action submitted by Montenegro, the multi-annual Action Programme for Montenegro on Employment, Education and Social policies for 2015-2017 aims at providing assistance for actions in the following sector: Education, employment and social policies.
- (6) It is necessary to adopt a financing decision, the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012.<sup>5</sup>
- (7) The Commission should be able to entrust budget-implementation tasks under indirect management to the IPA II beneficiary specified in this Decision, subject to the conclusion of a Financing Agreement. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012 and first subparagraph of Article 14(3) of Implementing Regulation (EU) No 447/2014, the authorising officer responsible needs to ensure that the entrusted entity guarantees a level of protection of the financial interests of the Union equivalent to that required under Regulation (EU, Euratom) No 966/2012, when the Commission manages Union funds.

The entrusted entity is currently undergoing a complementary assessment of its systems and procedures. In anticipation of the results of this review, the authorising officer responsible deems that, based on the entity's positive assessment under Council Regulation (EC, Euratom) No 1605/2002<sup>6</sup> and Commission Regulation (EC) No 718/2007<sup>7</sup> and the entity's present compliance with the requirements of points (a) to (d) of Article 60(2) of the Regulation (EU, Euratom) No 966/2012, budget implementation tasks can be entrusted to this entity. In accordance with Article 60(1)(c) of Regulation (EC, Euratom) No 966/2012, the authorising officer responsible needs to ensure that measures are taken to supervise and support the implementation of the entrusted tasks. A description of these measures and the entrusted tasks are laid down in the Annex to this Decision.

- (8) The maximum contribution of the European Union set by this Decision should cover any possible claims for interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (9) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (10) The action programme provided for by this Decision is in accordance with the opinion of the IPA II Committee set up by Article 13 of the Regulation (EU) No 231/2014,

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<sup>4</sup> C(2014) 5771 of 18 August 2014

<sup>5</sup> Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

<sup>6</sup> 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).

<sup>7</sup> Commission Regulation (EC) No 718/2007 of 12 June 2007 implementing Council Regulation (EC) No 1085/2006 establishing an instrument for pre-accession assistance (IPA) (OJ L 170, 29.6.2007, p.1).

HAS DECIDED AS FOLLOWS:

*Article 1*

*Adoption of the programme*

The multi-annual Action Programme for Montenegro on Employment, Education and Social policies for the year 2015-2017 under the Instrument for Pre-accession Assistance (IPA II) as set out in the Annex, is hereby approved.

*Article 2*

*Financial contribution*

The maximum amount of the European Union contribution for the implementation of the programme referred to in Article 1 is set at 15,300,000 euro and shall be financed as follows:

EUR 5,000,000 shall be financed from the budget line 22.02.01.02 of the general budget of the EU for year 2015

EUR 4,950,000 shall be financed from the budget line 22.02.01.02 of the general budget of the EU for year 2016

EUR 5,350,000 shall be financed from the budget line 22.02.01.02 of the general budget of the EU for year 2017

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft budget for 2016 and 2017 after the adoption of the budget for that financial year or as provided for in the system of provisional twelfths.

The financial contributions referred to in the first sub-paragraph may also cover interest due for late payment.

*Article 3*

*Implementation modalities*

This programme shall be implemented by indirect management.

The budget implementation tasks under indirect management may be entrusted to the entities identified in the Annex subject to the conclusion of the relevant agreements.

A multi-annual Financing Agreement shall be concluded between the Commission and the Government of Montenegro in conformity with the Framework Agreement concluded between the same parties on 04 June 2015.

*Article 4*

*Non-substantial changes*

The following changes shall not be considered substantial provided that they do not significantly affect the nature and objectives of the actions:

- (a) increases or decreases for not more than 20% of the maximum contribution set in the first paragraph of Article 2, and not exceeding EUR 10 million;
- (b) cumulated reassignments of funds between specific actions within each budgetary year not exceeding 20% of the maximum contribution set in the first paragraph of Article 2;
- (c) within the limits of 20% referred to in points a) and b) above, up to 5% of the contribution referred to in the first paragraph of Article 2 of this financing decision may serve to finance action which were not foreseeable at the time the present financing decision was adopted, provided that those actions are necessary to implement the objectives and the results set out in the programme.

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 9.12.2015

*For the Commission*  
*Johannes HAHN*  
*Member of the Commission*

## ANNEX 1

### *2015-2017 Multi-annual action programme for Montenegro on Employment, Education and Social policies*

#### 1 IDENTIFICATION

<b>Beneficiary</b>	<i>Montenegro</i>
<b>CRIS decision number</b>	2015/037-895
<b>CRIS/ABAC references</b>	2015/037-895
<b>Commitment</b>	
<b>Total cost</b>	2015 EUR 5,882,352.93 2016 EUR 5,823,529.42 2017 EUR 6,294,117.65
<b>EU Contribution</b>	2015 EUR 5,000,000 on 22.02 01 02 2016 EUR 4,950,000 on 22.02 01 02
<b>Budget lines</b>	2017 EUR 5,350,000 on 22.02 01 02  Estimations for 2016 and 2017 subject to availability of funds after vote of annual budget.
<b>Management Mode/ Entrusted entities</b>	<p>Indirect management by the entities listed below:</p> <p>For indirect management with Montenegro the Operating Structure responsible for the execution of the actions, are:</p> <p>National Instrument for Pre-Accession Assistance (IPA) Coordinator - NIPAC Office responsible for the Operational Programme</p> <p>Ministry of Finance, Directorate for Financing and Contracting of the EU Assistance Funds (CFCU), as the Implementing Agency 1, and</p> <p>Directorate for Public Works, as the Implementing Agency 2 for infrastructure projects under the SOP</p> <p>Programme Implementation Unit - PIU in the Ministry of Labour and Social Welfare, as the body responsible for the Actions 1, 3 and 4,</p>

	<p>PIU in the Ministry of Education, as the body responsible for the Action 2 (except for the activity 2.4),</p> <p>PIU in the Ministry of Science, as the body responsible for the Activity 2.4 within Action 2,</p> <p>PIU in the Ministry for Human and Minority Rights, as the body responsible for the Activity 3.3 within Action 3</p>
<b>Timetable for spending allocation of each budgetary commitment</b>	<p>Budgetary commitment 2015 must be spent by 31/12/2020</p> <p>Budgetary commitment 2016 must be spent by 31/12/2021</p> <p>Budgetary commitment 2017 must be spent by 31/12/2022</p>
<b>Programming Unit</b>	<i>DG NEAR unit D1</i>
<b>Implementing Unit/ EU Delegation</b>	<i>EU Delegation to Podgorica</i>

## **2 DESCRIPTION OF THE ACTION PROGRAMME**

### **2.1 SECTORS SELECTED UNDER THIS ACTION PROGRAMME**

- Rationale for the selection of the specific sectors under this programme:

Education, employment and social policy are three areas that contain the key elements necessary to achieve sustainable, smart and inclusive growth in Montenegro. These areas are significantly interconnected and interventions, especially reforms, in these fields need to be implemented in parallel and will have a deep impact not only on the Montenegrin labour market, but also on the achievements in overall economy, in line with the Economic Reform Programme (ERP) and the Employment and Social Policy Reform Programme (ESRP).

This Sectoral Operational Programme will contribute to implementation of the Employment and Social Policy Reform Programme (ESRP) which has been adopted by the Government on 26 June 2015. It will support participation in the labour market and improved opportunities for vulnerable groups in society through the implementation of social inclusion policies and will address the mismatch between the skills demanded in the labour market and those offered by the education and training system. Thus the Sectoral Operational Programme will contribute to the increase in the employment rate of the Montenegrin population aged 15–64 from 47.4 % (2013) to 53% -56% (2020)<sup>8</sup>.

The most significant problem of the labour market in Montenegro is a low employment rate. In terms of the employment rate for the population aged 15 to 64 years, Montenegro is lagging behind the EU average by approximate 17 percentage points, i.e. the EU rate approximately amounts 65%, while it is approximately 48% in Montenegro.

One of the challenges that characterize the labour market in Montenegro is the uneven development of its three geographic regions: Northern, Central and Coastal. This is primarily due to the fact that the available development resources were implemented inadequately in the past few decades, which resulted in movement of the population within these regions and in significant regional difference of employment and unemployment.

Within the period between the last two censuses, the Northern region of Montenegro was characterized by a decline in population by 7.2%, while the Central and Coastal region recorded population growth (5.9% and 3.7%). These changes were caused by a natural movement of population, as well as by a distinct migration flows directed from north to central and coastal parts of the country, which are mainly determined by economic considerations. In addition to this movement, the changes in the population structures were recorded, primarily age structure, which may be an important factor of influence on the further economic development of the regions.

It is important to emphasise that persons with disabilities are also a category of persons facing barriers in employment and are considered as one of the most important challenges in the field of employment and integration of this group into society, including integration in educational activities, especially when it comes to the removal of architectural barriers (in educational, but also in other public facilities). However, it is important to point out that, although the focus on

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<sup>8</sup> In the Indicative Strategy paper the target for 2020 for the employment rate is 52-53%.



improving the position of persons with disabilities and RE population is within the SOP, the members of the vulnerable groups are included in this SOP as well.

According to the Labour Force Survey for 2013, only 14.8% of those employed in Montenegro gave the status of self-employed. Moreover, gender inequality characterizes the potential for entrepreneurship in Montenegro. Male population is characterized by a significantly higher level of self-employment, i.e. own business is performed by 19.2% of employed men, while this form of employment is characterised by only 9.3% of women. Development of entrepreneurship as a key competence should be carried out at all levels of education and training (curriculum, teacher training and assessment) including a framework for entrepreneurial learning outcomes with the special emphasis on the “green” key competences.

Number of young people registered as unemployed, especially young people with obtained higher education, is growing rapidly. According to the Statistical Office of Montenegro - MONSTAT statistics, the activity rate and the rate of employment of young people aged 15 to 24 years, remained at approximately the same level in 2013 as compared to 2012 (23.2% : 24.5% and 13.5%), while unemployment rate decreased from 43.7% to 41.6%.

An important challenge for Montenegro is addressing the significant mismatch between the output of the education system and the market demand for labour. This results in low participation levels in the labour market and a high official unemployment rate, in particular among women and disadvantaged groups.

The social and child protection system in Montenegro is still highly centralised, although decentralisation is defined as one of the main directions in a number of strategic documents. Available funds are currently stable, but not sufficient to maintain the quality of the existing services and development of new ones.

The existing network of institutions and the development of services in local communities in Montenegro does not allow users in the social and child protection system to use these services in the immediate environment: living rooms and clubs for the elderly, shelters, safe houses for victims of abuse, supported housing for adults with disabilities and children and young people without parental care, care for children with disabilities, and others.

- Overview of past and on-going EU, other donors' and/or IPA II beneficiary's actions in the relevant sectors:

Under IPA I component IV the Human Resources Development Operational Programme (HRD OP 2012-2013) set out the basis for Montenegro receiving EU assistance in human resources development, with employment and employability as the cross cutting issue for all priorities. Currently under implementation, the programme aims to promote sustainable human resources development by modernising and developing the educational, training and research systems in Montenegro, in accordance with EU policies and standards, with particular focus on youth employability.

The support from the EU and other international donors in two aspects: making up for the lacking funds and introducing European practice and experience in the process of the mentioned sectors reform.

Until 2006, the EU assistance was within the CARDS programme, and later through IPA - Instrument for Pre-Accession Assistance, which mainly referred to development of administrative capacities in three areas, also covered by this Operational Programme.

Considering the above mentioned, it is also important to point out the most significant projects implemented in the field of employment, education and social inclusion, which have largely contributed to a higher level of harmonisation with the EU practice:

In the context of improving the institutional framework and employment policy, large contribution was made by CARDS project 2006-2008 “Labour Market Reform and Workforce Development I”. The project was implemented from 2006 throughout 2008. The approach which was defined through this project represents the inter-sectoral definition of employment policy, competitiveness and social cohesion, where economic and social employment policies support each other.

The “Labour Market Reform and Workforce Development II” project implemented under the I Component IPA 2008 represented continuous support in line with the previous project. This project was implemented within the framework of IPA 2008 Programme. The basic purpose of this project was to provide support in improving administrative capacities, labour market and education institutions, contributing to development of active labour market measures particularly through partnerships at the local level, as well as developing and establishing frameworks for providing services of life-long career guidance and counselling.

The project “National Qualifications Framework and Quality Assurance in Higher Education”, implemented under I Component IPA 2007, provided a base for establishing Montenegrin Qualifications Framework (MQF) and raising the level of higher education quality through creation of the National Strategy for Development and Financing of Higher Education.

The “Sharing Practice for the Purpose of Better Management of Employment Policy in Cross-Border Region” project, implemented under II Component IPA 2010, is a project that provided the Employment Agency of Montenegro with closer and continuous cooperation with the Employment Agency of the Republic of Srpska, and also other Offices from the region. This project provided many key conclusions and recommendations for improving operation of all employment offices, as well as joint investment into opportunities to reduce unemployment in the region.

“Better Possibilities for Employment of Young People” is a project aiming to develop the awareness among young people to opt for the professions which meet the labour market demands.

The “SLID” - Social and Labour Integration of the Disabled is an IPD Adriatic Project aiming to contribute to higher quality of life for over 250.000 persons with disabilities living in the Adriatic area including Croatia, Italy, B&H, Montenegro and Albania, through development of effective, innovative and integrated crossborder cooperation and interventions for their social and labour integration.

Additionally, the educational system and vocational educational training (VET), as its integral part, were improved through various projects implemented in the previous period in Montenegro and funded by international financial institutions and international donors (GTZ (Deutsche Gesellschaft für Technische Zusammenarbeit)/GIZ (Deutsche Gesellschaft für

Internationale Zusammenarbeit), KulturKontakt, Lux Development, British Council, projects supported by European Training Foundation, VET 2, IPA 2007, IPA 2008).

The Lux Development Project provided support, among other things, in designing school development programmes in six schools in the north-east of Montenegro, piloting the MEIS information system in all schools, renovating school buildings, developing resources of employees of the VET Centre.

The GTZ/GIZ provided support in designing the Handbook for Trainers and vocational guidance model in five phases “Five Steps to Making a Decision on School and Occupation”, while the activities in integrating vocational guidance in education were continued within the IPA 2008 Project. The school teams for career/vocational guidance were established and trained in eight schools. Additionally, GIZ/GTZ enabled designing education programmes and equipping schools for their implementation.

The British Council provided support for the National Survey of the Labour Market in the Tourism and Hospitality Sector. The modernised Internal Evaluation Handbook was designed in cooperation with the ETF.

The IPA 2007 Project provided support in implementation of the Strategy for Establishing National Qualifications Framework, enabled designing of the Law on National Qualifications Framework, as well as the review of solutions prescribed by the Law (establishment and work of the Sectoral Commissions in the field of construction and tourism).

Through the HERIC project – Higher education and research for innovation and competitiveness, which will be financed by the World Bank loan in the period 2012-2017, the crucial reforms in the higher education will be implemented, especially in the field of financing, quality system improvement, students standard improvement, establishment of the national qualifications framework, as well as improvement of the higher education data system. In addition, it will lead to collection of comprehensive information on effects of introducing the principle of Bologna declaration in our educational system, the data on employability of graduates in their qualifications system which will also encompass the data on knowledge and skills shortages after completed studies and which are necessary for successful integration in the labour market. The Project will also encompass the measures for promoting the internationalization of higher education & research.

Montenegro has started to develop larger technological-innovation infrastructure. In 2011 two feasibility studies were developed, for a centre of excellence and for a science-technological park.

The Ministry of Science and the Directorate for the Development of SMEs participate in an international FP7 (Seventh Framework Programme) project, called 'WBC-INCO.NET', in which the most efficient policies for stimulating innovation in the Western Balkan region will be identified.

Besides the abovementioned projects, in order to implement the pre-accession obligations of Montenegro in the optimum manner, it is important to mention the assistance provided by other international organisations working in Montenegro, such as: IOM (International Organization for Migration), ILO (International Labour Organization), UNICEF (United Nations Children's Fund), UNDP (United Nations Development Programme), etc.

*List of Actions foreseen under the selected Sectors:*

INDIRECT MANAGEMENT WITH THE IPA II beneficiary	
Action 1 - Improving the Labour Market and Increasing Employability	EUR 7,400,000
Action 2 - Enhancing the Education System	EUR 3,700,000
Action 3 - Improving Social Inclusion	EUR 3,500,000
Action 4 - Technical assistance	EUR 700,000
<b>TOTAL</b>	<b>EUR 15,300,000</b>

## 2.2 DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

<b>Action 1</b>	<b><i>Improving the Labour Market and Increasing Employability</i></b>	<b><i>7,400,000 EUR</i></b>
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*(1) Description of the Action, objective, expected results and key performance indicators*

This Action focuses on addressing the challenges related to high unemployment of youth (especially university graduates), regional disparities in employment rates, increasing the competitiveness of labour force via trainings for deficit occupations, fostering entrepreneurship, improving local partnerships for employment, and ensuring better access to labour market for socially vulnerable groups.

The objective of this action is to improve conditions for the creation of new jobs for unemployed and inactive persons, by increasing their employability, having in mind regional needs and disparities, as well as equal opportunities, and to promote local employment initiatives.

This action will contribute to the Employment and Social Reform Programme 2015-2020 - ESRP: Objective 1.1 *Increase in the overall activity rate and employment rate objective* by securing the increase of employability of Montenegrin work force in order to contribute to the increase of the employment rate for the population of 15 to 64 years to the levels 53%-56% by 2020.

It is expected from this Action that:

- Entrepreneurship will be fostered with the aim of long-term provision of new job creation and that support will be provided to employers for new employment in northern region of Montenegro (activity 1.1.1 and activity 1.1.3);
- The unemployed persons will be trained in order to increase their key competences and skills, and consequently, their competitiveness on the labour market and for deficit

occupations and social inclusion will be supported and the employability of socially vulnerable groups will be increased (activity 1.1.2);

- Local employment initiatives will be promoted by ensuring inclusion of all relevant local labour market stakeholders (activity 1.2).

The following activities will be implemented:

#### *Activity 1.1 Implementation of active labour market policy measures*

##### 1.1.1. Support to self-employment

##### 1.1.2. Training activities:

1.1.2.1. Sustainable skills development for deficit occupations;

1.1.2.2. Increasing access to the labour market, increasing employment and providing support in acquiring entrepreneurial knowledge and skills through training programmes for Roma population.

##### 1.1.3. Support to employment in northern region of Montenegro.

#### *Activity 1.2 Development of local employment initiatives*

Progress will be measured according to a number of key indicators, including:

- Level of employability of unemployed by their inclusion in active labour market measures;
- The share of self-employment in total employment;
- Percentage of unemployed persons benefited from skills development in deficit occupations;
- Number of unemployed persons in the northern region reduced through self-employment;
- Number of local Human Resource Development Strategies prepared at municipality level;
- Percentage of the active population covered by the local partnerships.

#### ***(2) Assumptions and conditions***

Government will continue implementation of other active labour market measures, in line with the strategies in force. The new Strategy for Employment and Human Resources Development 2016-2020 should be developed based on the Employment and Social Reform Programme 2015-2020.

National co-financing of 1.3 million euro will be provided to achieve the above mentioned results.

#### ***(3) Short description of the tasks entrusted to the entity***

This action will be managed under indirect management with beneficiary country. Operating Structure for this Sectoral Operational Programme shall be composed of the following bodies:

- NIPAC Office responsible for the Operational Programme
- Ministry of Finance, Directorate for Financing and Contracting of the EU Assistance Funds (CFCU), as the Implementing Agency 1, and
- PIU in the Ministry of Labour and Social Welfare, as the body responsible for the Actions 1, 3 and 4.

The entrusted entity shall be responsible for carrying out all the tasks relating to the implementation of the action. In particular, the entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

<b>Action 2</b>	<b><i>Enhancing the Education System</i></b>	<b><i>3,700,000 EUR</i></b>
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***(1) Description of the Action, objectives, expected results***

The aim of this Action is improving human resources through formal education at all levels, with the focus on basic levels of education, higher education, research and development, including marginalised groups.

It is expected from this Action that:

- The quality of education at all levels will be increased through support and development of initial teacher education programmes;
- Educational programmes will be modernised based on learning outcomes student-centred learning and address skills needed for further learning and a changing labour market
- Activities directed to the improvement of quality and introduction of practical teaching in vocational and higher education will be implemented;
- 8 Key competences will be taught including basic and transversal skills with the focus on improving learning and PISA results;
- The access to education and professional training for marginalized groups will be improved;
- The cooperation between academic and scientific community with industry and businesses will be improved in creation of new jobs, knowledge transfer, through achieving positive effects on both, academic and economic sector.

The following activities will be implemented:

*Activity 2.1* Improvement the quality of work and teaching in educational institutions, including the quality assurance system, development of professional competences of teachers, both in the Initial Teachers Education and Continuous Professional Development with the special emphasis on the key competences;

*Activity 2.2* Development and implementation of the educational programmes in line with the NQF, with the focus on student-centred learning, basic and transversal skills;

*Activity 2.3* Development and adjustment of the educational programmes, and provision of material resources for the implementation of programmes for the SEN - Special Education Needs children, persons with disabilities and members of marginalised groups, especially members of RE population and development and implementation of an action plan for removing architectural barriers in institutions at all levels of education

*Activity 2.4* Support to the employment of scientists in academic and/or business sector

Progress will be measured according to a number of key indicators, including:

- Improvement of PISA - Programme for International Student Assessment results for all three areas (mathematics, reading and science);
- Percentage of educational programmes with the developed/improved segment of practical teaching;
- The percentage of children with Special Educational Needs, persons with disabilities and members of RE population participating in educational programmes;
- Percentage of start-ups and spin-off companies involved in R&D activities, established by PhDs

### ***(2) Assumptions and conditions***

The implementation of the Action requires an effective coordination mechanism being put in place between operating structures.

National co-financing of 0.65 million euro will be provided to achieve the above mentioned results.

### ***(3) Short description of the tasks entrusted to the entity***

This action will be managed under indirect management with beneficiary country. Operating Structure for this Sectoral Operational Programme shall be composed of the following bodies:

- NIPAC Office responsible for the Operational Programme
- Ministry of Finance, Directorate for Financing and Contracting of the EU Assistance Funds (CFCU), as the Implementing Agency 1, and
- Directorate for Public Works, as the Implementing Agency 2 for infrastructure projects under the SOP
- PIU in the Ministry of Education, as the body responsible for the Action 2 (except for the activity 2.4),
- PIU in the Ministry of Science, as the body responsible for the Activity 2.4 within Action 2.

The entrusted entity shall be responsible for carrying out all the tasks relating to the implementation of the action. In particular, the entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

<b>Action 3</b>	<b><i>Improving Social Inclusion and Social and Child Protection System</i></b>	<b>3,500,000 EUR</b>
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***(1) Description of the Action, objectives, expected results***

The aim of this action is to improve social inclusion and social and child protection through the implementation of the reform of social and child protection system, improving the quality of social services, with an emphasis on services at the local level, as well as inclusion of members of marginalized groups into the community, with a focus on RE population.

It is expected from this Action that:

- Administrative capacities are improved for the implementation of further reforms of social and child protection;
- Social and child protection services are further developed at local level;
- Member of RE population are integrated into the community, especially in terms of greater participation in public life, a higher level of education in relation to marriage, domestic violence, forced marriage and other specific features of the RE population.

The following activities will be implemented:

*Activity 3.1* – Improvement of the administrative capacities for implementation of further reforms of social and child protection

*Activity 3.2* - Development and promotion of social and child protection services at the local level

*Activity 3.3* - Inclusion of marginalised groups in the community, with special emphasis on RE population

Progress will be measured according to a number of key indicators, including:

- Percentage of professional workers in the Social Work Centres licensed to perform professional tasks;
- Number of initiatives promoting the sustainable participation of marginalized groups, particularly RE population in social inclusion actions addressed to them.

***(2) Assumptions and conditions***

The implementation of the Action requires an effective coordination mechanism being put in place between operating structures.

National co-financing of 0.62 million euro will be provided to achieve the above mentioned results.

***(3) Short description of the tasks entrusted to the entity***



This action will be managed under indirect management with beneficiary country. Operating Structure for this Sectoral Operational Programme shall be composed of the following bodies:

- NIPAC Office responsible for the Operational Programme
- Ministry of Finance, Directorate for Financing and Contracting of the EU Assistance Funds (CFCU), as the Implementing Agency 1, and
- PIU in the Ministry of Labour and Social Welfare, as the body responsible for the Actions 1, 3 and 4,
- PIU in the Ministry for Human and Minority Rights, as the body responsible for the Activity 3.3 within Action 3.

The entrusted entity shall be responsible for carrying out all the tasks relating to the implementation of the action. In particular, the entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

<b>Action 4</b>	<b><i>Technical Assistance</i></b>	<b><i>700,000 EUR</i></b>
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***(1) Description of the Action, objectives, expected results***

The aim of the Technical Assistance (TA) is to support management and implementation of the Sectoral Operational Programme - SOP by providing assistance to the Operating structure.

Specific objectives of this Action are:

- To increase capacities of all employees within Operating structure to manage and implement the SOP;
- To secure implementation of information, publicity and visibility measures;
- To evaluate and monitor the SOP;
- To support the development of the project pipeline;
- To support potential and actual beneficiaries.
- To support the harmonisation of the acquis in all sectors of relevance to the SOP.

Technical Assistance support is specified under two distinct activities:

*Activity 4.1* Support to management and implementation of SOP

*Activity 4.2* Support to potential beneficiaries/actual beneficiaries.

Progress will be measured according to a number of key indicators, including:

- Percentage of employees in the bodies involved in the management and implementation of the SOP benefiting from the capacity building operations of this SOP;
- Number of communication/information and publicity activities of the SOP;

- Number of potential and awarded grantees participating in activities related to preparation and implementation of projects under this SOP.

***(2) Assumptions and conditions***

National co-financing of 0.12 million euro will be provided to achieve the above mentioned results.

***(3) Short description of the tasks entrusted to the entity***

This action will be managed under indirect management with beneficiary country. Operating Structure for this Sectoral Operational Programme shall be composed of the following bodies:

- NIPAC Office responsible for the Operational Programme
- Ministry of Finance, Directorate for Financing and Contracting of the EU Assistance Funds (CFCU), as the Implementing Agency 1, and
- PIU in the Ministry of Labour and Social Welfare, as the body responsible for the Actions 1, 3 and 4.

The entrusted entity shall be responsible for carrying out all the tasks relating to the implementation of the action. In particular, the entrusted entity shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

### 3 BUDGET

#### 1. MULTI-ANNUAL INDICATIVE BUDGET TABLE FOR 2015-2017 MULTI-ANNUAL ACTION PROGRAMME FOR MONTENEGRO ON EMPLOYMENT, EDUCATION AND SOCIAL POLICIES

		2015			2016			2017			Total  Financing Decision
		where applicable	where applicable	Total expenditure	where applicable	where applicable	Total expenditure	where applicable	where applicable	Total expenditure	
		EU Contribution	IPA II beneficiary Co- financing		EU Contribution	IPA II beneficiary Co- financing		EU Contribution	IPA II beneficiary Co- financing		
Objective 2 Competitiveness and Growth IPA/2015/37895	<b>Action 1 Improving the Labour Market and Increasing Employability</b>	2,300,000.00	405,882.35	2,705,882.35	1,600,000.00	282,352.94	1,882,352.94	3,500,000.00	617,647.06	4,117,647.06	<b>7,400,000.00</b>
	<b>Action 2 Enhancing the Education System</b>	1,200,000.00	211,764.70	1,411,764.70	950,000.00	167,647.06	1,117,647.06	1,550,000.00	273,529.41	1,823,529.41	<b>3,700,000.00</b>
	<b>Action 3 Improving Social Inclusion and Social and Child Protection System</b>	1,200,000.00	211,764.70	1,411,764.70	2,000,000.00	352,941.18	2,352,941.18	300,000.00	52,941.18	352,941.18	<b>3,500,000.00</b>
	<b>Action 4 Technical Assistance</b>	300,000.00	52,941.18	352,941.18	400,000.00	70,588.24	470,588.24	0.00	0.00	0.00	<b>700,000.00</b>
	<b>TOTALS</b>	5,000,000.00	882,352.93	5,882,352.93	4,950,000.00	873,529.42	5,823,529.42	5,350,000.00	944,117.65	6,294,117.65	<b>15,300,000.00</b>

For the purposes of the HR development programme add another column for indicative co-financing by the grant beneficiaries if applicable.



#### **4 IMPLEMENTATION MODALITIES AND GENERAL RULES FOR PROCUREMENT AND GRANT AWARD PROCEDURES**

##### **INDIRECT MANAGEMENT:**

This programme shall be implemented through indirect management by Montenegro in accordance with Article 58(1)(c) of the Financial Regulation and the corresponding provisions of its Rules of Application.

This programme shall be implemented by indirect management with entrusted entities other than the IPA II beneficiary in accordance with Article 58(1)(c) of the Financial Regulation and the corresponding provisions of its Rules of Application.

The general rules for procurement and grant award procedures shall be defined in the Financing Agreement and the relevant delegation agreements between the Commission and the entrusted entity implementing such action.

#### **5 PERFORMANCE MONITORING ARRANGEMENTS**

As part of its performance measurement framework, the Commission shall monitor and assess progress towards achievement of the specific objectives set out in the IPA II Regulation on the basis of pre-defined, clear, transparent measurable indicators. The progress reports referred to in Article 4 of the IPA II Regulation shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Country Strategy Paper.

In the specific context of indirect management by IPA II beneficiaries, National IPA Co-ordinators (NIPACs) will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources.

The overall progress will be monitored through the following means: a) Result Orientated Monitoring (ROM) system; b) IPA II Beneficiaries' own monitoring; c) self-monitoring performed by the EU Delegations; d) joint monitoring by DG NEAR and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by Sectoral Monitoring committees, which will ensure a monitoring process at sector level.