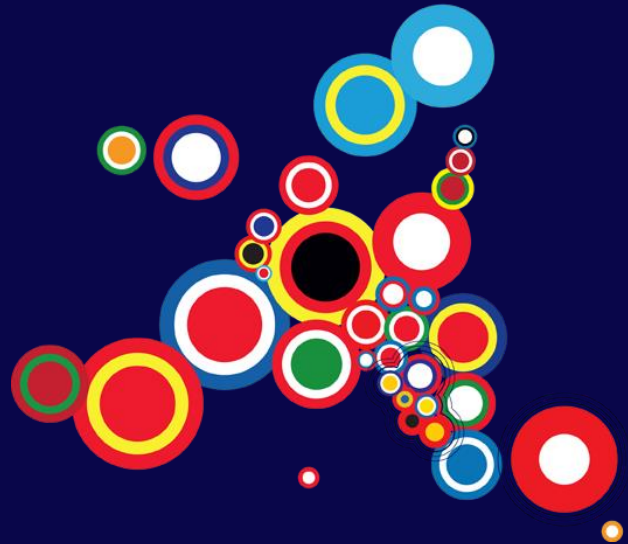




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

MULTI-COUNTRY IFI Coordination Office (IFICO)



Action summary

The action will continue to finance technical, administrative, visibility and communication support provided by the IFI Coordination Office (IFICO) to the Western Balkans Investment Framework (WBIF) Secretariat, governing bodies, and the WBIF beneficiaries.

The WBIF Secretariat has been effectively supported by the IFI Coordination Office since February 2010. The action will ensure continuation of efficient coordination support to the day-to-day functioning of the WBIF Secretariat and coordination of communication and visibility among all WBIF stakeholders involved in the Western Balkans.

The action will also provide flexible and relevant technical assistance to the NIPACs and line Ministries in the Western Balkans, in particular to support them in implementing the connectivity agenda.

Action Identification			
Action Programme Title	IPA II Annual Multi-country Action Programme 2017		
Action Title	IFI Coordination Office (IFICO)		
Action ID	IPA 2017/039-402.18/MC/IFICO		
Sector Information			
IPA II Sector	9. Regional and territorial cooperation		
DAC Sector	43010- Multi-sector aid		
Budget			
Total cost	EUR 6 million		
EU contribution	EUR 6 million		
Budget line(s)	22.020401 – Multi-country programmes, regional integration and territorial cooperation		
Management and Implementation			
Management mode	Direct management		
<i>Direct management:</i> European Commission	Unit D.5. - Western Balkans Regional Cooperation and Programmes		
Implementation responsibilities	Unit D.5. - Western Balkans Regional Cooperation and Programmes		
Location			
Zone benefiting from the action	Western Balkans (Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia)		
Specific implementation area(s)	N/A		
Timeline			
Final date for contracting including the conclusion of delegation agreements	31 December 2018		
Final date for operational implementation	31 December 2021		
Policy objectives / Markers (DAC form)			
General policy objective	Not targeted	Significant objective	Main objective
Participation development/good governance		x	
Aid to environment	x		
Gender equality (including Women In Development)	x		
Trade Development	x		
Reproductive, Maternal, New born and child health	x		

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

RIO Convention markers	Not targeted	Significant objective	Main objective
Biological diversity	X		
Combat desertification	X		
Climate change mitigation	X		
Climate change adaptation	X		

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

The Western Balkans Investment Framework (WBIF) was launched in 2009 with the objective of supporting socio-economic development and the European perspective across the Western Balkans through the provision of financing and technical assistance for strategic investments. It pools resources from the European Commission's Instrument for Pre-Accession (IPA I & II) with those of International Financial Institutions (IFIs), bilateral donors and the governments of the Western Balkans. The WBIF increases the region's capacity to finance crucial infrastructure and priority investments in line with accession priorities and enhances overall coordination of assistance. The WBIF seeks to maximise the impact of grant financing by using it to leverage lending by IFIs on priority strategic investments identified by the Western Balkans beneficiaries.

The main governing bodies of the WBIF are the following:

- The WBIF Steering Committee (WBIF SC) which provides strategic guidance for the WBIF and takes all decisions related to project approvals. The Steering Committee brings together representatives of the Western Balkan beneficiaries, the European Commission, partner IFIs and bilateral donors and meets every six months.
- The Project Financiers' Group (PFG) is responsible for screening and assessing requests for financial support with the objective of establishing a pipeline of priority projects. It is also responsible for the coordination of approved grant operations. The PFG is composed of representatives of the European Commission (DG NEAR coordinates the participation of all relevant European Commission services), IFIs and bilateral donors.
- Applications for grant support under the WBIF must be formally submitted by the National IPA Coordinators (NIPACs) of the respective IPA beneficiaries. NIPACs are responsible for presenting applications supported by the PFG to the Steering Committee for approval.
- The WBIF Secretariat in DG NEAR is responsible for the day-to-day management, coordination and administration of the WBIF with the support of an IFI Coordination Office (IFICO) staffed through a private sector consultancy contractor. In particular, the Secretariat issues calls for proposals for projects and manages the screening and assessment process. The Secretariat also monitors the grant portfolio and coordinates reporting, communication and visibility activities.

In this context, the action will provide the necessary funding to allow for the IFICO to continue its supporting role to the WBIF Secretariat and governing structures. The WBIF has been supported by the IFICO since February 2010. The action will provide technical, administrative, communication and visibility support, and ensure comprehensive communication flows among all WBIF stakeholders. The availability of such support is deemed crucial to the continued success of the WBIF and cooperation between IPA beneficiaries, European Commission, IFIs and bilateral donors. The IFICO will also provide technical assistance to the NIPACs in the Western Balkans in order to identify a pipeline of priority investments to be funded by IFIs, the European Commission and bilateral donors. As the WBIF evolves, the IFICO may take on other tasks as deemed necessary by the Steering Committee.

RELEVANCE WITH THE IPA II MULTI-COUNTRY STRATEGY PAPER AND OTHER KEY REFERENCES

The IPA II Multi-country Indicative Strategy Paper 2014-2020¹ sets socio-economic and regional development as one of its main objectives and clearly underlines the importance to support investments in infrastructure in the Western Balkans where cross-border networks are underdeveloped.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

One of the conclusions of the 2015 external evaluation of the WBIF was that the *"WBIF provides relevant and highly important response to the development needs of the Western Balkans region... The WBIF's efforts to pool grant resources in order to leverage loans for priority infrastructure and socio-economic development can be considered largely effective"*².

The IFICO was first introduced in 2010. The current service contract was signed with Mott MacDonald Ltd (UK) in April 2014 and will expire in January 2018.

In the past IFICO has proven to be a crucial, flexible and effective tool for the WBIF Secretariat in fulfilling the tasks assigned to it by the WBIF Rules and Procedures. The WBIF Secretariat's main role is to prepare, support and implement decisions of the WBIF Project Financiers Group (PFG) and the Steering Committee (SC). This includes coordination and communication between all WBIF Stakeholders, plan, prepare and coordinate the work programme of the WBIF, set the meeting agenda, prepare documents and arrange meeting logistics for the PFG and SC meetings, coordinate the screening and assessment of projects considered for grant support as well as monitor and report on grant resources after approval. In addition, IFICO maintains the WBIF web-site and the management and information system and provides valuable support in reporting as well as planning and execution of visibility events and material. In addition IFICO provides support to the Western Balkans in the project preparation phase, and prepares terms of reference for technical assistance projects that will be implemented by the Infrastructure Project Facilities.

Since 2015, and the establishment of a Single Project Pipeline (SPP) and a "National Investment Committee" (NIC) in each relevant IPA beneficiary, a methodology for infrastructure project prioritisation has been gradually introduced and will serve as a basis for future programming of all available financing sources (including from the Beneficiaries and other donors). The future IFICO will build on the experience and work of each previous IFICO contractor in order to continuously improve the technical assistance services it provides.

¹C(2014) 4293, 30.06.2014.

²http://ec.europa.eu/enlargement/pdf/financial_assistance/phare/evaluation/2015/2014_352812_1_final_evaluation_report.pdf

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To enhance coordination and cooperation between all WBIF stakeholders – beneficiaries, European Commission, IFIs and bilateral donors	Efficient technical and administrative support provided to the WBIF Secretariat	Progress Reports provided to DG NEAR/D5	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
Support the WBIF stakeholders (via the IFI Coordination office) to achieve a coordinated approach towards investment policy in the IPA II beneficiaries.	<ul style="list-style-type: none"> • Coordination mechanisms established and operating • Number of fully operational "National Investment Committees" (or equivalent institution) established and operating, including updated Single Project Pipeline in all IPA II beneficiaries 	<ul style="list-style-type: none"> • WBIF Secretariat work programme • Minutes and conclusions of meetings; WBIF Annual and bi-annual monitoring reports • Regularly updated Single Project Pipelines 	<ul style="list-style-type: none"> • Continuous support, involvement and engagement from IFIs to the coordination process • Continuous support by WBIF partners • Continuous political support by beneficiaries • Allocation of budget for the functioning of the relevant institutions concerned with the Single Project Pipeline
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
<p>Result 1: Beneficiaries enabled to identify a pipeline of priority investments to be funded by IFIs, the EC and bilateral donors</p> <p>Result 2: Strengthened cooperation, communication and policy coordination amongst WBIF stakeholders in developing and implementing priority investments in the Western Balkans</p>	<p>(R1) Technical and administrative support provided to the WBIF Secretariat and Stakeholders (WBIF project applications submitted)</p> <p>(R2) Number of organised strategic and operational meetings/ other events held (PFG, SC)</p> <p>(R2) Number of WBIF Stakeholder institutions (European Commission, IFIs, Bilateral Donors, Regional organisations) involvement in strategic discussions during the PFG, SC and other strategic meetings and events.</p>	<p>(R1) MIS</p> <p>(R2) Agendas and minutes of meetings; other relevant documentation</p> <p>(R2) Records of participation of final beneficiaries; documented input provided by them; reports of field visits and other in-country/ regional events</p> <p>(R2) Reports of follow-up discussions; regular reports on investment initiatives per IFI/ IPA II beneficiary and/or sector</p>	<ul style="list-style-type: none"> • IFIs engagement to provide active input in coordination mechanisms. • IPA II beneficiaries willing to be involved and contribute to the process. • Existence of Sector Strategies at IPA II beneficiary level • Beneficiary governments' sustained capacity for investments

DESCRIPTION OF ACTIVITIES

At this stage the following activities have been identified. These activities will be further developed in the Terms of Reference:

Activities to achieve Result 1: Beneficiaries enabled to identify a pipeline of priority investments to be funded by IFIs, the EC and bilateral donors:

- Provide technical assistance to NIPAC offices, line ministries and project promoters in the IPA II beneficiaries;
- Provide ad hoc training identified during the implementation period to relevant authorities in order to meet specific and urgent needs in the region.

Activities to achieve Result 2: Strengthened cooperation, communication and policy coordination amongst WBIF stakeholders in developing and implementing priority investments in the Western Balkans:

- Contribute to strategy discussions and activities under the WBIF and wider European Commission/IFI/Bilateral Donor cooperation;
- Provide support services to the WBIF structures including the Steering Committee and the PFG;
- Provide support to relevant WBIF networks by and, amongst others, organisation of regional meetings, workshops, study visits in strategically important areas.

Activities to achieve Result 3: Enhanced functioning of the WBIF throughout the entire project cycle from project identification to realisation of the investments supported by the WBIF:

- Further develop and maintain the database – management and information system - for investments supported by the WBIF in the Western Balkans
- Draft terms of reference and technical specifications for grants to be implemented by the Infrastructure Project Facilities;
- Monitor and produce reports and analyses on the implementation of the portfolio of projects supported by the WBIF;
- Any other support required by the PFG or the SC during the contracting period.

Activities to achieve Result 4: Improved visibility and communication among all WBIF stakeholders. Greater public awareness of the assistance being provided by the WBIF financiers:

- Further develop and maintain the WBIF website as the portal for information on European Commission, IFI and bilateral donor activities in the Western Balkans;
- Organise publicity and visibility events for the WBIF supported projects.

RISKS

The main assumptions that should be considered on the level of the whole action include:

- All WBIF stakeholders and IPA II beneficiaries are firmly committed to the WBIF funding platform;
- The continuing commitment of the IPA II beneficiaries to an inclusive process of deepening regional cooperation; and
- Timely identification of the needs, which need to be addressed by the Contractor and the WBIF Secretariat.

CONDITIONS FOR IMPLEMENTATION

No particular conditions to be signalled at this stage.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

This action will be implemented in direct management, with Unit D.5 being responsible for the contract implementation and monitoring.

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

The European Commission will award a service contract following an international restricted tender procedure in line with the relevant financial regulations and rules of application.

Activities will be implemented through a single service contract. The Contracting authority (Unit D5) plans to launch the procurement procedures in Q1 with suspension clause prior to the adoption of the financing decision. The global budgetary envelope for procurement amounts to EUR 6 million.

The contract implementation is expected to begin in February 2018. The contract duration will be two years with a possibility of extension in line with the relevant financial regulations and rules of application.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

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

Monitoring of the action will be organised and led by the WBIF Secretariat/ Unit D.5. The monitoring process is aimed to improve programming, implementation and sustainability as well as timely identification, remedying and alleviation of potential issues in the process of programming and implementation of the interventions.

The WBIF PFG meetings and Steering Committees will offer all the WBIF stakeholders the opportunity to share their experience and evaluation of the IFICO support. Adjustments of the action may be considered and decided on these occasions.

INDICATOR MEASUREMENT

Indicator	Baseline (2017) (2)	Target 2020 (3)	Final Target (2020) (4)	Source of information
MCSP indicator (impact/outcome)...(1)				
<i>Number of fully operational National Investment Committees (or equivalent institution) established and operating, including updated Single Project Pipeline in all beneficiaries</i>	1	6		<i>The Single Project Pipelines Mature project applications (TA and INV) received by the WBIF</i>
<i>(R1) Technical and administrative support provided to the WBIF Secretariat and Stakeholders (n. of days)</i>	0	260		<i>(R1) Level of satisfaction with the quality of the IFICO services among WBIF stakeholders</i>
<i>(R2) Number of organised strategic and operational meetings/ other events held (PFG, SC)</i>	4	4		<i>(R2) Annual work plans; agendas and reports of meetings; final conclusions and other relevant documentation</i>
<i>(R2) Number of WBIF Stakeholder institutions (European Commission, IFIs, Bilateral Donors, Regional organisations) involvement in strategic discussions during the PFG, SC and other strategic meetings and events.</i>	20	24		<i>(R2) Records of participation of WBIF Stakeholders; documented input and other contributions provided by them; reports of field visits and other in-country/ regional events</i>
<i>(R3) Number of meetings organised for the WBIF (PFG, SC, etc.)</i>	4	4		<i>(R3) Agendas, list of participants, quality minutes of meetings and related background papers have been circulated</i>
<i>(R3) Number of calls for project proposal organised</i>	3	3/4		<i>(R3) Calls for proposal launched, screening and assessment executed (TA and INV), Project Pipeline updated and circulated</i>
<i>(R3) Improved quality of project applications and terms of reference for eligible projects</i>				<i>(R3) Projects processed / updated into the MIS</i>
<i>(R3) Number of progress reports, including also bi-monthly status reports, identifying progress,</i>	6	6		<i>(R3) Bi-monthly status reports, semi-annual progress reports received and / or approved</i>

<i>achievements and obstacles</i>				
<i>(R4) Number of high quality publications issued for the WBIF stakeholders and wider public</i>	2	4		<i>(R4) WBIF publications</i>
<i>(R4) Number of contribution to high visibility events</i>	1	4		<i>(R4) Visibility events organised</i>
<i>(R4) Number of users accounts and WBIF stakeholder satisfaction with the MIS</i>	200	220		<i>(R4) Statistics on consultations/ visits of WBIF website</i>
<i>(R4) Total number of visitor sessions at the website per month</i>	2000	2200		

5. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING

This action will strive to promote gender equality as well to take measures to achieve equal opportunities for male and female in all aspects regarding the implementation of the action. Gender equality incentives will be incorporated particularly in the activities concerning capacity building.

EQUAL OPPORTUNITIES

Equal participation of women and men will be secured through appropriate information and publicity material, in the design of actions and accessibility to the opportunities they offer. An appropriate men/women balance will be sought on all the managing bodies and activities of the action. The contractor shall be requested to provide monitoring data recording the participation of men and women in terms of expert inputs, as a proof of equal participation of men and women in the different phase. Enforcement of those principles is likewise ensured through specific administrative procedures applied in accordance with the Law on non-discrimination. In the implementation of activities under this action, the same principles shall apply, so that participation in the envisaged activities will be guaranteed on the basis of equal access regardless of sex, ethnic origin, religion or belief, disability, age, etc.

MINORITIES AND VULNERABLE GROUPS

Participation in the implementation of the action will be based on equal access regardless racial issues or ethnic origin, religion and beliefs, age or sexual orientation. Besides, the infrastructure investment projects shall provide benefits to groups of population without distinction, including people belonging to minorities and vulnerable groups.

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

The preparation of investment projects is always accompanied by public consultation which requirements are set by the Beneficiaries planning regulations and the EU Directives.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Environment, climate change and disaster resilience are systematically considered during the preparation and design of major infrastructure projects. The Environmental Impact Assessment is thus essential during the project preparation process. It not only results in identifying and managing risks but is also the occasion to add value to the project. It allows to combine technical feasibility and environmental, social and stakeholder acceptability. A solid EIA may avoid delays or further costs for redesign and increased construction scope due to poorly appreciated construction constraints as well as later mitigation costs.

Climate action relevant budget allocation: EUR 0

6. SUSTAINABILITY

The action will produce sustainable results in the short/ medium run since the entire beneficiary institutions and WBIF structures are already in place, and the action does not envisage establishment or financing of the new organisational units and their running costs.

Furthermore, financial sustainability is guaranteed through the early involvement of IFIs and by carrying out the necessary qualitative and quantitative analysis/ checks in the project preparatory phase.

In order to ensure the sustainability of infrastructure investment projects, however, the IPA II beneficiaries must thoroughly prepare their projects with the support from the beginning of a lead IFI

by means of feasibility studies, cost benefit analysis, financing plans, environment impact assessment, etc.

7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the action. The implementation of the communication and visibility activities shall be the responsibility of the contractor and shall be funded from the amounts allocated to the action.

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

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

The WBIF Management Information System (MIS) database will gather information on the different Technical Assistance and Investment grants and their progress, and subsequently nourish the different WBIF communication channels. The WBIF website will become the main visibility tool for the platform's activities.

The European Commission shall be fully informed of the planning and implementation of the specific visibility and communication activities.