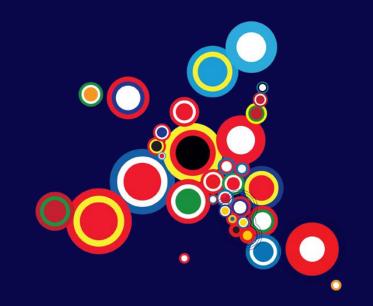


INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

MULTI-COUNTRYEU Integration Facility



Action summary

The objective of the EU Integration Facility is to contribute to progress in the accession process, by supporting flexible, pilot actions addressing urgent and/or unforeseen that merit to be addressed rapidly in order to assure continuity in the accession process and herewith related issues.

The action contains a number of smaller interventions such as provision of technical assistance, preparatory or follow up actions, which are not yet mature enough to be presented as stand-alone actions. It may also cover relevant networking, visibility, evaluation activities, as well as training. It also foresees the follow up to the pilot action for a regional executive programme and exchange component for young civil servants from the Western Balkans. Support Transparency International and Partnership for Social Development on obstacles to good governance, as well as support in assisting the IPA II beneficiaries in their preparation for participating in the EU Trans European networks in the fields of taxation and customs, and support for the implementation of the work programme of the Regional Youth Cooperation Office (RYCO).

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| Action Identification | | | | | |
|---|--|-----------|-------------|----------------|--|
| Action Programme Title | IPA II Annual Multi-country Action Programme 2017 | | | | |
| Action Title | EU Integration Facility | | | | |
| Action ID | IPA 2017/039-402.06/MC/EU IntegrationFacility | | | | |
| Sector Information | | | | | |
| IPA II Sector | 9. Regional and territorial cooperation | | | | |
| DAC Sector | 43010- multi-sector aid | | | | |
| Budget | | | | | |
| Total cost EUR 6 577 000 | | | | | |
| EU contribution | EUR 5 000 000 | | | | |
| Budget line(s) | 22.020401 – Multi-country programmes, regional integration and territorial cooperation | | | | |
| | Management and Impler | mentation | | | |
| Management mode | Direct management and indirect management | | | | |
| Direct management: | Unit D.5 Western Balkans Regional Cooperation and Programmes | | | | |
| European Commission | Unit A.3 Thematic Support, Monitoring and Evaluation (IT assistant | | | | |
| Indirect management | contract) | | | | |
| Entrusted entity | British Council | | | | |
| Implementation | Unit D.5 Western Balkans Regional Cooperation and Programmes | | | | |
| responsibilities | Unit A.3 Thematic Support, Monitoring and Evaluation | | | | |
| | Location | | | | |
| Zone benefiting from the action Western Balkans (Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia) and Turkey | | | | | |
| Specific implementation area(s) | N/A | | | | |
| Timeline | | | | | |
| Final date for contracting including the conclusion of delegation agreements | 31 December 2018 | | | | |
| Final date for operational implementation | 31 December 2021 | | | | |
| Policy objectives / Markers (DAC form) | | | | | |
| General policy objective | | Not | Significant | Main | |
| Participation development/good governance | | targeted | objective | objective X | |
| Aid to environment | · · · · | | | | |

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.

| Gender equality (including Women In Development) | Х | | |
|---|------------|-------------|-----------|
| Trade Development | Х | | |
| Reproductive, Maternal, New born and child health | X | | |
| | | | |
| RIO Convention markers | Not | Significant | Main |
| | | | |
| | targeted | objective | objective |
| Biological diversity | targeted x | objective | objective |
| Biological diversity Combat desertification | <u> </u> | objective | objective |
| | Х | objective | objective |

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

The Western Balkans and Turkey face important common challenges, which are reflected in the EU enlargement strategy. The challenges in the area of democracy and the rule of law include the functioning and independence of institutions, enhancement of policy and legislative development and coordination capacities and processes including EI planning and implementation, streamlining public administration organisation and accountability lines, professionalisation of the civil service, improving the quality and accessibility of public services and the public finance management system, empowerment of civil society, fighting organised crime and corruption, ensuring independent, impartial, efficient and accountable judicial systems, as well as safeguarding fundamental rights such as freedom of expression and rights of persons belonging to minorities as well as vulnerable groups, notably Roma.

The economic crisis has underlined the need for all the IPA II beneficiaries to strengthen their governance, in particular economic governance and improving competitiveness in order to meet economic accession criteria. None of the Western Balkans enjoys the status of a functioning market economy, public financial management systems need strengthening, structural reforms need to be prioritised and competitiveness enhanced, in order to support fiscal consolidation, to tackle high external imbalances as well as high unemployment.

Regional cooperation remains a catalyst for the enlargement process. The IPA II beneficiaries face a number of common problems which they could more efficiently address through peer review and sharing of good practices.

Regional cooperation is a key enabling factor for comprehensive reforms and the return to sustainable economic growth. All IPA II beneficiaries preparing for accession need to align their legislation to the *acquis* and to gradually adapt to the Union standards and practices. This task is facilitated by regional organisations or bodies set up by the IPA II beneficiaries in many sectors.

OUTLINE OF IPA II ASSISTANCE

In line with the above, the action will enable the implementation of a small number of accession-related actions in order to meet specific and urgent needs in the region, as well as relevant support to networking, visibility or evaluation activities or unforeseen needs. In that sense, the activities and the tasks will serve the purpose of supporting *acquis* chapters through creation of an EU Integration Facility for the unspecified institution building needs (training, technical assistance, grants, etc.) and support for the relevant EU networks.

At this stage the EIF will support the follow up to the pilot action for a regional executive programme and exchange component for young civil servants from the Western Balkans.

Secondly, it will support the continuation of the work on integrity, implemented by Transparency International.

Furthermore, the EIF will support an action to identify possible obstacles for good governance in the field of public procurement (to be implemented by Partnership for Social Development).

Additionally an IT assistance contract will provide support in assisting the IPA II beneficiaries in their preparation for participating in the EU Trans European networks in the fields of taxation and customs.

Finally, support will be provided to Regional Youth Cooperation Office (RYCO) for the implementation of its work programme.

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

Financial assistance will be granted in line with, and in support of, the enlargement strategy for the Western Balkans and Turkey. It will be shaped to be consistent with other EU policies in the same area, in particular with the Europe 2020 strategy and the applicable EU macro-regional strategies, with the flagship initiatives of the EU to boost growth and jobs and with the climate policy objectives of the EU. Furthermore, the objectives agreed under the South East Europe 2020 Strategy represent important benchmarks for the reform efforts of the IPA II beneficiaries and the financial assistance under IPA II will be used to support meeting these targets.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

A EU Integration Facility was included in the previous programmes under IPA I. It helped strengthen the link between the policy agenda and financial assistance by allowing a faster response to a limited number of unforeseen priority needs and to carry out pilot projects which were not yet ready for implementation. The preparatory study on parliamentary cooperation is one example of a successful use of the EU Integration Facility which allowed the European Commission to gather a more solid information basis before deciding on the way forward.

Another lessons learned from previous assistance is the difficulty to prove the impact of our interventions, as appears from several evaluations. This difficulty is a consequence of the practice of not conducting project/programme evaluations to identify findings also by means of appropriate quantitative and qualitative methodologies. In this respect, and in line with the DG NEAR evaluation policy and with DG NEAR Guidelines on linking planning/programming, monitoring and evaluation, it has been found necessary to dedicate an appropriate budget during the programming stage for carrying out sector/project evaluations.

It has become increasingly evident 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 regards the Young Civil Servants programme, it was implemented as a pilot project from 2016 to 2017. Based on encouraging results, it has been decided to continue the programme for a further three years.

2. Intervention logic

LOGICAL FRAMEWORK MATRIX

| OVERALL OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS | SOURCES OF VERIFICATION | |
|--|--|---|--|
| To contribute to progress in the accession process | Progress made on political and economic criteria | Progress Reports and Enlargement strategy | |
| SPECIFIC OBJECTIVE | OBJECTIVELY VERIFIABLE INDICATORS | SOURCES OF VERIFICATION | ASSUMPTIONS |
| To support flexible, pilot actions addressing urgent and/or unforeseen that merit to be addressed rapidly in order to assure continuity in the accession process and herewith related issues | Degree of timely implementation of Multi-country action programmes — number of contracts under implementation | Financial assistance implementation reports | The continuing commitment of IPA II beneficiaries to an inclusive process of deepening regional cooperation. |
| RESULTS | OBJECTIVELY VERIFIABLE INDICATORS | SOURCES OF VERIFICATION | ASSUMPTIONS |
| Results: Specific and urgent needs in the region supported; Implementation of a number of accession related preparatory and start-up actions ensured; Urgent/bridging support for important regional initiatives and organisations ensured; TA provided, studies carried out; Training provided; Monitoring and evaluation missions/studies carried out; Visibility material produced; Follow up to the pilot action for regional executive and exchange programme successfully completed. Assessment and track record of NIS; Assessment of barriers to good governance; in public procurement Further adaptation of business procedures used in the tax and customs administrations for the mandatory exchange of information; development of IT systems in compliance with accession-essential interconnectivity requirements (limited to candidate countries); sustainability, transfer of knowledge and ultimate ownership by the IPA II beneficiaries. Knowledge of young civil servants in WB-6 on European perspective related issues increased Collaboration between young civil servants in WB-6 central administrations enhanced | Number of preparatory and start-up actions implemented; quality (nature and scope) of communication materials produced Number of outputs, such as Terms of Reference, technical specifications, feasibility studies and other documents Number of trained persons. Number of monitoring/evaluation missions carried out Number of young civil servants having successfully completed the executive programme Assessment reports and ranking Progress made by the beneficiary administrations in their preparation for interconnectivity and interoperability. Participation in monitoring missions and timely delivery of mission reports; production of administrative documents, assessment of project documents; organisation of workshops and trainings | Implementation reports Studies Activity reports in the framework of the IT contract, progress reports, IT- monitoring mission reports; agenda and preparation for workshops | Timely identification of the needs, which need to be addressed by this facility Engagement and cooperation of beneficiary administrations |

DESCRIPTION OF ACTIVITIES

The activities and the tasks will serve the purpose of supporting *acquis* chapters through creation of an EU Integration Facility for the unspecified institution building needs (training, technical assistance, grants, etc.) and support for the relevant EU networks, through the implementation of a small number of accession-related actions in order to meet specific and urgent needs in the region.

The support will be provided in cases where an initial proposal is considered to correspond to a priority for IPA II financial assistance, (justified in terms of short or medium term priorities; and relevant strategic documents), but where further efforts are needed to design and appraise mature actions, ready for implementation under the upcoming IPA II financial assistance action programme.

At this stage the following interventions are identified:

- Follow up of the pilot action for a regional executive programme and exchange component for young civil servants from the Western Balkans (5 from each IPA II beneficiary). The 30 candidates would jointly participate in a tailor-made 3-4 week long executive programme covering key public administration areas such as policy formulation and analysis. The shorter duration allows them to limit their time away from work but the intensive nature would still provide them with a global perspective on public sector administration. The joint enrolment would facilitate the regional exchange component which involves each candidate spending 2-3 weeks in the public administration of a neighbouring IPA II beneficiary. The successful candidates would have to work for at least 3 years following their return. The action will last two years.
- Transparency International (TI) developed a comprehensive mechanism to assess a country's anti-corruption efficacy sector by sector, the so-called "National Integrity System". This approach allows a nuanced analysis of the beneficiaries' efforts to stamp out corruption. This methodology has been applied in over 100 countries, including 25 EU Member States and was recently also enlarged to the Western Balkans. Given this unique expertise, TI was selected as the only potential participant to undertake/update the "National Integrity System" (NIS) in all IPA II beneficiaries and to develop a tracking mechanism to monitor their efforts to improve their performance addressing corruption challenges for the first phase. The information obtained through the project will allow annually comparing progress made by and between the enlargement jurisdictions in regard to addressing corruption threats, thereby helping the policy makers and implementers to take the necessary steps. This work merits to be continued in the coming years.
- Linked to this Partnership for Social Development (PSD) has developed a unique and innovative risk assessment methodology and response to identify specific obstacles to good governance on public procurement, based on latest scientific theoretical approaches and practical solutions to detecting and responding to problems at institutional/ organisational level, as well as at the level of the society as whole. The work will focus on public procurement.
- Participation in the European Judicial training Network (EJTN) activities will foster knowledge and skills of the judiciary exchanges of good practices in the interest of the accession process. The European Judicial Training Network (EJTN) is the principal platform and promoter for the training and exchange of knowledge of the European judiciary. EJTN represents the interests of over 120,000 European judges, prosecutors and judicial trainers across Europe. The EJTN develops training standards and curricula, coordinates judicial training exchanges and programmes, disseminates training expertise and promotes cooperation between EU judicial training institutions. Formed in 2000, EJTN's fields of interest include EU, civil, criminal and commercial law and linguistics and societal issues training. The EJTN receives an operating grant of DG Justice under the Justice programme for training prosecutors and judges of the EU. Pending participation of the Western Balkan beneficiaries in the Justice programme, the participation of their subjects in EJTN training can be covered using this grant to EJTN.
- Support in assisting the beneficiary administrations in developing the IT systems and the related business procedures used in the tax and customs fields for the exchange of information via IT infrastructure; as well as in assessing the progress made by the beneficiaries in the field of operational capacity and IT

interconnectivity with EU systems and finally, in achieving sustainability, transfer of knowledge and ownership by the IPA II beneficiaries. The contractors will assess and draft administrative documents, amongst others in the framework of the preparation for assistance projects, the development of strategies or new concepts and feasibility studies. They will also organize workshops, regional meetings and trainings and participate in monitoring missions to assess the progress made by the beneficiary administrations in the field on interconnectivity and interoperability.

Other activities, not yet identified, could include:

- Provision of short term technical expert assistance, such as drafting the tender documents and/or terms of reference and technical specifications for the implementation of IPA II funded actions;
- Feasibility studies, assessments, and other preparatory and start-up actions;
- Visibility for multi-country activities, in particular by identifying and preparing 'success stories'
- Support to regional networks by and, amongst others, organisation of regional meetings, workshops, study visits in strategically important areas;
- Provision of training to relevant authorities;
- Monitoring and if applicable evaluation of multi-country actions during or following the implementation.
- Support to the Regional Youth Cooperation Office (RYCO) which is a joint initiative of the Western Balkans: Albania, Bosnia and Herzegovina, Kosovo, the former Yugoslav Republic of Macedonia, Montenegro and Serbia aiming to "promote the spirit of reconciliation and cooperation between the youth in the region" through youth exchanges. The agreement on its establishment was endorsed by the Prime Ministers of the WB-6 on 4 July 2016 in the Western Balkan Summit in Paris. The RYCO's headquarters located in Tirana, Albania, were inaugurated on 8 December 2016. The establishment of RYCO is an important initiative as regards regional reconciliation. In terms of its objectives, RYCO aims to further encourage youth cooperation, mutual understanding and exchange of experiences, with a view to strengthening stability, sustainable development and progress in the Western Balkans. The direct grant is awarded to help RYCO to implement its work programme.

RISKS

- The Governments are not committed to the regional executive and exchange programme; ensuring appropriate internship and completion of the recruitment process for the candidates before the start of the programme and shows readiness to absorb all returning candidates within the public administration.
- Lack of or reduced commitment of IPA II beneficiaries to an inclusive process of deepening regional cooperation.
- Insufficient timely identification of the needs, to be addressed by this facility.

CONDITIONS FOR IMPLEMENTATION

No particular conditions to be signalled at this stage.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

This action will be implemented in the modality of direct management, with Unit D.5 or Unit A3 (contract IT assistance) being responsible for the contracts' implementation and monitoring.

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

Activities, inter alia the IT assistance contract for fostering interconnectivity and interoperability in the customs and tax area, will be implemented through a number of service contracts (4 - 5 contracts) with the indicative procurement procedures to be launched between Q4 2017 and Q3 2018. Contracts to be signed will mostly be specific contracts under framework contracts and other types of contract implementation under the PRAG and the Financial Regulation rules. The global budgetary envelope for procurement amounts to EUR 1.7 million.

Part of the action will be implemented on indirect management basis through a delegation agreement with the British Council to be signed in Q3 2017 for an amount of EUR 1.8 million. The British Council will be entrusted with the funds building on its mandate, strengths, presence and valuable previous expertise in the Western Balkans, particularly in implementing a similar scheme, the Young Cells Scheme in Kosovo, as well as the first pilot action for a regional executive programme and exchange component for young civil servants from the Western Balkans in 2016-2017. The British Council will have to respect strict EU visibility guidelines and will be responsible for organising an objective and transparent selection process. The delegation agreement includes management fees for the organisation of the selection process as well as networking costs. The British Council will be responsible for the management, procurement and implementation of the programme.

Support of a value of EUR 0.4 million to Transparency International and Partnership for Social Development will be provided by a direct award of a grant to TI to be signed in Q3 2017 based on Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation. Furthermore, TI owns the intellectual property of their respective methodologies.

Support of a value of EUR 0.3 million to Partnership for Social Development will be provided by a direct award of a grant to PSD to be signed in Q3 2017 based on Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation. Furthermore, PSD owns the intellectual property of their respective methodologies.

The European Judicial training Network (EJTN) as the training network used by DG Justice under the Justice Programme will receive a grant of EUR 0.3 million, based on Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation.

RYCO will receive a grant of EUR 0.5 million for the implementation of its work programme, based on Article 190 (1)(f) of the Rules of Application on account of its technical competence, mandate, and high degree of specialisation. RYCO is a unique body of this kind in the Western Balkans. Its establishment is politically very important in order to promote regional reconciliation, starting with young people.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

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

planning/programming, monitoring and evaluation. In addition, the action might be subject to external monitoring in line with the European Commission rules.

IPA II monitoring process is organised and led by Unit D.5/ Unit A.3 as appropriate. The monitoring process is aimed to improve programming, implementation and sustainability as well as timely identification, remedying and alleviation of potential issues in the process of programming and implementation of the interventions.

INDICATOR MEASUREMENT - ADD ONE INDICATOR IF RELEVANT

| Indicator | Baseline (2017) | Target 2020 | Final Target (2020) | Source of information | |
|---|-----------------|-------------|---------------------|-------------------------------------|--|
| Specific objective – | 0 | 7-8 | 7-8 | Financial assistance implementation | |
| Degree of timely implementation of Multi- country action programmes — number of contracts under implementation | | | | reports | |
| Results - Number of preparatory and start- up actions implemented | 0 | 1-2 | 1-2 | Implementation reports | |
| Results – Number of good quality communication materials produced | 1 | 1-2 | 1-2 | Publications | |
| Results - Number of outputs, such as Terms of Reference, technical specifications, feasibility studies and other documents produced | 0 | 1-2 | 1-2 | Studies | |
| Results - Number of trained persons (men - women) | 0 | 30 (15-15) | 30 (15-15) | Implementation reports | |
| Results - Number of monitoring/evaluation missions carried out | 0 | 1 | 1 | Reports | |
| Results - Number of young civil servants having successfully completed the executive programme | 0 | 60 | 60 | Implementation reports | |

5. Cross-cutting issues

GENDER MAINSTREAMING

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

EQUAL OPPORTUNITIES

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

MINORITIES AND VULNERABLE GROUPS

The action will positively promote equality of opportunities and combat discrimination. The EU Integration Facility provides for room to support actions that directly deal with minorities and vulnerable groups.

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

In complementarity with this facility, the Civil Society Facility helps to ensure an inclusive and transparent dialogue, consultation and communication with all relevant stakeholders in the respective sectors. This serves as a platform that enables exchange of information and contribution of CSOs in relation to planning development assistance, particularly programming and monitoring of the Instrument for Pre-Accession Assistance (IPA).

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

By their nature, the majority of activities envisaged under this action do not imply direct and major impact to environmental issues, but will however be implemented in a manner which is environmentally friendly.

Climate action relevant budget allocation: EUR 0

6. SUSTAINABILITY

The action will produce sustainable results in the short run since the entire beneficiary institutions/structures need to be already in place, and the action does not envisage establishment or financing of the new organisational units and their running costs. Sustainability is also given in the fact that the support for legislative alignment results eventually in adoption of the laws, by-laws, plans, etc., by the Parliament, Government or governmental bodies. Finally, the integration of the key principles of public administration and the 'Better Regulation' approach into envisaged assistance will also contribute to sustainability of results. In particular, any support on acquis alignment will be done in an inclusive and evidence-based manner; any training, capacity-building and human resources development

activities will be coordinated with the institution that is centrally responsible for human resources management and professional development of civil servants; finally, any activity supporting the development of IT tools will 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.

7. 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 contractors, and shall be funded from the amounts allocated to the action.

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

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

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