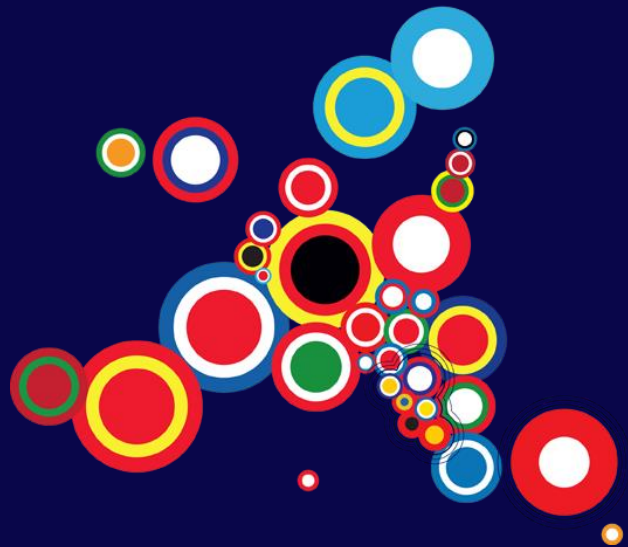




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

**KOSOVO\***

Support to participation in  
Union Programmes



### **Action summary**

This action will support Kosovo in participating in Union Programmes. The purpose is to co-finance the costs of the “entry tickets” which the beneficiary has to pay for the participation in Union Programmes..

In addition, Action aims to strengthen capacities of responsible governmental bodies for coordination and management of Union Programmes, as well as potential beneficiaries and applicants, for effective participation in Union Programmes.

Furthermore action will contribute to achieve objectives of SAA and alignment of Kosovo with European Union policies and working methods.

\*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

<b>Action Identification</b>	
<b>Action Programme Title</b>	Action Programme for Kosovo for the year 2017 – Part I
<b>Action Title</b>	Support to participation in Union Programmes
<b>Action ID</b>	IPA 2017 / 040505 / 02 / Kosovo / EU Programmes
<b>Sector Information</b>	
<b>IPA II Sector</b>	1. Democracy and Governance
<b>DAC Sector</b>	43010 (multisector aid)
<b>Budget</b>	
<b>Total cost</b>	EUR 823,377.50
<b>EU contribution</b>	EUR 800,000.00.
<b>Management and Implementation</b>	
<b>Method of implementation</b>	Direct management
<i>Direct management:</i> <b>EU Delegation</b>	European Union Office in Kosovo
<b>Implementation responsibilities</b>	European Union Office in Kosovo
<b>Location</b>	
<b>Zone benefiting from the action</b>	Kosovo
<b>Specific implementation area(s)</b>	Kosovo
<b>Timeline</b>	
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2018
<b>Final date for concluding procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 189(2) of the Financial Regulation
<b>Final date for operational implementation</b>	6 years following the conclusion of the Financing Agreement
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement

<b>(date by which this programme should be de-committed and closed)</b>			
<b>Policy objectives / Markers (DAC form)</b>			
<b>General policy objective</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Participation development/good governance	<input type="checkbox"/>	X	<input type="checkbox"/>
Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	X	<input type="checkbox"/>	<input type="checkbox"/>
Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>

# 1. RATIONALE

## PROBLEM AND STAKEHOLDER ANALYSIS

Since April 2005 the European Commission is committed to support Kosovo to its European path. This commitment was recognised by adopting the Communication to the Council "A *European Future for Kosovo*", aiming to support the stabilization and association process. On 17 February 2008 the Parliament of Kosovo ratified Kosovo's declaration on independence from Serbia. On December 2009 the European Commission was asked by the Council to further support Kosovo's progress towards the EU in line with the European perspective of the region and despite other matters to open up for Kosovo taking part in Union Programmes.

The process of Stabilisation and Association Agreement (SAA) between Kosovo and the EU started on October 2013. The Stabilization and Association Agreement was signed in October 2015 and entered into force on 1 April 2016. By signing this Agreement Kosovo entered for the first time into a contractual agreement with EU, for which it is committed to fulfil the obligations deriving from SAA (alignment of legislation, trade issues etc.).

In order to better fulfil the responsibilities arising from the SAA, Kosovo government decided to use the opportunity to participate in Union Programmes with the aim to further build technical and administrative capacities in line with EU standards. Following decisions by the European Parliament and Council, Kosovo can participate in Union Programmes<sup>1</sup>. The FWA includes (annex 1) a list of the 17 Union Programmes in which Kosovo is eligible to participate. Union Programmes are multi-annual programmes dedicated to promote/support EU policies and strengthen cooperation between EU Member States (and other members) in certain areas such as research & innovation, education, culture, health, environmental protection, custom and taxation, justice etc.

Private sector organisations, businesses and Civil Society Organisations (CSOs) could benefit from the use of Union Programmes, aiming to build their capacities and preparing the ground to the European perspective, along with public administrations and agencies. Consequently, the Ministry of European Integration (MEI) supported by the Project Preparation Facility (PPF) launched on December 2016 a consultation process with different *governmental institutions* aimed to raise awareness on the Union Programmes. Although line ministries/ potential beneficiaries had an interest in participating in Union programmes, they did not have sufficient knowledge on how to apply for Union Programmes.

Following the first round of consultations, a preliminary assessment/study on Kosovo's participation in Union Programmes was conducted. The objective of this study/assessment was to map all 17 Union Programmes by providing findings and recommendations on the capacities and needs for Kosovo participation in Union Programmes. The study identified all target groups for 17 Union Programmes, assessed the readiness of potential beneficiaries on various Union Programme participation by analysing relevance with strategic documents and potential beneficiaries' capacities.

Further consultation workshops were held during February 2017. These workshops, specifically targeted the potential applicant groups from the CSO/NGO sector (February 20<sup>th</sup> 2017); Local Public Administration and

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<sup>1</sup> Framework Agreement between the European Union and Kosovo \* on the general principles for the participation of Kosovo in Union programmes, L 195/4 of 27 July 2017

Public Bodies (21<sup>st</sup> February 2017); the Private Sector (23<sup>rd</sup> February 2017); and Education and Research (23<sup>rd</sup> February 2017) and discussed in further detail the specific programmes from which they could benefit as applicants and/or partners. Approximately 75 different institutions/bodies participated in these workshops.

At the end of consultations processes and based on preliminary assessment/study findings, Kosovo government decided for a short-list of Union Programmes where IPA II support would be considered:

- **Erasmus +** - *beneficiary: Ministry of Education, Science and Technology*; Erasmus+ is the Union Programme in the fields of education, training, youth and sport with the aim to contribute to the Europe 2020 strategy for growth, jobs, social equity and inclusion. Erasmus+ also aims to promote the sustainable development of its partners in the field of higher education, and contribute to achieving the objectives of the EU Youth Strategy.
- **COSME** – *beneficiary: Ministry of Trade and Industry*; The Programme is established by the Regulation (EU) No 1288/2013 of the European Parliament and the Council of 11 December 2013 with the aim to promote entrepreneurship and improve the business environment for SMEs .
- **Creative Europe** – *beneficiary: Ministry of Culture, Youth and Sports*; The Programme is established by the Regulation (EU) No 1295/2013 of the European Parliament and the Council of 11 December 2013 with the aim to support the culture and audio-visual sector initiatives.
- **Europe for citizens** – *beneficiary: Ministry of European Integration*. The Programme is established by the Council Regulation (EU) No 390/2014 of 14 April 2014 with the aim to support: an understanding of the EU, its history and diversity and Democratic engagement and civic participation.

All of the selected Union Programmes are in line with Kosovo short-term priorities and immediate needs deriving from the European Reform Agenda and Stabilization Association Agreement. In addition to that, the above four Union Programmes give an opportunity for participation to different targets groups such as government body, private organizations and civil society organizations. By participating in Union Programmes, Kosovo as other non EU Member States is obliged to contribute to EU budget by *paying a fee (entry ticket)*. The fees are different for the various Programmes and various beneficiaries, as each programme has its own rules for participation. The entry tickets are negotiated with the European Commission during the drafting of International Agreements (IA). The signature of IAs for selected (above) Union Programme is envisaged to take place during 2017.

Since Kosovo government cannot provide sufficient funding for covering all the costs of entry tickets as per the above mentioned four Union Programmes, the European Commission through IPA 2017 programme is going to reimburse the amount of entry tickets for four Union Programmes for participation in 2018. For the period 2019-2020 the European Commission and Kosovo are going to negotiate under IPA 2018 reimbursement rate and explore the possibility for participation to other Union Programmes.

Furthermore, for participating in Union Programmes a proper planning is needed. Government/beneficiaries should plan the cost of entry tickets in their medium term budget and the cost of entry tickets reimbursed by IPA programmes should be programme/allocated in advance (one or two year in advance). The key stakeholders affected by this action are the final grant beneficiaries (governmental and non-governmental body) of the Union Programmes selected.

Potential obstacles to smooth action might be lack of ministerial staff due to the turnover of staff trained, lack of political support or inadequate technical capacities to support the end beneficiaries in information sharing, and project application etc. In this context, training of the final stakeholders is a key element for the effective participation in Union Programmes.

In order to address the above problems, complementary technical assistance is required to support Kosovo government for effective absorption of Union Programme funds. The beneficiaries of Programmes will also need to be actively involved in gathering the necessary information on programmes, procedures, and working methods as well as in establishing networks and structures and informing the public in order to reach the expected results of participation in Union programmes.

## **OUTLINE OF IPA II ASSISTANCE**

Since Kosovo has limited familiarity of Union Programmes and it will be the first experience in requesting participation on those programmes and consequently has weak technical capacity and lack of specialised expertise to deal with Union Programmes; a Technical Assistance (TA) project is needed.

The objectives of this TA will be: 1) to reimburse the costs of entry tickets for the programmes in which Kosovo intends to participate at initial stage; 2) to increase capacities of beneficiaries and potential stakeholders for effective participation in Union Programmes.

With regard to Result 2 the project will increase (i) capacities of Ministry of European Integration for the coordination and prioritization of future Union Programmes participation; ii) capacities of Contact Points in respective institutions and potential stakeholders to apply to calls for proposals launched by respective Union Programmes; iii) public awareness and information on the EU policies, working methods and values. Furthermore the action will contribute to the objectives of the SAA and alignment of Kosovo with European Union policies and working methods.

The participation on selected Union Programmes will contribute in addressing recommendations of the Kosovo 2016 Report and short term priorities of the European Reform Agenda for: i) improving quality and access to education; ii) improve quality standards and infrastructures as well access to finance for SMEs; iii) support and promote culture sector; iv) increase CSO capacities related to their involvement in decision making process etc.

In the meantime the Kosovo government will appoint Contact Points for each Union Programme where the International Agreement (IA) will be signed. In addition, the cost of entry tickets will be planned in Kosovo Budget, which will be reimbursing by the IPA 2017 programme on the terms agreed. The Kosovo institutions which will coordinate and manage the programmes will show maximum dedication, including adequate staffing and budget resources, to participate and implement in a proper way in Union Programmes.

## **RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES**

The Indicative Strategy Paper for Kosovo defines priorities for EU financial assistance to support Kosovo in its European path for the period 2014-2020.

This action document will focus on those Union Programmes identified as short-term priorities by the government and are in line with the *Indicative Strategy Paper* respective sectors, i.e. Competitiveness, Education, etc.

Furthermore the action will be complementary tool to support implementation short term priorities of *European Reform Agenda (ERA)*.

*The NPISAA 2016-2020* (of March 2016) also acknowledges the importance of Kosovo's participation in Union Programmes, such as: COSME, Erasmus+, etc.

*The Kosovo 2016 Report* recommended to Kosovo to focus on the implementation of SAA obligations and ERA priorities.

## **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

Initially the Union Programmes were planned only for EU Member States but in 2003 during the European Council meeting in Thessaloniki, it was decided to open the European Union Programmes (ex-Community Programmes) to beneficiaries outside the EU and EEA, who were in the Stabilisation and Association Process. The objective of participation of candidate countries and potential candidates on Union Programmes is to make them acquainted with the methods and policies of the EU.

Kosovo has no experience with Union Programmes, although other countries in the region have already participated and benefitted from these Programmes. The experience from the region shows that successful participation in Union Programmes requires a high degree of ownership and initiative by the beneficiary.

Based on some assessment and evaluation conducted for participation and absorption the Union Programmes funds for the period 2007-2013 it was noted that some countries in the region<sup>2</sup> did not use sufficiently this financial instrument. Taking into consideration two examples (Albania and Serbia) it seems there were common findings related to Union Programmes: coordination and visibility of Union Programmes remain crucial mean; appointment of Contact Points for each Union Programmes and their capacities are another element which affected success participation in Union Programmes. In the case of Albania the study carried out in the end of IPA I perspectives shows that Albania had low applicant success rate and the low number of submitted proposals by the Albanian institutions.

Experiences from the region showed that candidate countries and potential candidates lack coordination, capacities of Contact Points are weak and budget for co-financing of Union Programmes was not planned properly.

Although the beneficiaries in the region are taking measures to improve their approach towards Union Programmes, the lack of data for number of applications and awarded contracts at beneficiary level seems to be a common problem in the region: beneficiaries do not have regular information from Implementing Agencies which will enable Kosovo authorities to regularly monitor, on an annual basis the efficiency and effectiveness of other Western Balkan countries' participation in Union Programmes.

Finally, a general lesson learned is that whereas EU assistance can contribute to building capacities in one particular sector, it does not always contribute to the overall Public Administration Reform. In fact, the past EU assistance has sometimes contributed to creation of sectoral isolated 'islands of excellence', which are

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<sup>2</sup> -Evaluation of Participation of the Republic of Serbia in the Union Programmes in the period from 2007-2012", SEIO, 2013;

rarely sustainable in the overall administrative environment. This is the case, for instance, of actions promoting the establishment of new organisational structures, even if supported with EU Member States practices. Should creation of new institutional structures be necessary (like in this specific case), in order to avoid fragmentation and politicisation of Kosovo administration and to ensure rationality and value for money, assistance should pay particular attention to ensure clarity of accountability lines with the parent ministry. In addition, the decisions should also be accompanied with a commitment by Kosovo authorities to grant the sufficient legal powers, resources and staffing necessary to discharge their mandate.



## 2. DESCRIPTION AND IMPLEMENTATION ARRANGEMENTS

### INTERVENTION LOGIC

The main **objective** of this action is:

- To ensure participation of Kosovo on four selected Union Programmes by co-financing the costs of the entry-tickets/participation fees and support effective absorption of these programmes funds.

The expected **results** of this action are:

- Enhanced participation of Kosovo in Union Programmes, including increased exchanges with EU Member States;
- Strengthened ownership and responsibility of Kosovo (including in financial terms) for participation in Union Programmes.

Key **indicators** for the achievement of the results are:

- Number of programmes for which an International Agreement has been concluded.
- Kosovo's participation rates in the following Union Programmes: Europe for Citizen, COSME, Erasmus+, and Creative Europe.

### Activity 1

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To support Kosovo efforts to its European path by contributing in alignment of Kosovo with EU policies and working methods.	Progress made towards meeting Copenhagen criteria.	Kosovo Report	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
To ensure access for participation on four selected Union Programmes by supporting effective absorption of these programmes funds.	Good initial rate on Kosovo participation in the four selected Union Programmes.	Annually report of NIPAC Office or EUO;  Evaluation reports of IPA assistance or Union Programmes.	Political commitment: Continuous high-level commitment from the government to Kosovo's European path.  Kosovo government ensures budgeting,

			staffing and maintenance of institutions.
<b>RESULTS</b>	<b>OBJECTIVELY VERIFIABLE INDICATORS (*)</b>	<b>SOURCES OF VERIFICATION</b>	<b>ASSUMPTIONS</b>
Capacities of MEI, relevant governmental bodies, Contact Points, and potential beneficiaries strengthened for participation in Union Programmes	<ul style="list-style-type: none"> <li>• Number of successful applications for the selected Union programmes.</li> <li>• Number of (men and women) participants trained on Union Programmes.</li> </ul>	<p>Annually Implementation Report</p> <p>NIPAC Reports</p> <p>Financial Report from EUO/CRIS</p> <p>Reports of Contact Points to NIPACs</p> <p>Participants list presence</p>	<p>Timely payment by the beneficiaries cost of entry tickets as well timely preparation all documents required for reimbursement.</p> <p>Commitment of all actors for proper coordination and management of Union Programmes as well to ensure support for applicants.</p>

## IMPLEMENTATION ISSUES

Candidate countries and potential candidates can participate in Union Programmes by signing a Framework Agreement between the government and European Commission. Following decisions by the European Parliament and Council, Kosovo can participate in Union Programmes<sup>3</sup>. Subsequently, an International Agreement (IA) need to be signed between the beneficiary and the European Commission (respective DG or implementing agencies) for each selected Union Programmes. The International Agreement lays down the rules governing participation, in particular the administrative capacities required, the planned financial contribution, the mechanism for taking part in the management of the programme and the financial control provisions. The exact financial allocation (entry tickets) to be paid by the beneficiary for participating in Union Programmes is determined in the relevant IA. The International Agreements for selected Union Programmes are foreseen to be signed during 2017.

IPA funds of year 2017 co-finance entry tickets/participation fees for year 2018.

The participation of the IPA II beneficiary in Union Programmes, including payment by Kosovo of the entry ticket/participation fees, shall follow the specific terms and conditions set out for each programme in the relevant International Agreement. In line with the principle of increasing Kosovo ownership and responsibility IPA funding rates shall decrease over the years in real or relative terms.

Kosovo must not only provide the co-financing but also the funds necessary for the payment of the total entry ticket, prior to receiving the partial reimbursement from IPA II. The beneficiary institutions will ensure payment of entry tickets through Kosovo Budget (by planning them in timely manner) and prepare all documents requested for reimbursement through IPA 2017. In the case of Kosovo reimbursement rate will be 90 % for the first year of participation (Please refer to Budget breakdown table section 3).

The reimbursement will be paid as a grant to Kosovo authorities.

The Ministry of European Integration (MEI) is the main beneficiary, responsible for coordination of activities at beneficiary level, and will appoint the counterpart for the action and focal point for Union Programmes. Other beneficiaries are governmental institutions – line ministries and agencies responsible for implementation of respective Union Programmes as below:

- **Erasmus +** - *beneficiary: Ministry of Education, Science and Technology;*
- **Cosme** – *beneficiary: Ministry of Trade and Industry;*
- **Creative Europe** – *beneficiary: Ministry of Culture, Youth and Sports;*
- **Europe for citizens** – *beneficiary: Ministry of European Integration*

The NIPAC will regularly monitor the participation rates and reports on them as well as on co-financing trends in the context of IPA monitoring committees.

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<sup>3</sup> Framework Agreement between the European Union and Kosovo\* on the general principles for the participation of Kosovo in Union programmes, L 195/4 of 27 July 2017

## **Activity 1 Technical Assistance (TA) for participation in Union Programmes**

This activity will be implemented through direct management, where the Contracting Authority is the European Union Office in Kosovo.

A Contact Point will be appointed for each of the selected Union Programmes. The aim of this activity is to provide technical assistance/support through building capacities of Contact Points, governmental bodies and potential applicants for effective coordination and management Union Programmes funds.

The TA primarily will focus on training and job training of relevant actors which will enable them to responds call's requests and adequately write project proposal. Thematic seminars and information session for Union Programmes will be organized with participation of different target groups at central and local level.

Secondly, the TA will support MEI and other government bodies to set up appropriate structures and procedures for coordination and management Union Programmes funds. These structures and their accountability lines shall be coherent with the overall organisation of public administration; likewise, new procedures shall not contradict any other legal arrangement in place. In addition, the action will support setting up the network of Contact Points by supporting them in preparation of guidance, advising, training, information meetings, and seminars for potential applicants, assistance in partner search. It will also support the collaboration between Kosovo structures and European Commission /implementing agencies of Union Programmes through joint seminars, conference, study visit and exchanges.

Furthermore the TA will advise MEI to plan and prioritize future participation on new Union Programmes (under new EU financial perspective) as well in the end of project implementation will prepare a study to asses benefit of Kosovo in participation in respective Union Programmes. Finally, TA will ensure the visibility of all selected Union Programmes (by different means such as: leaflets, Facebook, media etc.).

Taking into account that activity 1 will be implemented under direct management the cooperation between MEI, Contact Points and EUO task manager will take place on a regular basis. The relevant final beneficiaries (Line Ministries/Agencies) will regularly provide Union Programmes implementation reports to the NIPAC. A Steering Committee will be set up to monitor the progress of action activities and gives recommendations & steer to completion of Action. The composition of SC will be EUO, project team, NIPAC Office representatives, Contact Points and governmental bodies benefiting by Union Programmes, which are going to meet on quarterly basis. The NIPAC in cooperation with the Contact Points and EUO will regularly monitor the participation rates and reports on them in the context of IPA monitoring committees once per year.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations. In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

## COMMUNICATION AND VISIBILITY

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the European Commission (DG NEAR) will have to be followed.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions and will promote transparency and accountability on the use of funds.

Communication and visibility is one of the main activities of the action (activity 2). Communication and visibility will be ensured through information and promotion campaign that will be implemented from the very beginning of the Action at central and local level. Media will be part of awareness activities. Other means like social media (Facebook, tweeter etc.) and websites will be used to ensure visibility of action activities/results.

Web-site of the Ministry of European Integration ([www.mei-ks.net](http://www.mei-ks.net)) will be used as a platform to share relevant information about the activities of the action.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee.

## 3. BUDGET BREAKDOWN

	Total expenditure	IPA II contribution		IPA II beneficiary contribution	
	EUR	EUR	%	EUR	%
Entry ticket for <b>Erasmus+</b> of year 2018	50,000.00	45,000.00	90.00	5,000.00	10.00
Entry ticket for <b>Creative Europe</b> of year 2018	35,000.00	31,500.00	90.00	3,500.00	10.00
Entry ticket for <b>Cosme</b> of year 2018	133,775.00	120,397.50	90.00	13,377.50	10.00
Entry ticket for <b>Europe for Citizen</b> of year 2018	15,000.00	13,500.00	90.00	1,500.00	10.00
<b>Technical Assistance</b>	589,602.50	589,602.50	100.00	0.00	0.00
<b>TOTAL for ACTION</b>	<b>823,377.50</b>	<b>800,000.00</b>		<b>23,377.50</b>	

## **ANNEX I**

### **Overview of Kosovo's public institutions that have signed International Agreements with the European Commission and dates of entry into force or latest amendments to the International Agreements**

The International Agreements for selected Union Programmes are foreseen to be signed during 2017 year.

The Ministry of European Integration (MEI) is the main beneficiary, responsible for coordination of activities at beneficiary level of this Action Document, and will appoint the counterpart for the action and focal point Union Programmes. Other beneficiaries are governmental institutions – line ministries and agencies responsible for implementation of respective Union Programmes as below:

- **Erasmus +** - *beneficiary: Ministry of Education, Science and Technology;*
- **Cosme** – *beneficiary: Ministry of Trade and Industry;*
- **Creative Europe** – *beneficiary: Ministry of Culture, Youth and Sports;*
- **Europe for citizens** – *beneficiary: Ministry of European Integration*