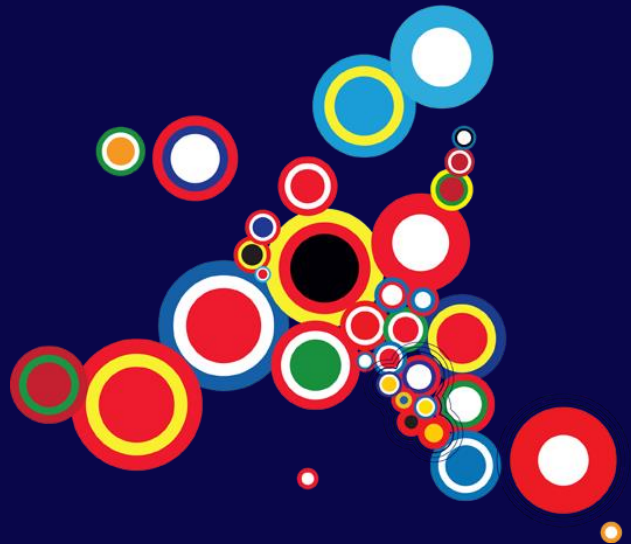




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

Kosovo*

EU Acquis Approximation
Facility



Action summary

The main aim of the action is to further support Kosovo's with approximation with the EU acquis through strengthening technical and administrative capacity of the administration in relation to Kosovo's European Reform Agenda, EULEX gradual handover of responsibilities to Kosovo, the visa liberalisation process and any other political developments as well as to support the effective and efficient management and absorption of IPA funds. In addition, the Facility will contribute to the strengthening of the statistical system of Kosovo by enabling the development of reliable statistical information and facilitate improved decision making.

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

Action Identification	
Action Programme Title	Action Programme for Kosovo for the Year 2017 – Part I
Action Title	EU Acquis Approximation Facility
Action ID	IPA 2017/040505 /01/Kosovo/EU Approximation Facility
Sector Information	
IPA II Sector	1. Democracy and Governance
DAC Sector	43010 (Component I) and 15110 (Component II)
Budget	
Total cost	EUR 6.0 million
EU contribution	EUR 6.0 million
Budget line(s)	22 02 01 01
Management and Implementation	
Management mode	Direct management and Indirect management
Direct management: Indirect management:	European Union Office in Kosovo and Swedish International Development Agency (SIDA)
Implementation responsibilities	European Union Office in Kosovo and Swedish International Development Agency (SIDA)
Location	
Zone benefiting from the action	Kosovo
Specific implementation area(s)	Kosovo
Timeline	
Final date for concluding Financing Agreement(s) with IPA II beneficiary	31 December 2018
Final date for concluding delegation agreements under indirect management	31 December 2018
Final date for concluding procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 189(2) of the Financial Regulation
Final date for operational implementation	6 years following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement (date by which this	12 years following the conclusion of the Financing Agreement

programme should be de-committed and closed)			
Policy objectives / Markers (DAC form)			
General policy objective	Not targeted	Significant objective	Main objective
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	x
Aid to environment	x	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trade Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	x	<input type="checkbox"/>	<input type="checkbox"/>
RIO Convention markers	Not targeted	Significant objective	Main objective
Biological diversity	x	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	x	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	x	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	x	<input type="checkbox"/>	<input type="checkbox"/>

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

The Kosovo Report emphasises Public Administration Reform (PAR) as one of the key factors for Kosovo's aspiration to the European path. Most of the reports from 2009 onwards, including the Feasibility Study for Kosovo, point out that ensuring the delivery of public services to all people in Kosovo and establishing a professional, accountable, accessible, representative public administration free from political interference is a key priority. The Kosovo Report also indicate and acknowledge the progress that has been achieved over the years; however, the administration still needs to improve to ensure that Kosovo is ready to meet the challenges linked to the European perspective, since progress in the public administration related reforms will contribute to Kosovo European path. Moreover the performance, professionalism and efficiency of public administrations are key foundations not only for the political development and Kosovo's European path , but also for its economic development.

The Stabilisation and Association Agreement (SAA) between the European Union and Kosovo entered into force on 1st April 2016. The SAA establishes a contractual relationship that entails mutual rights and obligations and covers a wide variety of sectors. The SAA focuses on respect for key democratic principles and core elements that are at the heart of the EU's single market. The SAA aims at gradually develop a free trade area between the EU and Kosovo where free movement of goods, services and capital are mutually guaranteed and where the application of European standards in areas such as competition, state aid and intellectual property rights will be aligned. Other provisions cover political dialogue, cooperation in a wide variety of sectors ranging from education and employment to energy, the environment and justice and home affairs.

The SAA obligations assume that Kosovo public administration is ready and capable to adopt and implement the SAA in an efficient and effective manner. As part of overall public administration reform efforts, the government's top priority is to establish the policy planning system and ensure better regulation as well as to prepare the structures and strengthen the capacities required for implementation of the SAA.

EULEX is the EU largest Common Security and Defence Policy (CSDP) mission. The EULEX mandate was renewed in June 2016 for a two year period. It provides for the gradual handover of responsibilities from EULEX to the Kosovo authorities. This process is accompanied by financial assistance from the EU within the framework of Kosovo's Rule of Law Assistance Strategy. Developments in the area of rule of law are likely to necessitate financial and/or technical assistance during the EULEX new mandate (June 2016-June 2018). The process of phasing out the EULEX activities has been implemented from at least 2014 by gradual handover of the EULEX executive functions to the local authorities. The new EULEX mandate 2016-2018 saw a 50% cut of the EULEX staff in both Executive and Strengthening Divisions. The Executive Division is handing over most of its cases to the local authorities, focusing only on the limited number of selected, high profile cases. The possibility of taking new cases is very limited (the so called Article 7a procedure allowing it requires an agreement of the local authorities). In parallel, the Strengthening Division is also limiting its MMA (Mentoring, Monitoring and Advising) activities.

Kosovo, supported by a number of donors including the European Union (EU), places significant importance in improving the statistical system to bring it up to international standards. Further development of official statistics is directly connected with the challenges linked to the European perspective, Official statistics are used for decision making by local and international policy makers, businesses and society at large. It is an essential tool for the development of democratic and market oriented societies. Building a sustainable statistical system according to EU and international standards is a demanding and lengthy process.

Despite the progress made in several areas of statistics, in general Kosovo continues to have limited progress in the sector. Main problems related to: (i) harmonization of the produced statistics with central processes, (ii) quality and reliability of the produced statistics, and (iii) alignment of Kosovo statistics with the EU standards and international methodologies.

The status of development in statistical sector is as following:

Macroeconomic statistics are currently being produced in line with the European System of National and Regional Accounts (ESA 2010). However further increase of macroeconomic indicators are required

particularly to comply with Eurostat (the Statistical Office of the EU) percentage required indicators and improve the production timelines in order to facilitate the decision-making process and the users' needs.

Structural business statistics are partially in line with the EU acquis and the availability of some short term statistics in this sector are rather limited. Industry statistics are produced broadly in line with the relevant regulation, while statistics on the service sector are not produced at all. No short-term statistics are produced on the construction activities as the KAS does not have access to information on building permits. PRODCOM (list of products of the European Union) statistics was only introduced in 2015. Tourism statistics and transport statistics are not yet compliant with the EU acquis. Statistics on research and development, innovation, and use of information and communication technology statistics are not produced on a regular basis.

Energy and environment statistics are partially in line with the EU acquis. Some annual energy data and energy prices are provided to Eurostat. Monthly data and the monthly share of renewables are not provided to Eurostat. The lack of energy efficiency indicators continues to be an obstacle to reporting on energy savings. Environmental accounts are not produced.

In the area of **social statistics**, only demographic statistics are broadly in line with the EU acquis. A regular survey on income and living conditions (SILC) is planned in 2017 as part of the World Bank agreement. Establishing a regular Statistics on Income and Living Conditions (SILC) survey also is important for establishing the EU Gender Equality Index in Kosovo, and would contribute to progress on the EU Gender Action Plan (EU GAP, 6.1.2.). Some social protection statistics are produced, but those on the unemployment scheme still need to be added and the quality of data needs to be improved. In July 2016, KAS and the Ministry of Education, Science and Technology (METS) jointly published education statistics based on international education classification standards (ISCED), but not yet according to the ISCED 2011 standards. Annual Labour Force Survey (LFS) are also developed with slight delays. Furthermore, the labour cost index, structure of earnings data and job vacancy statistics are still not produced. Public health and crime statistics are not yet in line with the EU acquis. In addition Kosovo has started to prepare the ground for population census 2021.

In the field of Information Technology (IT), improving and modernisation of some statistical processes are a continuous work. The websites can be characterized as comprehensive but ready for further enrichment, especially in terms how the information is disseminated and metadata integrated. The National Statistical System (NSS) of Kosovo and KAS in particular, is willing to continue to apply modern information technology for data and metadata dissemination. KAS is using PC-Axis as a main platform for data dissemination and the same is willing to promote to other government institution in order to unify the data dissemination system.

A metadata repository based on Single Integrated Metadata System (SIMS 2.0) format and the integration of it to its own website for dissemination is partly in place.

Coordination must continuously improve and strengthen the communication between KAS and the producers and users of official statistics in Kosovo. It is related to the modernisation of tools for data collection and exchange between KAS and other producers, also promoting and training main users on how to use these tools to access to statistical data.

Efforts to improve communication strengthen KAS long term possibilities for undertaking a central coordination role in the Kosovo statistical system. This central coordination role of the National Statistical Institutions (NSI) is high on the agenda in all EU Member States and KAS is trying to take the best practices for the coordination role in the statistical system.

Duplication of efforts: In several statistical sectors duplicate efforts exist between the KAS and the statistical departments of line ministries. A set of preferred software tools should be defined and harmonised for the use throughout the NSS. The IT infrastructure exists but needs further procurement for storage and devise for data capturing. No new software licenses are needed, but the need for expertise support is required. The gradual shift from paper-based to electronic data collection via portable electronic equipment

and/or by web based equipment should continue. Some initiatives are already underway; these should be pursued strongly. This will ensure the efficient use of both human and financial resources.

A training program in information and communication technology (ICT) has been undertaken and has given some increased knowledge, but needs to be re-established – in order to increase skills for all statistics production throughout the NSS.

Gathering, maintaining and disseminating the metadata is more important than how precisely they will be stored, but a dedicated database will be preferable. Setting up the system requires narrow cooperation between statisticians (contents) and Information Technology (IT) staff (storage/presentation). A central metadata administrator needs to be appointed.

A system and guidelines for systematic archiving are required. This would cover raw microdata, clean microdata, specific software applications and analytical results. The process should be overseen by KAS IT Section. The principal barrier for improving the IT is the shortage of specialized staff. KAS is the only NSS partner with professionals in statistical computing. Only three of them hold permanent employment. Six others have been supported by previous donor assistance. Under such conditions a systematic approach to renewal and upgrading is hard to implement.

Therefore, (i) strengthening the statistical system, (ii) building professional capacity in the departments of KAS, (iii) improving coordination and a quality system for key processes in the production of statistics have the main focus in this action. KAS needs to strengthen a quality system for the key processes in the production of statistics in order to standardise the procedures and thus allow more efficient data production and better use of the available resources. Alignment with the EU acquis in the field of statistics, which includes methodology, classifications and procedures for data collection in various areas such as macro-economic statistics, business, transport, foreign trade and price statistics, demographic, social and gender statistics, agriculture and environment remains a long-term priority for KAS.

The main stakeholders of the action are: (i) KAS, mandated with collection, processing and publication of official statistical data in Kosovo. Furthermore KAS strives to meet the needs of users with qualitative and reliable statistical data in the interest of planning, development and decision-making at central and local level institutions; (ii) Ministry of Finance which uses macro-economic produced by KAS for budget planning and mid-term review process, including revenue forecasting (iii) line-ministries such as Trade and Industry for business registers, Ministry of Health and Education respectively; (iv) Municipal authorities particularly in the field of education, health, social affairs, demographics (including gender-disaggregated data), agriculture and environment statistics; (v) the Agency for Gender Equality (AGE) that can use the SILC data in collaborating with KAS to establish the EU Gender Equality Index in Kosovo, as planned; (vi) business associations who can benefit from using data in market segmentation, economic growth, export products and trends, consumer index in order to improve business projections and marketing strategies.

OUTLINE OF IPA II ASSISTANCE

With the view to assist Kosovo in advancing its European Reform Agenda, **Component I** of this facility will contribute to the strengthening of technical and administrative capacity of the Kosovo administration in relation to its European path and to support the effective and efficient management and absorption of EU funds. It will support specific projects which cannot be programmed in advance. These aim, on the one hand, to help prepare and implement action responding to the challenges identified in the SAA, the Economic Reform Programme (ERP) and the European Reform Agenda (ERA), the Kosovo Report, improvement of the Kosovo's electoral framework, the gradual handover of responsibilities from EULEX to the Kosovo authorities and the visa liberalisation process, and, on the other, any action found necessary to support the measures the EU could take in line with the recent developments, but which cannot be identified at this stage as they will depend on the progress made with Kosovo's legislation and institutions.

Coordination with other donors in supporting the government will take place, especially with the donors which are supporting the Ministry of European Integration and which aim to support the government by increasing and strengthening the capacities in relation to European perspective.

The main stakeholder in charge for Component I is the Ministry of European Integration (MEI) which was established in April 2010. The mandate of the MEI was defined by a government decision of May 2010, setting out the competencies of MEI with regard to the overall management, co-ordination and monitoring. The decision emphasises the strategic role of MEI in ensuring a centralised and harmonised co-ordination of all government stakeholders involved in the implementation of the European agenda. It is the mission of the Ministry to ensure the technical management, coordination and monitoring linked to the European perspective. In order to ensure proper follow up and implementation of various priorities linked to the European perspective the government set up structures with the so-called Reform Package (or Plan on European Integration 2008-2010). These structures were formalised through a government decision in August 2008. The package mainly aimed at establishing institutions that could effectively run a complex and sophisticated process linked to the European perspective. Ministry of European Integration is tasked to follow up and lead on the work of these structures to ensure they act as guardians of EU-oriented processes of public administration reform.

Component II of this Facility will contribute to the strengthening of the statistical system of Kosovo by enabling the development of reliable statistical information and facilitate improved decision making. Specifically this action will aim to increase the capacities of KAS to carry-out its core activities in a standardised and independent manner as well as strengthen KAS management and coordination capacities. The main activities will focus on (i) capacity building of KAS staff, (ii) data collection, processing and production improvement, (iii) support relevant IT systems and data security and (iv) management and coordination mechanisms in the statistical sector.

This would aim at achieving significant results in statistical sector in Kosovo by: (i) improving and shortening the timelines for production of all statistics in order to improve the decision-making process; (ii) improve inter-institutional coordination and information sharing among the main stakeholders in the statistical sector; (iii) improve the data dissemination by making it more availability and visible for public users and (iv) supporting KAS in carrying out their core activities and mandate in a standardised and independent manner.

The direct beneficiaries of the Component II are KAS and regional statistical offices whose capacities to collect, process, analyse and produce data will be strengthened. The indirect beneficiaries of the action are public institutions both at central and local level as well as data end users who will have access to timely and reliable data.

It is worth mentioning that KAS is also part of the regional/multi-beneficiary IPA programmes managed and implemented by Eurostat which aims to support the candidate countries and potential candidates in the process of achieving compliance with the EU acquis in statistics. While regional assistance addresses regional needs, if coordinated properly, the central and regional can complement each other. A typical example could be to consider the support required in example for preparing for a population census or establishing a population register which by far exceeds the scope of the regional IPA programmes, and hence both regional and interventions at Kosovo level are typically required.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

Efficient and effective public administration is crucial to fulfil the Copenhagen criteria and has a key role to play in improving governance through more stable institutions and the implementation of the public administration reform agenda.

One of the four objectives pursued under the IPA Indicative Strategy Paper for Kosovo 2014-2020 is to strengthen the ability of the IPA II beneficiary to fulfil the obligations linked to the European perspective by supporting progressive alignment with, implementation and adoption of, the EU acquis. This will require all ministries and other relevant institutions to build the capacities and secure the resources to be able to address the key challenges. All actions financed under this facility will be directly or indirectly related to Kosovo's European path. Specific reference is included in the section IV of the Strategy Paper for Kosovo, where it is explicitly mentioned that IPA II will support the implementation linked to the developments of the EULEX mission.

IPA II assistance will support Kosovo to continue its reform of public administration at central and local level, including the enforcement of legislation on the civil service. This will necessarily include developing the capacities of both women and men in the civil service, as well as ensuring equal opportunities for women and men in the civil service. IPA II will support the alignment of the Kosovo institutional framework and capacities with the standards required by the *acquis* in particular for the implementation of the SAA. This includes alignment of the Kosovo institutional and legal framework to EU gender equality *acquis*, considering the emphasis put on gender equality and women's rights in the 2014 "European Council Conclusions on Enlargement and Stabilisation and Association Process".

The areas where Component I will mainly contribute relate to the implementation of the ongoing IPA projects as well as the planned ones. It will more specifically focus on supporting Ministry of European Integration and line ministries in reaching the set objectives in the IPA Indicative Strategy Paper for Kosovo 2014-2020.

The Kosovo 2016 Report clearly emphasises the need for further work on alignment with EU standards. In order to guide reforms under the implementation of the SAA, the Commission and Kosovo started work on a European Reform Agenda for Kosovo. The Agenda outlines priority actions in the fields of good governance and the rule of law, competitiveness and investment climate, and employment and education.

Component II of this Facility addresses the needs that are in line with several priorities outlined in the **Indicative Strategy Paper for Kosovo-ISP (2014-2020)**. The ISP in its section "Part II - Analysis of Needs and Capacities – Political and Economic context" states that "Kosovo has implemented initial reforms to establish a fully functioning market economy but the weak rule of law, a large informal economy and an underdeveloped policy framework continue to hinder socio-economic growth. Moreover, economic statistics (central accounts in particular) are extremely weak, making a comprehensive assessment of the economic situation difficult".

Section "Part IV – EU assistance during the period 2014-2020 - Democracy and Governance" of ISP states that "The sector covers statistics, as well as evidence based policy development and the capacity to progressively adopt relevant EU legislation. The lack of up-to-date and reliable statistics affects all sectors and needs to be addressed urgently. In order to implement sectoral strategies and sector support programmes the need for reliable statistics is fundamental in the different areas of public institutions. Moreover, economic policies and decisions need accurate statistical data measuring the performance of the different economic sectors. In this context IPA II will support the institutions responsible for statistics. Statistics and data should be disaggregated by gender", particularly as the **EU Gender Action Plan 2016-2020** calls for "improvement in quality and availability of sex-disaggregated/gender specific statistics through EU support". Further, establishing the SILC, among other gender-disaggregated data, will enable gender analysis for informing future policies and programming, as required by the EU GAP. Furthermore the expected results in the field of Democracy and Governance by 2020 are expected to follow "Decision making processes based on quality statistical data collected and analysed in line with the statistics standards of Eurostat, including improved economic statistics".

The Kosovo 2016 Report notes that "Kosovo is at an early stage of preparation in the area of statistics. Some progress was made, most notably with the application of the European standards in producing and publishing agricultural census results in November 2015. The KAS continues, however, to suffer from poor administrative capacity which often results in publication delays and lack of accuracy in some statistics. Significant efforts are needed especially to ensure the alignment of macro-economic and business statistics with European standards. In the coming year, Kosovo should in particular: (i) adopt the amendment of the law on statistics; (ii) make more sector statistics available: e.g. macroeconomic and business statistics, statistics on energy, income and living conditions and (iii) ensure sufficient human and financial resources as well as the professional capacity of staff to allow KAS to fulfil its mandate. On more specific terms regarding statistical infrastructure the Report notes that "the legal framework is broadly in line with the European statistics Code of Practice" however "the capacity of KAS to carry out surveys and data analysis independently continues to be limited. KAS's weak administrative and professional capacity as well as the lack of financial resources hampers the timely production of statistics".

In the other hand the **SEE 2020 Strategy** outlined the determination of all the governments in South East Europe included Kosovo to embrace the bold policy approaches required to attain the levels of socioeconomic growth necessary to improve the prosperity of all its citizens and to facilitate possible

European perspective. The past two decades have seen much progress in South East Europe and many significant achievements; however, the region still faces some formidable challenges. The SEE 2020 Strategy clearly demonstrates recognition on the part of governments in the region that close cooperation in selected areas can overcome some of these challenges and accelerate the attainment of goals in key sectors. Within the SEE 2020, Headline indicators, KAS have identified a certain number of indicators to be tackled during implementation of this action as outlined in chapter 18 point "d" statistics. The list of indicators in total is 64 from them 11 are headline indicators whereas the rest 53 are common indicators.

Referring Kosovo's documents, the **National Programme for Implementation of the Stabilisation and Association Agreement** (NPISAA) identify a set of midterm priorities to be carried out as following:

- National Accounts (Further improvement of methodology and results in annual and quarterly calculation of the GDP and Government Accounts,
- Result publication using Supply and Use Tables, drafting input-output tables, Increasing the number of tables from the Transmission Program (ESA 2010), Further improvement of the assessment of the Informal Economy).
- Structural Business Statistics (Producing statistics in accordance with annexes VI, VII and VIII.
- Increasing frequencies of publication from quarterly to monthly produce short term statistics for construction and services).
- Energy Statistics (Harmonizing with Eurostat requirements and recommendations, increasing frequencies of publication from quarterly to monthly).
- Telecommunication and transport statistics (harmonization with the Eurostat regulations, publication from quarterly to monthly bases). Tourism statistics (Expand the range of products and indicators, needed for such statistics, in line with Eurostat.
- Harmonized Index of Consumer Price (Monitoring through the advanced method, Shorten publication deadline). Import Price Index, Producer Price Index and Construction cost index (Quality improvement and Shorten publication deadline). Purchasing Power Parities (Developing indexes for GDP deflation in expenditure access). For all of these above mentioned indicators measurement or monitoring is based on the statistical data that should be provide mostly by KAS especially the indicators 1 and 6 are most crucial due to lack of methodology and expertise.
- Ensuring that data is disaggregated by gender.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

For component I many projects have been successfully implemented under previous programmes, including 2007-13 IPA programmes. Experience confirms that this type of assistance is particularly useful for responding quickly to urgent needs identified in the course of implementation of IPA assistance and in the framework of the European perspective. It gives Kosovo the possibility of addressing unforeseen tasks linked to further strengthening its administrative capacity in order to advance with its EU reform process.

The component I of this action is linked and complementary to the previous and current IPA funded actions which support the strengthening the line ministries and other in the area policy and strategic planning.

A general lesson learned is that whereas EU assistance can contribute to building capacities in one particular sector, it does not always contribute to strengthen the overall functioning of public administration. In fact, the past EU assistance has sometimes contributed to creation of sectoral isolated 'islands of excellence', which are rarely sustainable in the overall administrative environment. This has notably been criticised by the Court of Auditors (e.g. Meta Audit on IPA I assistance). Therefore, assistance envisaged under this Action will take the overall horizontal public administration reform efforts into consideration and will integrate the key principles of public administration and the 'Better Regulation' approach.

As per component II of this action, during previous technical and financial support KAS has achieved progress in many areas. The strength and advantages that come from long-term cooperation are numerous, for instance in terms of increased managerial capacity, higher level of knowledge and independence from external support. One lesson learnt is that in order to focus and produce sustainably results it is important to limit the scope of the action, in terms of number of components and areas. This provides room for necessary improvements in relevant and important areas. KAS has really benefited from some of the previous

interventions when cooperation and transfer of knowledge was provided by long-term expertise that was able to work together with KAS for extended amount of time, in that way really understanding the needs and the level of knowledge of KAS and Kosovo statistical system.

The way of working with capacity building via transfer of knowledge, rather than just perform a more concrete task, has proven to be of real value in creating more confidence and capacity for independent work and decision making among KAS staff.

An EU-funded action implemented by Statistics Denmark through twinning modality has shown that involvement and ownership of both central and regional statistical offices is essential for the success and the sustainability of any action in statistical sector. Furthermore the action highlights that KAS should engage in an open dialogue with the government and other relevant public institutions to create a better understanding and general acceptance of a need for the production of timely, accurate and internationally comparable statistics – this is closely linked with adequate staff and funding resources.

Currently KAS is benefiting from an EU-funded assistance under IPA 2014 for energy data collection and reporting in households sector, services and transport. Assistance to KAS is provided on preparing periodic reports to Eurostat and the International Energy Agency (2-3 annual reports for each institution) and on energy consumption reporting for existing energy data hubs.

In addition KAS has also benefited from assistance provided by the Swedish Government through Statistics Sweden (SCB) since 2001. The intervention shows that KAS still faces challenges in terms of the number of specialised staff in particular a staff that can be involved in better coordination of donor assistance which will most certainly reduce the risk of possible overlap and increase of leadership and the ownership of KAS. KAS requires continuous support in improving quality and capacity of statistical system through technical assistance in order to create sustainability and a long-term commitment. In addition, SCB encourages KAS to explore possibilities of regional cooperation namely Statistics Albania in order to increase sustainable development and technical capacity of KAS staff.

KAS has also benefited from continuous and long-term cooperation with Eurostat which has proven both required and successful. Considering the starting point of the statistical office, a lot of support was in earlier phases focused on developing the capacity and establishing basic statistical infrastructure, such as a modern Law on Official Statistics and suitable organisation, whereas the later phases should focus more intensively on developing the range statistical products produced. Considering the constraints of the statistical office with relatively low level of financial and human resources, considerable support is required to advance the statistics produced. These constraints impact the absorption capacity.

Furthermore, previous support has demonstrated the need to ensure sustainability of the support as well as good coordination between various assistance programmes. In order to achieve major developments of important statistical sectors programmes coordinated and sustainable support should be ensured.

2. INTERVENTION LOGIC

Overall objective	Objectively verifiable indicators (OVI)	Sources of Verification	
<p>To facilitate the approximation with the EU acquis by enhancing capacities of the Kosovo administration for an efficient use of financial assistance including strengthening of the statistical system</p>	<ul style="list-style-type: none"> • Progress made towards meeting Copenhagen criteria • The level of compliance with the European statistical system (CoP, number of indicators reported/transmitted to Eurostat) 	<ul style="list-style-type: none"> • Kosovo Report • Eurostat publication • Reports of international organisations including WB and IMF 	
Specific objectives	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>Component I 1. To strengthen technical and administrative capacity of the Kosovo administration in relation to approximation with the EU acquis and to support the effective and efficient implementation of IPA assistance.</p> <p>2. To support Kosovo authorities to gradually take over the responsibilities from EULEX</p> <p>Component II To improve the capacity of KAS to produce reliable statistics in line with EU standards to inform the decision-making process</p>	<p>Component I MEI's responsibility for coordination and management of EU assistance programmes.</p> <p>Component II</p> <ul style="list-style-type: none"> • Number and quality of statistical indicators produced according to the EU standards • Number of Kosovo 	<ul style="list-style-type: none"> • Reports of IPA monitoring meetings • Monitoring/evaluation reports¹ including ROM and Sector evaluation reports • Kosovo Report • Eurostat publications • User access to KAS website (measurement) • Reports of international 	<ul style="list-style-type: none"> • Legislative Framework is in place • Political commitment is in place • Progress towards approximation with the EU acquis • KAS is committed to provide adequate human and financial resources for the implementation of the action • government of Kosovo aware of the need for high quality

¹ The monitoring and/or evaluation reports will identify the level of the responsibility and ownership undertaken by MEI compared to previous years

	statistical data provided to Eurostat	organisations including WB and IMF	statistics according to EU-standard.
Results	Objectively verifiable indicators (OVI)	Sources of Verification	Assumptions
<p>Component I</p> <p>1. Coordinated response in order to meet urgent and unforeseen needs related to Kosovo's European perspective, improvement of the electoral framework in Kosovo and programming/implementation of IPA funds</p> <p>2. Kosovo's Ministry of European Integration and relevant line ministries capable of preparing and developing programming documents and aligning programmes with relevant processes (National Development Plan, Economic Reform Programme, European Reform Agenda, Medium-Term Expenditure Framework and the IPA Indicative Strategy Paper).</p> <p>3. The capacity of Kosovo authorities to gradually assume responsibilities in view of EULEX's phasing out has been strengthened.</p>	<ul style="list-style-type: none"> Nr of projects developed and implemented under the facility for the approximation with the EU acquis Quality document developed and well defined IPA annual programmes Degree of EULEX responsibilities transferred to Kosovo authorities 	<ul style="list-style-type: none"> Monitoring reports such as ROM report and project progress reports Annual report on Implementation of IPA by NIPAC Quality Review process reports /checklists Project implementation reports EULEX reports. Annual report on Implementation of IPA by NIPAC 	<ul style="list-style-type: none"> Sufficient absorption capacity Approximation with the EU acquis is the priority of the government and of the Assembly of Kosovo. Overall commitment to implement the European Reform Agenda
<p>Component II</p> <p>Result 1: Further improvement of sectorial statistics</p>	<ul style="list-style-type: none"> % compliance with ESA 2010 Shortening of the timeframe for production of sectorial statistics 	<ul style="list-style-type: none"> Kosovo Report Eurostat publication Other international report as (, , WB, IMF,) 	<ul style="list-style-type: none"> KAS is committed to provide adequate human and financial resources for the implementation of the action government of Kosovo aware of the need for high quality statistics according

			to EU-standard
Result 2: Further development of Social statistics indicators - preparation for a population register as well as for the population census 2020 developed	<ul style="list-style-type: none"> • SILC and LCS data timely analysed and produced • Functional population registers 	<ul style="list-style-type: none"> • KAS performance assessment framework; • Kosovo Report • Eurostat publication • KAS web site • Other international report as (, OECD WB, IMF.) 	<ul style="list-style-type: none"> • KAS is committed to provide adequate human and financial resources for the implementation of the action; • Readiness of line-ministries and municipal authorities to participate in the process
Result 3: Metadata system, documentation and dissemination is further improved and data collection modernised (i.e. business statistics and population register).	<ul style="list-style-type: none"> • Number of surveys based on electronic data collection via portable electronic equipment and/or the Internet. • % of data collections performed by KAS and NSS should be covered and disseminated by SIMS 2.0 standardized metadata. 	<ul style="list-style-type: none"> • KAS annual report; • Kosovo Report • KAS web site • KAS performance assessment framework • Other international report as (, , WB, IMF etc.) 	<ul style="list-style-type: none"> • KAS is committed to provide adequate human and financial resources for the implementation of the action; • government of Kosovo aware of the need for high quality statistics according to EU-standard Readiness of other institution to cooperate regarding the electronic data collection, etc.
Result 4: Planning and coordination of the statistical system is strengthened to improve the delivery of objectives and outputs in line with the 5-year programme for official statistics, and the communication and collaboration with key stakeholders	<ul style="list-style-type: none"> • Number of coordination mechanisms to improve planning and coordination 	<ul style="list-style-type: none"> • KAS annual report; • KAS annual plan • Kosovo Report • Other international report as (, , WB, IMF) 	<ul style="list-style-type: none"> • Readiness of line-ministries and municipal authorities to participate in the process

DESCRIPTION OF ACTIVITIES

Component I of this action will support: preparation and/or implementation of actions responding to the challenges identified in the SAA, the Economic Reform Programme (ERP), the European Reform Agenda (ERA), and the Kosovo Report; improvement of the electoral framework in Kosovo; the gradual handover of responsibilities from EULEX to the Kosovo authorities and the visa liberalisation process. It will support possible urgent priorities that arise from the approximation with the EU acquis or other political developments that are beyond the Commission's control and which cannot be programmed in advance. Actions supported will target, in particular, priority areas identified in the Kosovo Indicative Strategy Paper for the period 2014-2020 which are: democracy and governance, rule of law and fundamental rights; territorial cooperation; environment, climate action and energy; competitiveness, innovation, agriculture and rural development; and education, employment and social policies.

Activities foreseen per each result are as follows:

Result 1: Coordinated response in order to meet specific and urgent needs related to Kosovo's European perspective, improvement of the electoral framework in Kosovo and programming/implementation of IPA funds.

Result 2: Activities will include continuation of the support to Kosovo's Ministry of European Integration and line ministries in preparing and developing programming documents; alignment of IPA annual programmes with all relevant processes such as National Development Plan, Economic Reform Programme, European Reform Agenda, Medium-Term Expenditure Framework and the IPA Indicative Strategy paper for Kosovo 2014-2020.

Result 3: Activities will include institution-building and investments that are linked to the gradual handover of responsibilities from EULEX to the Kosovo authorities and to the visa liberalisation process.

Activities for Component II are as follows:

Result 1:

Activity 1.1. Further improvement of National Accounts (NA) in line with ESA 2010.

This activity will include capacity building of relevant KAS staff (women and men) in the field related to National Accounts to allow them to:(i) increase the number of GDP tables for transmission programme in accordance with ESA2010. This will allow for comprehensive coverage and dissemination of additional sectors of the economy;

(ii) Increased coverage of National Accounts with improved estimates of exhaustiveness. This concerns primarily better coverage of Non Observed Economy in accordance with tabular approach. Furthermore this activity will support the preparation and the conducting of the Non-Observed Economy survey on Households. (The World Bank will be involved in a NOE-survey for the business sector.)

Activity 1.2. Improve quality and timeliness of NA by constructing a new data collection system for Structural Business Statistics and short-term business statistics in line with SBS and STS regulations

This activity will be based on capacity building (on-the-job training and coaching) of the relevant KAS staff (women and men) related to primary data collection for the needs of National Accounts, which will lead to sustainable improvements regarding shortened production periods of GDP. In addition this will include support for a modernized methodology in collection and production of basic data for the National Accounts which leads to decreased production times for quarterly and annual estimates. Specifically it will include:

- Prepare framework for STS in order to move from quarterly to monthly collection. Redesign SBS and STS questionnaires and design new questionnaires for some areas of STS (e.g. services and construction).

- Improve Statistical Business Register through analysing and using other data sources, including gender-disaggregated data.
- Constructing a new electronic data collection system for SBS and STS by supporting activities in survey building and software processes.
- Support the development of good working links between KAS and other relevant authorities, who are responsible for some parts of the National Accounts by means of (i) jointly agreed policy document and (ii) letters of understanding between relevant parties.

Result 2

KAS will follow the new EU framework regulation for social statistics which is covering social domains (demography, employment, income and consumption, well-being and quality of life, education, health etc., disaggregated by gender) and they are taken from a variety of sources (data on persons and households collected at individual level from samples, population censuses, aggregated administrative data and data from businesses).

Activity 2.1 Population registers (Implementing Demography management system) - Support for the implementation of demography management system by identifying available administrative data sources, to assess the quality of these databases, to harmonize and possibly extracting the data from these databases.

Activity 2.2 Updating the enumeration areas – this support will allow for updating of the enumeration areas in order to prepare the ground/basis for Population Census 2020

Activity 2.3 Capacity building (women and men) in producing and analysing Statistics on Income and Living Conditions (SILC) – This activity will include capacity building of relevant KAS staff in producing and analysing statistics from SILC. The gender perspective should be addressed in all activities from the survey design to the presentation of the data. Establishing a regular SILC survey is an important part of EU Gender Equality Index, and would contribute further on the implementation of EU Gender Action Plan (GAP).

Activity 2.4 Labour Cost Surveys (LCS) - This activity will include technical assistance in developing, producing and analysing the new LCS survey, which will subsequently contribute to the production of a labour cost index.

Result 3

Activity 3.1. Support for the development of necessary software structure and accompanying procedures to allow the storage of available standardized metadata.

Activity 3.2. Support the activities to extend the dissemination of official statistics in a user friendly format, by providing support for the update of KAS website, produce user-friendly and easily accessible applications.

Activity 3.3 Improve data security - perform activities that will ensure data security within KAS

Result 4

Activity 4.1. a road map (strategy) document prepared for improvement and developing of a coordinated statistical system – this activity will include experts' support for the preparation of a road map followed by a number of consultations with main stakeholders in the sector

Activity 4.2 develop the methodological issues – this activity will include capacity building of KAS staff (women and men) in creating and supporting a sampling frame, designing questionnaires, creating data registers, editing and imputation. Furthermore this activity will include the assistance to KAS in order to improve its monitoring tools so it can more objectively monitor the implementation of its objectives and allocation of resources

Activity 4.3. Improve knowledge in the coordination of statistical system – this activity will include the organisation of study visits in the countries with well-functioning statistical system in order to understand and learn from best practices,

Activity 4.4. Improve the communication with internal and external producers and users as well as data providers – this activity will be facilitated through support for the development of tools as well as conduct of employees and users satisfaction survey.

RISKS

The potential risks that may arise are the following:

For Component I the following risks have been identified:

Risk: Lack of inter-ministerial cooperation

Mitigation measures:

- Ensure appropriate inter-ministerial coordination on all policy and legislative proposals
- Provide relevant coordination capacities from the action to ensure increased flow of information which will aim at increasing the awareness on the importance of efficient inter-ministerial cooperation
- Communication strategy and awareness raising campaign on the importance of the activities to be implemented

Risk: Lack of donor coordination in the sector

Mitigation measures:

- Participate at the coordination of the Sector Working Groups on Donor Coordination organised/managed by the Ministry for European Integration
- Share information at the technical level coordination meetings organised by the EU Office in Kosovo
- Regular meetings organised by the technical assistance with other on-going project teams to share information and avoid overlap

Risk: Limited absorption capacity at the relevant institutions and agencies

Mitigation measures:

- Capacity building measures targeting the beneficiary institutions to be implemented at an early stage of action implementation and during the entire implementation of the action,
- Consultations, at an early stage of project implementation with highest government officials, gender equality officers, sector regulators, representatives of the private sector and civil society, including women's organizations, to identify the needs.

For Component II the following risk have been identified:

Risk: Lack of inter-institutional cooperation in the statistical sector

Mitigation measures:

- Ensure appropriate inter-institutional coordination in statistical sector
- Provide relevant coordination capacities from the action to ensure increased flow of information which will aim at increasing the awareness on the importance of efficient inter-institutional cooperation
- Communication, strategy and awareness raising campaign on the importance of the activities to be implemented

Risk: Lack of donor coordination in the statistical sector

Mitigation measures:

- Participate at the coordination of the Sector Working Groups on Donor Coordination organised/managed by the Ministry for European Integration
- Share information at the technical level coordination meetings organised by the EU Office in Kosovo
- Regular meetings organised by the action team with other on-going actions to share information and avoid overlap
- Coordinate actively in the planning and implementation period support from other programmes and institutions including priorities in the multi-beneficiary IPA.

Risk: Limited absorption capacity at the relevant institutions and agencies dealing with official statistics

Mitigation measures:

- Capacity building measures targeting KAS and other relevant beneficiary institutions in the statistics sector during the entire implementation of the action,
- Consultations, at an early stage of action implementation with highest government officials, sector regulators and representatives of the private sector to identify the needs

Additional assumptions for the implementation of this action are as follows:

1. Commitment by the government to provide sufficient and proper resources
2. Sustainability in KAS management
3. Readiness of KAS staff to participate in the action
4. Availability of a specifically qualified KAS staff
5. Adoption of the Statistical Law

The main assumptions for the implementation of the Component I and II are the following:

- The required legislative framework in place
- The functioning of the assembly, which is crucial for the adoption of legislations and timely ratification of financing agreements for the annual programmes.
- Commitment to implement the European Reform Agenda
- Commitment of all stakeholders to the better regulation approach, which emphasises that all policies and legislation should be prepared in an inclusive process, backed up by the best available evidence, gender analysis and that institution-building will ensure effective lines of accountability between institutions (agencies and parent ministries).
- Ensure the coordination of activities between stakeholders involved in the action
- Limit the turn-over of competent staff working in the beneficiary institutions
- Adequate administrative absorption capacities in place
- government of Kosovo should provide adequate human and financial resources to the implementation of the action. In particular, the financial resources to conduct surveys (during year 2 and onwards) for improving of National Accounts and sectorial statistics are required.
- KAS staff should be fully committed and dedicated to the implementation of the action
- Readiness of line-ministries and relevant municipal authorities to participate in the action
- Readiness of different NSI to make available the usage of administrative sources

CONDITIONS FOR IMPLEMENTATION

No conditions for implementation are foreseen for this action.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

The component I of this action will be managed by the EU Office in Kosovo and coordinated by the NIPAC office at the Ministry for European Integration.

The leading institution/main beneficiary of this action is the NIPAC at the Ministry for European Integration, which will also be the coordinator of the action.

For Component II at the central level, the main institutional stakeholders of the Action are KAS, EU Office in Kosovo and Swedish International Development Agency (SIDA) which will have the broad mandate of overseeing the Action. KAS is committed to ensure that Kosovo users have qualitative and reliable statistical data in the interest of planning, development and decision-making at central and local level institutions.

The main institutional stakeholders in this action are going to be Prime Minister's Office, Ministry of Finance, Central Bank of Kosovo, Ministry of Internal Affairs, Ministry of Health, Ministry of Education, and Ministry of Social Welfare, Ministry of Agriculture, Ministry of Administration, including some agencies like Civil Register Agency, Cadastre etc.

In terms of implementation SIDA will act as a contractual partner and have the responsibility to ensure that the action is carried-out as per the Description of the Action. In addition, Statistics Sweden will provide the technical expertise to KAS to ensure that the Action is delivered in a timely and prudent manner.

A Steering Committee of the Action will be formed to guide programmatic decisions, comprising of KAS, the EU Office in Kosovo, SIDA, government and/or Assembly representatives (pending on the status of KAS) Statistics Sweden and above mentioned stakeholders as deemed necessary during the inception phase of the Action.

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

The component I of this action will be managed by the EU Office in Kosovo.

For component I depending on the needs, the facility described above will be implemented through a number of service/framework contracts, works contracts and supply contracts where the need for a rapid response of the Commission to non-programmable events is such that the duration of the procedure to amend this decision would frustrate the purpose of such response. There might also be the possibility to launch one or two twinning lights if there is an urgent need for further approximation with the EU acquis linked to SAA obligations. The implementation modalities of the projects arising under this action will be closely discussed with the Kosovo Unit in DG NEAR as well as the beneficiaries and the best possible option will be considered. An indicative overview of the essential implementation elements of this action includes:

The component II of this action is proposed to be implemented, through Indirect Management with the Swedish International Development Agency (SIDA) due to their significant experience in the sector. SIDA is a longstanding partner of KAS in the statistical sector.

SIDA is a pillar assessed Member State agency with extensive experience working in Kosovo and with the European Commission in implementation of IPA projects.

The Kingdom of Sweden will be co-financing the action through SIDA bringing in the expertise of Statistics Sweden which has been offering its expertise and capacity-building for almost 40 years to statistical agencies and statistical systems in low and middle income countries in as many countries.

In addition to providing co-financing, the Government of the Kingdom of Sweden is also prepared to cover potential gaps in assistance to KAS until this action can start with implementation in 2018.

Statistics Sweden has been providing assistance to KAS since 2001. Statistics Sweden is the NSI of Sweden and one of the first statistical offices to certify all its production of statistics according to the ISO international standard 20252:2012 for market, social and opinion research

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

In line with the IPA II Implementing Regulation 447/2014, an IPA II beneficiary who has been entrusted budget implementation tasks of IPA II assistance shall be responsible for conducting monitoring and evaluations of the programmes it manages. Monitoring should be carried out from the commencement of all projects, and beneficiaries should allocate sufficient resources for data collection from the outset including gender disaggregated data.

Overall coordination of monitoring the financial and technical progress of the Action will be obtained by the EU Office for Kosovo (EUO) as Contracting Authority.

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

The Action foresees regular monitoring including a gender perspective from KAS, the EU Office in Kosovo and SIDA through direct participation in the Action Steering Committee as well as regular reporting provided by the implementing agency. The Action further foresees monitoring from the Results Oriented Monitoring (ROM) teams from the EU.

The implementing agency will be responsible for:

- Regular monitoring of the Action beneficiaries to ensure that they are sufficiently supported and that regular contact is maintained in order to address any issues that might arise or to take remedial actions that may be required in order to ensure the sustainable return and reintegration of the beneficiaries.
- Conducting an evaluation to assess the overall impact of the Action and its ability to provide the needed support. The assessment will be used to provide suggestions for the future implementation of similar programming and draw out lessons learned from the current phase. Action monitoring and evaluation will be based on a periodic assessment of progress in delivering specified Action results and achieving Action objectives. It will ensure inclusion of a gender perspective.

The European Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its components via independent consultant, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the European Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluation will be carried out as prescribed by the Dg NEAR guidelines for evaluation. In addition, the Action might be subject to external monitoring in line with the European Commission rules and procedures set in the Financing Agreement.

INDICATOR MEASUREMENT

Indicator	Baseline 2016/2017	Target 2020	Final Target 2020/2021	Source of information
Component I: MEI's responsibility for coordination and management of EU assistance programmes.	50%	70%	70%	LRM Reports Annual Legislative Programmes
Number of projects developed and implemented under the EU acquis approximation facility	0	15	15	Monitoring reports. Project implementation reports by NIPAC. Monitoring Committee meeting reports MEI annual report on IPA
Quality documents developed and well defined IPA annual programmes	0	3	3	The Annual Programmes Monitoring Committee meeting reports MEI annual report on IPA Quality Review process reports /checklists
Degree of EULEX responsibilities transferred to Kosovo authorities	n/a	40%	40%	Monitoring Report EULEX report Sectoral reports (depending on the transfer of responsibilities)
Component II: Number and quality of statistical indicators produced according to the EU standards (also expressed in % compare to current situation) by the end of action	Current (2016) number of indicators 42	71	77	KAS reports, Kosovo Report Eurostat publication number of indicators reported /transmitted to Eurostat
Number of Kosovo statistical data provided to Eurostat	Current (2016) number of data 45	61	61	KAS reports, Kosovo Report

				Eurostat publication number of indicators reported /transmitted to Eurostat
% of compliance with ESA 2010, Shortening of the timeframe for production of sectorial statistics	The level compliance to be 25-35% Currently (2016) T+90 days	The level compliance to be 65-70% T+60 days	The level compliance to be 70-80% T+60 days	Kosovo Report Eurostat publication number of indicators reported /transmitted to Eurostat
SILC and LCS data timely analysed and produced (disaggregated by gender)	0	2	2	Kosovo Report KAS reports Project implementation report
Functional Population registers	0	1		
Number (of surveys and administrative sources) based on electronic data collection via portable electronic equipment and/or the Internet. % of data collections throughout the KAS and NSS should be covered and disseminated by SIMS 2.0 standardized metadata.	0 12	6 25	6 25	KAS report Kosovo Report Project implementation report
Number of coordination mechanisms to improve planning and coordination	0	2	2	KAS report Project implementation report Kosovo Report

5. SECTOR APPROACH ASSESSMENT

The activities under component I of this action are horizontal and across several sectors. In terms of IPA 2017 Programme and following the logic of the IPA Indicative Strategy paper for Kosovo 2014-2020, this Action is presented within the Democracy and Governance sector. The action addresses several issues related to this sector.

Component II

Kosovo is striving towards strengthening its statistical system by producing timely and reliable official statistics.

Law on Official Statistics (Law No. 04/L-036) – this action is fully in line with the Law on Official Statistics as it aims to strengthen the statistical system of Kosovo by enabling the development of reliable statistical information and facilitate improved decision making process.

In particular the Action aims to support KAS in fulfilling its mandate according to the law by assisting with the collection, processing and dissemination of statistical data as well as ensuring the fulfilment of Kosovo's international obligations in producing and publishing official statistics. KAS has drafted the amendment on the Law on Official Statistics which includes all principles of the European statistics Code of Practice and the EC regulation 223/2009. Currently the amendment of the law is in parliamentary procedures and is expected to be ratified during 2017.

The above law is also supported with the operational documents such as:

- **Five year programme of official statistics 2013-2017** which aims to address (i) KAS organisational and production efficiency and (ii) data production quality and utility. KAS is planning to draft a follow-up five-year programme for the period 2018-2022 during 2017.
- **2017 Annual road map for KAS** which aims to mainly facilitate the needs of users of statistical data with accurate, reliable, timely and internationally comparable data through implementation of legislative provisions and the obligations deriving from the Stabilisation and Association Agreement (SAA).

The Law on Gender Equality states that “gender division of all data and collected statistical information shall be recorded, registered, processed and shall be obliged to submit these data to the Kosovo Agency of Statistics” (Art. 5, para. 1.8), which is applicable to this action in relation to education statistics and business registries, among other data. Further, collecting gender-disaggregated data would indicate Kosovo’s actions in ‘good faith’ towards fulfilling several substantive legal obligations identified in EU Treaties and secondary legislation.

The inter-institutional cooperation in the statistical sector is organised through Statistical Council of Kosovo comprised of KAS, relevant line-ministries, the Central Bank of Kosovo, Tax Administration, academia and universities, business community and civil society representatives. The Council has an overall responsibility of giving recommendations on the preparation and the development of 5-year programme of official statistics as well as overall of KAS and Kosovo Statistical System.

Regional coordination – KAS is also part of the regional/multi-beneficiary EU assistance implemented by Eurostat. Therefore it is of the paramount importance that close coordination needs to be ensured in order to avoid overlap and possibly exploit possible synergies between IPA actions at regional and local level. In particular the support related to results 1 and 2 of this action are likely to require coordination between the different IPA actions, as support for implementation of ESA 2010 regulation, short-term business statistics, statistical business register, implementation of SILC, and support for preparation for a population and housing census 2020 could either commence in multi-beneficiary IPA 2015 (to start in 2017) and/or could possibly be addressed in multi-beneficiary IPA 2017 (programming in preparation).

In terms of IPA 2017 programme and following the logic of ISP for Kosovo, this Action is presented under the Democracy and Governance sector.

In conclusion, it is fair to indicate that all of the above steps (i-the action supporting the mandate and objectives of KAS according to the legislative framework, ii-the action supporting Kosovo's international obligations in the statistical sector and iii-improvement of inter-institutional coordination mechanisms in the statistical sector) create good basis for KAS to move towards sector approach. However the capacities of KAS, other NSI and stakeholders in the statistical sector need further improvements which will be addressed through this action.

6. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING

For component I the action will support women to participate in the EU funded activities. Their equal rights are guaranteed by the Law No. 05/L -020 on Gender Equality.

This is particularly important for the approximation with the EU acquis, as EU gender equality is a crucial element of the acquis. As institutional learning and capacity development takes time, MEI, AGE and line ministries will continue to develop capacity building towards gender mainstreaming in all IPA programming. This includes in particular improving a participatory approach to programming that considers the potentially different needs of women and men, as well as improving the collection and usage of gender disaggregated data, towards better informing for all programming.

The work which is currently being done on the GAP (Gender Action Plan) will continue and there will be more done on developing gender analysis (indicator 4.1.1) and gender disaggregated data (6.1.2.) which could inform the policy development in order to mainstream gender in the programming and the implementation phase. As foreseen by GAP, programmes will use findings from consultations with National Gender Equality Mechanisms, CSOs, and women's organisations (4.3.1.) to inform action design, and any sector programmes will work with NGEMs (6.3.2.).

As per component II in accordance with the Law on Gender Equality, the collection and distribution of gender-disaggregated data will be ensured. Therefore this action will ensure that the basis of equal access and equal treatment are fully respected. In particular, the introduction of a SILC surveys will provide additional details regarding gender statistics and will contribute towards establishing the EU gender equality index. In addition, the census related activities will also ensure the gender mainstreaming as per census international standards and recommendations.

EQUAL OPPORTUNITIES

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project will be guaranteed on the basis of equal access regardless of sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation. Equal access to all benefits of the Action will be promoted. More specifically, training and other capacity building activities in this project (timing and schedule) will be fully adjusted to the needs of women with children, training and meeting premises will be fully adapted to the needs of persons with disabilities, equal opportunities principles and concrete measures will be embedded in all strategic documents that will be produced under this Action.

Equal opportunity will also be taken into account in the preparation of all tender documents and in the recruitment of personnel through the placement of appropriate wording.

Kosovo legislation ensures equal opportunities and no gender discrimination. More specifically for Component II gender equality incentives will be incorporated particularly in activities concerning capacity building, the monitoring mechanism, where available indicators are structured and disaggregated by gender. This action under this component will make sure that equal opportunities to marginalised groups are particularly applied in technical assistance activities with KAS regional offices, NSI and other involved stakeholders.

MINORITIES AND VULNERABLE GROUPS

During the implementation of the activities under the component II of this action, a special focus will be given to offering equal opportunities for everyone, including minority groups involved in the public sector as well as in the private service sector. The aim will be to contribute to multi-ethnic representation in the institutions benefiting from this projects, which will address the ethnic groups fairly and equitably in accordance with the law, along with other marginalised groups. Special attention will be paid to ensuring involvement of women from diverse minority groups, many of whom are particularly marginalized from decision-making processes

Concerning component II KAS applies Kosovo laws on data confidentiality and minority rights. This practice provides good grounds of inclusion of all minorities in statistical and census activities. In regard to activities of individual data collection (statistical complexity) through Census 2020 and SILC, KAS will ensure the data aggregation guaranteeing data privacy and confidentiality. Furthermore, the population register and statistical products will provide comprehensive and reliable data for policy and decision makers to monitor the key indicators on ethnic minorities. Although, the action does not deal directly with minorities and vulnerable groups, as a general principle, sensitivity towards minorities and vulnerable groups, where meaningful, should be reflected in the improved provision of public services.

ENGAGEMENT WITH CIVIL SOCIETY (AND IF RELEVANT OTHER STAKEHOLDERS)

Specific attention will be paid in the framework of component I of this action to ensure that civil society and other 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. The engagement of civil society organisations and stakeholders from the private sector will be therefore taken into consideration in all aspects of the action by strengthening their capacities, allowing them to engage in an effective dialogue with public and private actors. The government will monitor the progress in the different areas covered by the action. The involvement of the civil society in the area of consumer protection and consumer rights is particularly important.

Concerning component II the involvement of civil society organisations and other relevant stakeholders is very useful. KAS through Statistical council involves and informs the relevant stake holders and NGO's on its census and other activity implementation invites them to provide inputs though a different consultative debates.

Civil Society Sector, at central and local level, especially the research and academic community are more in focus and their feedback is becoming more relevant to KAS. As per KAS regulations and approved by government, the civil society sector and other stakeholders should be consulted as interested parties/ relevant users, including women's organizations in accordance with the EU GAP.

The aim is to develop and improve the cooperation between stakeholders and the KAS and, ultimately, assuring successful outcomes for the action. It is crucial to have a strengthened dialogue between users and producers. KAS aim is to include all stakeholders example in user groups for the purpose of identifying their needs for statistics as a success criteria and turning these into quality goals.

Local and international institutions and citizens of Kosovo and other interested parties are waiting to have statistical data and reliable analysis, provided in time and continuously updated.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

The foreseen activities under component I of this action are not expected to have a relevant environmental impact Nevertheless, should any of the sub activities raise environmental considerations then everything will be screened against environmental sustainability.

The component II of this action will not have any negative impact on the environment and climate change due to nature of the action. Specifically, the action aims at introduction electronic data collection system that is more eco-friendly approach and reduces the excessive use of paper. KAS will undertake all necessary steps to avoid the negative impact on potential pollution, waste, land-take requirements and transports related to the Action.

7. SUSTAINABILITY

Sustainability of the component I of this action will be ensured through the involvement of all relevant actors, at all levels, and clear structures and roles for the implementation and monitoring. This type of assistance has proved to be extremely useful for the sustainability of the overall EU assistance to Kosovo especially as the interest and ownership of Ministry of European Integration for these types of activities is increasing continuously. What is important about this action is that its methodology is being slowly taken on board by the IPA II beneficiary. They are now convinced that without having the relevant expertise and preparatory work done they are not able to engage into projects and ensure its successful implementation. This aspect has been further strengthened during the implementation of IPA II programmes which has had a more focused and sectoral approach.

The NIPAC office has undertaken a more active role in reporting on the implementation of the IPA assistance by providing annual reports to the EU. This has ensured that the NIPAC takes into consideration the monitoring of the implementation of different action which ensures the ownership and sustains the process.

Finally, the integration of the key principles of public administration and of the 'Better Regulation' approach into envisaged assistance will also contribute to sustainability of results. In particular, a) development of new legislation/ amendments will be carried out respecting all procedures, especially those related to (fiscal/ regulatory) impact assessments, public consultations, inter-ministerial coordination; the action will provide support to the beneficiaries with 'options analysis', regulatory impact assessments, concept papers, etc. prior to supporting them with drafting of legislation/ amendments; actual legal drafting will be mainly done by the beneficiary and even if some drafting is done by experts, it will be paired with capacity building (e.g. detailed explanation of proposed texts, comparison among international examples, etc.); b) any training, capacity-building and human resources development activities shall be coordinated with the institution that is centrally responsible for human resources management and professional development of civil servants; c) any activity supporting the development of IT tools shall ensure consistency with the interoperability standards in each beneficiary and, where these don't exist, they will promote consultations with the Ministries in charge of information society related matters; d) any guidelines developed by EU assistance shall be simple enough to allow revision by the beneficiary administrations without further external support; finally e) any new law or administrative procedures shall not contradict any existing law or procedure; ; if necessary the action will support harmonisation of the new procedures with the existing provisions.

The aim of component II of this action is to support the development of sustainable professional capacity which will create a basis for producing timely and reliable statistics which comply with the users' needs as well as to be in line with Kosovo's international obligations towards Eurostat. This will ensure increased ownership and leadership of KAS in the statistical sector in Kosovo.

In addition, the action is also aiming to support the inter-institutional coordination in statistical sector by improving the dialogue with other data producers and users as well as donor coordination. This will create a good basis for KAS to engage in an open dialogue with the government and other relevant institutions in the sector to create a better understanding and general acceptance of a need for the production of timely, accurate and internationally comparable statistics.

The above issues are fully in line with recommendations of previous EU assistance and Swedish Government assistance to ensure the sustainability of the action.

Furthermore, this action's sustainability is going to be further enhanced through continuous government support in the statistical sector by ensuring sufficient financial and human resources particularly during the planned implementation period of this action i.e. from 2018 and onwards.

In terms of ensuring the sustainability of the action, KAS has taken necessary steps to increase its efficiency and functionality by introducing an internal reorganization and improving its communication tools.

The amendment of Law on Official Statistics will create a foundation for KAS's improved access to all administrative sources currently used by different line-ministries and statistical institutions in Kosovo which will hopefully further support the sustainability of this action.

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 the responsibility of the IPA II beneficiary, and shall be funded from the amounts allocated to the Action.

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

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives. 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.

The European Union Office in Kosovo has developed clear visibility guidelines and ensures that all projects which are implemented in Kosovo are fully in line with these guidelines. Project visibility is also clearly stipulated in all contractual documents whereby the contractors/implementers are obliged to adhere to all EU visibility requirements. Awareness campaigns are included within the project activities. Visibility materials will be produced (brochure, leaflets, newsletters).

It is the responsibility of the beneficiary to keep the European Union Office 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 sectoral monitoring committees.