

Project Fiche No. 8

Horizontal Support to coordination with International Financial Institutions in the Western Balkans and Turkey

1. Basic information

- 1.1 CRIS Number:** 2011/022-964
- 1.2 Title:** Horizontal Support to coordination with International Financial Institutions in the Western Balkans, Turkey, and Iceland (IFI Advisory Group and EC-IFI Coordination Office)
- 1.3 ELARG Statistical code:** 02.20 Regulatory policy and Coordination
- 1.4 Location:** Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, as well as Kosovo¹, Iceland and Turkey.

Implementing arrangements:

- 1.5 Contracting Authority (EU):** European Union represented by the European Commission on behalf of the Beneficiaries.
- 1.6 Implementing Agency:** N/A
- 1.7 Beneficiary:** Western Balkans: Albania, Bosnia and Herzegovina, Croatia, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, Iceland and Turkey

Financing:

- 1.8 Overall cost (VAT excluded)²:** EUR 2 000 000
- 1.9 EU contribution:** EUR 2 000 000
- 1.10 Final date for contracting:** 30 November 2012
- 1.11 Final date for execution of contracts:** 30 November 2015
- 1.12 Final date for disbursements:** 30 November 2016

¹ under UNSCR 1244/99

² The total cost of the project should be net of VAT and/or other taxes. Should this not be the case, the amount of VAT and the reasons why it should be considered eligible should be clearly indicated

2. Overall Objective and Project Purpose

2.1 Overall Objective:

The overall objective is to contribute to streamline strategy, policy and investments for the socio-economic development of the Western Balkan and Turkey. This will be realised through two main activities: a) improved coordination of investment policies and support programmes by all interested International financial institutions present in the Region (e.g EIB, EBRD, CEB, the World Bank Group, the Nordic Investment Bank, the Nordic Environment Finance Corporation, the Council of Europe Development Bank, the Black Sea Trade and Development Bank), bilateral and multilateral donors and the European Commission, both at the delegation level as well as headquarters; b) measuring and monitoring grant and loan blending in the beneficiaries through data collection and management of the investment database currently hosted on www.wbif.eu .

2.2 Project purpose:

The project's purpose is to improve donor coordination and aid effectiveness by ensuring consistence between strategic objectives and financing by multiple stakeholders. The project will bring together the Beneficiaries, the European Commission, headquarters as well as its delegations in the region, Regional organizations (Regional Cooperation Council, South Eastern Europe Transport Observatory, Energy Community Secretariat, Regional Environmental Network Area) and IFIs (e.g. EIB, EBRD, CEB, the World Bank Group, the Nordic Investment Bank, the Nordic Environment Finance Corporation, the Council of Europe Development Bank, the Black Sea Trade and Development Bank), to discuss and agree on priorities at policy, strategy, technical and operational level. Areas covered are those of infrastructure and socio economic development most relevant for the Beneficiaries.

This aims to inscribe and align investments to which the Commission and the International Financial Institutions contribute with financing, in the respective sector strategies. Some investments are coordinated by WBIF, others will be gradually integrated in a regional and enlargement perspective. These strategies will be distilled by the beneficiaries and agreed upon by the IFIs to increase consistence of investments with national masterplans and accession priorities.

2.3 Link with AP/NPAA / EP/ SAA

In the latest Enlargement Strategy of November 2010³, the Commission has noted that the magnitude of investment needed in the enlargement countries to prepare for membership and real convergence requires significant contribution from national budgets, support from other donors, the IFIs and the mobilisation of private investors. The Communication further mentions that the Western Balkan Investment Framework which is up and running since end of 2009 is among others a good example of leveraging a high level of capital in-flow with limited public resources. As of October 2010 it is coordinating an estimated volume of 6.6 Billion investments, to which more than 180 million grants have been blended on 78 projects. The European Commission has contributed more than €130 million in grants since 2007 (www.wbif.eu).

³ Communication from the Commission to the European Parliament and the council – enlargement Strategy and Main Challenges 2010-2011, COM(2010)660, 9.11.2010

2.4 Link with MIPD

The Multi-beneficiary MIPD 20011-2013 clearly underline the importance of cooperating and coordinating closely with IFIs providing loan financing for the implementation of investment projects in the transport, energy, environment and social sector. The MIPD makes a clear reference to the importance of a constructive cooperation with IFIs for the attainment of a balanced and equitable socio-economic development in the IPA region.

The IPA Multi-beneficiary programme sets aside annually some €50 million for cooperation with IFIs. The Western Balkan Investment Framework is active since December 2009 and requires increasing and closer coordination with IFIs, other donors as well as with IPA national programmes (cfr. respective project fiches), especially at the strategic and sectoral level.

2.5 Link with National Development Plans

All Beneficiaries are active players in the various regional coordination platforms and initiatives such as the Regional Cooperation Council (RCC), the South East Europe Transport Observatory (SEETO), the Energy Community Secretariat (ECS), and the DABLAS Task Force and the Regional Environmental Network for Accession (RENA). All Beneficiaries have a keen interest in catalysing donors and IFIs focus towards priority investments that are included in their national development plans. In all Beneficiaries, insufficient financial resources and experience of Beneficiaries in preparing projects suitable for consideration by IFIs are among the key factors hindering investments in infrastructures and thus sustained economic development in the region. Limited fiscal space, which has been exacerbated by the financial crisis, means that projects must be increasingly prioritised in respect to the relevant national and regional strategies which promote EU accession priorities. For these reasons enhanced coordination and cooperation between the Commission and IFIs is seen as crucial at national, regional and central level in order to ensure complementarity and synergies of respective supports and projects.

2.6 Link with national/ sectoral investment plans

In the field of transport, energy, environment, socio-economic development a number of sector strategies and initiatives are supported by beneficiaries to promote prioritisation of core investments so as to attract value added financing from international investors. Moreover, a number of IPA national programmes also provide for the implementation of national facilities to provide grant co-financing for the implementation of investments at municipal level. In these processes, proper coordination of donors and IFIs is recognised as fundamental by the beneficiaries themselves.

3. Description of project

3.1 Background and justification:

Over the last years, the Commission made significant efforts to enhance coordination and cooperation with IFIs in this region. In 2003, the Commission (DG ELARG) signed a Memorandum of Understanding with the EIB and the EBRD, IBRD, IFC, the Nordic Investment Bank, the Nordic Environment Finance Corporation, the Council of Europe Development Bank and the Black Sea Trade and Development Bank. This MoU was confirmed and strengthened in April 2006.

In March 2007 an IFI Advisory Group was created focusing on South Eastern Europe. The creation of this Group responded to the conclusions of the Austrian Presidency in June 2006, in which the Council welcomed the Commission's intention to extend and intensify its cooperation with the EIB and other IFIs in the Western Balkans.

The Commission was the main driving force behind the creation of the IFI Advisory Group following the closure of the EC/World Bank Joint Office in December 2008, and DG Enlargement assumed responsibility for the supporting the Group. Following the necessary tendering procedure in 2009, DG Enlargement concluded a technical assistance contract to establish the IFI Coordination Office. The IFI Coordination office contract has been competitively tendered and was attributed to a consortium led by PMG (Project Management group- Ireland). The Office has been extremely active in re-launching the dialogue between IFIs and with the beneficiaries through sectoral working groups organised in Brussels or in the region. Conclusions of such working groups, endorsed by all stakeholders, have become the strategic indications provided to both the Steering Committee of the Western Balkans Investment Framework and to Ministerial meetings on sectoral matters. In addition, the IFI coordination Office has been responsible for updating a publicly available database of investments in infrastructure in the region. All the documentation and results achieved by the IFI Coordination Office can be found on the website they manage: www.wbif.eu , whose updated and upgraded version went live in December 2010.

The work programme agreed following the submission of the projects' inception report in April 2010 takes into account the hiatus in the IFI AG's meeting schedule between January 2009 and the start of the new contract, the launching of the WBIF in late 2009, the range of activities being undertaken by the sectoral organisations or programmes, the organisational changes in EC DGs and the concern regarding the number of meetings. Thus, the FI Coordination Office does not focus its support solely on the IFI AG structures, but also supports a number of other EC/IFI coordination mechanisms. This newly established office is currently in charged of: a) providing the necessary technical, management and administrative services for the IFI AG, b) measuring through time series the degree of loan-grant blending by updating and expanding the database of investments in the region created in 2008 by the 'Stocktaking assignment', c) providing the strategic and technical input for the newly created WBIF, initially to the Steering Committee, subsequently also for the Project Financiers' Group. Project activities take place under rolling, six month work programmes so that the results of research assignments and any decisions taken at the various meetings can feed into the planning process and ensure that activities are relevant for the operating environment. Strengthening communications and information flows among the EC, IFIs, sectoral organisations and beneficiaries is a critical element of the project.

The need for some centralised, structured support on policy and strategy issues is of paramount importance. The availability of an informal, "think tank" like facility, such as the IFI Coordination Office, supports the EC and IFIs in terms of carrying out 'advanced and punctual' research. The IFI Coordination Office allows the EC to elaborate and share information with a structured network of stakeholders, exchange views on technical and financial subjects and discuss strategic issues. This activity is valued by all stakeholders (Beneficiaries, IFIs, bilateral donors, Commission, and the general public) since it allows to have a forum where the EC and IFIs can explore preliminary ideas, develop proposals and elaborate agreed approaches/policies on specific issues. This leads to a more harmonised and comprehensive presentation of issues in subsequent discussions with beneficiary countries.

The policy/strategy activities undertaken as part of this project provide input to a number of different bodies including the regional and sectoral organisations active in the region such as the RCC, the Energy Community Secretariat, the RENA Working Groups, the SEE Investment Committee as well as related EU and bilateral donor financed projects and programmes. Thus facilitating greater coherence and consistency in actions carried out.

The role played by the IFI Coordination Office is welcomed by all stakeholders. All the IFIs that are engaged in the region participate actively in the IFI Advisory Group and related activities and most are actively involved in the WBIF and other other coordination initiatives promoted by the Commission at central level.

Communication and engagement with beneficiaries has been improved under the project, and there is an on-going need to engage in a coordinated manner with governments and with EC Delegations to encourage them to take a more active leadership of donor coordination mechanisms and to reinforce the development and implementation of agreed policies and strategies. This will in turn facilitate the implementation of investments. It is also essential to ensure continuous support to build up the necessary institutional capacities that national authorities need to undertake these tasks and to be able to implement effectively donor assistance. This includes the ability to adequately select and prioritise projects, and support project preparation and subsequent implementation. Regular coordination with IFIs at the central level and mediation with EU Delegations in the beneficiary countries is important for ensuring a more holistic view of the main issues and challenges not only at country but also at regional level.

The project will therefore continue supporting and enhancing coordination and cooperation between the Commission and IFIs and improving communication with, and capacities of, the beneficiaries with a view to ensuring sustained support to socio-economic development of the region and its progress towards the European perspective.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The main **impact of this project** is to ensure overall consistence and synergy of Commission and IFIs strategies and policies in the region. A catalytic effect will be generated by promoting dialogue to set common priorities; enhancing visibility and aligning project efforts at local, national, sector and regional level with policy orientations adopted at central level by the Commission and IFIs. By engaging International Financial Institutions, it will contribute to harmonising and coordinating IFIs and other donors' attention on the main socio-economic development needs of the region. It will also facilitate networking and exchange of information and know-how among the Commission, IFIs, the Beneficiaries and relevant regional organisations at policy, programme and technical level.

The **sustainability** of this intervention will depend primarily on the sustained interest and commitment of IFIs in the region and on the willingness and capacity of beneficiaries to play an increasingly active role not only in coordination mechanisms at national level, but also at regional and central level. In doing this, the involvement and interaction with all relevant regional sectoral organisations as well as with the Regional Cooperation Council is also another critical factor for ensuring the sustainability of the coordination mechanisms between the Commission and IFIs.

3.3 Results and measurable indicators:

This project will focus on the achievement of the following 3 results:

Result 1: Improved coordination of overall strategic approach and specific policy actions as well as information exchange on horizontal and sectoral issues;

Indicators for Result 1:

Number and nature of policy and strategy indications, technical and operational discussion papers and other documents to identify and prioritize issues for information exchange and advice; Number of horizontal and sectoral meetings/other events held; Policy orientations/guidance papers; joint statements/conclusions; Active participation of EC (including Delegations), IFIs, sectoral and regional organisations in meetings/events;

Result 2: Improved visibility, transparency and coordination of investment support and financing initiatives on terms and conditions best suited to the Beneficiaries;

Indicators for Result 2: Expanded investment database with focus on grant/loan blending indicators and bilateral engagement in the region. The database will be publicly accessible on the Web at the address <http://stocktaking2009.wbif.eu/Projects+database> . Regular database updates creating a time series of investment flows to the Beneficiaries. Derived detailed analysis to contribute to policy discussions; Regularly updated information on technical assistance and other support programmes funded by EC, IFIs and bilateral donors that facilitate the implementation of investments in the region on a semi-annual basis;

Result 3: Increased involvement of the Beneficiaries in the IFI co-ordination process;

Indicators for Result 3: Number of staff from beneficiary institutions and regional organisations taking active part in meetings and other initiatives implemented under this project (e.g. studies, sharing best practices etc); Number of staff from beneficiary institutions and regional organisations receiving targeted information on different aspects of EC/IFI cooperation; Number and type of reports issued for the wider public; number and type of events (and participants) for dissemination and information; Number of visits to project website and requests for information received.

3.4 Activities:

Activities for achieving Result 1

- Effective and efficient operation of the IFI Coordination Office providing the necessary technical, managerial and administrative support
- Preparation of a series of analytical and policy reports on agreed topics, reviewed by EC & IFIs & circulated as appropriate
- Organisation of and/or contribution to horizontal/sectoral policy related meetings of EC, IFIs, RCC and relevant sectoral organisations (e.g. RCC, SEETO, ECS, DABLAS Task Force, RENA, SEE Investment Committee etc)
- Follow-up of agreed conclusions on next steps on specific topics

- Regular communication with all stakeholders and facilitation of information exchange on EC/IFI initiatives
- Targeted circulation of reports, findings, information in different areas of relevance for EC/IFI cooperation among all participants

Activities for achieving Result 2

- Regularly update the searchable database of EC, IFI and bilateral donor initiatives and programmes in different sectors in the region
- Regularly update searchable database of actual investment flows to the region from EC, IFIs and bilateral donors
- Preparation of analysis of investment flows by beneficiary, sectors, sources of finance, structure of finance etc for subsequent use by EC and IFIs in preparation of programmes and projects.
- Management of Western Balkan Investment Framework's website

Activities for achieving Result 3

- Regularly update contact lists of interlocutors by institution, beneficiary and/or sector
- Organisation of/contribution to topic or sector specific events for beneficiaries
- Targeted circulation of information in timely and user friendly fashion
- Regular updates of website to provide comprehensive information on EC and IFI activities in the beneficiaries
- Enhanced availability/circulation of reports, documents etc from variety of sources among all interlocutors

Contracting arrangements: all activities will be implemented through a single technical assistance contract encompassing a range of services geared towards supporting activities aiming at improving harmonisation and coordination between the Commission, IFIs and beneficiaries.

3.5 Conditionality and sequencing:

The sustained engagement, interest and full cooperation of IFIs represent the major critical success factor, as well as the coordination with all relevant regional horizontal and sectoral mechanisms. Cooperation and support by the authorities of the beneficiaries is of utmost importance for the successful implementation of this project. From a practical viewpoint, this should translate into a pro-active participation on the various horizontal and sectoral issues intensified and tackled in the context of the IFI Coordination.

3.6 Linked activities

This project will be closely linked to all initiatives under the Multi-beneficiary IPA programme for 2008 (and other relevant annual programmes) focusing on cooperation with

IFIs, in the field of infrastructures development, municipal investments and private sector development (see respective project fiches). Moreover, the project will also link to a number of investment related activities in potential candidates, supported by the national IPA programmes under component I.

3.7 Lessons learned

The experience of the IFI AG and other coordination initiatives with IFIs indicate that:

- Needs in the region are great, resources are limited. The added value of coordination, harmonisation and cooperation between the Commission and IFIs is based on their complementary respective strengths: the Commission grant support can be used to help leverage IFIs loan financing for the investments which are necessary in the region.
- Capacity building and institutional strengthening support channelled through IPA grants can help to create an environment that is more conducive to increased engagement from the side of IFIs in lending terms. Coordination of grant and loan financing is thus key.
- Coordination of cooperation among IFIs should take place in Candidates and Potential Candidates countries with strong link to EU strategies and priorities. It is fundamental to ensure a common drive towards promotion of EU standards, and in particular for investments the respect of EU Procurement and Environmental standards in line with the European Principles for Environment, as well as to jointly ensure the economic and financial viability of investments.
- Commitment of International Financial Institutions is another crucial element. Proper coordination at all levels (local, national and central) is crucial for ensuring effective leverage of IFIs loan financing. It is therefore important that IFIs are part of the process and that they provide as well advice and technical suggestions to ensure high quality of investment proposals.

4. Indicative Budget (amounts in €)

			TOTAL EXP.RE	SOURCES OF FUNDING								
				EU CONTRIBUTION		NATIONAL PUBLIC 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	X		2 000 000	2 000 000	100							
TOTAL IB			2 000 000	2 000 000	100							
TOTAL INV												
TOTAL PROJECT			2 000 000	2 000 000	100							

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	N/A	2Q 2012	2Q 2014

6. Cross cutting issues (where applicable)

By its core nature, this project will address a number of cross-cutting issues that inevitable emerge when tackling coordination and cooperation with IFIs. Coordination with IFIs is, *inter alia*, focused on environment and human development issues, including gender equality and protection of vulnerable groups.

6.1 Equal Opportunity

The EU is fully committed to a policy of equal opportunity. Moreover, one of the technical working groups, which currently operates under the IFI AG, focuses on socio-economic, human development and social sectors. In this way, issues related to equal opportunities in access to utilities and public services, like health and education, are tackled.

6.2 Environment

Environment is another focal area of the existing coordination efforts between the Commission and IFIs. There is full convergence of interest between the Commission and IFIs on how to gear coordination and cooperation efforts towards complementary impact in the environment sectors. Under the current IFIs Advisory Group there is a working group on environment, which identified a number of issues in the field of support to environment to be discussed by IFIs and the EC. This project will build on the work done by the environment working group of the IFI Advisory Group providing enhanced support to addressing identified issues.

6.3 Minorities

In all activities during this project steps will be taken to ensure that the rights of minorities and other vulnerable groups are taken into account. This aspect will be considered in particular in coordination activities relating to social, socio-economic sectors and human development.

ANNEXES

- 1- Log frame in Standard Format
- 2- Amounts contracted and Disbursed per Quarter over the full duration of Programme
- 3- Description of Institutional Framework
- 4 - Reference to laws, regulations and strategic documents:
- 5- Details per EU funded contract (*) where applicable:

ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche: Horizontal Support to Cooperation with IFIs in the Western Balkans, Turkey and Iceland	Programme name and number Multi-beneficiary Programme for Support to Cooperation with the International Financial Institutions-IFIs –	CRIS No. 2011/022-964
	Contracting period expires: 30 November 2012	Disbursement period expires 30 November 2016
	Total budget : EUR 2 000 000	IPA budget: EUR 2 000 000

Overall Objective	Objective Verifiable Indicators	Sources of Verification	
To enhance coordination and cooperation between International Financial Institutions and the Commission in the IPA region	IFIs coordination and cooperation issues raised in relevant Commission, documents	Commission concept notes and papers, communications, Progress reports and other relevant policy and programme documents	
Project purpose	Objective Verifiable Indicators	Sources of Verification	Assumptions
To ensure adequate and effective coordination between the Commission and IFIs at policy, technical and operational level in the area of socio economic development of the Beneficiaries	Effective Coordination mechanism established and operating	Strategy, Action plans, work programme of coordination mechanism; IFIs adherence to mechanisms;	Continuous support from IFIs to the process
Results	Objective Verifiable Indicators	Sources of Verification	Assumptions
<p>Result 1: Improved coordination of information exchange, advice, and policy actions focusing on horizontal and sectoral issues;</p> <p>Result 2: Improved coordination of investment support and financing initiatives on terms and conditions best suited to the Beneficiaries;</p>	<ul style="list-style-type: none"> • (R1) N. and nature of policy, technical and operational discussion papers and other documents to identify and prioritize issues for information exchange and advice • (R1) N. of strategic and operational meetings/other 	<ul style="list-style-type: none"> • (R1) Website (www.wbif.eu) Annual work plans; agendas and reports of meetings; final conclusions and other relevant documentation • (R2) Studies and other issue papers; reports and documentation of follow up 	<p>IFIs engagement to provide active input in coordination mechanisms</p> <p>Beneficiaries willing to be involved and contribute to the process</p>

<p>Result 3: Increased the involvement of the beneficiaries in the IFI coordination process.</p>	<p>events held;</p> <ul style="list-style-type: none"> • (R1) Policy orientations/guidance papers; joint statements/conclusions • (R2) N. of IFIs and of IFI staff involved in meetings and other coordination initiatives • (R2) Database of initiatives funded per IFI/Beneficiary/sector • (R2) N. of studies, assessments, issue briefs and other documented analysis of specific investments/ issues/sectors; • (R3) N. of staff from beneficiaries institutions and regional for a taking active part in meetings and other initiatives implemented under this project (e.g. studies, sharing best practices etc. etc.); 	<p>discussions; regular and ad hoc reports on investment initiatives per IFI/Beneficiary/sector</p> <ul style="list-style-type: none"> • (R3) records of beneficiaries participation; documented input and other contributions provided by them; reports of field visits and other domestic/regional events. 	
Activities	Means	Costs	Assumptions
<p>Activities for achieving Result 1</p> <ul style="list-style-type: none"> • A.1.1. Establishment of a effective coordination support mechanism articulated at policy and technical/operational level • A.1.2. Provision of advise and analytical services on priority issues identified by Commission and IFIs • A.1.3. Organisation of meetings, 	<p>Means of implementation</p> <ul style="list-style-type: none"> • Technical assistance contract encompassing multiplicity of services to ensure effective support to coordination mechanism <p>Means of verification</p> <ul style="list-style-type: none"> • Strategic and operational documentation (Action Plans, work programmes etc. etc.) • Reports related to contracts 	<ul style="list-style-type: none"> • EUR 2 000 000 	<ul style="list-style-type: none"> • On time provision of TA and coordination support services • Commission staff and IFIs expert inputs, monitoring and follow up • Availability of data and cooperation from donors and investors in providing them •

<p>discussion fora and other regular and ad hoc event on priority issues identified by the Commission and IFIs</p> <ul style="list-style-type: none"> • A.1.4. Liaising with relevant regional horizontal and sectoral structures (RCC, SEETO, ECS etc.) and other relevant stakeholders <p>Activities for achieving Result 2</p> <ul style="list-style-type: none"> • A.2.1. Database for tracking and communicating EC and IFIs investments; • A. 2.2. Publications/ Notes for sharing best practices and lessons learnt in implementing investment initiatives in the region • A.2.3. Comparative analysis of EU, IFIs, bilateral FIs' investment strategies and strategic plans in the IPA region and in relation to regional and national investment plans. <p>Activities for achieving Result 3</p> <ul style="list-style-type: none"> • A.3.1. Support to developing strategies for enhanced beneficiaries involvement in coordination fora 	<p>execution</p> <ul style="list-style-type: none"> • Reports of meetings and other events; information notes etc. • Studies and assessment of specific issues of common concern • Systematised information on EC and IFI initiatives <ul style="list-style-type: none"> • Expansion of data collection on basis of updated template expanding on bilateral investment flows, types of grant/loan blending • Development of a standard reporting template for regular extraction of analysis from the database • Documentation comparing investment's consistence between different planning processes/ sources 		
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<ul style="list-style-type: none"> • A.3.2. Identify relevant interlocutor institutions at national and regional level; • A.3.3. Networking and regular information sharing with identified interlocutors; • A.3.4. and organisation of regular focused regional events on specific themes related to IFIs cooperation 			
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ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project

Contracted	2 nd 2012	3 rd 2012	4 th 2012	1 st 2013	2 nd 2013	3 rd 2013	4 th 2013	1 st 2014	2 nd 2014
Contract 1	2 000 000								
Cumulated	2 000 000								
Disbursed									
Contract 1	400 000		500 000		500 000		400 000		200 000
Cumulated	400 000		900 000		1 400 000		1 800 000		2 000 000

ANNEX III: Description of Institutional Framework

Coordination and cooperation with IFIs is considered of crucial in a number of strategic and policy documents at EU and beneficiary level. The IPA regulation underlines the importance of sound cooperation and coordination with IFIs, including for infrastructure investments. All regional sector specific strategies and organisations reflect this aspect. The project brings added value through maintaining a regional aspect and in helping liaising closely with the various regional platforms in each target sector, namely South-East Europe Transport Observatory, the Energy Community Treaty, the Regional Environmental Programme, the DABLAS Task Force and the Priority Environmental Investment Programme for South East Europe, which is implemented under the Regional Environmental Reconstruction Programme for South East Europe to be replaced by the Regional Environmental Network for Accession (RENA) in the second half of 2009.

ANNEX IV: Reference to laws, regulations and strategic documents:

- IPA Regulation (Council Regulation 1085/2006, L210, 31/7/2006)
- Western Balkan communication of 5 March 2008
- IFI AG Website, including mandate and scope of work of IFI AG (<http://www.seerecon.org/>)
- Multi-Beneficiary Multi-annual Indicative Planning Document (2009/2011 and 2010-2012)
- SEETO Website (<http://www.seetoint.org>)
- ECT Website (<http://www.energy-community.org>)
- REC Website (www.rec.org)
- DABLAS Task Force web-site (<http://ec.europa.eu/environment/enlarg/dablas>)

ANNEX V: Details per funded contract

The project will be implemented by a Service Contract. As foreseen in the tender for the initial contract, the European Commission and Project Management Limited (PMG) will conclude an Addendum to the existing Service Contract in Q2 2012, in accordance with Article 242 (1) c) in conjunction with Article 242 (2) (b) of the Implementing Rules.