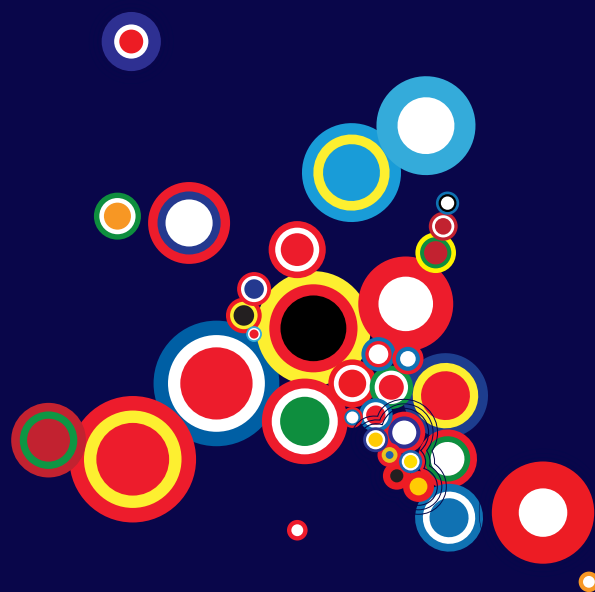




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

TURKEY

Regulatory Reform and Acquis Alignment Action (RRAA-A)



Action Summary

RRAA-A is a demand-driven and flexible mechanism for the objective of alignment with EU rules, standards, policies and practices with a view to preparing for EU membership.

The RRAA-A will include a project preparation facility to support Turkish beneficiaries in improving the quality of programming. Under a separate Unallocated Institution Building Envelope (UNIBE), the RRAA-A will cover institution building activities regarding the EU acquis and negotiation chapters, economic criteria, public administration reform and regulatory reform in fields not covered by other priority sectors.

Action Identification	
Programme Title	Annual Action Programme for Turkey 2014
Action Title	Regulatory Reform and Acquis Alignment Action (RRAA-A)
Action Reference	IPA/2014/ 031-874/2/TR/RRAA-A
Sector Information	
ELARG Sectors	Democracy and Governance
DAC Sector	15110 - Public sector policy and administrative management
Budget	
Total cost	EUR 36.000.000
EU contribution	EUR 32.400.000
Management and Implementation	
Method of implementation	Indirect management
Indirect management: Responsible Unit or National Authority/Implementing Agency	Emine Döğer Acting PAO-CFCU Director Central Finance and Contracts Unit Address: Eskişehir Yolu 4. Km. 2. Cad. (Halkbank Kampüsü) No:63 C-Blok 06520 Söğütözü/Ankara Tel: +90 312 295 49 00 Fax: +90 312 286 70 72 E-mail: pao@cfcu.gov.tr , emine.doger@cfcu.gov.tr
Implementation responsibilities	Ministry for EU Affairs
Location	
Zone benefiting from the action	Turkey
Specific implementation area(s)	Turkey
Timeline	
Deadline for conclusion of the Financing Agreement	At the latest by 31 December 2015
Contracting deadline	3 years following the date of conclusion of the Financing agreement
End of operational implementation period	6 years following the date of conclusion of the Financing agreement

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

RRAA-A will include as a first component a Project Preparation Facility (PPF) with the aim to strengthen the ability of the relevant institutions (potential beneficiaries) to design and appraise programmes and actions to be programmed in the framework of the pre-accession financial assistance to Turkey and to help beneficiary institutions in the assessment tasks regarding grant-schemes.

Under the "Unallocated Institution Building Envelope" (UNIBE) component, the RRAA-A will cover activities regarding alignment with the EU acquis, support for meeting negotiation chapter benchmarks and economic criteria, assistance for regulatory reform and for developing standards, policies and practices with a view to preparing for EU membership.

RRAA-A builds on the experience of the Enhanced Support for European Integration (ESEI) mechanism during IPA programming 2011-2013. Specific guidelines for implementation of RRAA-A UNIBE will be agreed at the beginning of the implementation period.

Key elements are:

- One-contract institution building activities only. Activities with more than one contract are not eligible under RRAA-A.
- Technical Assistance, Twinning, Twinning Light or Direct Grants only. No supplies, works or grant schemes can be supported.
- Maximum amount for a single UNIBE activity is EUR 3 million total budget.

Moreover, during March-May 2014, a stakeholder consultation was carried out by the Ministry of EU Affairs including a wide range of institutions. Following exchanges with the EU Delegation in Ankara an indicative activity pipeline for 2014 has been developed. Thus, the RRAA-A Action Document is also based on the feedbacks from these initial consultations.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

Project preparation facility (PPF) under RRAA-A will cover the activities with a view to supporting the potential beneficiaries in improving the quality of programming. PPF will address a number of demand-driven requests for specific expertise, short and medium term technical assistance like feasibility studies, detailed design of acquis related investment projects, preparation of institution building projects, training programmes and schemes, recruitment of external assessors for evaluation, assessment of applications under grant schemes, meetings/workshops, twinning and direct grant awards. In addition, the assistance will allow better and timely project preparation and implementation to proceed in a quick and effective manner.

Unallocated Institution Building Envelope (UNIBE) under RRAA-A will cover institution building activities regarding the EU acquis and negotiation chapters, economic criteria, public administration reform and regulatory reform in fields not covered by other priority sectors.

IPA II Strategy Paper's sector 1: Democracy and Governance mentions the most relevant activities in this regard:

"support to acquis alignment, regulatory reform and institution building, operational and administrative capacity building required in the process of accession negotiations and in particular for meeting the technical requirements of negotiation chapter benchmarks."

Moreover, under IPA 2014 a part of the UNIBE envelope shall focus on activities relating to Public Administration Reform (PAR), including Public Financial Management (PFM). Relevant passages from the Strategy Paper refer to the following activities as priorities:

"Establishing structures in line with the new model of metropolitan municipalities; providing support to the Union of Municipalities and the Citizens' Assemblies in strengthening participatory decision making at local level; extending e-government and e-inclusion to increase citizens' democratic participation; [...] providing support to the Turkish Grand National Assembly to better fulfil its oversight functions based on needs assessment.

Assessing the specific reform requirements in different public financial management sub-systems, i.e. revenue administration (tax/customs), budget preparation, budget execution with cash management, public procurement, accounting and reporting, public internal financial control and external audit; taking measures to align Turkish law and build capacity to meet acquis requirements in public procurement, EU budgetary frameworks, public internal financial control and external audit and support to implementation of the specific reform plans these include implementing the priorities in the Public Internal Financial Control (PIFC) policy paper and supporting the Turkish Court of Accounts to fully implement the law enacted in December 2010.

Supporting the new national economic reform programme, which will replace the existing pre-accession economic programme and provide the strategic framework for EU assistance (in addition to fiscal issues, the new programme will increasingly also manage external sustainability and structural obstacles to growth).

Implementing Turkey's national anti-corruption strategy; improving specific accession-related requirements on statistics, taxation and customs, [...]."

Several activities preliminarily identified in the indicative list of activities correspond to these priorities identified in the Strategy Paper. Additional activities which can be proposed on a rolling basis in a needs-driven manner and in line with the RRAA-A guidelines will be screened against the priorities identified in the IPA II Strategy Paper.

SECTOR APPROACH ASSESSMENT

As RRAA-A is a demand-driven mechanism for the objective of alignment with EU rules, standards, policies and practices with a view to preparing for EU membership, activities will address topics which are not (yet) addressed through a multi-annual sector planning/programming approach.

Considering the variety of topics to be addressed, there is not one overall sector lead institution. Instead, Ministry of EU Affairs (MEUA) will take a coordination role in the identification and formulation stages of proposals, in close cooperation with the EU Delegation in Ankara and following the RRAA-A guidelines thereby established.

Regarding alignment with strategies and action plans, individual activities to be supported under the UNIBE component of RRAA-A will consider as much as possible existing strategies and planning documents so as to support their implementation.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

RRAA-A is considered as a successor of the Enhanced Support for European Integration (ESEI) mechanism under IPA programming 2011-2013). Considering the implementation of the ESEI – UNIBE component, the following issues are of great importance:

- The ESEI guidance has not always been followed in practice. Therefore, the guidelines for RRAA-A will be developed at the beginning of the implementation phase and MEUA will share them with all relevant beneficiaries so as to have a common understanding about the eligibility criteria and working methods.
- While ESEI has been meant to be needs-driven and faster than the regular programming process, delays have been experienced with too many commenting rounds, and weak project documents. Capacity building of beneficiaries on project design and intervention logics remains a priority to improve the overall quality of programming. Also the Project Preparation Facility (PPF) that falls under the RRAA-A needs to be used more effectively in this regard.
- Focus on institution building measures only (no supplies and investments allowed under UNIBE large scale projects) and budget limitations have discouraged beneficiaries from applying. For the IPA II period guidelines will be communicated more clearly.

Concerning the PPF component, beneficiaries will be reminded that in particular for activities under sector approaches (or also stand-alone actions) which involve investment components such as supply and works, the PPF should be used as common practice for necessary feasibility studies, market analysis, etc. MEUA and EUD will jointly ensure that in particular the coordinating points in sector lead institutions under IPA II will be informed and take related action.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	
To contribute to Turkey's efforts of alignment with EU rules, standards, policies and practices with a view to prepare for EU membership			
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
To support institution building activities regarding the EU acquis and negotiation chapters, economic criteria, public administration reform and regulatory reform	Assessments of progress achieved for acquis alignment, regulatory reform and public administration reform	European Commission Progress Reports Reports prepared by the MEUA	RRAA-A implemented in line with the design outlined in this Action Document Sufficient number of activity proposals which qualify with eligibility criteria
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (OVI)	SOURCES OF VERIFICATION	ASSUMPTIONS
Result 1: The absorption of programmed EU funds will have improved combined with an increased efficiency during implementation	Number of total PPF activities implemented % of IPA II funded supply and works contracts for which PPF support has been used.	Reports prepared by MEUA on utilisation of PPF and UNIBE components. Evaluation Report for RRAA-A	

<p>Result 2: The alignment with EU acquis and the implementation capacity in relevant fields will have increased</p>	<p>Number of draft legislation in line with EU acquis, of regulatory frameworks in place, and of administrative structures and training systems established</p> <p>Number of total UNIBE activities in line with eligibility criteria</p>		
<p>ACTIVITIES</p>	<p>MEANS</p>	<p>OVERALL COST</p>	<p>ASSUMPTIONS</p>
<p>Small-scale project preparation facility (PPF) type activities similar to SEI mechanism</p> <ul style="list-style-type: none"> - Short-term technical assistance - Feasibility studies - Detailed designs of acquis related investment projects - Preparation of institution-building projects, training programmes and aid schemes - Preparation of technical specifications, procurement plans and tender dossiers - Recruitment of external assessors for evaluation - Assessment of applications under grant schemes - Any other relevant activities <p>Institution building activities in line with UNIBE criteria addressing the needs regarding EU acquis and negotiation chapters, economic criteria, public administration reform and regulatory reform outside the priority sectors.</p>	<p>TA, TW, TW light, Direct Grants, FWC contracts etc.</p>	<p>Total Cost 36.000.000 € EU Contribution 32.400.000 €</p>	<p>RRAA-A implemented in line with the design outlined in this Action Document and the provisions of the RRAA-A guidelines</p> <p>Sufficient number of activity proposals</p>

ADDITIONAL DESCRIPTION

Project Preparation Facility (PPF)

The identification of single initiatives that will receive support from PPF will be made at an early stage in the programming cycle of the pre-accession assistance, on the basis of initial proposals received from the potential beneficiaries in Turkey and their identification of needs to bring these proposals to an acceptable stage of development. During implementation of activities, beneficiaries may also request to benefit from this facility as long as there is no duplication and it concerns a priority listed in the IPA II Strategy Paper.

Support provided to the beneficiaries under this component is basically focused on:

- Short-term technical assistance

Technical assistance for conducting stakeholder analysis and consultation, needs and gap analyses, baseline surveys, market research, training and study-visits and for the provision of management, organizational and other expert advice - to support beneficiary institutions in developing/upgrading necessary technical know-how and management skills in project preparation and implementation.

- Feasibility studies

The PPF can finance feasibility studies, and it can also be applied to complete studies or tests to ensure that their recommendations are coherent and feasible. The most obvious studies in this field are cost-benefit and economic analyses of a recommended solution or sensitivity testing of various assumptions made in a feasibility study. In all cases required, environmental impact assessments will be carried out under this heading.

- Detailed designs of acquis related investment activities

This includes the detailed technical preparation of an activity following the completion of a feasibility study. It may involve developing detailed designs of geophysical and/or photogrammetric studies, descriptions and technical specifications, bill of quantity for necessary inputs, completion schedules for works delivery and drafting of technical drawings including tender dossiers for works, supervision and supply contracts in accordance with the PRAG. In addition, the support to preparation of complex grant and aid schemes can also be envisaged.

- Preparation of institution-building activities, training programmes and aid schemes

The PPF can assist with the preparation of such institution building programmes, training programmes and aid schemes. Also, training programmes for Turkish institutions involved in indirect management to improve the capacity building institutions such as MEUA, CFCU, NF and line ministries could be financed under PPF.

- Preparation of technical specifications, procurement plans and tender dossiers

For simple activities, detailed procurement plans are not necessary and the preparation of tender documentation mainly focuses on detailed technical documentation to be enclosed to a standard tender dossier according to the PRAG. On more complex activities however, external technical support might be needed. This may be the case not only on complex works/supplies contracts but also for the preparation of calls for proposals for a grant scheme.

Project development to be supported under the PPF may include activities that are potential candidates for loans from IFIs, where such activities are linked to pre-accession and co-financing by the IFIs is considered as a possibility. Preparation costs for such activities can be supported by this facility,

subject to the same procedures as activities proposed for support by pre-accession financial assistance alone.

- Recruitment of external assessors for evaluation

This facility may also be used for the recruitment subject specific experts as external assessors for support to the evaluation of tenders, particularly complex works and supply tenders.

- Assessment of applications under grant schemes

The beneficiary institutions of grant-scheme programmes can be supported under PPF for the assessment of applications of these schemes, in case the human resource capacity necessitates such an action and there is no adequate specific allocation under the respective activity's budget foreseen.

Unallocated Institution Building Envelope (UNIBE) in the Context of Preparations for Pre-accession Process and Accession Negotiations: this component is designed to respond to emerging institution building and investment-related needs and tasks in a flexible manner with prompt short term interventions. It may also provide for support to activities corresponding to the priorities of the IPA II Strategy Paper which do not fall within the scope of the sector approach of regular programming, and in line with the guidelines for RRAA-A.

Under UNIBE support can be provided for:

- Twinning projects with EU Member States
- TA for acquis related studies which are non-PPF type of projects (action plan drafting, strategy development, legal work, training)
- Twinning light projects for acquis related studies or institution building type of activities
- Direct grants with international organisations
- Activities related to supporting and strengthening the Turkish institutions under the indirect management implementation system in Turkey.

MEUA, being the beneficiary of this component, is responsible for the definition of the criteria for applications, in line with agreed priorities and guidelines for RRAA-A, the timing of calls for applications, the minimum-maximum size and duration of projects, the practical working/management methods and if necessary, budgetary proportions for different tools of support.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

Ministry for EU Affairs is the leading institution.

Taking into account the experience with ESEI and the guidelines for RRAA-A, the specific management model for RRAA-A mechanism will be further developed as part of the TA for IPA II preparations (Ministry of EU Affairs), which is in the tendering stage.

IMPLEMENTATION METHOD(S) AND TYPE(S) OF FINANCING

Taking into account the lessons learned from ESEI implementation, RRAA-A is designed as a mechanism of unallocated envelope to finance preparatory activities (PPF) and stand-alone institution

building activities (UNIBE) outside the IPA II priority sectors and in line with the RRAA-A guidelines.

For the PPF component it is foreseen that at least 30 contracts will be signed to for preparatory work that will enable the implementation of accession activities by Turkish institutions. The approximate amount would be EUR 4 million.

For the UNIBE component it is foreseen that at least 15 full scale one-contract institution building activities with Twinning / Technical Assistance / Twinning Light or Direct Grant modality will be implemented contributing to acquis alignment, meeting negotiation chapters' opening or closing benchmarks and relevant institution building. The UNIBE component under this 2014 shall also include proposals specifically addressing aspects of Public Administration Reform, including elements of Public Financial Management. The approximate amount foreseen for UNIBE would be EUR 32 m with EUR 10.1 m indicatively earmarked for PAR (incl. PFM).

Budgetary reallocation between PPF and UNIBE components will be possible in order to use the funds interchangeably, when necessary. This approach would enable the funds to be used in efficient and effective manner.

Regarding the co-financing issue, MEUA will be responsible for co-financing of PPF type of activities. On the other hand, co-financing of the activities under UNIBE component will be covered by the beneficiary institutions.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

A monitoring mechanism for RRAA-A will be developed as part of this action. This concerns in particular data analysis linked to the key indicators for this action. Besides, single activities will be subject to overall monitoring and evaluation mechanism of IPA II.

INDICATOR MEASUREMENT

Indicator	Description	Baseline (year)	Last (year)	Milestone 2017	Target 2020	Source of information
<i>CSP indicator(s) – Progress made towards meeting accession criteria</i>						<i>European Commission Annual Progress Report</i>
<i>Action output indicator 1 Number of total PPF activities implemented</i>		<i>10 (2012)</i>	<i>9 (2013)</i>	<i>30 (2017)</i>	<i>30 (2020)</i>	<i>MEUA and CFCU statistics</i>
<i>Action output indicator 2 Number of draft legislation in line with EU acquis, of regulatory frameworks in place, and of administrative structures and training systems established</i>	<i>Qualitative assessment only</i>					
<i>Action output indicator 3 % of IPA II funded supply and works contracts for which PPF support has been used</i>				<i>50%</i>	<i>70%</i>	<i>MEUA and CFCU statistics</i>
<i>Action output indicator 4 Number of total UNIBE activities in line with eligibility criteria</i>		<i>9 (ESEI 2011-UNIBE Large Scale contracts)</i>		<i>5</i>	<i>10</i>	<i>MEUA and CFCU statistics</i>

5. CROSS-CUTTING ISSUES

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

As the activities under this action are mainly about institution building, no environmental effects are foreseen for this Action. The activities are envisaged not to have any negative effect to climate change; considering low carbon travel facilities, avoiding excess of use of paper.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER NON-STATE STAKEHOLDERS)

Engagement with Civil Society will be secured during the development of single activities under RRAA-A.

In order to ensure civil society and non-state actors involvement in the design and implementation of RRAA-A activities where appropriate:-

In the design stage on-line consultations and consultation meetings will be organised by MEUA in cooperation with the beneficiary institution to ensure active participation of relevant stakeholders to the sector and not only limited to Ankara and/or Istanbul, but possibly from the whole country.

In the implementation/evaluation stage, CSOs and NSAs will be invited as observers in Steering Committee meetings and to attend and observe – where appropriate - activities under RRAA-A. Relevant material (agendas and minutes of meetings) shall be communicated in a way that will allow for active participation.

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

Gender mainstreaming and equal opportunities will be key principles of implementation. An appropriate men/women balance will be sought on all the managing bodies and activities of the programme and its projects. Gender disaggregated data will be collected and analysed in all phases of the project cycle.

MINORITIES AND VULNERABLE GROUPS

According to the Turkish Constitutional System, the word minority encompasses only groups of persons defined and recognized as such on the basis of multilateral or bilateral instruments to which Turkey is a party. This Action Document will contribute to the enjoyment of fundamental rights and freedoms by all socially vulnerable persons.

6. SUSTAINABILITY

In the new period, the RRAA-A is considered as a very crucial mechanism with regard to realizing the objectives of the IPA II Strategy Paper in terms of alignment to EU rules, standards, policies and practices with a view to preparing for EU membership. In particular, activities related to legislation to align with the EU acquis will have a lasting impact beyond activities' duration.

Through the PPF component potential beneficiaries' capacity will be strengthened to design and appraise programmes and activities to be submitted for financing Improved design of activities, early preparation of feasibility studies and support in the preparation of tendering documents and the set-up of grant schemes will have a sustainable impact in the sense of smoother implementation.

7. COMMUNICATION AND VISIBILITY

Regular communication and information-flow will be ensured regarding annual RRAA-A programming for target institutions, starting with information sessions organised by MEUA on the RRAA-A guidelines to ensure that all potential beneficiaries are familiar with the mechanism's principles. All activities supported under the UNIBE component will have to comply with the EU visibility rules.

