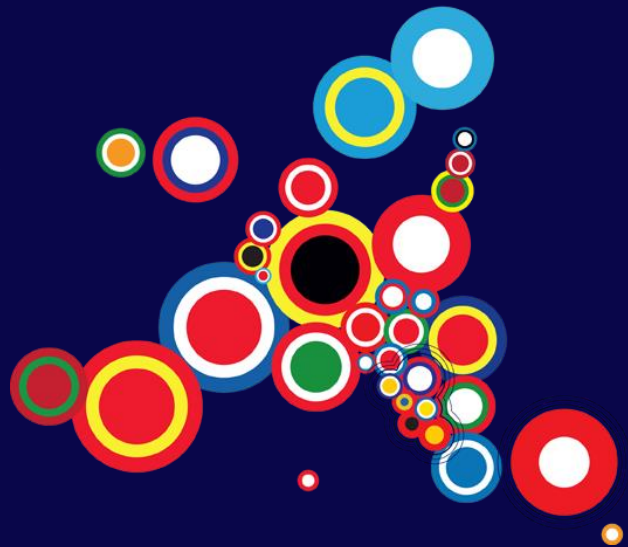




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

### THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Support to participation in  
Union Programmes



#### **Action summary**

This Action is supporting the country in participating in EU Programmes. The purpose is to co-finance the costs of the "entry-tickets" which the beneficiary has to pay for the participation in Union Programmes, and, by those means, to facilitate the progressive transfer of know-how and the strengthening of capacities of the relevant administrative bodies benefiting from the participation in Programmes of the end beneficiaries.

<b>Action Identification</b>	
<b>Action Programme Title</b>	Annual Action Programme for the former Yugoslav Republic of Macedonia for 2016
<b>Action Title</b>	Support to participation in Union Programmes
<b>Action ID</b>	<i>IPA 2016/039-618/01.01/MK/Union Programmes</i>
<b>Sector Information</b>	
<b>IPA II Sector</b>	1. Democracy and Governance
<b>DAC Sector</b>	43010 (multisector aid)
<b>Budget</b>	
<b>Total cost</b>	EUR 11,310,643.00
<b>EU contribution</b>	EUR 7,109,905.80
<b>Budget line</b>	22.02 01 01
<b>Management and Implementation</b>	
<b>Method of implementation</b>	Indirect management
<b>National authority or other entrusted entity</b>	The NIPAC Office is responsible for overall coordination of the Union Programmes. The IPA Funds Management Department is responsible for financial implementation of the Union Programmes.
<b>Implementation responsibilities</b>	National IPA Coordinator, Secretariat for European Affairs Fatmir Ademi, Head of the IPA Funds Management Department, Ministry of Finance NIPAC's Office
<b>Location</b>	
<b>Zone benefiting from the action</b>	The former Yugoslav Republic of Macedonia
<b>Specific implementation area(s)</b>	Nation-wide activities
<b>Timeline</b>	
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2017
<b>Final date for concluding delegation agreements under indirect management</b>	At the latest by 31 December 2017
<b>Final date for concluding procurement and grant contracts</b>	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
<b>Final date for operational implementation</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 targeted</b>	<b>Significant objective</b>	<b>Main objective</b>
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Trade Development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	<input checked="" type="checkbox"/>	<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 checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

# 1. RATIONALE

## PROBLEM AND STAKEHOLDER ANALYSIS

Participation in EU Programmes is a means to promote reform and modernisation and at the same time strengthen administrative and regulatory convergence of the partner countries with the EU. By taking part in the so-called Union programmes, the country is working on technical and administrative capacity building, when it comes to implementation of the EU sectoral policies.

The EU agreed in the Thessaloniki Agenda to open participation in Community Programmes and Agencies to the Western Balkan countries, following the approach used in the past for candidate countries. The Commission proposed concrete steps in its Communication of 3 December 2003 (COM(2003) 748 final), underlining the need for a selective and gradual approach.

Further to the Thessaloniki Agenda for the Western Balkans and in line with its Communication “Preparing for the participation of the Western Balkan countries in Community programmes and agencies” the Commission negotiated respective Framework Agreements with the beneficiaries. Consequently, EU funds may be used to prepare for participation and to co-finance the costs.

These agreements were signed on 22 November 2004, on the occasion of the EU Western Balkans Forum, assent was then given by the European Parliament on 10 May 2005 and, finally, the Council proceeded with the conclusion of the agreements on 2 June 2005. The Framework Agreement was ratified by the former Yugoslav Republic of Macedonia on 10 June 2005 and entered into force on 29 June 2005. On the basis of Association Council decisions or Framework Agreements, candidate countries may participate in certain European Union programmes. The Commission proposed concrete steps in its Communication of 3 December 2003, underlining the need for a selective and gradual approach.

In the period 2014-2020, similar to 2007-2013, the Instrument for Pre-accession Assistance (IPA II) will be used to help the country meet part of the costs of participation in those programmes, chosen by the country itself, on the basis of an increasing national contribution per programme. Depending on the available resources and capacities, as well as the results of the country’s participation in current Union Programmes, the country may opt at a later stage to participate in other Union Programmes for which it is eligible.

Based on CARDS and IPA I practice, the Union’s grant assistance is made available each year for the country to co-finance the entry-ticket to participate in the Union Programmes (and Agencies). The same continues in the period 2014-2020.

Based on a previous Government approval, the country has expressed interest to participate in the following Union Programmes for 2014-2020:

1. Horizon 2020
2. COSME
3. Europe for Citizens
4. Culture – Creative Europe
5. Media – Creative Europe
6. Customs
7. Fiscalis
8. Civil protection mechanism
9. Erasmus plus
10. Erasmus plus - external strand
11. Programme for Employment and Social Innovation (EaSI) - Progress strand
12. LIFE
13. Fundamental Rights Agency (FRA)

Possibility for participation in the following Union Programmes, will be further considered:

1. Rights, Equality and Citizenship Programme
2. Health for Growth Programme
3. Consumer programme
4. European Earth monitoring Programme (GMES).

However, the IPA 2016 will only support the participation of the country in the programmes listed in Section 3 Budget breakdown.

In order to establish the legal basis for participation in each individual EU Programme, an International Agreement (IA) (previously a Memorandum of Understanding) has to be signed between the European Commission and the former Yugoslav Republic of Macedonia, which sets up the general principles for the participation, including administrative capacities (e.g. financial control, satisfactory number of people dealing with their implementation, financial resources for participation, mechanisms of participation in programme management etc.). Such IAs have already been concluded (between the country and the Commission) with regards to the following programmes: Horizon 2020, Cosme, Erasmus +, Erasmus + external strand, Creative Europe – Culture, Creative Europe - Media, Customs, Fiscalis, Civil Protection Mechanism, Programme for Employment and Social Innovation (EaSI) - Progress strand and Europe for Citizens.

The key stakeholders in the process are the IPA Funds Management Department responsible for the payment of the entry tickets. The final grant beneficiaries are involved in the implementation of the activities resulting of the participation of the country in the Union Programmes. Potential obstacles to smooth operation are lack of funds for timely payment of the entry tickets by the national authorities, shortage of ministerial staff, lack of political support or inadequate technical capacities to support the end beneficiaries in information sharing, etc. In this context, training of the final stakeholders is a key element for the sustainability of the preparatory actions.

On the side of the European Union and the relevant DGs it is essential to provide the necessary technical descriptions of the actions and the annual costs in time and assign adequate resources to the management/monitoring of the contracts.

## **OUTLINE OF IPA II ASSISTANCE**

In order to support the participation to the Union Programmes and therefore promote reform and modernisation, and at the same time strengthen administrative and regulatory convergence of the partner countries with the EU, the Commission will provide financial support to the beneficiary country for the payment of the entry tickets required by each programme. The expected results are enhanced participation of the former Yugoslav Republic of Macedonia in Union Programmes, including increased exchanges with EU Member States and strengthened ownership and responsibility of the country's participation.

The main activity is the provision of a grant to the national authorities for payment of the part of the entry tickets to the Union Programmes, in which the country participates.

The IPA Funds Management Department is responsible for managing of the received grant funds and the timely payment of the entry tickets. The final grant beneficiaries are involved in the implementation of the activities resulting from the participation of the country in the Union Programmes.

The public administration of the country will directly benefit from the participation in the Union Programmes. The various potential indirect beneficiaries would be the private business, citizens, NGOs, etc.

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

The Country Strategy Paper (CSP) 2014-2020 identifies the need to provide assistance for co-financing entry-tickets to the relevant Union Programmes. This Action will focus on those Programmes identified as priorities by the Government and are in line with the CSP respective sectors, i.e. the Rule of Law and

Fundamental Rights, Democracy and Governance, Competitiveness and innovation, Environment and climate change, Transport, Education, employment and social policies, Agriculture and rural development, etc., covering a wide spectrum of areas.

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

During the financial period 2007–2013, the country participated in the following Community (Union) Programmes listed in the table below. The table also shows the cost of entry tickets in comparison with the amount received for implemented projects during the period 2007–2013. All of the programmes were successful, except PROGRESS and LifeLong Learning, where the amount of the entry ticket covered was higher than the amount received on projects.

Union Programme		First year of participation	Projects implemented 2007 – 2013 EUR	Entry Ticket 2007 - 2013	
				National co-financing EUR	IPA co-financing EUR
1	FP7	2007	11 700 000	2 181 195	5 073 714
2	CIP_EIP	2007	3 329 593	277 216	627 184
3	CIP_IEE	2011	1 531 018	178 638	669 766
4	PROGRESS	2007	1 014 879	360 000	1 020 000
5	CULTURE	2008	13 506 915	153 600	38 400
6	Europe for Citizens	2009	3 561 109	9 000	66 000
7	Lifelong Learning programme and Youth in Action	2012	3 114 080	351 890	2 840 000
8	Centralised measures of the LLL programme	2012	1 171 069	20 700	159 300
9	Customs 2013	2009	N/A	55 724	155 397
10	Fiscalis 2013	2009	N/A	44 905	128 616
11	Civil Protection Mechanism & Financial Instrument	2012	N/A	11 056	54 005

By acquiring status of associate member in the FP7 programme in 2007, the country was given the right to participate on an equal footing with the EU Member States in all the specific programmes, and thus gaining the opportunity to getting increased number of FP7 projects, and accordingly increased financial gain. The country is included in the category of successful countries which not only managed to reinstate its contribution, but enlarge it almost double, which is a rare achievement for many EU countries. In spite of the positive results, there are certain anomalies which are regularly reported in the European Commission Reports, which are the insufficient administrative capacities in the Ministry of Education and Science, inconstant and inappropriate participation of their representatives in the network of the national contact persons and facilities of the European Research space. The participation of small and medium-sized enterprises is still below the level of possibilities and needs. In the forthcoming period, it will therefore be necessary to strengthen the campaign for their bigger participation in the new “Horizon 2020” Programme.

The country has participated in two of the three sub-programmes CIP-EIP and CIP-IEE, in CIP-EIP since 2007, in CIP-IEE since 2011. The participation in the third sub-programme CIP-ICT has been postponed due to shortage of financial means for co-financing. The participation in the Programme was complicated for entities from the former Yugoslav Republic of Macedonia due to several reasons: lack of former experience in EU Programmes/Projects, insufficient innovation in the proposed ideas, low quality of applications, etc.

The country has participated in the Culture Programme since 2008. According to the official statistics published by the European Commission/Executive agency of Education, Culture and Audio-visual Work from 2008 to 2013, 145 projects have been conducted in which cultural operators from the former Yugoslav Republic of Macedonia are included and 60 projects are supported (out of which 2 projects have not been realised). However, the cultural operators from the former Yugoslav Republic of Macedonia participate, above all, with status of co-organisers within the projects, with the exception of 2 projects in which national cultural operators are leaders and 3 projects in which national cultural operators participate as associate partners.

The country has participated in the programme “Europe for citizens” (2007-2013) since 2009. The interest for participation by the interested entities has increased, and the number of approved projects where various organisations from the country participate in, was increased. From 2008 to 2013, the country participated in 58 projects, represented by the relevant associations or institutions, acting as leading partners in nine of the projects and as partners in the rest.

The country has participated in the programme “Customs” (2007-2013) since 2009. In the period 2009-2012, a total of 70 customs officers participated in 50 events and training sessions, ensuring co-operation, exchange of information and best practices with EU member states’ Customs administrations, candidate countries and potential candidate countries, work improvements on the ground, etc.

The country has participated in the programme “Fiscalis” (2007-2013) after signing the Memorandum of understanding in 2009. Through the participation in many activities (47 trainings and events), the Public Revenue Office acquired significant capacities which led to the enhancement of the working processes and introduction of new ways of work, which allow strengthening of the administrative capacities.

Centralised measures of the Lifelong Learning programme: The country has participated in the programme since 2012 in network projects, multilateral projects and other types of actions that support the European cooperation in education and training. The National agency for European educational programs and mobility is a public institution, established by Law and created to promote and implement the European educational programs in the country.

Experience from the enlargement context shows, that successful participation in Union Programmes requires a high degree of ownership and initiative by the beneficiary. Proactive involvement by the beneficiary in gathering the necessary information on programmes, procedures and working methods as well as in establishing networks and structures and informing the public is essential in order to reap the benefits of participation in programmes and agencies. There is also a need for coupling the general information, with targeted attention for enhancing the knowledge related to the particular calls, financial and legal issues, project preparation and management and, very important, further enhancement of the participation of small and medium size enterprises.

## **2. DESCRIPTION AND IMPLEMENTATION ARRANGEMENTS**

### **INTERVENTION LOGIC**

#### **Objective:**

- To ensure participation of the former Yugoslav Republic of Macedonia in Union Programmes by co-financing the costs of the entry-tickets/participation fees to be paid in areas such as education, civil protection, private sector developments, labour market and employment, taxation, RTD.

#### **Results:**

- Enhanced participation of the former Yugoslav Republic of Macedonia in Union Programmes, including increased exchanges with EU Member States;
- Strengthened ownership and responsibility of the former Yugoslav Republic of Macedonia (including in financial terms) for participation in Union Programmes.

#### **Indicators:**

- Number of programmes for which an International Agreement has been concluded: 12 (2020)
- The former Yugoslav Republic of Macedonia 's participation rates in the different Union Programmes: 100% (2020)

### **IMPLEMENTATION ISSUES**

IPA funds of year N co-finance entry tickets / participation fees for year N+1 or in case of front-loading also for years N+1 and N+2.

The participation of the IPA II beneficiary in Union Programmes, including payment by the country of the entry ticket/participation fees, shall follow the specific terms and conditions set out for each programme in the relevant International Agreement. Co-financing rates from previous participation shall be taken into account, and in line with the principle of increasing the former Yugoslav Republic of Macedonia ownership and responsibility, IPA funding rates shall decrease over the years in real or relative terms.

The former Yugoslav Republic of Macedonia is responsible for making the payments of the full amount of the entry ticket/participation fees in accordance with the conditions of each IA. The country must not only provide the co-financing but also the funds necessary for the payment of the total entry ticket, prior to receiving the partial reimbursement from IPA II. The reimbursement will be paid as a grant to the former Yugoslav Republic of Macedonia.

The payment of the entry tickets, following the rules and principles established under indirect management with beneficiary country, remains responsibility of the IPA Funds Management Department.

The IPA Funds Management Department will regularly inform the NIPAC on payment of the relevant entry tickets.

The relevant final beneficiaries (Line Ministries/Agencies) will regularly provide Union Programmes implementation reports to the NIPAC.

The NIPAC will regularly monitor the participation rates and reports on them as well as on co-financing trends in the context of IPA monitoring committees. In addition the NIPAC office will provide, each six months, monitoring reports to the EU Delegation covering not only the financial implementation of the entry ticket payment, but also the actual substantial implementation at the level of beneficiaries (responsible Line Ministry) and final beneficiaries (grant beneficiaries) on the achievements of objectives and results.



## **COMMUNICATION AND VISIBILITY**

Communication and visibility activities shall be implemented in accordance with the rules of each Union programme. The relevant programme managing entity shall be responsible for monitoring of the visibility activities. The NIPAC office needs to make sure that the national institution participating in the respective Union Programme establishes direct contacts with the EU Delegation in order to plan and implement together visibility actions linked to the implementation of the respective Union Programme.

### 3. BUDGET BREAKDOWN

	Total expenditure	IPA II contribution		IPA II beneficiary contribution	
	EUR	EUR	%	EUR	%
Entry ticket for Horizon 2020 - 2018	3,400,820.00	1,700,410.00	50.00	1,700,410.00	50.00
Entry ticket for COSME - 2018	188,623.00	113,173.80	60.00	75,449.20	40.00
Entry ticket for Europe for Citizens - 2018	15,000.00	9,750.00	65.00	5,250.00	35.00
Entry ticket for Culture (Creative Europe) - 2018	45,000.00	31,500.00	70.00	13,500.00	30.00
Entry ticket for Media (Creative Europe) - 2018	75,000.00	52,500.00	70.00	22,500.00	30.00
Entry ticket for Customs - 2018	180,000.00	84,600.00	47.00	95,400.00	53.00
Entry ticket for Fiscalis - 2018	50,000.00	23,500.00	47.00	26,500.00	53.00
Entry ticket for Civil Protection Mechanisms - 2018	31,200.00	17,472.00	56.00	13,728.00	44.00
Entry ticket for Erasmus plus - 2018	7,000,000.00	4,900,000.00	70.00	2,100,000.00	30.00
Entry ticket for Programme for Employment and Social Innovation (EaSI) Progress strand - 2018	200,000.00	92,000.00	46.00	108,000.00	54.00
Entry ticket for Erasmus plus external strand - 2018	125,000.00	85,000.00	68.00	40,000.00	32.00
	<b>11,310,643.00</b>	<b>7,109,905.80</b>		<b>4,200,737.20</b>	

[click twice on the table to open the embedded Excel file]

## ANNEX

### Overview of the former Yugoslav Republic of Macedonia's public institutions that have signed International Agreements with the European Commission and dates of entry into force or latest amendments to the International Agreements

Union Programme	Signing of International agreement	Responsible DG & Contact	Line Ministry & Contact
<b>HORIZON 2020</b>	IA Agreement signed 1/7/2014	DG Research and Innovation Tania Friederichs tel +32 2295 7141 <a href="mailto:tania.friederichs@ec.europa.eu">tania.friederichs@ec.europa.eu</a>	Ministry of Education & Science <b>Ms. Marina Nikolovska</b> marina.nikolovska@mon.gov.mk off.023140186
<b>COSME - Competitiveness of enterprises and Small and Medium-sized Enterprises</b>	IA Agreement signed 29/9/2014	DG Internal Market, Industry, Entrepreneurship and SMEs  Ms Christiane Cambron Tel.: +32 2 2959673 <a href="mailto:christiane.cambron@ec.europa.eu">christiane.cambron@ec.europa.eu</a>	Ministry of Economy <b>Ms. Ardiana Abazi</b> ardiana@economy.gov.mk off.02-3093 453
<b>Europe for Citizens</b>	IA expected to be signed in 25/11/2014	DG Migration and Home affairs Pavel Tychtl tel.: +(32) 2 2962973 <a href="mailto:pavel.tychtl@ec.europa.eu">pavel.tychtl@ec.europa.eu</a>	Ministry of Education & Science <b>Ms.Aneta Trpevska</b> aneta.trpevska@mon.gov.mk
<b>Creative Europe - Culture Programme</b>	IA Agreement signed 22/7/2014	DG Education and Culture Ms Corinne Rigaud <a href="mailto:corinne.rigaud@ec.europa.eu">corinne.rigaud@ec.europa.eu</a> +(32) 2 2990523	Ministry of Culture <b>Ms.Biljana Prentoska</b> biljana.prentoska@ccp-macedonia.gov.mk off.02-3207 446 Ms. Ivana Ristic off.02-3240 531
<b>Creative Europe - Media programme</b>	IA expected to be signed in 27/07/2015	DG Communications Networks, Content and Technology Dag Asbjornsen	Ministry of Culture <b>Ms.Biljana Prentoska</b> biljana.prentoska@ccp-macedonia.gov.mk off.02-3207 446 Ms. Ivana Ristic off.02-3240 531
<b>CUSTOMS 2020</b>	IA Agreement signed 4/8/2014	DG Taxation & Customs Union Damien Cocard & Nancy Peeters <a href="mailto:nancy.peeters@ec.europa.eu">nancy.peeters@ec.europa.eu</a> +32/2/2986/134	Customs Administration <b>Ms.Slagjana Damjanoska</b> sladjana.damjanoska@customs.gov.mk off.02/329 39 10
<b>FISCALIS 2020</b>	IA Agreement signed 4/8/2014	DG Taxation & Customs Union Damien Cocard & Nancy Peeters <a href="mailto:nancy.peeters@ec.europa.eu">nancy.peeters@ec.europa.eu</a> +32/2/2986/134	Public Revenue Office <b>Ms.Biljana Jakimova</b> (076/ 44 63 30) biljana.jakimova@ujp.gov.mk off.02/3299 684,  Mr.Goran Andonovski
<b>Civil Protection Mechanism &amp; Financial Instrument</b>	IA Agreement signed	DG ECHO Biljana Zuber +32 22991804 <a href="mailto:Biljana.ZUBER@ec.europa.eu">Biljana.ZUBER@ec.europa.eu</a>	Protection & Rescue Directorate <b>Ms.Tatjana Anastasov</b> , off.02/3247 205
<b>ERASMUS +</b>	IA Agreement signed 26/5/2014	DG Education and Culture Marlene Bartes	Ministry of education and science <b>Ms.Aspasija Hadzisce</b> aspasija.hadzisce@mon.gov.mk aspasijah@yahoo.com <b>Mr. Darko Dimitrov</b> Executive director, National Agency darko.dimitrov@na.org.mk

<p><b>ERASMUS + External Strand</b></p>	<p>IA Agreement signed 26/5/2014</p>	<p>DG Education and Culture Marlene Bartes</p>	<p>Ministry of education and science <b>Ms.Aspasija Hadzisce</b> aspasija.hadzisce@mon.gov.mk aspasijah@yahoo.com</p>
<p><b>Programme for Employment and Social Innovation (EaSI) - Progress strand</b></p>	<p>- IA Agreement signed 30/3/2015</p>	<p>DG Employment, Social Affairs and Equal Opportunities, FEDORIW Lidia &amp; WESTPHAL Christiane</p>	<p>Ministry of Labour and Social Policy <b>Ms. Aleksandra Slavkovska</b> aslavkovska@mtsp.gov.mk off.02/3 106 358 <b>Ms. Ankica Ivanovska</b> aivanovska@mtsp.gov.mk 02-3106 358</p>
<p><b>Agency for fundamental rights</b></p>	<p>To be confirmed at a later stage</p>		<p>Ministry of Justice  <b>Frosina Tasevksa</b> Ministry of Foreign Affairs <b>Djenk Sejfula</b></p>