

<b>2011 Annual programme</b> <b>Further Support to Public Administration Reform : 13-2011/3</b>
--

## 1. Basic information

- 1.1 **CRIS number:** 2011/022-939  
 1.2 **Title:** Further Support to public administration reform  
 1.3 **ELARG statistical code:** 01.34  
 1.4 **Location:** Kosovo\*

## Implementing arrangements

- 1.5 **Contracting authority:** European Commission Liaison Office to Kosovo  
 1.6 **Implementing agency:** European Commission Liaison Office to Kosovo  
 1.7 **Beneficiary:**

Beneficiary institution	Contact point responsible for activity coordination
Ministry of European Integration (MEI)	Edon Cana, General Secretary, Ministry of European Integration (MEI)

## Financing

- 1.8 **Overall cost (VAT excluded):** EUR 2.9 million  
 1.9 **EU contribution:** EUR 2.7 million  
 1.10 **Final date for contracting:** 3 years after signing the financing agreement  
 1.11 **Final date for execution of contracts:** 2 years following the final date for contracting  
 1.12 **Final date for disbursements:** 1 year after the final date for execution of contracts

## 2. Overall Objective and Project Purpose

### 2.1 Overall Objective:

The overall objective of this project is to improve the performance and increasing capacities of Kosovo's public administration, in order to ensure the Government of Kosovo meets the challenges of EU integration

### 2.2 Project purpose:

- To generate a core group of civil servants in fields identified as weak areas for Kosovo, who will be determined to drive and implement reforms in public administration, in particular those required for EU integration.
- To further strengthen Ministry's of European Integration capacity ensuring appropriate follow up of EU integration reform priorities.

\* Under UNSCR 1244/1999.

### 2.3 Link with AP/NPAA / EP/ SAA

This project responds to the priorities set in the **European Partnership**, especially those designed to meet the political criteria. European Commission **Progress Reports** (2008, 2009 and **2010**) emphasize PAR as one of the preconditions for Kosovo's European integration aspirations pointing: "Ensuring the delivery of public services to all people in Kosovo and establishing a professional, accountable, accessible, representative public administration free from political interference is a key European Partnership priority".

The **2011 European Partnership Action Plan (EPAP)** acknowledges that although several important measures were undertaken in this sector, more challenges remain, especially in terms of implementing new legislation on civil service, advancement of the human resource management system, implementation of the revised Public Administration Reform 2010 - 2013 as well as the implementation of functional reviews.

In order to address these challenges, the current plan envisages further legal measures and capacity building both in terms of implementing framework legislation for the civil service, improvement of human resources management, as well as functional review implementation.

### 2.4 Link with MIPD

The analysis of the Commission's 2009 Kosovo communication is clear. Even though it does not identify public administration as a sector in itself, it does confirm its importance in support of the communication's main initiatives. The communication clearly stipulates that the priority for Kosovo must be to ensure proper implementation of adopted legislation, including the allocation of appropriate staffing and equipment. Public administration therefore warrants targeted IPA support as a third priority area in MIPD 2011 - 2013. Hence the project will reflect the **main priorities and objectives of the Multiannual Indicative Planning Document (MIPD) 2011 – 2013**.

MIPD recognises that Kosovo has yet to "put in place a depoliticised and professional public administration, based on European policies and best practice for human resource management". It emphasises that "in April 2010 the Ministry of European Integration (MEI) was created as the main coordinating body.....whose mandate is to ensure approximation of Kosovo's legislation with the *acquis communautaire*, preparation of the European integration policies, coordination of financial assistance and public information on the EU integration process". Further the MIPD stresses that "close cooperation between the Ministries of Public Administration and the Ministry of European Integration will be crucial in the coming years *because the public administration reform agenda is closely linked to the EU integration process*". Hence the PAR and EU integration should be seen as closely related areas. Contribution to creating strong EU structures will ultimately lead to the reform implementation.

Consequently MIPD acknowledges the need to work in the "capacity of both Ministry of European Integration and Parliament, and improve their EU knowledge. The *strategic objective* is to enhance their standing vis-à-vis local and international actors, and develop their confidence as champions and guardians of *an EU-oriented process of public administration reform*". As a short-term priority, MIPD lists the assistance in strengthening four central bodies, one of which is *the Ministry of European Integration*.

A specific objective in the 3<sup>rd</sup> sector of **Governance** (focus on public administration reform), stresses that:

- Improving the performance of Kosovo's public administration with a specific focus on creating accountable and efficient public administration **at both central and local level**, able to meet the challenges of EU integration processes.
- Improving institutional capacities for the implementation and enforcement of European sectoral policies, *including mechanisms for the verification of EU compatibility of*

***government policies and draft laws in order to build up a sustainable Kosovo with a clear European perspective.***

Moreover the MIPD states that there has been progress on local government reform and that the Ministry of Local Governance should focus on the decentralisation of competences to municipalities, ensuring a link between budgets and service delivery at the local level.

## 2.5 Link with National Development Plan (where applicable)

The Medium-Term Expenditure Framework (MTEF) for 2011-13 establishes the relation between the reform and national development planning processes and the EU perspective for Kosovo. According to the MTEF Kosovo will focus on the: "public administration reform in order to create a civil service administration and sustainable, functional, efficient and professional in implementing policies and providing quality service, faster and cheaper for institutions, citizens, businesses and civil society"

Moreover according to MTEF Kosovo in 2010 has deepened the political and technical dialogue with the European Commission through the Dialogue of the Stabilization and Association Agreement (through which dialogue takes place between Government of Kosovo and the European Commission on the institutional, legislative, economic and social reform), greater access in to Community programs, and trade agreement with the European Union. An important part of this process is the European Partnership and Progress Report. Coordination of donations is extremely important in order to increase the country's economic productivity and improve the standard of life.

MTEF points that the strategic objectives of the MEI cover:

- Effective Management Stabilization and Association dialogue process
- Effective coordination of external assistance,
- Institutional capacity building and information communication,
- Coordination of translation and approximation of legislation

It also stresses that taking into account the ambitions of European integration, the goal of Ministry of Public Administration is to contribute to the Kosovo government to establish public administration institutions effectively and efficiently to meet their mandated responsibilities. Whereas it describes the mission of the Ministry of Local Administration is, advancing the quality of local governance, in cooperation with selected structures and municipal officials to provide responsive and effective services to citizens.

## 2.6 Link with national/ sectoral investment plans(where applicable)

Strategy for Public Administration Reform 2010-2013 approved in 2010, covers measures planned to be undertaken in terms of management of policies, drafting legislation, ethics and transparency, communication with citizens, budget planning, budget execution, control and internal audit, procurement, organization of public administration, rationalization of electronic, administrative and e-governance. Public Administration Reform Strategy 2010- 2013 shall be a guideline for Kosovo Government's vision fulfilment for a public administration:

1. Effective in the delivery of administrative services;
2. Efficient from the point of view of the costs;
3. European in its organization and working methods.

## **3. Description of project**

### **3.1 Background and justification:**

Over the last years there has been progress made in developing the capacity of governance institutions in Kosovo, however the administration still continues to be weak. Gradually with the support of EC and other donor organisations the institutional foundations for a sound system of public administration have started to be built. Public Administration Reform (PAR) both at the central and local level is essential to advance the standard of living of Kosovo citizens and further Kosovo's progress towards

European integration. Nonetheless Kosovo public administration is facing the strong political interference at all levels. This influence leads towards lack of proper functioning of a public administration which is weak in delivering services to citizens.

The public administration reform agenda is closely linked to the EU integration process, hence PAR and EU integration are indispensable agendas. Crucial contribution in ensuring strong EU structures will contribute towards proper reform implementation, as highlighted in the PAR strategy.

Even though there is a suitable legal framework in PAR strategy to ensure equal opportunities, it has not been adequately implemented. This has led to the unfair representation of certain gender, ethnic and age groups and persons with limited abilities, especially in managerial posts in the administration. In addition even though the PAR strategy seeks to address challenges such as transparency, professional integrity, and de-politicization, these are not deemed as high priorities by policy makers. What contributes to the deficient public administration is the lack of advanced specialized education in different fields related to EU affairs, which are identified as professional administrative gaps.

Kosovo needs to put in place a depoliticised and public administration, based on European policies and best practice for human resource management. This will entail the establishment of effective horizontal and vertical structures organised in a manner that will allow for the effective and efficient implementation of their respective competences. Therefore the ***component 1 of this fiche*** aims at strengthening the public administration through ensuring that the administrative gaps in the Kosovo government are addressed via offering specialised education opportunities to the young Kosovars in EU countries. These professionals will be integrated within the current governmental structures with an aim of building sound system of public administration that meets the demands of EU processes.

Main Ministry in charge of EU agenda is the Ministry of European Integration (MEI) which was established in April 2010. The mandate of the MEI was defined by a government decision of May 2010, setting out the competencies of MEI with regard to the overall management, co-ordination and monitoring of the European integration process for Kosovo. The decision emphasises the strategic role of MEI in ensuring a centralised and harmonised co-ordination of all government stakeholders involved in the implementation of the European agenda. It is the mission of the Ministry to ensure the technical management, coordination and monitoring of the European Union integration process.

In order to ensure proper follow up and implementation of various priorities related to EU integration the government set up structures with the so-called Reform Package (or Plan on European Integration 2008-2010). These European integration structures were formalised through a Government decision in August 2008. The package mainly aimed at establishing institutions that could effectively run a complex and sophisticated process of EU integration. Ministry of European Integration is tasked to follow up and lead on the work of these structures to ensure they act as guardians of *EU-oriented processes of public administration reform*.

To ensure links between strategic documents and priorities and donor funding, Kosovo established donor coordination structures. Aim of these structures is to coordinate, review and supervise the progress of the ongoing donor assistance related sector strategies, donor programmes and individual projects: High Level Forum (HLF), Sector Working Groups (SWG) and Sub-Sector Working Groups (SSWG). In order to facilitate the work of these groups, the government launched a centralized donor coordination data based – Aid Management Platform (AMP), managed by MEI. The AMP aims support the functioning of the donor coordination working groups by providing data on the donor assistance, supporting GoK to report on donor funding, and supporting linkages between the Kosovo budget and donor aid.

To date EC has continually supported MEI in setting up and strengthening the above mentioned structures of donor coordination and EU integration. As the institutional co-ordination architecture is in place, there is a clear need to ensure these structures operate smoothly and effectively. Hence the ***component 2 of this fiche*** will focus on strengthening the EU integration structures through ensuring that the commitments taken by Kosovo authorities during the SAP Dialogue and priorities deriving from the progress reports are properly followed and implemented. And the ***component 3*** will address the need to increase the usage of Aid Management Platform and strengthen the breadth and depth of the data and fully build government capacity to assume full management of the system and donor

coordination structures. Direct grant award to the INGO that has set up and is implementing currently the APM is suggested in this PF (see annex for VI for justification details).

### **3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)**

The project will have a positive impact by strengthening the administrative and technical capacity of Kosovo's institutions, with a special focus on MEI to improve their performance on priorities stemming from the European Partnership. The project will build the capacity of civil servants to implement their tasks by enhancing coordination and reporting mechanisms and improving systems to monitor translations and harmonisation of legislation. In addition, the project will build technical capacities by enabling civil servants and/or recent graduates to specialize in the fields that are deemed as administrative gaps in the Kosovo public administration.

Strengthening the public administration acts as a catalyst for further sector-specific initiatives that will speed up implementation of European standards and improve the quality of life for all citizens.

### **3.3 Results and measurable indicators:**

#### **Results and measurable indicators in relation to component 1**

1.1 Selected candidates chosen based on the professional administrative capacity gaps of GoK, complete post-graduate degrees in EU universities in relevant technical fields and are subsequently employed by the Government of Kosovo.

##### Indicators:

- GoK identifies areas in the public administration that need further strengthening in regards to human resources
- Approximately 30 candidates are selected by a transparent and fair process
- The MEI signs MoUs with relevant GoK bodies to secure a budget allocation to employ 'young cell' students (YCS).
- Graduates who have completed Master's studies are smoothly recruited to the Kosovo public administration.

1.2 EU Scholarship Alumni association becomes sustainable and operationally functional.

##### Indicators:

- Alumni organize activities through external funding based on the identified challenges Kosovo's facing re EU integration.
- Alumni succeed in proposing recommendations for policy change related to proper reform implementation .

#### **Results and measurable indicators in relation to component 2**

2.1 Improved capacity of the MEI and other public administration EU integration structures, with regards to implementing c Kosovo's EU agenda and priorities

##### Indicators:

- Fully functional tracking mechanism utilized on daily bases by all public administration structures in charge of EU integration
- Assessment of the tracking mechanisms and recommendations for its upgrade
- Tracking mechanism is used as a to produce reports that clearly show Kosovo's progress towards implementing conclusion from SAP dialogue and recommendations deriving from Progress Report

- Cross departmental work of MEI results in proper organization of EU tasks between MEI and other public administration personnel in line institutions in charge of EU priorities

2.2 Strengthened capacity of EU Integration structures across the governmental public administration to drive forward reform process in various integration processes

Indicators:

- EU focal points and EU structures effectively follow up and monitor progress towards meeting EU priorities in their respective areas.
- Implementation of the recommendations made in the European Commission Progress Reports.
- Kosovo Governmental institutions capable of taking the lead in the EU integration process
- EU WGs contribute to and follow up implementation of SAP dialogue conclusions and other EU priorities

### **Results and measurable indicators in relation to component 3**

3.1 AMP is a go-to resource for all stakeholders for up-to-date information and data on all donor-related activities

Indicators:

- MEI and donors further; AMP reports and outputs are regularly provided at donor coordination meetings and MS+ meetings
- Improved data accuracy, timeliness and completeness, thus strengthening donor coordination
- AMP emerges as official repository for project-level information on donor flows and for other relevant information

3.2 AMP data is an input for the high-level decision-making; resource planning and program/project coordination

Indicators:

- AMP data is linked to the GOK budget cycle, enabling a complete view of all external and domestic resources together
- GoK budget preparation and execution processes consider donor assistance as programmed in the AMP
- Increased number of media, civil society and academia using AMP

### **3.4 Activities:**

#### ***Activities for component 1 — one service contract***

Activities to achieve result 1.1:

- Select at least 30 candidates for post-graduate studies in specific identified areas of the public administration that need strengthening
- Organise information and communication campaign; organise language courses.
- Organise placement of students in EU universities and internships and arrange employment contracts before students' departure.
- Supervise students during their studies and help them find a job on their return.
- Systematic incorporation of YCS into line institutions.
- Development of concise contracts between the GoK and YCS before they depart to universities.

Activities to achieve result 1.2:

- Support logistically Alumni to organise activities impacting reform policy issues in Kosovo
- Support alumni re strategic developments in the strengthening the organization

### ***Activities for component 2 — one twinning contract***

Activities to achieve result 2.1:

- Analyses to review the usage of the tracking mechanism in the current format
- Proposal and recommendation to upgrade the tracking mechanism in order to facilitate better functioning
- Follow up of the SAP dialogue cycle conclusions, ensuring their inclusion in the tracking mechanism
- Capacity-building in the weak identified areas of all relevant structures utilizing the tracking mechanism

Activities to achieve result 2.2:

- Capacity-building in the weak identified areas of all EU structures working on the reform agenda
- Assessment and recommendations for further improvement

### ***Activities for component 3 — one direct grant agreement***

Activities to achieve result 3.1:

- Ongoing institutional strengthening activities, including data management workshops, process analysis, capacity support for data management, reporting and analysis;
- Regular AMP software upgrades
- Technical support to MEI to assume full ownership and management of AMP, including embedding AMP in MEI and donor coordination processes (especially Sector and Sub-Sector Working Groups)
- Organizing refresher, new user, and administrator training

Activities to achieve result 3.2:

- Creation of technical linkage between AMP and the FreeBalance Integrated Financial Management System
- Installation and support for the linkage between AMP and the KIFMS
- Assessment for integration of AMP with other government system and or portals (e.g. MLGA municipal-level system)
- Geo-coding of AMP projects and development of visualizations and user training
- Development of outreach and communications strategy with press releases, blogs, news, etc

#### **3.5 Conditionality and sequencing:**

- Relevant institutions sign employment contracts with students before the start of the scholarship programme. Beneficiaries demonstrate a strong ownership attitude to the project.
- Sufficient staff and budget made available to all beneficiary institutions by the Government before the start of the project.
- Designation by the beneficiary of relevant staff to participate in the training activities scheduled in the work plan.

If these preconditions are not met, suspension or cancellation of the EU contribution will be considered.

#### **3.6 Linked activities**

The project builds on the significant EU assistance for public administration reform in Kosovo. In particular, the 2011 projects will follow up, consolidate and learn lessons from the following ongoing EU-funded projects:

<b>Project</b>	<b>Start/End</b>	<b>Activities/Results</b>
EU scholarships in civil service, rounds VI, VII and VIII and IX	September 2008- August 2013	Pre-departure organisation of internships and placement and supervision of round VI, VII and VIII and IX students at EU universities. At least 45 students from each round have completed post-graduate degrees in EU universities in relevant technical skills. Help scholars to find jobs within the Kosovo public administration. Follow up the initial measures to institutionalise the young cell scheme within the MEI. EU scholarship alumni association functional and fully managed by the MEI.
Support for the Agency for Coordination of Development and European Integration (MEI)	September 2009- February 2011	This EUR 2.5 million twinning project aims to support the Government of Kosovo with the EU integration process and to contribute to preparing institutions in Kosovo to set up the structures necessary for effective management of EU financial assistance. It will provide support for the Agency for Coordination of Development and European Integration (MEI), line Ministries and Parliament to build capacity for more effective implementation of the European Partnership Action Plan (EPAP).
Aid Management Platform – Institutional Strengthening and Rollout	May 2010 – May 2011	This project aims to strengthen the Government’s management and reporting on donor assistance and to improve coordination among donors. AMP seeks to further increase donor confidence in government systems, and support government-led coordination. The initial sixth month pilot phase (under a different contract) began the work of implementing AMP within ACDEI, but to solidify these gains, ensure the system is fully institutionalized within the government, and is accessible by all donors, a two-year period of post-implementation support is essential.

Other donors are involved in supporting Ministry of European Integration in its capacity building. GIZ will also directly support the Ministry hence the Project has to directly coordinate with the assistance provided by the GIZ. In addition to the European Union, other donors support the process of donor coordination through MEI. Therefore the projects need to be coordinated in order to make maximum use of the absorption capacity of the beneficiary and the results.

### **3.7 Lessons learned**

Although the impact made by the previous assistance is satisfactory challenges mentioned below remain:

- *Staffing:* Project implementation is hampered by insufficient staff and resources or by insufficient funds in the institutions’ budget to allow proper implementation of the results. It is therefore of paramount importance that relevant institutions sign internship and employment contracts with students before their departure.
- *Coordination:* Close consultation between the many stakeholders involved in the project and a collaborative approach are essential to ensure that they are all fully informed and support the project.



In terms of donor coordination the number of actors involved is very high therefore the Project needs to develop proper strategy in addressing the complicated donor coordination environment.

- *Transfer of ownership and knowledge:* MEI must take ownership of all the activities and ensure that the skills and expertise acquired will constructively increase the capacity both in terms of donor coordination and EU integration

#### 4. Indicative Budget (amounts in EUR million)

			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA EU CONTRIBUTION		BENEFICIARY CONTRIBUTION				PRIVATE CONTRIBUTION		
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	% (2)	Total EUR (c)=(x)+(y)+(z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Activity 1			1.2	1.0	83	0.2	17	0.2				
Scholarships: Service	x		1.2	1.0	83	0.2	17	0.2				
Activity 2			1.0	1.0	100							
Support to MEI: Twinning	x		1.0	1.0	100							
Activity 3			0.7	0.7	100							
Support to AMP: Grant	x		0.7	0.7	100							
TOTAL IB			2.9	2.7	83	0.2	17					
TOTAL INV												
<b>TOTAL PROJECT</b>			<b>2.9</b>	<b>2.7</b>	<b>83</b>	<b>0.2</b>	<b>17</b>	<b>0.2</b>				

NOTE: Amounts net of VAT

(1) In the Activity row use "X" to identify whether IB or INV

(2) Expressed in % of the **Total** Expenditure (column (a))

## 5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1 - Service	Q1 2012	Q2 2012	Q2 2014
Contract 2 - Twinning	Q4 2011	Q1 2012	Q1 2014
Contract 3 - Grant	Q1 2012	Q2 2012	Q2 2014

All projects should in principle be ready for tendering in the 1<sup>ST</sup> Quarter following the signature of the FA

## 6. Cross cutting issues (where applicable)

### 6.1 Equal Opportunity

During implementation of the project specific attention will be paid to the need for gender balance and equal opportunities for all communities in the selection process.

Terms of reference will cover the impact of the project on women and minorities, including employment opportunities, and will encourage the beneficiary to comply with Kosovo law on employment of women and minorities. Minority representation will be pursued across the civil service and in all aspects of activities on the project. Active steps will be needed to encourage adequate minority participation in selection procedures for the programme

### 6.2 Environment

During implementation of the project production of printed material will be kept to the strictest minimum and the YCS call for applications will be promoted electronically

### 6.3 Minorities

Minorities will be encouraged to participate in the scholarship programme through direct information on media programs in their respective languages.

## **ANNEXES**

- I- Log frame in Standard Format
- II- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- III Description of Institutional Framework
- IV - Reference to laws, regulations and strategic documents:
- V- Details per EU funded contract (\*) where applicable:

**ANNEX I: Logical framework matrix in standard format**

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number	
<b>Further Support to Public Administration Reform</b>		Contracting period expires: Ref to section 1.10	Disbursement period expires: Ref to section 1.12
		Total budget: EUR 2.9 million	IPA budget: EUR 2.7 million
<b>Overall objective</b>	<b>Objectively verifiable indicators</b>	<b>Sources of verification</b>	
The overall objective of this project is to improve the performance and increasing capacities of Kosovo's public administration, in order to ensure the Government of Kosovo meets the challenges of EU integration	Progress in contractual relationships between Kosovo and the EU. Fulfilment of the European Partnership priorities.	European Commission Progress Reports on Kosovo. Adoption of relevant legislation in compliance with the EU rules and standards. Follow up of SAPD Conclusions.	
<b>Project purpose</b>	<b>Objectively verifiable indicators</b>	<b>Sources of verification</b>	<b>Assumptions</b>
<b>Component 1</b> To generate a core group of civil servants in fields identified as weak areas for Kosovo, who will be determined to drive and implement reforms in public administration, in particular those required for EU integration.	Professionalisation of the Kosovo public administration. Increased knowledge gained by civil servants on public administration and EU integration concepts. Kosovo policy choices in line with the EU integration process. By the end of the 2010 selection round under the IPA, the GoK contributes at least 30% of the total budget for co-financing the new project.	European Commission Progress Report. Administrative reform policy studies. Progress reports on related projects to strengthen the Kosovo administration.	Commitment on the part of the Kosovo Government to reform the public administration. Improved communication and exchanges of information between and within Government bodies.

<p><b>Component 2</b> To further strengthen Ministry's of European Integration capacity ensuring appropriate follow up of EU integration reform priorities.</p>	<p>Follow up of the SAPD action points by various institutions Measurable responses to the challenges identified in the European Commission Progress Reports. Proper donor coordination at both national and local level</p>	<ul style="list-style-type: none"> <li>• European Commission Progress Reports on Kosovo.</li> <li>• Reports on fulfilment of the commitments taken by Government of Kosovo during the SAPD process.</li> <li>• Reports from the functioning of the AMP</li> </ul>	<ul style="list-style-type: none"> <li>• Continued commitment to EU integration.</li> <li>• Political commitment to administrative reform.</li> <li>• Allocation of sufficient human and material resources for the project.</li> <li>• Effective communication between experts on the project and the administration.</li> <li>• Effective donor coordination.</li> </ul>
<p><b>Results</b></p>	<p><b>Objectively verifiable indicators</b></p>	<p><b>Sources of verification</b></p>	<p><b>Assumptions</b></p>
<p>1.1 Selected candidates chosen based on the professional administrative capacity gaps of GoK, complete post-graduate degrees in EU universities in relevant technical fields and are subsequently employed by the Government of Kosovo.</p> <p>1.2 EU Scholarship Alumni association becomes sustainable and operationally functional.</p>	<ul style="list-style-type: none"> <li>• Approximately 30 candidates selected by a transparent process free of outside influence.</li> <li>• The MEI signs MoUs with relevant GoK bodies to secure a budget allocation to employ 'young cell' students (YCS).</li> <li>• Graduates who have completed Master's studies recruited to the Kosovo public administration.</li> <li>• Alumni organizes activities through external funding based on the identified challenges Kosovo's facing re EU integration.</li> <li>• Alumni recommendations policies support GoK to meet EU demands.</li> </ul>	<p>Students' diplomas. Employment contracts. Budget allocation for employment of students upon return. Government strategy papers and policy documents. Contractors' reports.</p>	<p>Interest of EU universities in being involved in the selection process. Candidates will not withdraw after selection. Coordination between the MEI and all line institutions is functional. Non-resignation from the GoK. Opportunities to absorb YCS open in the different Government departments. Full commitment of all stakeholders and beneficiaries during implementation of the project. GoK takes into account lessons learned from past experience in addressing the problems</p>

<p>2.1 Improved capacity of the MEI and other public administration EU integration structures, with regards to implementing c Kosovo's EU agenda and priorities</p> <p>2.2 Strengthened capacity of EU Integration structures across the governmental public administration to drive forward reform process in various integration processes</p>	<ul style="list-style-type: none"> <li>• Fully functional tracking mechanisms</li> <li>• Assessment of the tracking mechanisms and recommendations for its upgrade to new system</li> <li>• Tracking mechanism utilized to capture all conclusion from SAPD</li> <li>• EU WGs feed into and follow up on SAPD and other EU priorities</li> <li>• Cross departmental work of MEI results in proper organization of EU tasks between MEI and other line institutions</li> <li>• EU focal points and EU structures effectively follow up and monitor progress towards meeting EU priorities in their respective areas.</li> <li>• Implementation of the recommendations made in the European Commission Progress Reports.</li> <li>• Kosovo Governmental institutions and the Assembly capable of taking the lead in the EU integration process</li> </ul>		<p>Political commitment to administrative reform.</p> <p>Proactive involvement of the beneficiary</p> <p>Effective donor coordination.</p> <p>Target groups show full commitment and output orientation.</p> <p>Significant reduction of political interference within the administration (depoliticisation).</p>
<p>2.3 AMP is a go-to resource for all stakeholders for up-to-date information and data on all donor-related activities</p>	<ul style="list-style-type: none"> <li>• MEI and donors further; AMP reports and outputs are regularly provided at donor coordination meetings and MS+ meetings</li> <li>• Improved data accuracy, timeliness and completeness, thus strengthening donor coordination</li> </ul>	<p>AMP used as source of information in official reports and research papers;</p> <p>AMP monitoring surveys;</p> <p>AMP web statistics</p>	<p>Strong support from MEI management level for an integration of AMP in the daily work of MEI;</p> <p>High-level MEF and MEI agreement to move forward with</p>

<p>2.4 AMP data is an input for the high-level decision-making; resource planning and program/project coordination</p>	<ul style="list-style-type: none"> <li>• AMP emerges as official repository for project-level information on donor flows and for other relevant information</li> <li>• AMP data is linked to the GOK budget cycle, enabling a complete view of all external and domestic resources together</li> <li>• GoK budget preparation and execution processes consider AMP data</li> <li>• Increased number of media, civil society and academia using AMP</li> </ul>	<p>MEI regular reports and outputs using AMP</p> <p>Donors complete data entry and validation within the stipulated time frame</p>	<p>implementation (post-assessment)</p> <p>MEI takes the lead in the process to raise awareness of AMP to all the stakeholders</p>
<p><b>Activities</b></p>	<p><b>Means</b></p>	<p><b>Costs</b></p>	
<p>Scholarships for MEI and Line Ministries</p> <p>Support to Ministry of European Integration</p> <p>Support to the Aid Management Platform</p>	<p>One service contract <b>(Component 1)</b></p> <p>One twinning contracts <b>(Component 2)</b></p> <p>Grant <b>(Component 3)</b></p>	<p>EUR 1.0 million. EUR 0.2 co-financing</p> <p>EUR 1 million.</p> <p>EUR 0.7 million</p>	



**ANNEX II: amounts (in EUR million) Contracted and disbursed by quarter for the project**

<b>Contracted</b>	<b>Q4 2011</b>	<b>Q1 2012</b>	<b>Q2 2012</b>	<b>Q3 2012</b>	<b>Q4 2012</b>	<b>Q1 2013</b>	<b>Q2 2013</b>	<b>Q3 2013</b>	<b>Q4 2013</b>	<b>Q1 2014</b>	<b>Q2 2014</b>
Contract 1 Service			1.0								
Contract 2 Twinning		1.0									
Contract 3 Grant			0.7								
<b>Cumulated</b>		<b>1.0</b>	<b>2.7</b>								
<b>Disbursed</b>											
Contract 1 Service			0.3			0.3			0.4		
Contract 2 Twinning		0.4			0.3			0.3			
Contract 3 Grant			0.3			0.3			0.1		
<b>Cumulated</b>		<b>0.4</b>	<b>1.0</b>	<b>1.0</b>	<b>1.3</b>	<b>1.9</b>	<b>1.9</b>	<b>2.2</b>	<b>2.7</b>		

### **ANNEX III Description of Institutional Framework**

#### ***Ministry of European Integration (MEI)***

Although the intention to set up the Ministry of European Integration (MEI) was first expressed in autumn 2009, the MEI was not actually established until 1 April 2010. The ex Agency for Coordination of Development and European Integration (ACDEI) as a whole was integrated into the new Ministry of European Integration. It is still too early to judge whether this reorganisation will prove successful.

The mandate of the MEI was defined by a government decision of May 2010, setting out in particular the competencies of MEI with regard to the overall management, co-ordination and monitoring of the European integration process for Kosovo. The decision emphasises the strategic role of the MEI in ensuring a centralised and harmonised co-ordination of all government stakeholders involved in the implementation of the European agenda, thus including political and financial assistance priorities and public information activities.

The MEI holds the primary responsibility of carrying out compliance check of Kosovo legislation with the *acquis* and shall ensure adequate information flow and co-ordination mechanisms with the European integration officers in line Ministries.

In its mission statement, the ministry declares its commitment to set an example as result-oriented and effective public institution, committed to support Kosovo's transformation and reform on its way towards EU membership. The following policy priorities were identified by MEI: partnership and dialogue with multiple stakeholders (including civil society and minorities), regional co-operation, ("without infringing Kosovo's sovereignty"), Visa liberalisation (the leitmotiv of the past months; hereby defined as the prime target for this Ministry), Trade Agreement (although the obvious key role remains with the Ministry of Trade and Industry ) and the continuous participation of Kosovo in the Stabilization and Association Process Dialogue.

The total anticipated number of civil servants staff for MEI is 77 of which 69 are meant to be civil service staff. Currently however MEI employs 48 civil service staff (28 out of them are positions filled by former Young professionals who completed a Masters degree under the Young Cell Scheme programme). The ministers and deputy ministers cabinet currently employs 8 advisory staff (these are political positions and therefore do not fall under the category of civil servants) and 8 support staff.

#### **ANNEX IV:**

n/a

## **ANNEX V: Details per EU-funded contract**

### **Component 1 (Service contract)**

The project aims at strengthening of the public administration through providing opportunities for young Kosovars to study in EU countries is imperative as these young professionals will be integrated within the current governmental structures with an aim of building sound system of public administration that meets the demands of EU driven processes.

The project will built on and consolidate previous phases of EC assistance, however the main pre condition is a successful integration of the past generations into the government's structures.

This project will be co financed and the co financing part will cover a few grants for students.

### **Component 2 (Twinning)**

Standard twinning procedures will be used to implement this activity. The Resident Twinning Advisor (RTA) is expected to be a senior civil servant from a similar institution in one of the Member States. The RTA will be assisted by short- and medium-term experts from EU Member States.

#### *RTA's profile:*

- Experience of working with public administration institutions, particularly the integration aspects
- Experience of the public administration reform;
- Fluency in English;
- Degree in social sciences, law or other relevant areas.

### **Component 3 (Direct Grant Agreement)**

The Ministry of European Integration has two main responsibilities: coordination of European Integration and donor coordination. Currently, MEI is still in an early stage of developing a donor coordination structure which will facilitate the overall donor coordination. Aid Management Platform is one of the tools that will help MEI to strengthen its internal capacity to manage, track and report on aid flows through the implementation of a Web-based aid management system. MEI needs further strengthening of its capacities and also it needs to extend and deepen the usage of AMP and in particular its capability to link it to the budget cycle, to enable donor flows from AMP to be considered in the budget preparation and execution process and facilitate MEI in doing analyses, planning and strategy making.

## **ANNEX VI: Justification for direct grant award to DGI**

In July 2008, at the EC- hosted donor conference for Kosovo, EU MS and non EU donors pledged over EUR 1.2 billion to support Kosovo's socio-economic development. The realization of effective pledges depends on the series of reforms including amongst other a mechanism for effectively coordination and management of the different contributions, providing also a single and harmonized development agenda that incorporates the EU integration agenda. At that time, donors and the government acknowledged the need to improve donors coordination and information management.

The lack of these mechanisms had already resulted in overlapping initiatives, gaps in accountability, missed opportunities to draw lessons learned, and ineffectiveness in the way resources were allocated and managed. To help addressing the need for improved donor coordination and effective management of the assistance the Government of Kosovo set up the Agency for Coordination of Development and European Integration (ACDEI) and in May 2010 the Ministry of European Integration (MEI) having as mandate to ensure proper donors coordination and to monitor the implementation of the assistance in the implementation of European Partnership Action Plan (EPAP).

MEI/ACDEI faced challenges jeopardising the organisation in the fulfilment of its mandate and in its objective of proper and efficient donor coordination, including:

- Lack of internal capacity that it is capable of managing and monitoring both the EU integration and donor co-ordination process in an adequate way
- Absence of proper donor coordination mechanisms and IT platform.

To address the problem of the lack of the IT system related to the aid management and coordination, donors agree on the need to identify a proper system allowing, in a long term perspective, proper coordination of the assistance devoted to Kosovo. On this basis a feasibility study having as main objective to understand the specific environment and needs of Kosovo, to identify priority needs and gaps, and to outline a plan for how the Aid Management Platform (AMP) could assist Kosovo in the coordination of donors aid and its alignment with the priorities identified by Kosovo was conducted. In addition, this assessment also sought to define the specific functional requirements of the Aid Management Platform in detail, including the physical IT environment and the resources required to maintain the system in the implementation phase and beyond. A third objective was to examine existing systems to identify opportunities for future integration and to ensure complementarities.

Based on the outcomes of this study EC supported the pilot phase of the AMP, having as main objectives to:

- Provide a pilot version of AMP;
- Conduct hands-on training for a pilot group of users, including overseeing initial donor data entry;
- To suggest any modifications on the basis of the lessons learnt.

In general, a 3 to 5 years period is necessary for full implementation of AMP, covering one year for effective implementation of the tools to be followed by two years of institutional strengthening and advice and mentoring. After the pilot phase, the EC continued to support through IPA 2008 for a two years project the AMP implementation, with activities including: implementation of the fully customized system, with extensive training and support to develop a data management plan.

### **Operational Justification:**

Development Gateway International is an international non-profit organisation, established in Belgium, with the mission to reduce poverty and enable change in developing nations through information technology with extensive experience and a high level of trust in their capacity by

many organisations such as OECD, UNDP and World Bank.

DGI has carried out the initial assessment, implemented the 6months pilot phase and is implementing the current IPA 2008 project. DGI provides for Web-based platforms that make aid and development efforts more effective around the world. Through a combination of information technology tools, process analysis, and training, Development Gateway (“DG”) will work with ACDEI to support better aid information management.

Following the experience of the DGI in establishing the AMP in Kosovo conclusion of a direct grant agreement is the only workable solution to ensure a proper Aid Management Platform within the MEI, ensuring proper and effective donor coordination, in full respect with the principle of sound financial management, avoiding re-performance of the works already done so far.

**Legal Justification:**

Direct award of a grant to DGI is fully compliant with the requirements of article 168.1 (c) of the Implementing rules stating that *Grants may be awarded without a call for proposals only in the following cases:*

- *(c) to bodies with a de jure of de facto monopoly, duly substantiated in the award decision*

As proven during the last two years, DGI is the only organisation having received the confidence, trust and agreement of all the donor community in Kosovo, the central authorities and the MEI to carry out the activities deemed necessary for implementation of a proper Aid Management Platform with the aim to ensure proper aid coordination.

In addition, DGI has a de fact monopoly as it has conducted the feasibility study and has been in charge of initial implementation of customised systems during the pilot phase and is implementing currently the project.