



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

## REPUBLIC OF SERBIA EUROPEAN INTEGRATION FACILITY - DIRECT MANAGEMENT

### **Action Summary**

*The Action is part of a two-pronged approach to contribute to strengthening the administrative capacity and accountability of the Serbian public administration to assist the Government in the preparation for EU membership. The support will be instrumental for alignment with the EU acquis and development and implementation of relevant reforms and strategies in an inclusive and evidence-based process. The Action will also secure the support to priority needs unforeseen throughout the programming process, but that would later appear relevant to the accession negotiations, acquis alignment and institution building in various sectors, by allowing a faster response to the priority needs.*

<b>Action Identification</b>			
<b>Action Programme Title</b>	Annual Action Programme for the Republic of Serbia for the year 2019		
<b>Action Title</b>	EU Integration Facility Direct Management		
<b>Action ID</b>	IPA 2019/Serbia/EIF-Direct management		
<b>Sector Information</b>			
<b>IPA II Sector</b>	Democracy and governance		
<b>DAC Sector</b>	15110		
<b>Budget</b>			
<b>Total cost</b>	<b>EUR 18,173,897</b>		
<b>EU contribution</b>	<b>EUR 18, 173,897</b>		
<b>Budget line(s)</b>	22.02 01 01		
<b>Management and Implementation</b>			
<b>Management mode</b>	Direct management		
<i>Direct management:</i> <b>EU Delegation</b>	EU Delegation in Serbia For Result 5 the action will be implemented through an Indirect Management Contribution Agreement with UN Women.		
<b>Location</b>			
<b>Zone benefiting from the action</b>	Republic of Serbia		
<b>Specific implementation area(s)</b>	Republic of Serbia		
<b>Timeline</b>			
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2020		
<b>Final date for concluding delegation agreements under indirect management, procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation		
<b>Indicative operational implementation period</b>	6 years following the conclusion of the Financing Agreement		
<b>Final date for implementing the Financing Agreement (date by which this programme should be de-committed and closed)</b>	12 years following the conclusion of the Financing Agreement		
<b>Policy objectives / Markers (DAC form)</b>			
<b>General policy objective</b>	<b>Not</b>	<b>Significant</b>	<b>Main</b>

	<b>targeted</b>	<b>objective</b>	<b>objective</b>
Participation development/good governance	<input type="checkbox"/>	√	<input type="checkbox"/>
Aid to environment	√	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women in Development)	<input type="checkbox"/>	√	<input type="checkbox"/>
Trade development	√	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, maternal, new-born and child health	√	<input type="checkbox"/>	<input type="checkbox"/>
<b>RIO Convention markers</b>	<b>Not targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Biological diversity	√	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	√	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	√	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	√	<input type="checkbox"/>	<input type="checkbox"/>

## 1. RATIONALE

### PROBLEM AND STAKEHOLDER ANALYSIS

Serbia remains committed to the European integration process and determined in its intention to implement the accession process efficiently and effectively. Since launching the negotiation process, Serbia has opened 16 chapters, with two chapters provisionally closed. However, there are still negotiation chapters which require considerable efforts to invest in order to meet all the benchmarks to open and close the negotiating chapters or to ensure effective enforcement of legislation.

The European Commission assessed that Serbia should be capable of assuming the membership obligations in the medium term in almost all areas of the *acquis*, provided that the alignment and adoption of legislation is accompanied by effective implementation and enforcement capacity. This aspect remains a challenge in a number of sectors. This is partly due to current weaknesses in the policy and legislative processes, which do not fully ensure an inclusive and evidence-based approach. In addition, the screenings of the state of play of Serbia legislation and structures related to the chapters of the *acquis* demonstrated that there is a lack of specific capacities, knowledge and expertise in a number of areas. Also, there are capacity weaknesses related to administrative data collection and use for evidence-based decision-making in different sectors.

The planning and assessment of necessary capacities for the **harmonisation with the *acquis*** is done by the Government of Serbia through the preparation of the National Plan for Adoption of the *Acquis* (NPAA). The NPAA represents a plan for the alignment of the national legal system with the *acquis*. It provides some inputs in relation to the capacity building required to implement legislation, even though it does not address all relevant capacity building requirements beyond technical capacity needs, such as administrative capacity that hinder *acquis* alignment and eventual implementation, data/statistics; strategic planning; capacity for regulatory impact assessments; potential institutional overlaps, and other issues. In view of the current state of play in the negotiation process, the end of 2021 is set as a final deadline for the full harmonization of legislation. Having this in mind, Serbia will be in need of adequate expertise and resources and targeted advice and guidance to the national administration, in order to achieve the benchmarks. The continuation of EU support through the Policy and Legal Advice Centre is of significant importance for the uninterrupted progress of the accession negotiations.

At the same time, in terms of institutional capacities, Serbia went through the processes of preparation for **decentralised and indirect management of the Instrument for Pre-accession Assistance (IPA) funds**. Even though the indirect management and operating structure is well set up in general, the main shortcomings remain the relatively weak administrative and absorption capacities. In that sense, in order to ensure the effective and efficient implementation of support provided under IPA, the responsible bodies, including the National Authorising Office, the National Fund, the Central Financing and Contracting Unit and relevant partner institutions need to improve their capacities. Strengthening of the capacities is particularly important in regard to the high turnover rate of the staff involved in management of pre-accession assistance. In addition to this, continuation of the support to enhancement of the management system for IPA funds is crucial in light of the anticipated change of directives as of 2020, in order to ensure the timely preparation of the national IPA legal framework and set up of a fully compliant, adequately staffed and tested system for sound financial management.

With regard to the fundamentals for accession, the accession negotiations will increasingly require that Serbia improves the capacity of public administration for taking over the membership obligations. The key priorities of the ongoing **public administration reform**, including increasing accountability and professionalism of administration, de-politicisation and transparency, more transparent management of public finances, and better services for citizens on all government levels, are the main horizontal preconditions for addressing sector reforms. In order to improve administrative capacity across administration, it is necessary to ensure that all new legislation and methodological guidance that has been produced in the context of public

administration reform, including on public service and human resources management, on strategic planning, on inclusive and evidence-based policy and law-making, on public financial management, are systematically implemented by all line ministries. Administrative capacity is not only about having the adequate institutional structures required by the *acquis*, but having institutional structures that respect accountability and avoid overlaps that could undermine policy efficiency. Administrative capacity is not only about having the staff and expertise for harmonisation of the national legislation with the *acquis*, but having a merit-based human resources management system in all line-ministries and ensuring that staff and expertise to produce and use administrative data and statistics for evidence-based policy-making, prepare impact assessments and ensure public consultations in a good process. Administrative capacity is also fundamentally about having a professional and depoliticised civil service and an overall management structure with delegated decision-making.

One of the weak points in public administration **is the human resource management system**. Previous legal framework (before recent amendments of the Law on Civil Servants) and its uneven application left the opportunity for undue influence in the recruitment process and therefore substantial changes in recruitment practices are necessary in order to establish a merit-based professional civil service. The existent legal provisions provide strong grounds for the professional development and training activities delivered by the National Academy for Public Administration (NAPA). As a newly established institution, NAPA needs support to deliver modern training and development activities built on the new competency-based approach which are deriving from the newly adopted changes in the Law on Civil Servants.

On a different level, in the last couple of years, there has been a number of important developments both in the legislative and in the strategic framework concerning the **overall planning system and related budgetary and financial management processes** in the Republic of Serbia. A legislative package has been recently adopted setting out the provisions for evidence-oriented policy-making process in the Serbian administration. The package consists of the Law on the Planning System and two Decrees which lay out the details of the policy-creation process, in terms of its analytical and planning aspects. It also provides the normative framework for elaboration of the development plans on the national and sub-national levels. Serbia is therefore about to embark with a comprehensive and coherent process of development prioritization and planning in the horizon by 2021, whereby work with Local Self Governments (LSGs) will be the most demanding one given their number, varying administrative capacities and local specifics.

Linked with the overall planning is the application of the programme **budgeting at the local level**, a reform process which has been introduced. Since 2015, the focus has been on the quality, methodological consistency and comprehensiveness of programme budgeting (PB). In terms of basic adherence to PB preparation methodology, it has improved over the years and some 78% of LSGs are generally compliant but many are still struggling with the full scope of these processes. This becomes critical in the light of the fact that PB shall constitute integral part of the LSG mid-term planning and the basis for estimating resources necessary for implementation of the LSG Development Plans. Additionally, the Decree regulates the entire cycle of capital projects' management, and in the case of LSGs the adoption of local public investment plans will be formalized. Nevertheless, it seems that in the first years of implementation of the Decree, none of the LSGs will manage to fully undertake the capital investment cycle as prescribed, which mostly reflects the demanding nature of the process.

Furthermore, public internal financial control functions have been introduced at the local level only to a limited extent. According to the data available, only some 25% of LSGs have so far rounded-up the financial management control system underlying the management of public funds, and internal audit functions have only been established in approximately 40% of LSGs.

Furthermore, in the context of public administration reform, Serbia, as well as many other countries of the Western Balkans, is lagging behind in terms of establishment of a system of **information security**. Serbia made initial steps by adopting the Strategy on cyber security and relevant legal framework, primarily following the EU's guidelines. The lack of a comprehensive approach in implementation of standards in this area, establishment of efficient operating

mechanisms as well as the coordinated cooperation between relevant stakeholders in the system remains a challenge. At the same time, absence of an adequate information security framework increases the occurrence of digital information related risks.

At a different level, Serbia still has a number of horizontal needs which stem from the previous period, and which require further support to be finalised. In relation to the access to justice **internally displaced persons (IDPs)** still face numerous problems concerning land and housing property and other acquired rights in Kosovo\* due to the absence of comprehensive administrative mechanisms for resolving these issues. It is estimated that there are between 50.000 - 60.000 outstanding claims on damaged, destroyed or illegally occupied property of IDPs, as a result of the conflict in Kosovo\*, where most of them belong to Kosovo Serbs. They are among the most vulnerable groups within the population in Serbia and they mostly rely on different types of social contributions provided by the Government. Currently there is still tremendous needs of IDPs in all the phases of the proceedings by which they trying to exercise their rights, from obtaining documentation and giving legal advice, to writing submissions to relevant institutions and representation before courts. Their access to justice is still fragile and work in the field evidenced that they still need a support from experienced lawyers to overcome the complex challenges starting with insufficient information, security, institutional obstacles to access to rights, especially property rights of IDPs in Kosovo\*. Based on ongoing IPA 2016 project the number of still opened cases is 4828 and number of pending cases before the courts and prosecutor's office is 3224, and it is expected that 1050 new cases could be opened in the forthcoming period.

Finally, the implementation of **laws and gender equality policies and measures** remains a challenge. In 2018 the Evaluation of the National Action Plan for the Implementation of the Serbia National Strategy for Gender Equality 2016-2018 identified that coordination mechanisms should be improved and competencies of civil servants in all ministries and institutions in the field of gender equality should be enhanced. Negative media campaigns promoting high levels of discriminatory gender stereotypes, increased instances of anti-gender discourse in the public domain and promotion of a highly conservative idea of a traditional family, contribute to women being primarily regarded as mothers and caregivers to children and elderly, instead of being recognized as a driving force of sustainable development.

#### **OUTLINE OF IPA II ASSISTANCE**

This Action is designed to provide targeted and thematic assistance for further supporting alignment and enforcement of the *acquis* in Serbia. This Action includes:

Through the **Negotiations and Policy Developments Envelope**, flexible support will be provided to any necessary actions supporting the EU accession process, which cannot be identified in the programming phase, as they will depend on the progress of Serbia's harmonisation of legislation and institution building. The support shall also be dedicated to back-up smaller scale interventions and to support the preparation of actions in the pipeline.

As an indicative need that can be covered through the unallocated envelope, the **new Policy and Legal Advice Centre (PLAC)** would provide horizontal small-scale support to elaboration of accompanying by-laws, instructions and other interpretative materials, roll-out and phased plans in order to enable harmonization of national legislation with the EU *acquis*, implementation of legal acts and strengthen the capacities of institutions to successfully conduct accession negotiations. Besides this, follow-up and monitoring of the implementation of the new legislation has to be given particular attention, which in turn again requires additional resources and acquiring of additional skills and competences. Also, capacity needs to be improved for administrative and statistical data production and use of impact assessments as a basis for evidence-based policy and legislative development.

Enhancement of the IPA management system through **strengthening of Management Structure and Contracting Authority** capacities necessary for supporting final beneficiaries/IPA Unit/End recipients, responsible for the implementation of IPA II and IPA III Programmes may also be part of the envelope. This involves providing support to final beneficiaries for the timely preparation of quality tender documentation. The enhancement of

capacities of the Contracting Authority will be focused towards for more efficient public procurement process, to improve contracting and monitoring through legal assistance in the preparation of the contract; to further develop the accounting system, improve transparency and publicity, improve the professional capacity of the employees, and improve filing of documentation in accordance with EU rules.

Although the flexible envelope is mainly designed to support relevant ad-hoc actions related to the accession that are unforeseeable during the programming process, there are few interventions identified during the programming process which could be supported through the flexible envelope, but after the identified preconditions are met. These pre-identified interventions will address some of the **important horizontal public administration reform** processes. They will contribute to improvement of human resources management at the central level of public administration targeting some of the weakest parts of it, such as recruitment, performance appraisal, training and career development through establishment of monitoring and evaluation system, development of career modalities and managerial capacities. Support with collection of the necessary administrative data and statistics as the basis of continuous monitoring and reporting will be also a key part of this intervention.

A central coordination unit would be established in ministry for public administration and will work in close cooperation with the network of civil servant in other central government institutions. This coordination mechanism would enable adequate monitoring of introduction and implementation of competence framework in state bodies through appropriate methodology and indicators developed within this intervention, and that will enable MPALSG to take a key role in policymaking in this field creating the environment for continuous improvement. The action will also provide professional development activities and trainings for Serbian senior civil servants as an integral part of wider strategic goal of establishing a professional, merit-based and accountable civil service.

Within the **information security** area, the assistance will contribute to establishment of the public administration information security framework, strengthening of the capacities of the 88 central-level organizations in line with the international information security and service management standards. It will ensure improvement of the conditions for the protection of personal data and further enhance capacities for implementation of the relevant strategic framework related to information security. The action will allow the public administration bodies to implement the Law on Information Security and following bylaw regulations, including implementing protection measures to their ICT systems based on ISO 27000 and other relevant standards.

At the local level, the action will contribute to the improvement of existing and introduce new working processes within **LSG competences**, increase coherence of planning and budgeting systems and financial management and ensure good behavioural changes in functioning of local administration. The intervention is intended as comprehensive technical assistance to LSGs. This includes (1) more general approaches enrolling all the LSGs in Serbia (regional and e-trainings, advisory support, peer-to-peer exchange, networking, models of acts, templates, publications, etc) and (2) individual direct expert support to a number of LSGs selected on competition basis (Municipal Support Packages) in the planned areas of programme intervention.

On a horizontal level, the action provides **legal aid and assistance** through the availability of timely and accurate information and support necessary for exercising the legal rights of IDPs. Finally, the action will contribute to the Government of Serbia efforts in pursuing the national gender equality priorities in order to accomplish the EU and international requirements and standards in this area. Among other approaches, this requires the continuation of support to enhancement of capacities of public administration for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management.

## **RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES**

The **Negotiations and Policy Developments Envelope** will support enhancement of Serbia's institutional and administrative capacities and strengthen it to meet the full range of priorities deriving from the Indicative Strategy Paper, Stabilisation and Association Agreement, National

Plan for Adoption of the EU acquis (NPAA) and the ongoing accession negotiations. The Commission Strategy for a Credible Enlargement Perspective for an Enhanced EU Engagement with the Western Balkans points out key and main pillars of the reforms in the period to come, but at the same time provides the guidelines to the Serbian authorities regarding the direction of the efforts to meet the accession criteria by 2025. There are a number of issues highlighted in the Strategy that should be tackled through this envelope, including provision of support for implementation of the initiatives targeting specific areas of interest for both the EU and the Western Balkans, such as the public administration reform priorities. This envelope will provide prompt and timely support to Serbian authorities in addressing obligations stemming from the membership in different negotiating chapters.

The aim of the support to **Policy and Legal Advice Centre** is to continue providing support to the national institutions in the alignment of national legislation with the acquis, particularly regarding remaining acquis to be transposed and new acquis, as well as its proper implementation and effective enforcement by further building the capacities of involved stakeholders. A specific attention will be paid to building capacity for administrative data and statistics collection and use as a basis for evidence-based policy and legislative development, where relevant, together with improving capacities of institutions to prepare regulatory and other types of impact assessments as the basis of developing legislative proposals.

With regard to the intervention related to the capacities for Serbia in relation to **indirect management with the beneficiary country**, it will support the implementation of the specific objective of the Indicative Strategy Paper for Serbia which is “*strengthening the ability of the beneficiaries to fulfil the obligations stemming from Union membership by supporting progressive alignment with, implementation and adoption of the Union acquis*”. The ISP recognizes that the central administration lacks capacities for contract management, finance management and control which resulted in delays with procurement and implementation of EU-funded projects. The support to the intervention also meet requirements for Chapter 22 in the respective Action Plan, which state that: “*implementation of the cohesion policy regulations requires that the acceding country must set up fully compliant, adequately staffed and tested system for sound financial management and control before full EU membership*”. Also, the EU Annual Report for 2019 on Chapter 22 underscores that further support for the institutional framework for the management of Pre-accession Assistance is needed.

In the **Human resources development sector**, the proposed intervention is aligned and will contribute to priorities identified within the Indicative Strategy Paper focused on establishment of more professional, depoliticized, accountable, fiscally responsible and digital public administration, which provides services to citizens and businesses at central and local level. The proposed intervention is aligned with these priorities recognised within the EU Western Balkan Enlargement Strategy and is designed to contribute to addressing the EC Annual Report from 2019 findings in the area of professionalization and depoliticization of the administration, especially regarding senior management positions, ensuring merit-based human resources management and systematic coordination and monitoring of the public financial management reform programme.

Alignment with the EU requirements within the **Chapter 10** represents an important reform area concerning the information security in Serbia. In this regard the Law on Information Security stipulates that the activities of Computer Emergency Response Team, which are mostly harmonized with the NIS Directive and the Cyber Security Strategy in the Republic of Serbia from 2017 to 2020, defines the security of ICT systems of special importance, including the ICT systems of PA bodies, as one of its priorities. Additionally, alignment with the EU requirements within the **Chapter 23** in regard to the personal data protection also stipulates the establishment of the information security framework that would contribute to the realization of the objectives, measures and activities of the Strategy for the Protection of Personal Data.

The action will directly deal with the elaboration development planning documents in LSGs and mid-term plans pursuant to the new Law on Planning System. Measures to improve policy coordination are required in the scope of **Chapter 22** at all levels of government as well as the programme and capital budgeting, whereas local public internal financial control processes and



budget transparency are embedded with **Chapter 32**. Moreover, key national strategic documents recognize importance of these reform processes for LSGs, and this is the case with PAR Strategy, PFM Reform Programme, PIFC Development Strategy and others.

The action will likewise provide an essential contribution to the realization of goals set within the inter-institutional initiative on durable solutions for displaced persons from Kosovo\*, so called “**Skoplje Initiative**” in which Serbia has an active role recognized in Annual Progress Report.

The proposed intervention is in line with key national strategic documents for the advancement of women’s rights and gender equality, the Law on Gender Equality and National Strategy for Gender Equality 2016-2020. In addition, the focus is in line with activities envisaged in the adopted (as well as the draft revised) **Action Plan for Chapter 23**, related to further alignment of legal framework with the EU acquis and the development of the capacities of the national institutions on the implementation of gender equality standards. The proposal is in line with EC requirements pointed in the Screening report for **Chapter 19** that women’s rights need to be better protected, mainly on improving equality in the workplace; further efforts are needed to raise awareness on gender equality, particularly in rural areas; availability of gender-segregated statistical indicators needs to be ensured, and administrative capacity on gender equality issues improved.

### **LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE**

Experience from previous programmes has shown that programming of funds within the **Negotiations and Policy Developments Envelope** has proven to be a very good practice. It has allowed for flexibility in addressing unforeseen needs related to institution building and further strengthening of administrative capacities of institutions responsible for implementation of the acquis. It is generally used to support horizontal activities arising from negotiation process and acquis transposition and enforcement which are not representing the comprehensive sector actions. The experience gained so far concerning the demand for usage of the IPA ‘**negotiation and policy envelopes**, demonstrates high interest of the national administration and the purposefulness of such a programming and financing tool in the national IPA package. This proved to be relevant in particular for sectors with diversified and voluminous acquis, such as environment, agriculture and rural development, internal market, but also justice and home affairs. In that respect the envelope ensures the reserve of funds to be mobilised with the aim to respond to emerging tasks related to the institution building and further strengthening of administrative capacities of institutions responsible for implementation of the acquis in a flexible and immediate way.

With regard to ensuring objective and transparent allocation of the funds to concrete actions and projects, it has been jointly concluded by the national institutions, primarily the MEI, and the European Commission that a comprehensive system of selections needed to be established. The prioritisation and decision making of the priorities funded through **negotiation and policy envelope** funds is treated as a mini-programming exercise with all seriousness that such process requires and deserves. Consequently, as of IPA 2013 the unallocated funds have been a subject of approval by the Working Group for the Management of Negotiation and Policy Envelope Funds within the Instrument for Pre-Accession Assistance for the period 2007-2013 and 2014-2020 (hereinafter: Working Group). The main task of the Working Group is to ensure objective and transparent allocation of the "unallocated funds" to concrete actions and projects, with members including the Ministry of European Integration, the Central Financing and Contracting Unit of the Ministry of Finance, the NAO Management Structure and the EU Delegation. The basis for the management of the Working Group is set up in the Guidelines for the management of unallocated funds under the Instrument for pre-accession Assistance for the period 2007-2013 and 2014-2020 (hereinafter: Guidelines), which has been adopted by the representatives of the Members of the Working Group.

Technical assistance to the PLAC is being implemented currently through the IPA 2017 National Programme. This is the fifth in a row of PLAC projects directed towards assisting national institutions in the alignment of domestic legislation with the acquis. Lessons learned so far show that specific emphasis needs to be placed on enhanced compatibility of national

legislation with EU legislation and its effective implementation and enhanced capacities of relevant national structures for successful carrying out of accession negotiations. Lessons learnt from PAR sector budget support point to the limited capacity for evidence-based policy making, the need to improve use of regulatory impact assessments, including budgetary impact assessments. Administrative data and statistics production as a basis of decision-making is not well developed and should be addressed.

The proposed intervention in the field of strengthening capacities for indirect management of IPA, utilize the lessons learned from accumulated past experience. The most important actions in this process were: the IPA 2013 “Strengthening the European Integration Process and management of post 2013 IPA”, which focused on the improvement of the institutional and financial management capabilities and quality of services provided by the NF, CFCU and other key players involved in the management of pre-accession assistance. A road map for the waiver of ex ante controls under Decentralised Management System was prepared and all relevant institutions were made aware of the necessary adjustments and requirements and ready to operate under extended Decentralised Management System. The current IPA 2016 “Successful preparation, contracting and implementation of EU funded projects under indirect management system of EU pre-accession assistance” supports the capacity of the managing structure for sound financial management and control (advisory support, mentoring and on the job trainings), provide support for further optimization of operational procedures within indirect management of IPA II and enhance AFCOS operational capacities.

In the more general field of public administration reform, two important on-going initiatives are closely linked with this action: **Support to Public Administration Reform under the PAR Sector Reform Contract** (IPA 2015) which intends to assist the overarching Public Administration Reform. The PAR Sector Reform Contract, in the value of 80 million Euros, is providing support for key reform areas, including the field of human resources development, over a four year period. The IPA project **Support to Establishment of the National Academy for Public Administration** provided support to the NAPA in establishing an overall operational framework for the work of the Academy and conducting the necessary analyses and preparation of key documents for the functioning of the system of professional development.

The UK through the Good Governance Fund (GGF) provided support to the ministry responsible for public administration in drafting amendments to the Law on Civil Servants through the Project “Promoting Public Administration Reform through Further Support to the Modernisation of Human Resources Management”. In 2018 recommendations for staff retention have been developed within IPA Project “Restructuring and Optimisation of Public Administration in the Republic of Serbia 2018-2020”. One of the recommendations emphasise necessity to establish clear criteria for the identification of high-quality and talented personnel, as well as to introduce instruments which will facilitate managers to identify the most talented civil servants in their institutions.

A special working group for the development of a framework of competencies for civil servants was established and consisted of the representatives of the Human resource management service, the MPALSG and local experts in this field. The support is envisaged as part of the Project ‘Support to Public Administration Reform’ supported by the German Government through GIZ. The human resources management system is also supported by GIZ Foundation in reengineering the functions of hiring and performance assessment in state administration, based on competency system. There will also be a GIZ Foundation support of internal labour market – process reengineering and preparation, as well as support to development of modern instruments of individual development, like coaching and assessment centre.

The project “Support further development of citizen-oriented administration through building the Capacities of National Academy of Public Administration”, supported by the UK, through GGF, supported NAPA to develop a coherent and comprehensive framework methodology, as well as methodological instruments for training needs assessment, curriculum development and standards for training evaluation, which will contribute to establishment the base for further improvement of professional development system. The methodology developed within the framework of this project is the input for the activities to be implemented through the next

project “Support to NAPA in professional development of public administration”, supported by the European Union. The main objective of this project is to support the enhancement of professional development of employees in public administration based on real needs of the employees and priorities of public administration.

In line with the SIGMA’s Action Plan for Serbia 2018-2019, SIGMA supports NAPA in developing a modern tailored training and development programme for Serbian senior officials. In this regard SIGMA will prepare necessary training program, however the NAPA lacks resources to implement it in a full scale.

In regard to **information society and digitalization**, the proposed action will be complementary to the other donor initiatives, namely to the ongoing “Enabling Digital Governance Project in Serbia” (EDGE) initiative of the Government of Serbia that will be implemented through a World Bank loan, as well as to the ongoing project “Serbia at your fingertips - digital transformation for development” initiative, financed by the British Government and implemented by the UNDP in cooperation with the Office of the Prime Minister and ITE. These interventions are focused on fulfilling the primary technical goals of establishing an underlying digital infrastructure and providing fully digital public electronic services.

When it comes to **support at the local level for public administration** reform processes in Serbia, there are several valuable lessons learnt which are incorporated within the action. There is firstly the fact that LSGs are quite numerous while their needs and development priorities and ambitions differ from one LSG to another. This implies that best results are achieved with the LSGs that are directly technically supported and willing to compete for assistance, whereas the rest of LSGs need to be provided with the solid methodological guidance, targeted trainings and advisory support, so that no LSG is left behind. This is why a combination of support modalities is proposed, such as to provide municipal support packages for selected LSGs on the one hand, and trainings, instructions and models of documents and processes on the other hand. Furthermore, for the LSG reforms to succeed, it is of utmost importance to ensure continuous enrolment of national line institutions to suggest and steer the main courses of actions. This is to be achieved from the very start through elaboration of methodological guidance for local planning processes which shall be proposed by the Standing Conference of Towns and Municipalities (SCTM). Throughout the implementation of the action, the competent line institutions/departments (notably MFIN, MPALSG, MEI and PPS) will directly dialogue with LSG representatives through SCTM Networks and Committees, whereas possible methodological adjustments but also new PAR and PFM action planning for the respective activities, will be agreed upon between the SCTM team and national institutions. Not least, an important lesson learnt is that in a given moment of implementation, there are usually other support interventions directly intended for the LSGs, which can be successfully paired. Tight collaboration is anticipated between the action and the integrated sustainable territorial development Programme (ISTDP) planned under IPA 2020 in respect to the elaboration and operationalisation of LSGs’ Development Plans.

As far as the key relevant predecessor and ongoing projects are concerned, this is a follow-up on the ongoing Exchange 5 Programme (IPA 2014) in respect to the component dealing with programme budgeting and capital planning. There is likewise a number of activities (within ongoing EU projects accompanying PAR SBS and the German development assistance implemented by GIZ) supporting the PPS and the Government in up building of the new planning system, elaboration of manuals and preparation of related capacity building curricula – the outputs of which will be fully taken into consideration for the proposed intervention. In this regard, SCTM is enrolled as an implementing partner to UNDP in piloting the elaboration of first development plans in 5 LSG. This is a part of a broader intervention funded by the SlovakAid on “Improving governance and economic planning at the local level for accelerating the implementation of SDGs in the Republic of Serbia”. The piloting is limited only to 2019, but it has been agreed notably with the PPS, to use it also for testing the desirable methodology which would subsequently be advised and applied in a systematic manner after 2019 to other LSGs including with this action. Coordination will be ensured with the Local Finance Reform Programme supported by Swiss Confederation, notably the second phase of this Programme

which has been launched in 2019 and will last until beginning 2023, intended to support LSGs (up to 20) for implementation of the good governance principle in internal audit and FMC processes. Likewise, MFIN is currently beneficiary of an EU funded Twinning on PIFC, which is also embarking with the identification of good practices on PIFC in Serbian LSGs, so the conclusions thereof will be relevant for related activities planned with IPA 2019. Some important good governance tools, model documents and processes concerning participatory and gender budgeting and transparency will be available upon completion of the Swiss PRO support to LSGs (2018-2022) which is already coordinated with ongoing Exchange 5 Programme. Finally, the proposed intervention builds on the results of the Project on Accelerating Accountability Mechanisms in Public Finances funded by SIDA and implemented by UNDP and SCTM in 2017-2018 which resulted in introduction of an advanced electronic reporting system for municipal assemblies on local budgets – i.e. public budget portals – in 10 LSGs.

Enhancement of capacities for improvement of accessibility of legal aid/assistance and information necessary **for exercising rights of IDPs** will build upon results attained within IPA 2013 and 2016 projects which enabled accurate and easy monitoring of project implementation, number and types of cases, status of realization, municipality distribution of cases and others.

Support to **gender equality** has, in the past (IPA 11 and IPA 13 antidiscrimination projects) taken place in the context of other larger interventions, or as a side issue in the policy development projects, and in the 2015 SBS for PAR. Concerning the support to enhancement of public administration capacities for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management the proposed intervention will build upon the results and main accomplishments of the IPA 2016 Support to Priority Actions for Gender Equality in Serbia (Gender Equality Facility - GEF). The proposed Action is a continuation of the GEF project implemented in partnership with the Coordination Body for Gender Equality and the Ministry in charge of European Integration.

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

	OBJECTIVELY VERIFIABLE INDICATORS					
OVERALL OBJECTIVE	INDICATORS NAME	BASELINE	MILESTONES (2024)	TARGETS (2027)	SOURCES OF VERIFICATION	
To contribute to strengthening the legislative framework and institutional capacities, for the efficient carrying out of accession negotiations and fulfilling the requirements of EU membership	Rate of alignment of the EU <i>Acquis</i> , as measured by the % of the implementation of the Serbian National Programme for Approximation with the <i>Acquis</i>			100%	EC Annual Reports	
SPECIFIC OBJECTIVE					SOURCES OF VERIFICATION	ASSUMPTIONS
<p>To ensure a successful management of overall EU integration and pre-accession assistance geared towards EU membership focusing on public administration reform and justice areas.</p> <p>To ensure further harmonisation, implementation and enforcement of the EU <i>acquis</i>.</p> <p>To ensure further a proper follow-up and monitoring of the implementation of the new legislation.</p>	<p>Number of negotiations Chapters of the <i>Acquis</i> opened</p> <p>Number of negotiations Chapters of the <i>Acquis</i> closed</p>	<p>16 (2018) 14 opened, 2 provisionally closed</p>	<p>All chapters opened At least 22 chapters closed</p>	All chapters closed	<p>EC Annual Reports NPAA Reports</p>	<p>Continuous commitment of the GoS to European Integration process;</p> <p>Annual budget allocation by the government of appropriate levels of human and financial resources; Sufficient dedicated and qualified staff available at beneficiary institutions.</p>
RESULTS					SOURCES OF VERIFICATION	ASSUMPTIONS
<b>Result 1:</b> A prompt implementation of a number of accession related actions in the sectors covered by the EU <i>acquis</i> and policy dialogue with EU is ensured.	Number of specific national institutions supported implementing selected NPE actions for the achievement of NPAA priorities	0	5	5	<p>EC Progress Reports SIGMA Monitoring Report NPAA Reports</p>	<p>Continuous commitment of the GoS to European Integration process;</p>
<b>Result 2:</b> Capacity of senior civil servants is increased.	Extent to which a modernised professional development and training system for SCS is introduced / put into practice	No	Yes			
<b>Result 3:</b> Planning and financial management processes at the local level in Serbia are improved.	Percentage of LSGs with local planning framework established in line with the Law on Planning System (considering LSGs with	0 (2018)	50%		<p>Project reports and SCTM surveys; PPS data according to the Single Information System (if</p>	<p>Methodologies and instructions to accompany the normative framework on the planning system</p>

	<p>adopted LDPs and functional mid-term planning);</p> <p>Percentage of LSGs with functional capital investment cycle established in line with the viable Decree on capital projects/public investments' methodology (considering LSGs which adopted public investment plans and prepare their budgets accordingly)</p> <p>Percentage of LSGs with functional PIFC</p>	<p>0</p> <p>25% (2018)</p>	<p>50%</p> <p>70%</p>		<p>technically feasible)</p> <p>Project reports and SCTM surveys; MFIN data according to the Integrated Database of Capital Projects (if technically feasible)</p> <p>Project reports and SCTM surveys/SCTM local finances index; MFIN/CHU consolidated reports on PIFC, SAI reports</p>	<p>elaborated for the local level.</p> <p>New approach on LSGs' PB for budgeting cycles after 2020 with respective guidelines introduced.</p> <p>Rulebooks envisaged by Decree on capital projects adopted and Database of capital projects established</p>
<b>Result 4:</b> Legal Aid assistance in protection of Property Rights of IDPs is provided.	Ratio between solved and received number of legal cases (solved/received*100=%)	40%	60%	70%	<p>Contractor's Reports and Database</p> <p>Survey results</p>	
<b>Result 5:</b> Serbian public administration capacities are strengthened for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management.	<p>Number of sector strategies, budgets and EU programming documents that include gender equality considerations: a) sex disaggregated data and indicators; and/or b) section on gender analysis; and/or c) specific activities or result(s) on gender equality and women's empowerment.</p> <p>Fulfilment of Cohesion Policy (Chapter 22) enabling conditions for gender equality: a) strategic framework; b) administrative capacities; c) monitoring mechanism</p>	<p>7 strategies; 33 budgets (2019)</p> <p>Not</p>	<p>15 strategies and plans; 56 budgets</p> <p>Partially</p>	<p>20 strategies and plans, 80 budgets</p> <p>All criteria fulfilled</p>	<p>Sector strategies, Annual GRB report, IPA gender Annexes</p> <p>Partnership Agreement</p>	<p>Legislative, personnel and administrative frameworks for gender equality are in place; Political Commitment for gender equality remains strong.</p>

## DESCRIPTION OF ACTIVITIES

### **Result 1 - A prompt implementation of a number of accession related actions in the sectors covered by the EU acquis and policy dialogue with EU is ensured**

The aim of the envelope is to provide flexible and immediate support to Serbian authorities during the accession process, especially by building capacity for acquis alignment in line with the better regulation approach in a number of key sectors through different contracts.

#### **Activity: 1.1. Negotiations and Policy Development Envelope**

The **Negotiations and Policy Developments Envelope** will support enhancement of Serbia's institutional and administrative capacities to meet the full range of priorities deriving from different policy and strategic documents and national legislation developed as part of the ongoing public administration reform efforts. It will support horizontal activities arising from negotiation process and *acquis* alignment, implementation and enforcement such as needs mapping and gap analyses, administrative data and statistics production, impact assessments, development of strategies and action plans, preparation/revision of legal framework, training, study tours, networking, participation in workshops, conferences and similar capacity development activities.

The Working Group for the Management of Unallocated Funds within the Instrument for Pre-accession Assistance for the period 2007-2013 and 2014-2020 (hereinafter: Working Group) will facilitate the programming of these funds. The role of the Working Group is to review the actions proposed for financing by potential beneficiaries, to adopt the list of prioritised actions for financing and approve actions which are the readiest. Working Group is operating based on the adopted Guidelines. The selection and prioritisation of the actions for financing is done according to following criteria:

1. Linkage to the priorities defined within the ISP/NPAA/ NAD/Sector and Multi-sector strategies;
2. Significance for the completion of an on-going project, action or process;
3. Maturity (documentation readiness, fulfilment of conditions for start of the implementation, capacities of final beneficiaries and end recipients);
4. Proposal responds to an emergency (for example: floods, migration crises etc.).

Although the Negotiations and Policy Development Envelope serves as a flexible facility with the aim to provide support to interventions which could not be identified during the process of programming, the Ministry in charge of European Integration in cooperation with the line ministries identified the following indicative list of interventions:

Indicative Activity 1.1.1: Establishment of M&E system on the central level for monitoring and evaluation the situation in all aspects of the HRM system– the indicative intervention will contribute to implementation of the 2018 Law on Civil Servants, particularly having in mind that amendments to the Law introduced significant changes in the civil service system by introducing competencies in all aspects of HRM system. After several years of implementation of the legal provisions, it will be necessary to assess that the introduction of the proposed changes has been regularly implemented in the entire civil service system. One comprehensive analysis of the current state will be done to assess the effects of implementation of new legal solutions. In order to create clear link between key elements of HRM function, methodology and set of indicators will be established which will represent the instruments for supporting the work of analytical capacities. Information gathered through this kind of exercise will provide useful information for further improvement of the process. In order to establish efficient analytical network with the central coordination unit in MPALSG it would be necessary to ensure capacity building activities at the beginning of this intervention.

However, the proposed intervention can be considered as mature for financing once the HRM information system is fully operational and improved in line with the new technical requirements to absorb additional data caused by required changes of the Law. The establishment of the HRMIS is a precondition for this intervention and a legal act that regulates this area will be drafted in 2020 (detail description of the new HRMIS would be presented later in the text). Additional financial resources from the budget would be ensured to upgrade the current system and link it to other relevant systems and data sources in this area. Also, line institutions are expected to start to systematically produce and input the required administrative data and statistics in HRMIS to contribute to evidence-based policy-making in this area.

Indicative Activity 1.1.2: Introduction of career development modalities based on competencies - Establishment of professional civil service based on merit requires also further development and introduction of competency framework. Additional analysis of behavioural and functional competencies and their indicators should create the base for design of civil servant passport that will ensure all important data on civil servants' career. Beside this, several career management modalities should be introduced including variety of modern instruments at the institutional and individual level and should be applied to several target groups. Special attention should be given to a group of talented apprentices, who should be provided with a robust career development support in the first period (fast stream). Among the institutional instruments for supporting the career management of civil servants, the internal labour market, will be further developed in order to address the needs of civil servants in different career development phases. Therefore, through this intervention different vertical and horizontal modality of the career development of the civil servants would be designed and developed. Modalities for career promotion will be developed on the institutional level (like competency framework, Internal Labour Market) and individual level (monitoring and coaching, individual development plan, 360 degrees feedback). Set of different modalities and instruments for career promotion will contribute to better motivation of civil servant, increased efficiency, as well as better promotion of public administration as an employer and finally contribute to retention policy having in mind problems regarding the outflow of staff and critical group of civil servants (especially civil servants with IT and European integration background).

Indicative activity 1.1.3: Rolling out of an information system of clinical, laboratory and epidemiological information on cases at regional and national level. In order to strengthen the microbiology laboratory surveillance system there is a need to put in use (by rolling out and dissemination to all health institutions) the information system provided by the EU/UN/WHO grant – the Electronic Health Record / Integrated Health Information System, which shall, among other functionalities, enable effective electronic reception/analysis/interpretation/use/reporting/dissemination of clinical, laboratory and epidemiological information on cases at regional and national level. In terms of defining the set of procedures developed under Result 5 of the AD EU support to HRSD, this activity is to be overseen by the Operational group to be established in the Ministry in charge of Health.

Indicative activity 1.1.4: IPA funds management system enhanced. The activities within this result will contribute to enhancement of IPA funds system, supported by legal, institutional, procedural, information and technical framework adjusted to the new financial perspective of IPA III in order to ensure effective and efficient management of EU Pre-accession Assistance. The achievement of this Result may comprise of activities of the following nature:

- Provide support to further strengthen capacity of Contracting Authority in indirect system for the effective and efficient implementation and monitoring of the IPA II and IPA III Programmes, in order to increase the absorption of the IPA funds
- Support to the NAO SO and NF for improvement of: legal framework, sound financial management and control (including irregularity management); further improvement of legal framework for indirect management system related to modifications of the national legislation in order to additionally enable responsible authorities and structures to fulfil their functions.
- In consultation with Contracting Authority the technical support to the Final Beneficiaries/IPA Unit/End recipients, responsible for the preparation and implementation of IPA II and IPA III Programmes.
- Support for further optimization of operational procedures within indirect management of IPA II and IPA III.
- Further strengthening of capacity of NAO SO, NF and Contracting Authority for the effective and efficient implementation and monitoring of the IPA II and IPA III Programmes

Indicative activity 1.1.5. Continuation of EU support through the Policy and Legal Advice Centre for the uninterrupted progress of the accession negotiations. The PLAC is aimed at ensuring the high-quality expertise to be provided to national staff dealing most concretely with legislative harmonization and at providing direct transfer of know-how by recommending cost-effective implementation mechanisms and sustainable solutions, including elaboration of studies and impact analysis, setting out operational



conclusions. PLAC will provide adequate expertise and resources and targeted advice and guidance to the national administration, in order to meet the benchmarks in respective chapters, as well as its proper implementation and effective enforcement by further building the capacities of involved stakeholders. This will be achieved through a number of activities, such as: provision of support to the national administration in understanding remaining acquis which should be transposed, as well as new acquis and provide assistance in drafting acquis-compliant legislation, including: delivery of trainings/workshops on the new acquis, drafting laws, timely elaboration of necessary by-laws, preparation of the instructions and other interpretative materials, action and training plans and other instruments for the smooth implementation of adopted legislation; assistance to competent institutions in assessing the effects/impact of the pieces of legislation to be harmonized and to accurately anticipate financial implications of their implementation; preparation of national administration for the practical aspects and challenges in the implementation of harmonized regulations and support establishing of functional coordination mechanisms to facilitate implementation; assistance to relevant institutions in developing the necessary implementation follow-up measures and in monitoring and reporting on the implementation of harmonized legislation; advice if necessary, on the competences and appropriateness of certain institutions to be in charge for specific and complex pieces of acquis and other forms of technical and advisory support.

In addition, PLAC will support the national administration to establish and increase the capacity of the bodies/ units necessary to assume the obligation of membership and continue support for national administration to overcome remaining benchmarks in certain negotiating chapters, including elaboration of required analyses and reports (depending on the situation per chapter based on EU common position).

It may as well provide assistance to the national administration in the preparation for the future participation in working bodies of the Council of European Union and other bodies in the European Union. The support to the national administration would also be relevant for the preparation for observer status in the special EU bodies in the period prior to the accession.

Finally it may provide technical support and advice to Negotiating team and Ministry of European Integration and to negotiating groups and other directly involved structures, including support to the Ministry of European Integration and Negotiating team in facilitation and coordination of horizontal and vertical negotiating structures in obtaining targeted capacity building and transfer of know-how from recent accession experiences (seminars, workshops, etc.).

Sub-activity 1.1.6: E-Government services and quality assurance system within public administration strengthened– will contribute to the establishment of fully transactional e-Services, necessary for the implementation of the Government of Serbia and EU Western Balkan`s digital agendas, which require provision of a secured and manageable ICT services according to “ICT as a Service” principle that is based on the internationally recognized ISO 27000 and ISO 20000 standards.

The proposed intervention will be achieved through two components. First component will include 88 identified central-level PA institutions while the second will cover only one PA organization at central level – the ITE. The activities that will contribute to both components fully match the activities already defined by the ISO 27000 and ISO 20000 standardization process, and include assessment of the current situation in regard to the requirements of the standard(s), identification of gaps in regard to the requirements of the standard(s), preparation for certification (bridging the gaps) and certification. For both components, special emphasis will be placed on information security awareness raising and comprehensive education through the communication, collaboration and cooperation with the EU Commission Data Protection Officer, European Data Protection Supervisor and Serbian Commissioner for Information of Public Importance and Personal Data Protection.

**Result 2: Increased capacities of senior civil servants (SCS) -** Professionalization of SCS is a key determinant of organizational performance in the public sector and this is why this intervention is focusing on substantial enhancement of professional competencies of senior officials in Serbia. Professional development will start with detail and individual development needs for a majority of SCS that would tailor further development activities. It is envisaged that majority SCS have participated in the renewed professional development and training activities by the end of the intervention. A system for regular assessment of SCS competencies as a feedback tool for the senior officials and as a base for further planning of development activities would be elaborated and introduced.

**Result 3 – Planning and financial management processes at the local level in Serbia improved** – This result focuses on improvement of public financial management practices at local level, through three activities:

Activity 3.1: Fostering the LSGs in preparation and implementation of LSG Development Plans (LDPs) and Mid-term Plans in line with their programme budgets –this activity will directly back-up LSGs and represent the basis for annual reporting on the implementation of these Plans (it practically has the function of the annual action plan pursuant to the Law on Planning System). Depending on the exact state of play, activity would initially address remaining methodological needs (e.g. models of documents accompanying the LSG Mid-term Plans pursuant to the applicable Decree, reporting templates) and legislative provisions concerning phases of analysis and participative preparation of planning documents (consultations, public debates), applies to local level and will be addressed in parallel with working on LSG Development and Mid-term Plans.

Having in mind that LSGs' Mid-Term Plans need to directly refer to LSGs' programme budgets at all levels of programme structure, the support inevitably encompasses this aspect as well. The proposed intervention will provide the necessary methodological guidance and technical support to LSGs for the new setup of the PB structure (currently being piloted in the scope of Exchange 5 Programme), including better incorporation of gender perspective, whereby the objectives and indicators will be directly consolidated between LSGs' Budget Decisions and Mid-Term Plans and through respective reports. In the course of three-year support, 3 annual cycles of trainings on local planning and budgeting shall be delivered following the requirements of the national framework for professional development of local administration<sup>1</sup>. In order to ensure outreach towards all the LSGs, each annual training round shall be structured through 8 regional events gathering geographically proximate LSGs. In terms of individual work with LSGs, it is planned to award expert/technical assistance to LSGs i.e. 20 municipal support packages (MSPs) for elaboration of Development Plans and Mid-Term Plans respectively.

Activity 3.2. Upgrading of LSG capacities to adequately apply capital projects' cycle and transparently operate the budget is designed to address the novelties in the system regarding the Decree on capital projects and anticipated amendments. It will ensure an intensive expert work with LSGs both in preparation of local public investment plans pursuant to the methodological requirements and in following up the further cycle of actual implementation of investment projects and re-evaluation of priorities for financing. Assistance shall likewise be provided for undertaking consultations and public debates on public investment plans as required by the amended Law on LSG which implies obligatory public scrutiny over the investment part of LSGs' budgets.

In this segment of the intervention concerning local investments' planning and implementation, direct technical support shall be awarded to 20 LSGs upon the call/competition for MSPs, whereas 20 LSGs shall be offered the possibility for introducing public budget and investment portals intended for the MPs in the local parliaments but also for the general public. Having in mind very illustrative and good comparative practices of local investment planning, the aim will be to also organize exchange on such local processes (either in the form of a study visit for the enrolled LSGs or by bringing competent representatives of the local administration from abroad to Serbia). Same as in the case of previously described support for LPDs, in the course of programme implementation 3 annual cycles of 8 regional trainings/seminars shall be organized for representatives of all the LSGs, whereas advisory support and models of local acts necessary for carrying out investment cycles shall be promoted for usage by LSGs via SCTM Networks and advisory and communication channels.

Activity 3.3: Embedding of PIFC features in LSGs' operations and linking with local planning and budgeting frameworks will enable targeted and more comprehensive assistance to LSGs through elaboration of internal acts/decisions governing basic operations, control environment, processes and their monitoring, LSGs' risk plans and registries, as well as protocols for reporting towards MFIN, follow-up on enforcing the CHU recommendations, preparations for the performance audit by the SAI and for quality transposition of local public policy objectives into functioning of local administration. In this respect, newly published guidelines

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<sup>1</sup>The reference here concerns sectoral continuous training programmes for professional development of LSG employees, as annually approved by the Government pursuant to the Law on LSGs, Law on NAPA and accompanying Decrees.

on managerial accountability, self-assessment for the FMC and standards of the IA (as of November 2018) will be directly instrumental both for the provision of individual assistance to LSGs as well as for general capacity building.

At least 10 LSGs will be directly supported through MSPs in this respect, whereas the content of the assistance shall be aligned with partner projects intervening in the same area but with different LSGs (RELOF, phase II as mentioned above). Sectoral programmes for professional development of LSG employees on IA and FMC intended for all LSGs will be followed-up, while the policy developments and guidelines will be presented in cooperation with the MFIN and MPALSG as needed in the scope of SCTM Networks for local finances and heads of local administrations to all member towns and municipalities in the course of programme duration.

**Result 4- Legal Aid assistance in protection of Property Rights of IDPs provided (chapter 23)**-Access to justice will be improved for IDPs to exercise their property rights, health, education, employment, social welfare and human rights provided in line with international standards and existing legislation. Implementation of proposed intervention will support IDPs to overcome all existing obstacles during the all the phases of the proceedings in front of the institutions and courts in Kosovo\*. This result will be achieved through enhancement of capacities for improvement of accessibility of legal aid/assistance and information necessary for exercising rights of IDPs. Support will build upon results attained within IPA 2013 and 2016 projects which enabled accurate and easy monitoring of project implementation, number and types of cases, status of realization, municipality distribution of cases, etc. In order to ensure that activities will be conducted in line with EU rules but at the same time to provide essential part of the legal aid, model of implementation in IPA 2013 and IPA 2016 legal aid project will be applied that implies MoU with CSOs in Kosovo\*.

**Result 5 - Serbian public administration strengthened its capacities for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management**

The result will be accomplished through implementation of following activities:

Activity 5.1: Improvement of a system for accomplishment of gender equality and women's empowerment standards – activity encompass continuous support to the institutional capacities of the Government of Serbia through Coordination Body for Gender Equality and other key institutions by ensuring the implementation of Gender Equality Law and National Strategy for Gender Equality. Including the gender perspective in all public policy documents, policies, measures and budgets will contribute to improve women position in Serbia which is in line with national and international commitment on gender equality standards and EU Acquis. The activities also provide model for multi-disciplinary and inter-institutional response to gender equality, strengthening mechanisms for cooperation among institutions in charge for gender equality. The model will include networking and improved coordination and cooperation amongst gender equality mechanisms on national, provincial and local level. Supporting capacities of civil servants for planning, implementation, monitoring and reporting will lead to gender mainstreaming of all policies and measures in different sectors and on different level. It will also include the support to Gender Equality Mechanisms at local level for implementation of their Local Action Plans for Gender Equality. In particular, the activity will be focused on:

- Technical Assistance to the Coordination Body for Gender Equality and other institutions involved in the implementation of Gender Equality Strategy, Budget System Law and Law on Planning System to provide recommendations and advocate for inclusion of gender equality considerations, specifically sex disaggregated data and indicators, section on gender analysis, or specific activities on gender equality and women's empowerment in sector strategies and budgets;
- Efficient horizontal and vertical coordination in the implementation of the National Strategy for Gender Equality, and EU Gender Equality Acquis, between the Coordination Body for Gender Equality, line ministries through gender focal points, and with the provincial and local gender equality bodies;
- Local gender equality mechanism and civil servants enhance capacities for gender responsive governance: planning, implementation, monitoring and reporting; and for gender mainstreaming in their respective sectors and in line with their mandates and functions.

Activity 5.2: Strengthening the capacities of the institutions and organizations involved in EU funds programming and monitoring to include the principles of non-discrimination, gender equality and accessibility - The activity will support the Government of the Republic of Serbia efforts in the promotion of gender equality, non-discrimination and accessibility in all cycles of management of IPA and EU funds (structural funds and cohesion policy) - planning, programming, monitoring and reporting – in line with ex/ante conditionalities. In this respect, arrangements for capacity assessment, training and capacity building activities of staff of the authorities involved in the management and control of the EU funds in the fields of EU antidiscrimination law and policy, gender equality law and policy, gender mainstreaming, national disability law and the United Nations Convention on the rights of the persons with disabilities (UNCRPD) in the field of cohesion policy and EU funds will be carried out as part of the process to fulfil the general ex-ante conditionalities. Support will be provided to further strengthen existing mechanism of cooperation with CSOs, to ensure the dissemination of information and participation of citizens in the planning, monitoring and implementation of cohesion policy and EU funded programmes. Essential activities for promoting equality principles will include publicity activities and dissemination of information that include trainings and meetings on national, regional and local level, materials etc. The activities will also comprise of technical assistance and expert support services to the national authorities in integrating gender equality, antidiscrimination and accessibility principles into the cohesion policy managing documentation and operational programs. In particular, the activity will be focused on:

- National administration capacity strengthened in the fields of gender equality, antidiscrimination and rights of persons with disability policies related to the programming and monitoring of the funds, in accordance with the general ex-ante conditionalities/enabling conditions;
- System for assessment and fulfilment of general ex-ante conditionalities (gender equality, antidiscrimination and accessibility) established and functional.

Activity 5.3: Support to Women’s CSOs to influence development and implementation of gender sensitive policies and programmes and to promote the culture of tolerance, equality and non-discrimination – the activity will provide support to the active role of women’s CSO in identifying main issues and priorities related to gender equality and influence development, implementation and monitoring of gender related programmes and policies at national and local level, as well as the implementation of the National Strategy for Gender Equality and its specific objective on the increased public awareness of the significance of gender equality and specific measure on the empowerment of women at the labour market. Cooperation between women’s CSOs and gender mechanisms at all levels will be established and supported through organization of thematic meetings and events, to enable exchange of knowledge and defining policies and measures that address adequately gender equality challenges. Women’s CSOs will be selected to act as the responsible parties and signing the Standard Project Cooperation Agreements (SPCA) for the implementation of specific measures. The project will support the women's civil society organisation in: a) piloting gender data labs and development of watch-dog reports to support evidence-based development of policies and programmes and secure inclusion of gender perspective, b) organization of campaigns to promote positive attitudes towards women and their active role in all aspects of a society, and c) enhancement of the position of women in the labour market through increased availability of services and enhanced work-life balance. Combining the exchange of knowledge and the implementation of the project by women CSOs, this action will capacitate women's CSOs to participate in community development in general, and to support targeted initiatives. In particular, the activity will be focused on:

- Women’s CSOs strengthen to identify main issues and priorities related to gender equality at local level and influence gender equality policies and programmes through systematic cooperation with GEMs at national and local level;
- Women’s CSOs promote positive attitudes towards women and fight stereotypes through organization of campaigns;
- Women’s CSOs enhance the position of women in the labour market through increased availability of services and enhanced work-life balance.

**RISKS**

Risk	Mitigation measure
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Relevant ministries and other beneficiaries are hesitant to commit the necessary human resources to the preparation of relevant implementation documents	MEI and EUD should always take into consideration workload analyses of all significant implementing institutions. Continuous support by the MEI in development of the capacity of all institutions to prepare good quality documentation is a mitigating factor for this risk Ministry of Public Administration and Ministry of Finance should be involved at an early stage, to plan sufficient resources for relevant authorities in a sustainable manner. Sufficient staffing is necessary not only to implement projects, but also to ensure sustainability.
Lack of political commitment and willingness to support the actions; including the risk of changes in the Governmental structures and lack of constant coordination and cooperation between main beneficiary institutions.	The role of the MEI and the negotiating structures and the policy dialogue in the context of EU accession should be used to mitigate this risk. Regular engagement, project updates, and a participatory approach to be instigated in beneficiary institutions
Inadequate staffing and high turnover rates in the public administration influences the absorption capacities in line ministries and relevant bodies involved in the Action	Strong commitment of the Government towards implementation of the public administration reform strategy. Setting up of each programme comprehensive monitoring and evaluation systems, a careful targeting and preparation of programme potential beneficiaries and extensive training should be provided to programme administration and institutions involved.
Lack of interest and insufficient responsiveness of LSGs to apply for municipal support packages (competitions for direct technical assistance) on: - LSG Development Plans and Mid-term Plans - Programme and capital budgeting - PIFC	Intensive promotion campaign and direct approach to LSGs via SCTM communication channels on the benefits of the offered assistance; Simplification of the application procedure for the MSPs so that it is less demanding for the LSGs to fill-in the forms and apply
Modest turnout of LSG representatives at trainings/seminars proposed as capacity building activities for all LSGs in Serbia on the above identified topics	Timely announcing (by SCTM, NAPA) to LSGs the usefulness of the envisaged capacity building modalities and the fact that they can substitute local financing of annual professional development programmes on the same or similar topics
Resistance of involved institutions to implement the changes in line with the EU acquis requirements and engage in the inclusive and evidence-based approach in policy and legal development	Continual capacity development, raising of awareness among involved institutions and beneficiaries and promotion of examples of good practices and positive vision for change on necessary EU standards which has to be fulfilled The Law on Planning System obliges an inclusive and evidence-based policy development as a national requirement. Lead institutions take stronger role in facilitating and leading sector institutions which have to respect decisions and implement them as the obligatory MPALSG and HRMS are fully committed to implementation of PAR Strategy and Action Plan which will contribute to strengthening of the capacities of relevant line ministries and public administration bodies in implementation of necessary sectorial reforms Through promotion of examples of good practices and setting out a positive vision for change and presenting the positive effects of the change as a result of the participation in the intervention
Readiness and availability of senior civil servants to participate in project activities	Number of promotion events will be planned during project implementation in order to attract SCS and to

	show a positive effect of intervention
Deficiency in making timely decision about actions to be funded from unallocated funds.	MEI, being Technical Secretariat to the WG for Management of Unallocated Funds will support work of the WG in making an assessment of proposed Actions
Implementation of the identified measures that bridge the gap towards successful certification not feasible within the duration of the intervention	Continue to support the preparation towards certification but start working with backup PA organization
Fatigue among civil servants and PA management in adhering to standardized ICT security procedures during daily work	Plan for awareness efforts directed towards constant reminders on the importance of trust and security in digital age
Weak interest and resistance of key stakeholders to get involved and participate in implementation of activities related to Result 6	UN Women plans for the establishment of the wide platform and coalition of stakeholders and gender advocates as a part of the project interventions. The platform will serve to overcome resistance through peer to peer networking and advocacy. UN Women will have constant dialogue and cooperation with the stakeholders.
Some beneficiaries experience difficulties or lack of capacities to implement some of the activities related to Result 6	Partners in this project were selected based on the impact their participation could bring and their capacities to implement project activities. However, should they experience difficulties at any stage, UN Women will take additional measures in terms of capacity building, e.g. consulting services, logistic support, organizing conferences etc.
Insufficient interest of stakeholders: media, academia, and development partners to get engaged in dialogue of gender equality and women's rights.	UN Women with the partners will take additional step to mitigate this risk. Involving the stakeholders from the beginning of the project, UN Women will have constant dialogue and cooperation with the stakeholders.
Resistance of involved institutions to implement the changes in line with the EU acquis requirements	Continual capacity development and raising of awareness among involved institutions and beneficiaries on necessary EU requirements which has to be fulfilled Lead institutions take stronger role in facilitating and leading sector institutions which have to respect decisions and implement them as the obligatory

## CONDITIONS FOR IMPLEMENTATION

Beneficiary institutions for each result are responsible to assure the compatibility of any newly developed systems with the existent national systems, in particular in software and hardware development. In the implementation of any supply components related to this Action, no items can be procured for which compatibility of technical specifications needs to be ensured with the existent systems of the Beneficiary, requiring restricted procurement procedures or affecting open competition.

**Result 1, Activity 1.1.1:** Establishment of M&E system on the central level for monitoring and evaluation the situation in all aspects of the HRM system.

The establishment of the HRMIS is a precondition for this intervention, in accordance with the AP for the implementation of the PAR Strategy. The authorities should be ensuring administrative data production and inputting in the system.

**Result 2: Professional development of senior civil servants** - Professional development and training programme for the senior civil servants within the project „Supporting professional development of SCS in Serbia through elaboration of the training programme for SCS (with NAPA)” supported by SIGMA, developed by the second half of 2019.

**Result 3, Activity 3.3: Planning and financial management processes at the local level in Serbia improved** - Provision of direct technical support on PIFC at the local level (municipal packages) is to be awarded only to LSGs demonstrating sufficient human capacities in respective departments to avoid

overloading of the current staff in LSGs with low administrative capacities. An operational management and monitoring structure, involving relevant representatives of all beneficiary institutions to be established and operating arrangements and individual responsibilities defined in a commonly agreed document.

### **3. IMPLEMENTATION ARRANGEMENTS**

#### **ROLES AND RESPONSIBILITIES**

According to the Government Regulation on the Management of EU Pre-Accession Assistance within IPA II for period 2014-2020 (OG 86/15), the final beneficiaries and end recipients are the following institutions:

Result 1: Sustainable administrative and institutional capacities developed in order to ensure further harmonisation, enforcement of the EU acquis and successful accomplishment of the accession negotiations in public administration reform and access to justice areas:

Activity 1.1 – final beneficiary is the ministry in charge of European integration, in capacity of NIPAC TS/Body responsible for coordination of programming, monitoring and evaluation (BCPME), while the end recipients of the assistances may be line ministries and other responsible public institutions.

Indicative Sub-Activity 1.1.1–final beneficiary and end recipient is the Ministry in charge of public administration and local self-government

Indicative Sub-Activity 1.1.2 - final beneficiary is the Ministry in charge of public administration and local self-government, while the end recipient is Human Resource Management Service.

Indicative Sub-activity 1.1.3:for this sub-activity the final beneficiary is the Ministry in charge of Health of the Republic of Serbia, while the end recipients are: the Institute of Public Health of Serbia with its network of 24 IPHs, 26 National Reference Laboratories, 62 public and 40 private diagnostic laboratories, the Clinic for Infectious Diseases of the Clinical Centre of Serbia, hospitals, primary health centres, Institute of Virology, Infectious Diseases and Sera "Torlak" , and the Belgrade University Faculty of Belgrade Institute of Forensic Medicine.

Indicative Sub-activity 1.1.4, for this sub-activity the final beneficiary is the Ministry in charge of Finance, while end recipient is the Ministry in charge of Finance (NF, NAO SO and CFCU).

Indicative Sub-activity 1.1.5, for this sub-activity the final beneficiary is the Ministry in charge of European Integration, while the end recipients are line ministries and other responsible public institutions at all government levels.

Indicative Sub-activity 1.1.6, for this sub-activity final beneficiary is the ministry in charge of trade, tourism and telecommunication, while the end recipient is the Office for information technologies and e-Government and 88 PA organizations.

Result 2 – final beneficiary is the ministry in charge of public administration and local self-government, while the end recipient is the National Academy for Public Administration together with the HRMS.

Result 3: Planning and financial management processes at the local level in Serbia improved - final beneficiary is the Standing Conference of Towns and Municipalities, co-beneficiaries are Ministry in charge of Finance and the Public Policy Secretariat, while the end recipients are Local self-government units.

Result 4:Legal Aid assistance in protection of Property Rights of IDPs and Returnees upon Readmission Agreements provided (chapter 23) - final beneficiary is the Office for Kosovo and Metohija, while the end recipients are IDPs.

Result 5 - Serbian public administration strengthened its capacities for integrating and implementing EU and national gender equality commitments in strategies, plans, budgets and EU funds management – for activity 5.1 and 5.3final beneficiary is Coordination Body for Gender Equality, while for activity 5.2 final beneficiary is the ministry in charge of EU integration. End recipients for the entire result are the WCSOs, LSGs, public administration bodies, line ministries.

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

See annex.

## 4. PERFORMANCE MEASUREMENT

### METHODOLOGY FOR MONITORING (AND EVALUATION)

Monitoring the progress of implementation will be done in accordance with the rules and procedures for monitoring stipulated in the IPA II Implementing Regulation and Framework Agreement between the Republic of Serbia and the European Commission on the arrangements for implementation of Union financial assistance to the Republic of Serbia under the Instrument for Pre-Accession Assistance (IPA II).

The overall progress will be monitored by means of several sources:

- **Result Orientated Monitoring (ROM) system** (led by DG NEAR): This will provide, as necessary and required, an independent assessment of the on-going or ex-post performance of the Action.
- **IPA II Beneficiary's own monitoring:** IPA II monitoring process is organised and led by the NIPAC, supported by the NIPAC TS/ BCPME. NIPAC is the main interlocutor between the Serbian government and the EC regarding strategic planning, co-ordination of programming, monitoring of implementation, evaluation and reporting on the overall IPA II assistance. NIPAC monitors the process of programming, preparation and implementation, as well as the sustainability and effects of programmes, aiming to improve these processes, ensure timely identification, remedying and alleviation of potential issues in the process of programming and implementation of Actions. Through the support of the NIPAC TS/ BCPME, the NIPAC prepares regular monitoring reports for the Government and the EC based on the reports drawn up by the institutions responsible for implementation. It reports on the formulation of Action, the fulfilment of preconditions for the initiation of public procurement procedures, the implementation of Action, its sustainability and effects, and organises the process of evaluation.
- **Self-monitoring performed by the EU Delegation:** This is part of the annual assurance strategy process and is done based on the ex-ante risk assessment of actions/contracts considered riskier.
- **Joint monitoring by DG NEAR and the IPA II Beneficiary:** The compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly (at least once a year) monitored by the IPA Monitoring Committee. It will be supported by Sectoral Monitoring Committees which will ensure monitoring process at sector level. The results of monitoring will be used in the policy-making process to propose programme adjustments and corrective actions.

Monitoring process envisages participation of various stakeholders, such as EC/EUD, NIPAC, NIPAC TS/ BCPME, NAO, NAO SO, NF, Contracting Authorities, Final Beneficiaries, AA, and other institutions and civil society organisations.

Having regard to the nature of the action, an ex-post evaluation(s) will be carried out for this action or its components via independent consultants.

The evaluations will be carried out following DG NEAR guidelines on linking planning/programming, monitoring and evaluation<sup>2</sup>. A Reference Group comprising the key stakeholders of this action will be set up for every evaluation to steer the evaluation process and ensure the required quality level of the evaluation outputs as well as the proper follow up of the recommendations of the evaluation.

It will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that it includes numerous components concerning the accession process.

The Commission shall inform the implementing partner at least 6 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the IPA II beneficiary and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the

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<sup>2</sup> [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near\\_guidelines.zip](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near_guidelines.zip)



evaluations and, where appropriate, in agreement with the IPA II beneficiary, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

## 5. SECTOR APPROACH ASSESSMENT

IPA II introduces a strategic approach towards programming of the EU financial assistance, which entails a long-term vision, coherent and comprehensive way of planning of the EU funds according to the key priorities.

The activities under this Action belong to several sectors which cannot be specified during the programming phase but rather are designed to address the most urgent needs of the relevant national institutions in the process of assuming obligations from the EU membership. They have been identified by relevant Sector Working Groups and presented in relevant national documents covering the multiannual programming period until 2025.

This Action will support the Serbian public administration at various levels to adequately respond to their respective duties and tasks in the EU integration process and covers therefore a variety of sectors. The firm commitment of the Government of Serbia towards enforcement of the sector approach in the process of planning and programming of the international assistance have been demonstrated through the number of initiatives which contributed to the fulfilment of sector approach criteria in order to enable more strategic use of available domestic and international resources for implementation of national sector reforms and enlargement priorities.

Strategic planning has been improved through the centralization of methodological approach and formation of dedicated institution dealing with public policies. In this regard the Law on Planning System creates a comprehensive legal framework for development of an integrated planning system covering all aspects of socio-economic development, regional and spatial planning and effective usage of public financial resources. LPS stipulates the creation of the National Development Plan that will provide Serbia with long term, national and cross-sectorial strategy covering all dimensions of social and economic development of Serbia. Furthermore, beside the Law enactment of sub-laws determining the methodology for managing the public policies and mid-term planning (2019), including the Single Planning Information System as part of the wider PAR reform yields first results and leads to a more advanced, participatory and evidence-based policy making.

In addition, the Ministry in charge for EU integration together with national institutions started the process of developing a new multi-annual planning document for the period 2019-2025 (NAD 2019-2025). The goal of this document is to identify and synthesize national strategic priorities for nine sectors to be put forward for co-financing by international development assistance. It is based on a holistic approach meaning that nine sectors work in synergy, maximising the overall impact of planned and required reforms. Furthermore, it aims to contribute to more effective public policy systems that underpin economic development and help Serbia to comply with the economic and political criteria for EU accession. In this context, it is a national policy-driven document guiding the allocation of external funding towards the implementation of national strategic reforms. The NAD defines nine sectors as the basis for sector approach and contains indicators, a set of verifiable, annual and mid-term, targets which can be used for assessing the progress of reforms. Furthermore, "*The National Plan for the Adoption of the Acquis*" represents a detailed, multi-annual plan for harmonizing domestic legislation with the EU regulations. Sector approach is additionally strengthened through introduction of Sector Approach Roadmaps (hereinafter: SARs). Relevant sector institutions developed the SARs which were designed to efficiently streamline necessary steps for full enforcement of the sector approach at the sector level. The roadmaps shall facilitate more coherent and consistent sector strategic framework. They define clear targets to be met within the defined timeframe.

The institutional framework for implementation of sector reforms varies between sectors. While the institutional framework is in place to ensure a central government policy-making system, policy coordination still faces challenges in practice and needs enhanced focus on substance rather than on formal and procedural issues. In addition, sectors, such as Competitiveness, HRSD and/or PAR are characterised by the complex institutional set-up which does not necessary allows for easy enforcement of the sector lead institution role. Existing legislative framework, such as the Law on ministries, additionally complicates the willingness of sector institutions to accept full ownership over the sector coordination.

Sector and donor coordination are performed in the Sector Working Group (SWG) forum. They have been established in order to improve the efficiency and coordination of programming and monitoring of

international development assistance process, particularly the IPA, as well as to enable the implementation of the sector approach. Primary role of the SWGs is to ensure adequate platform for sector policy dialogue, discussion on sector policy reform priorities between all relevant stakeholders, both national and international. Through the SWG mechanism planning and programming of international assistance is aligned with identified national priorities and complements the national resources.

Programme budgeting is being implemented since 2015. The PFM Strategy is adopted as a precondition to the sector budget support (hereinafter: SBS) to PAR sector. As of 2015 all line ministries are required to produce programme budgets. Budget beneficiaries are obliged to submit three-year projections in the course of the annual budget cycle. Fiscal strategy sets the medium-term budget limits per budget beneficiary which allows for the estimates of sector budgets on the basis of individual annual budgets for the institutions. The programme budgeting mechanism can already be qualified as very instrumental for consolidating the fiscal discipline and for the transparency of public expenditure. The PAR SBS will contribute to the improvement of planning and budgeting of public expenditures through emphasising the importance of result-based planning, better link between allocated expenditures and policy objectives, and accompanying Serbia in the gradual introduction of programme-based budgeting. Furthermore, the SBS will involve the gradual change of the budget preparation methodology allowing for the preparation of sector-based mid-term expenditure frameworks documents (MTEF), linking the budget expenditures in the mid-term period to programmatic goals that are sector wide, rather than institutionally based. However, there is yet no full-fledged mid-term, sector-based budgetary planning process that could be used to develop mid-term expenditure frameworks.

Part of the Law on Planning system is a performance assessment framework that will enable the monitoring and reporting on policy outputs, outcomes and impacts throughout the Serbian system of policy documents, including the local level. All actions planned through the IPA must be embedded into Action and mid-term plans of budget beneficiaries and as such will also be included into SPIS and consequently reported upon through the system. This National Policy Implementation Monitoring and Reporting System is designed to produce better and timelier information, including financial, on the achievements regarding expected overall policies' outputs, outcomes and impacts. As a systemic solution for tracking the progress in the implementation of national policy documents it should also be seen as the tool to streamline both, national strategic planning and international assistance planning and programming.

Sector monitoring system is for the time being based on the following mechanisms: (i) system of indicators in "National Priorities for International Assistance for period 2014-17 with 2020 projections (NAD)", (ii) indicators defined in the sectorial and/or cross sectorial strategic documents and (iii) periodical review of the implementation of strategies and action plans relevant for the sector. Sector strategy contains outcome and result based indicators, baseline and target values. Indicators are in line with sub sector policy objectives. However, the capacities for defining proper indicators, carrying out the monitoring and evaluation tasks on the sector level should be strengthened.

The public administration of Serbia is not equipped with general methodology, guidelines, manuals and IT system for monitoring and evaluation and they have been developed on a case-by-case basis. Evaluation is done ad hoc, without methodology, there is no internal capacity to carry out evaluation, and this refers both to sector and sub sector level. Reporting mechanism on sub sector level is not harmonised and there is no reporting mechanism on the sector level.

## **6. CROSS-CUTTING ISSUES**

### **GENDER MAINSTREAMING**

The Action, as being focused on implementing specific and urgent needs emerging from EU integration process, represents the tool that will mainstream and provide an effective guide to all actors, to better implement gender mainstreaming and thereby better serve the needs of citizens, both women and men. The Action will ensure that the internal policies, structures or operating procedures conform with and promote equal opportunity. In supporting legislative harmonisation, gender needs will be taken into consideration and provisions that enhance equal opportunities will be introduced. All Action activities will respect the principles of equal treatment and opportunities for women, especially trainings and awareness events. During all stages of the operation, the action will aspire to promote non-

discriminatory practices and procedures and to prohibit any form of unlawful discrimination including race, colour, religion, national origin, political affiliation, sex, age, marital status, or disability.

The concept of gender mainstreaming will be taken into account in all stages of programmes/Action Documents development so as to enable and encourage participation of women in all areas of policy development that this Action will help formulate and support.

In 2016, Serbian Government adopted a National Strategy for Gender Equality 2016 – 2020 with an accompanying Action Plan for its implementation, as the main strategic document for promotion of gender equality in the Republic of Serbia. The Action will closely align with the provisions and measures of this strategy.

At the level of the activities the following can be recommended:

- In all the capacity building activities, vulnerability analysis, citizens' engagement and gender sensitive consultations are required. In order to contribute to local development, customer-oriented services and increased accessibility of services, capacity building should cover consultations with customers (prior to infrastructure investments), service satisfaction measurement, complains management and human rights-based approach, and gender mainstreaming and gender equality.
- All statistical data that will be used and collected during the intervention needs to be gender segregated and segregated according to type of settlement.
- Gender responsive SIA assessment should be conducted.
- Promotional and informative campaigns at the level of local communities (municipalities) related to the expected results of the activities should be organized as convenient. In this context, any promotional materials that will be used need to include visual promotion of gender equality i.e. to avoid gender stereotypes.
- The activities should introduce concrete measures to support the gradual increase of the number of employed women on a local level in all fields of capacity building (and increase other target groups in capacity building activities).

## **EQUAL OPPORTUNITIES**

Equal participation of women and men will be secured through appropriate information and publicity material, in the design of action and accessibility to the opportunities they offer. An appropriate men/women balance will be sought on all the activities of the Action. All contractors 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 Anti-Discrimination Law. 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. Gender equality incentives will be incorporated particularly in activities concerning capacity building. Implementing partners will be encouraged to address the specific needs and priorities of both women and men in planning processes and allocation of resources especially because of differential impacts of planned action in relation to health, education, food supplies, water and sanitation, energy and other basic supplies, as well as employment and income generating opportunities.

## **MINORITIES AND VULNERABLE GROUPS**

Furthermore, the Action will, through the Negotiations and Policy Developments Envelope, support the further alignment of the Serbian legislation to the EU standards and relevant acquis, in a number of sectors. Having in mind the demands of enlargement, which concern not only stability and prosperity, but also democratic values, articulated in Copenhagen political criteria for membership, the Action, through its Negotiations and Policy Developments Envelope, shall spread the message that compliance with basic democratic standards is more than a condition for entry; it is a condition of membership. Also, since one part of the Action will be implemented through this envelope, the inclusion of particularly vulnerable groups, into the preparation, implementation and monitoring/evaluation of activities implemented under this facility is strongly encouraged. Authorities at national and local level are encouraged to consider, in the design of all activities under the facility, the application of a

fundamentals first approach aligned with the Western Balkans Strategy and the updated ISP for Serbia. In particular, the inclusion of Roma, and specifically Roma girls is strongly encouraged.

Furthermore, the Action will in no way cause any harm to the rights of any individuals, including minorities and vulnerable groups. Equally, having in mind the demands of EU enlargement, and that the EU has increasingly articulated its aspiration to represent not only stability and prosperity, but also democratic values, articulated in Copenhagen political criteria for membership, the Action, through its visibility and communication activities, shall spread the message that compliance with basic democratic standards is more than a condition for the EU accession.

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

The cooperation with Civil Society Organisations (CSOs) is facilitated by the Government's commitment as part of its European Agenda. Regarding mechanisms for dialogue, two official mechanisms exist: (i) Office for Cooperation with Civil Society; and (ii) Sectorial Civil Society Organisations - SECO for the processes of IPA programming. Both are examples of good practices in terms of CSO representation in general.

The Government Office for Cooperation with Civil Society is the main institutional mechanism for the support of developing the dialogue between the Government and CSOs through offering support to its institutions in understanding and recognising the role of CSOs in policy shaping and decision-making processes. The Office also established the mechanism that allows involvement of CSOs in negotiations on the accession of the Republic of Serbia to the European Union. CSO participation in this process so far included monitoring of explanatory screenings, participation in the preparation of the bilateral screening for some negotiating chapters and participation in briefing meetings that followed bilateral screenings.

In addition, NIPAC TS - MEI established a consultation mechanism with the civil society organisation (CSOs). This mechanism is based on the consultative process with Sectorial Civil Society Organizations (SECOs) and serves as a platform that enables exchange of information and contribution of CSOs in relation to planning development assistance, particularly programming and monitoring of the Instrument for Pre-Accession Assistance (IPA).

The Platform for participation and monitoring the negotiation process with the EU, i.e. the National Convention on the European Union (NCEU) has also been established as a permanent body for thematically structured debate on Serbian accession into the European Union, between representatives of the governmental bodies, political parties, NGOs, experts, syndicates, private sector and representatives of professional organizations. Furthermore, NCEU was established primarily as a body with the aim to facilitate cooperation between the National Assembly and the civil society during the process of the EU accession negotiations. The cooperation is established in accordance to the good strategic cooperation between the highest Serbian legislative body and chosen representatives of civil society, which was enforced by the Resolutions of National Assembly from 2004 and 2013.

CSOs will be included directly into the implementation of a number of actions within this Action Document. Specific attention will be paid in the framework of this action to ensure that civil society and other non-state stakeholders are consulted in the right time of the legislative and policy-making process and that the decision-makers are informed about the outcomes of the consultations.

#### **ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)**

EU environmental policy aims to promote sustainable development and protect the environment for present and future generations. It is based on preventive action and among other, on fighting environmental damage at source, shared responsibility and the integration of environmental protection into other EU policies. The planned Action activities do not require any specific environmental considerations. However, due consideration will be given to preparing Environmental Impact Assessments (EIA) for potential future investments in the transport, energy, environment and other relevant sectors.

### **7. SUSTAINABILITY**

The proposed Action will produce sustainable results in the short run, since it does not envisage establishment or financing of the new organisational units and their running costs, however it will

provide support to beneficiary institutions and structures that are already in place, but which require additional assistance in the complex process of the harmonisation with acquis and for the preparation for negotiations. Although there is technical support ongoing for the harmonisation with the acquis, for the EU negotiation preparation as well as for project preparation, the demand is still high and the need for technical assistance is likely to increase proportionally to the challenges ahead. All of the capacities developed through this intervention will be used in the future period for the further alignment as part of the accession, and they will be a crucial resource for the EU integration.

Sustainability is also given in the fact that the support for legislative alignment results eventually in adoption of the laws, by-laws, plans, etc., by the Parliament, Government or governmental bodies, ensuring that these are part of the system, and not ad hoc interventions.

Bearing in mind that the activities within this action foresee the certification of 88 PA institutions for ISO 27000 and the certification of ITE for ISO 27000 and ISO 20000, re-certification is to be performed every 2 years. This Action will ensure that all policies and legislation will be developed according to the better regulation approach, which ensures inclusive and evidence-based policy and legislative development. The increased focus on the quality of the legislative and policy-making process will help to ensure that adopted policies and laws can be better implemented. Also, institution-building under this action will respect effective lines of accountability between institutions (agencies and parent institutions), therefore avoiding any possible fragmentation of administration.

In case of Negotiations and Policy Developments Envelope, the sustainability has to be monitored through sub-actions, since the envelope itself is not using any funds or implementing any actions. The sustainability of envelope has been ensured in the past through the successful implementation of sub-actions and through the achievement of envelope purposes and results of individual sub-actions. Finally, the evaluations envelope will generate systemic recommendations and inputs relevant for future programming.

## **8. COMMUNICATION AND VISIBILITY**

Communication and visibility will be given high importance during the implementation of the Action. The implementation of the communication activities 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 EU communication and visibility requirements in force. All stakeholders and implementing partners shall ensure the visibility of EU financial assistance provided through IPA II throughout all phases of the programme cycle.

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 and will promote transparency and accountability on the use of funds.

Beneficiaries of the Action will have to develop a communication plan, which will be approved by the EU Delegation.

Visibility and communication aspects shall be complementary to the activities implemented by DG NEAR and the EU Delegations in the field. It is the responsibility of the beneficiary to keep the EU Delegation fully informed of the planning and implementation of the specific visibility and communication activities.

The beneficiary shall report on its visibility and communication actions in the report submitted to the IPA monitoring committee and the sectorial monitoring committees.