



EUROPEAN COMMISSION

Brussels, 20.7.2012
C(2012) 5191 final

COMMISSION IMPLEMENTING DECISION

of 20.7.2012

**adopting an IPA monitoring programme under the IPA-Transition Assistance and
Institution Building component for the year 2012**

COMMISSION IMPLEMENTING DECISION

of 20.7.2012

adopting an IPA monitoring programme under the IPA-Transition Assistance and Institution Building component for the year 2012

THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)¹, and in particular Article 14 (2) (a) thereof,

Whereas:

- (1) Regulation (EC) No 1085/2006 lays down the objectives and main principles for pre-accession assistance to candidate countries and potential candidates.
- (2) In accordance with Article 7 of Regulation (EC) No 1085/2006, the assistance shall be provided through multi-annual or annual programmes. These programmes shall be drawn up in accordance with the priorities defined in the relevant multi-annual indicative planning document referred to in Article 6 of Regulation (EC) No 1085/2006 and the general policy framework referred to in Article 4 of Regulation (EC) No 1085/2006.
- (3) The Council has established an Accession Partnership or a European Partnership for all candidate countries and potential candidates. The Commission has adopted on 20 June 2011 a Multi-Beneficiary Multi-annual Indicative Planning Document 2011-2013² which presents indicative allocations for the main priorities for multi-beneficiary pre-accession assistance to all candidates and potential candidates concerned.
- (4) The IPA monitoring programme under the IPA Transition Assistance and Institution Building Component for year 2012 aims at enhancing the effectiveness, efficiency, impact and sustainability of the European Union assistance to the Western Balkans and Turkey, by monitoring the execution of projects implemented under Regulation (EC) No 1085/2006 and Regulation (EC) No 2666/2000³ of 5 December 2000, in accordance with Article 16 of Regulation (EC) No 1085/2006.
- (5) This Decision meets the requirements of Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002 on the Financial Regulation

¹ OJ L210, 31.7.2006, p. 82.

² Decision C(2011) 4179, 20.06.2011.

³ OJ L 306, 7.12.2000, p. 1.

applicable to the general budget of the European Communities⁴ (hereafter: “Implementing Rules”) and constitutes thus a Financing Decision within the meaning of Article 75(2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁵ (hereafter: “Financial Regulation”).

- (6) The measures provided for by this Decision are in accordance with the opinion of the IPA Committee⁶,

HAS DECIDED AS FOLLOWS:

Article 1

The IPA monitoring programme under the IPA-Transition Assistance and Institution Building component for the year 2012, as set out in the Annex, is hereby adopted.

This programme shall be implemented by centralised management.

Article 2

The maximum amount of European Union contribution shall be **EUR 3 480 000** to be financed through item 22.020702 of the general budget of the European Union for 2012.

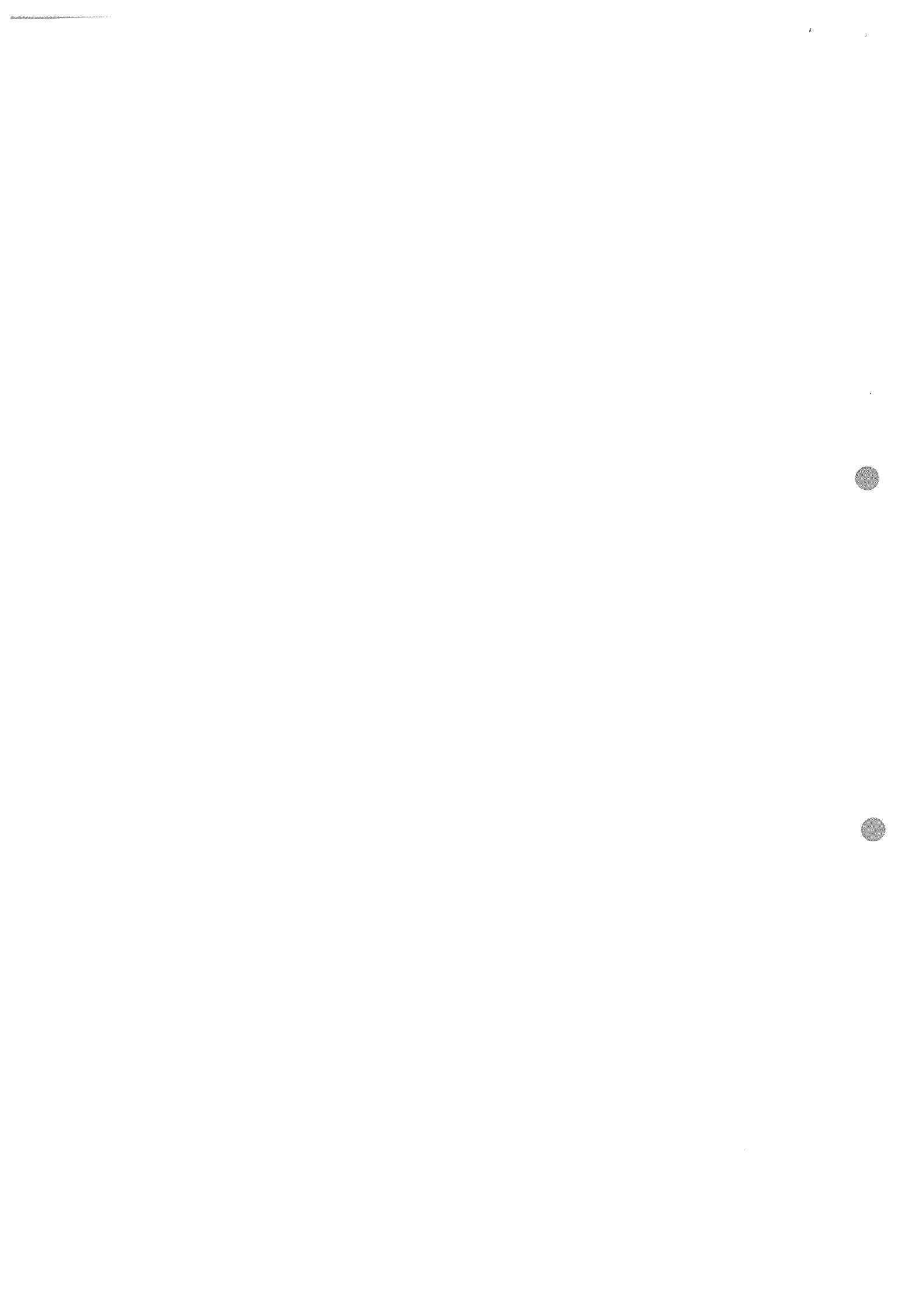
Done at Brussels, 20.7.2012

For the Commission
Štefan FÜLE
Member of the Commission

⁴ OJ L 357, 31.12.2002, p. 1-71.

⁵ OJ L 248, 16.9.2002, p.1-48.

⁶ The Member States have declared, recalling the Council Conclusions of 18 February 2008, that the adoption of the IPA monitoring programme under the IPA-Transition Assistance and Institution Building component for 2012 does not prejudice the position of each individual Member State on the status of Kosovo under UNSCR 1244/99, which will be decided in accordance with their national practice and international law.



ANNEX

THE IPA MONITORING PROGRAMME UNDER THE IPA-TRANSITION ASSISTANCE AND INSTITUTION BUILDING COMPONENT FOR THE YEAR 2012

1 IDENTIFICATION

Beneficiaries	Western Balkans: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro and Serbia, as well as Kosovo* Turkey
CRIS decision number	2012/023-718
Year	2012
EU contribution	EUR 3 480 000
Implementing Authority	European Commission
Final date for concluding the Financing Agreement	The programme is implemented without Financing Agreements
Final date for contracting	30 November 2013
Final date for execution	30 November 2015
DAC Sector Code	99810
Budget line	22.020702: Evaluation of results of Union aid, follow-up and audit measures
Programming Unit	DG Enlargement, Unit D3 - Regional Cooperation and Programmes
Implementation Unit	DG Enlargement, Unit D3 - Regional Cooperation and Programmes

2 THE PROGRAMME

2.1 PRIORITIES SELECTED UNDER THIS PROGRAMME

The overall objective of this IPA monitoring programme is to enhance the relevance, effectiveness, efficiency, impact and sustainability of such assistance for the Western Balkans and Turkey. Monitoring provides the Commission with regular analytical assessments on implementation of projects and programmes. This programme covers the monitoring of projects financed from the IPA programmes and managed by Commission Headquarters or through EU Delegations.

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

The assistance to be provided under this programme is in line with the strategies identified in the Multi-Beneficiary Multi-annual Indicative Planning Document (MIPD) 2011-2013, which states that “ *IPA Multi-Beneficiary assistance may finance other interventions that fall outside the scope of these sectors such as, but not limited to:(iv) support measures for the implementation, monitoring, audit and evaluation of IPA programmes, ”.*

2.2 DESCRIPTION

The monitoring of projects is undertaken through Results-Oriented Monitoring (ROM). The ROM system gathers information on projects in the field and is based on analyses of the relevant project documents, site visits and consultations with relevant stakeholders in project implementation whether or not identified in the original design of the project. This information is mainly provided to the Commission through reports on the technical and managerial aspects of project implementation and can assist the Commission in:

- ensuring that projects and other activities remain on course to attain their objectives;
- obtaining early feedback from project implementation to subsequent project design in advance of conclusions from possible ex-post evaluations;
- reporting to the Member States, the European Parliament and the Council.

A service contract with the title “*Monitoring system of the implementation of projects and programmes of external co-operation financed by the European Community, Lot 6 – Western Balkans and Turkey*” was awarded to the consortium led by Particip GmbH for an amount EUR 3 481 167 and a legal duration of 24 months (CRIS N°2010/255-269). The contract was signed on 30 November 2010. The award of the contract was based on a tender procedure following the general provisions of the Financial Regulation (Part One, Title V, Chapters 1 and 2).

It is envisaged that an extension of the current service contract mentioned in the paragraph above, following a negotiated procedure, will be signed before the end-date of the contract for a maximum duration of 24 months and a maximum budget of EUR 3 480 000.

The legal basis for the extension of the current service contract is Article 126(1)(f) in conjunction with Article 126(3) of the Implementing Rules to the Financial Regulation.

2.3 OVERVIEW OF PAST AND ONGOING ASSISTANCE INCLUDING LESSONS LEARNED

Overview

The ROM system was introduced into the Western Balkans in 2004 and originally covered the monitoring of the CARDS¹ national programmes in Albania, Bosnia and Herzegovina and Croatia managed by the respective EU Delegations as well as the CARDS regional programmes managed by DG Enlargement.

At that time, the European Agency for Reconstruction monitored the CARDS programmes in the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Kosovo according to its own established monitoring methods.

¹ CARDS (Community Assistance for Reconstruction, Development and Stabilisation)

EU assistance to Turkey has been and continues to be implemented through decentralised management and consequently the monitoring of programmes is principally undertaken by the Turkish authorities.

Today, the ROM programme has six principal beneficiaries, namely Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, as well as Kosovo but it also includes Croatia and Turkey for the regional/multi-beneficiary IPA programmes.

The amounts granted so far under the IPA to the ROM programme are as follows:

Programme	Period covered	Sum allocated
IPA 2007 Multi-beneficiary programme	26/11/2007 – 25/11/2008	EUR 1 639 287
IPA 2008 Multi-beneficiary programme	26/11/2008 – 25/11/2009	EUR 2 000 000
IPA 2008 Audit and evaluation programme	26/11/2009 – 25/11/2010	EUR 1 100 000
IPA 2009 Multi-beneficiary programme		EUR 2 000 000
IPA 2009 Multi-beneficiary programme	01/12/2010 – 30/11/2012	EUR 3 481 167
Total		EUR 10 220 454

Ongoing assistance

The table below indicates the number of the 241 projects monitored from the start of the current ROM Contract and their total value:

	Number of projects planned to be monitored in 2011				Number of projects actually monitored for 2011			
	On-going	Ex-post	Total	Total value (million EUR)	On-going	Ex-post	Total	Total value (million EUR)
<i>Albania</i>	26	4	30	68.40	26	3	29	56.20
<i>Bosnia and Herzegovina</i>	31	4	35	66.33	33	3	36	64.74
<i>The former Yugoslav Republic of Macedonia</i>	23	1	24	26.04	23	1	24	26.04
<i>Montenegro</i>	16	-	16	22.25	15	1	16	22.25
<i>Serbia</i>	57	8	65	171.49	60	4	64	172.77
<i>Kosovo</i>	46	2	48	118.53	49	2	51	118.86
Total national	199	19	218	473.04	206	14	220	460.86
Regional programmes	19	1	20	63.74	18	3	21	86.27
Overall total	218	20	238	536.78	224	17	241	547.13

The 2011 portfolio of ROM reports consisted of 266 assessments. The portfolio was divided between 216 National reports and 50 Regional Component reports.

	Number			Primary Commitment (EUR million)		
	National	Regional Component	Total	National	Regional Component	Total
ROM Ongoing	202	45	247	438.47	53.92	492.39
ROM Ex post	14	5	19	22.39	32.35	54.74

Total	216	50	266	460.86	86.27	547.13
--------------	------------	-----------	------------	---------------	--------------	---------------

The contract introduced a requirement for ROM ex-post assessments for the first time. In the 2011 portfolio, there were 266 assessments for the 241 projects: 247 on-going and 19 ex-post.

Most projects assessed had a primary commitment of EUR 1 million or above but a sample of 39 projects with a primary commitment of under EUR 1 million was also covered.

Main findings and recommendations

The overall project performance is good. Any differences in performance are more likely to have arisen from the particular implementation environment (institutional, political, etc) of the Beneficiary in question.

In relation to the 2011 ROM portfolio, a closer review of the projects reported as performing with problems has showed that:

- National on-going projects had a higher incidence of problems with efficiency (24.8%) and effectiveness (32.2%) than Regional projects (16.7% for both criteria);
- Regional on-going projects had a higher proportion of problems with impact (27.8%) than National projects (17.3%);
- Both National and Regional on-going projects had similar (high) levels of problems with sustainability (33.7% and 33.4%).

The main observation arising from the ROM National ex post reports is that there was a higher proportion of projects with problems for impact (28.6%) and sustainability (42.9%) than for the ROM on-going reports (17.3% and 33.7% respectively). It is planned to further explore the relationship between on-going and ex post grades in the 2012 ROM portfolio.

As concerns the status of the project authority or operator, it is observed in particular that:

- The implementation of certain projects has been delegated to major inter-governmental organisations, which have their own project implementation and procedures. They do not seem readily to make use of and apply the project cycle management (PCM) procedures, such as are normally expected to be followed in EU-funded projects.
- Visibility of the EU support is still insufficiently taken into account, particularly where projects are implemented by another inter-governmental organisation.

Plans for remainder of contract (until November 2012)

The total number of the projects to be monitored during the second year of the contract is as follows:

	Number of projects to be monitored			Total value of projects to be monitored (million EUR)		
	Ongoing	Ex post	Total	Ongoing	Ex post	Total
<i>Albania</i>	26	2	28	60.79	3.20	63.99
<i>Bosnia and Herzegovina</i>	32	4	36	65.97	4.57	70.54
<i>the former Yugoslav Republic of Macedonia</i>	18	1	19	18.01	7.73	25.74
<i>Montenegro</i>	17	4	21	20.72	4.51	25.23
<i>Serbia</i>	47	9	56	126.08	13.23	139.31
<i>Kosovo</i>	41	3	44	121.5	7.84	129.35
Total national	181	23	204	413.08	41.08	454.16
Regional programmes	17	3	20	83.38	5.99	89.37
Overall total	198	26	224	496.46	47.07	543.53

3 BUDGET (AMOUNTS IN EUR)

3.1. INDICATIVE BUDGET TABLE

Centralised Management	Institution Building (IB)				Investment (INV)				Total (IB + INV)	Total IPA EU contribution		
	Total expenditure	IPA EU contribution		National contribution*	Total expenditure	IPA EU contribution		National contribution*		Total (g)=(a)+(d)	EUR (h)=(b)+(e)	% (2)
		EUR (a)=(b)+(c)	EUR (b)			% (1)	EUR (d)=(e)+(f)					
Support activities	3 480 000	3 480 000	100	0	0	-	-	-	3 480 000	3 480 000	100	
Project 1 – ROM: Continuation of current service contract	3 480 000	3 480 000	100	0	-	-	-	-	3 480 000	3 480 000	-	
TOTAL	3 480 000	3 480 000	100	0	-	-	-	-	3 480 000	3 480 000	100	

Amounts net of VAT

* Contribution (public and private national and/or international contribution) provided by national counterparts

(1) Expressed in % of the Total expenditure IB or INV (column (a) or (d)).

(2) Expressed in % of the grand total of column (h). It indicates the relative weight of the sector or with reference to the total IPA EU contribution of the entire FP

3.2 PRINCIPLE OF CO-FINANCING APPLYING TO THE PROJECT FUNDED UNDER THE PROGRAMME

The IPA EU contribution represents 100% of the total budget allocated to this programme in accordance with Article 67(3) of Commission Regulation (EC) No 718/2007 of 12 June 2007 (the 'IPA Implementing Regulation')² and has been calculated in relation to the eligible expenditure, which in the case of centralised management is based on the total expenditure.

4. IMPLEMENTATION

4.1 MANAGEMENT MODES AND IMPLEMENTATION MODALITIES

The programme will be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation³ and the corresponding provisions of the Implementing Rules⁴.

4.2 GENERAL RULES FOR PROCUREMENT

Procurement shall follow the provisions of Part One, Title V of the Financial Regulation and Part One, Title V of its Implementing Rules.

The Commission shall also use the procedural guidelines facilitating the application of the above rules provided for in the "Vademecum on Public Procurement Procedures in the Commission" and the standard templates and models as published on the BUDG website⁵ at the date of the initiation of the procurement.

5. MONITORING AND EVALUATION

5.1 MONITORING

The Commission may undertake any actions it deems necessary to monitor the programmes concerned.

5.2 EVALUATION

This programme may be subject to evaluations in accordance with Articles 57 and 82 of the IPA Implementing Regulation.

6. AUDIT, FINANCIAL CONTROL AND ANTI-FRAUD MEASURES

The accounts and operations of all parties involved in the implementation of this programme, as well as all contracts and agreements implementing this programme, are subject to, on the one hand, the supervision and financial control by the Commission (including the European Anti-Fraud Office), which may carry out checks at its discretion, either by itself or through an outside auditor and, on the other hand, audits by the European Court of Auditors. This

² OJ L 170, 29.6.2007, p.1

³ OJ L 248, 16.09.2002, p.1

⁴ OJ L 357, 31.12.2002, p.1

⁵ http://www.cc.ccc/budg/imp/procurement/imp-080-030-010_contracts_en.html

includes measures such as ex-ante verification of tendering and contracting carried out by the Delegation in the Beneficiaries.

In order to ensure the efficient protection of the financial interests of the European Union, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96⁶.

The controls and audits described above are applicable to all contractors, subcontractors and grant beneficiaries who have received EU funds.

7. LIMITED CHANGES

Limited changes in the implementation of this programme affecting essential elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature⁷, may be undertaken by the authorising officer by delegation (AOD) or by the authorising officer by sub-delegation (AOSD) in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending financing decision being necessary.

⁶ OJ L 292, 15.11.1996, p.2.

⁷ These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.