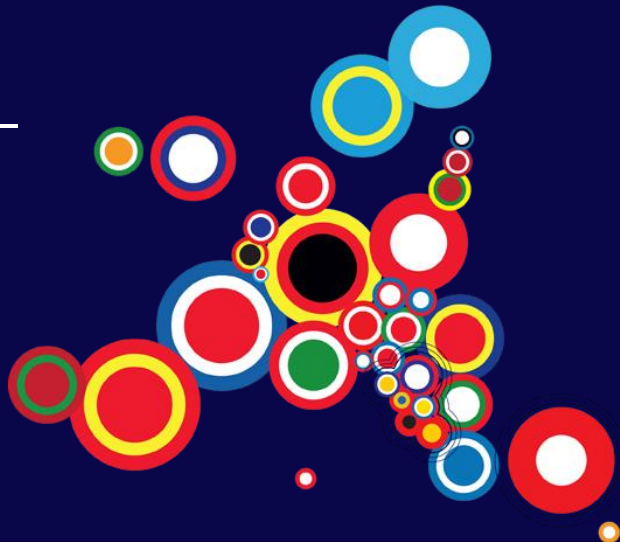




## INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

### SERBIA

#### EU Integration Facility – Direct management



*The aim of this Action is to support Serbia in the process of alignment of legislation and practice in several key sectors with the requirements of the EU acquis and relevant EU standards. The Action will support the implementation of the Better Regulation Approach and contribute to the achievement of progress in a number of reform areas related to the EU accession process. The sectors covered will be: (i) Competitiveness, by supporting proper and effective implementation of legislation in the field of free movement of goods and (ii) Public Administration Reform, by strengthening human resources development and management at local government level in Serbia.*

<b>Action Identification</b>	
<b>Action Programme Title</b>	Annual Action Programme for Serbia for the year 2017
<b>Action Title</b>	EU Integration Facility Direct Management
<b>Action ID</b>	IPA 2017/040-497.01 /Serbia/EU Integration Facility Direct Management
<b>Sector Information</b>	
<b>IPA II Sector</b>	Democracy and Governance
<b>DAC Sector</b>	15110
<b>Budget</b>	
<b>Total cost</b>	14.524,669EUR
<b>EU contribution</b>	14.524,669EUR
<b>Budget line(s)</b>	22 02 01 01
<b>Management and Implementation</b>	
<b>Management mode</b>	Direct management
<i>Direct management:</i> <b>EU Delegation</b> <i>Indirect management:</i> <b>National authority or other entrusted entity</b>	EU Delegation in Serbia Result 2 will be managed through indirect management by the Council of Europe
<b>Implementation responsibilities</b>	The institutional arrangements for implementation of this Action under direct and indirect management include: Ministry of Economy (Result 1); Ministry of Public Administration and Local Self-Government (Result 2) and NIPAC TS ( Ministry of European Integration) (Results 3, 4 and 5).
<b>Location</b>	
<b>Zone benefiting from the action</b>	Republic of Serbia
<b>Specific implementation area(s)</b>	N/A
<b>Timeline</b>	
<b>Final date for concluding Financing Agreement(s) with IPA II beneficiary</b>	At the latest by 31 December 2018
<b>Final date for concluding delegation agreements under indirect management</b>	At the latest by 31 December 2018
<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"/>	X	<input type="checkbox"/>
Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
Gender equality (including Women In Development)	X	<input type="checkbox"/>	<input type="checkbox"/>
Trade Development	<input type="checkbox"/>	X	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	X	<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	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

Serbia has made substantial progress in relation to EU accession. The European Council granted Serbia the status of candidate country in 2012. The Stabilisation and Association Agreement (SAA) between Serbia and the EU entered into force in September 2013. Accession negotiations were launched in January 2014. The analytical examination of the EU *Acquis* (screening process) was completed in March 2015. By March 2017, Serbia has opened negotiations on Chapter 32, dealing with financial control, Chapter 35 (other issues), 23 – dealing with judiciary reform and fundamental rights, 24 – dealing with justice, freedom and security, 5 – dealing with public procurement, 25 – dealing with science and research, 20 – Enterprise and Industrial Policy – and Chapter 26 – Education and Culture. Two chapters (25 and 26) have already been provisionally closed.

The dynamics and tempo of the accession process will increasingly require that Serbia improves the capacity of public administration, both in terms of developing adequate institutional structures, but also in terms of ensuring the sufficient number of qualified experts and competent civil servants with knowledge to work on the harmonisation of the national legislation with the *Acquis* including by improving the quality of policy and legal drafting processes.

The EU for Citizens I aims to support Serbia in tackling the challenges of the accession process, by providing targeted support in key sectors. The identification of the accession priorities supported through this Action was performed through the process of analytical assessment by the line national institutions responsible for policies in the individual sectors. The coordination and prioritisation of the needs was undertaken with the assistance of Ministry of European Integration. The identification of the needs has taken into account relevant strategic documents in each sector, stakeholder requirements and needs, timing and relevance of the diverse accession priorities, and the results and status of implementation of previously programmed assistance.

The assessments showed that *acquis* alignment is relevant in particular in the field of **Chapter 1- Free movement of goods**. Assessments have shown that the competitiveness of Serbian enterprises is closely connected to their ability to produce safe products, conformed to the requirements of relevant technical regulations and standards. Further harmonization in the area of free movement of goods is needed not only to improve the competitiveness, but also to increase the market access to Small and Medium Enterprises; ensure undisputed product safety and protection of consumers' rights and increase the export potential of Serbian products. Removal of technical barriers to trade requires a continuous process of harmonization of technical regulations, aiming to ensure a high level of consumers' health and safety, safety at the workplace, protection of animals and plants, environmental protection, among others. If certain products are not covered by harmonized EU legislation, the principle of mutual recognition applies on such products: products legally marketed in one EU Member State should be freely circulated in other Member States.

This action will therefore support the opening of negotiations for Chapter 1. It will ensure harmonization of Serbian legislation with the relevant EU *Acquis* related to products safety, as well as effective enforcement of the legislation, primarily for the products covered by the EU New Approach Directives (notably Low Voltage Directive, Electromagnetic Compatibility Directive, Machinery Directive and Personal Protective Equipment directive). In addition, the Conformity Assessment Bodies (CABs') capacities will be strengthened through the education of the management and the laboratory experts, as well as through preparation for the status of Notified Body, upon joining EU. The action will also enable further strengthening of the capacities of all institutions in charge of quality infrastructure and market surveillance. Measures will be taken to support the modernisation and upgrade of the Management Information System database for non-compliant and dangerous products. This action will also improve the System for exchange of Information on Dangerous Products. The operative procedures for sampling and testing related to the EU New Approach Directives will be developed for the needs of market inspectors.

The second priority area covered is **Public Administration Reform (PAR)**. The action will tackle the most relevant issues of the human resources management (HRM) and development (HRD) within the local self-government (LSG) framework for professional development<sup>1</sup>. The National PAR Strategy, which was adopted in 2014, and the accompanying Action Plan from 2015-2017, envisage the modernisation of the overall HRM system. The success of the overall public administration reform is directly associated with further professionalization of the civil service in accordance with the principles of merit and of accountability of civil servants. As part of the reform, the requirements which will be set up in relation to the civil service in the central government level will apply also for employees at the provincial and local level. The legal employment status of the employees at local and provincial administration level, including their various management sub-systems was not regulated in the same manner as for the civil servants at central level until recently. The PAR Strategy foresees the alignment of the legal employment status of all civil servants. Serbia made a number of crucial steps in this direction already. This includes the adoption of a number of strategic and legislative documents with the aim to improve the HRM/HRD at the local level, such as the Law on employees in autonomous provinces and local self-government units (adopted in March 2016), the Law on the system of salaries of employees in public sector, the Strategy for Professional Development of Employees in LSG units (hereinafter: Training Strategy) and its Action plan/AP, adopted in March 2015 (the revision of this AP is planned in the course of year 2017).

The institutional set has also been established, including the national Council for professional development of LSG employees in December 2016. This Council is establishing the training and professional development system at the local level and implementing the concept of the Training Strategy. It is tasked to support the Ministry of Public administration and local self-government (MPALSG) in setting up standards for development, implementation, monitoring and evaluation of training programmes for employees in local self-government units as well as for the accreditation of training providers. The Serbian civil service framework is currently under revision, following the adoption of the “Policy Paper for HRM based on Competencies”, by the PAR Council in 2016. The establishment of the National Training Academy is planned in 2018.

These changes respond to requirements which stem from the political criteria of the stabilization and association process (SAP) and the accession negotiations of Serbia and EU. The 2015 SIGMA baseline measurement on PAR principles in Serbia<sup>2</sup> as well as the EC Progress Reports point to the importance of full legislative compliance with the principles of merit-based civil service, ensuring additional funding for the training of generic competences and the necessity for a more credible performance appraisal across all public institutions. Furthermore, the EC Progress Report emphasizes the need for a link between the performance appraisal system and the training system, as well as the need for strong synergies between training programmes provided for central and local government civil servants. Likewise, it is expected that the civil service remuneration system will move towards achieving equal pay for equal work across the PA.

This action will ensure the continuation of support for the reform process being implemented by the line ministry and the local self-governance units. The aim is to ensure the coherence of the public service system at all levels of government, through implementation of the newly adopted legislation and related strategic measures.

In addition to these two key strategic priorities, the action will also support the continuation of the **Policy and Legal Advice Centre (PLAC)**. The PLAC is directed towards assisting national institutions in the alignment of legislation with the Acquis. The previous PLAC phase focused on 13 chapters of the Acquis, out of the existent 35. The continuation of the PLAC project will ensure focus on those areas of the negotiations where there is a significant volume of the Acquis, and where there

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<sup>1</sup> Serbian legislation has a sharp distinction between civil servants – those employed at state level and public service employees – employed at the local level. For the purpose of this project all persons employed, both as persons appointed to positions and persons that are employed by the local self-government are referred to as “employees”.

<sup>2</sup> <http://www.sigmaxweb.org/publications/Baseline-Measurement-2015-Serbia.pdf>

are specificities of national legislation and systems which require particular support. The planning for the PLAC is based on the National Plan for Adoption of the Acquis (NPAA). This document is a comprehensive plan for the alignment of national legal system with the Acquis, as well as for the capacity building required for the implementation of the aligned legislation. The NPAA has been revised, and the current iteration spans the period 2016-2018. The NPAA also forms the basis for the preparation of negotiating positions for the chapters and allows monitoring of the obligations undertaken during the negotiations. The period ahead of Serbia will be marked by the gradual opening of chapters and the negotiation process will grow more demanding. The Screening reports demonstrated that Serbia lacks specific knowledge and expertise in certain areas, that a number of areas are not regulated by the domestic legal system or are regulated quite differently given Serbia's specific country features. In the upcoming period these weaknesses will have to be solved, including as part of the closing benchmarks set by the EC for certain chapters. These benchmarks include the adoption of certain pieces of legislation, adoption of strategies and/or action plans, proper implementation and effective enforcement of legislation, fulfilling contractual obligations towards the EU.

It is evident that in the majority of cases, the Acquis cannot be simply transposed without elaboration of accompanying by-laws, instructions and other interpretative materials as well as that for the effective implementation, roll-out and phased plans need to be developed and capacities of institutions adequately built up. Besides this, follow-up and monitoring of the implementation of the new legislation has to be given particular attention, which in turn again requires additional resources and acquiring of additional skills and competences. Therefore, this part of the Action is aimed at ensuring the high quality expertise to be provided to national staff dealing most concretely with legislative harmonisation and at providing direct transfer of know-how by recommending cost-effective implementation mechanisms and sustainable solutions, including elaboration of studies and impact analysis, setting out operational conclusions.

Having this in mind, Serbia will be in need of adequate expertise and resources and targeted advice and guidance to the national administration, in order to achieve the benchmarks. The continuation of EU support through the Policy and Legal Advice Centre is of significant importance for the uninterrupted progress of the accession negotiations.

Support within this action has also been envisaged for a specific **Negotiations and Policy Developments Envelope**. In order to obtain full EU membership, Serbia is required to meet all conditions deriving from the Stabilisation and Association process and the Copenhagen criteria and ensure the stability of democratic institutions. This requires the quick reaction of the national administration and different actors in their efforts to manage the EU integration process, to mitigate risks which might jeopardise the EU future of the country and to ensure proper utilisation of the available pre-accession assistance.

The support required by the Serbian institutions in the process of alignment of the legislation to the EU *Acquis* is usually planned in a structured way and included in the regular IPA programming exercise. However, experience from previous programming rounds shows that some urgent actions relating to the accession process were unforeseeable at the time of programming, and proved to be in need of support from IPA. For that purpose a relatively flexible financing envelope needs to be established.

Finally, in line with recommendations from the European Court of Audit, as reflected in the Better Regulation Guidelines and confirmed by the recent and based on the best practices described in the DG NEAR Guidelines on linking planning/programming, monitoring and **evaluation**, an evaluation budget is planned within the action for the conduction of evaluations of mainly the IPA II interventions in a number of sectors. The purpose of the evaluations will be to assess interventions implemented through EU national assistance, based on the principles derived from the DG NEAR Guidelines, with the aim to improve future programming of EU funding to the respective sectors in Serbia.

These evaluations will complement the recurrent monitoring missions and other forms of monitoring as described in the respective section of this Action document, and will serve to underpin strategic

evaluations. The evaluations will target both small but sensitive or innovative projects, and mandatorily any projects/programmes, exceeding €10 million. Although the focus will be on final evaluations, mid-term and ex-ante evaluations will be supported, based on recommendations of Results Oriented Monitoring and considerations based on risk, based on an agreed plan of evaluations.

## **OUTLINE OF IPA II ASSISTANCE**

The IPA 2017 EU for Citizens I Action aims at providing extended targeted and thematic support to the key institutions in the above described sectors, selected on the basis of the complexity of the respective chapters, and in accordance with the priorities set out in the Indicative Country Strategy (ICS) 2014-2020.

The main expected result of the assistance is to support the Government in establishing of the necessary legislative framework and institutional capacities for the efficient carrying out of accession negotiations and for fulfilling the requirements of EU membership in the selected sectors. This includes:

Competitiveness: IPA 2017 assistance will provide targeted support to further strengthening of the Serbian Quality Infrastructure System through capacities building of line ministries and other stakeholders (Conformity Assessment Bodies in the notification process) and aligning with relevant EU legislation, as well as law enforcement. The Action will enable a high level of protection of consumers when higher quality products fulfilling safety standards are placed to the market in addition to awareness raising addressing consumers and industry (economic operators). Increased capacities of both CABs as industry service providers and economic operators (producers of industrial products) will rise the competitiveness of the Serbian economy.

Public administration reform: The Action will support the strengthening of the human resources management system at local civil service level. The main focus of the Action will be to further tackle the challenges of the newly established modern human resource management and development functions at the local level, and introduce adjustments and improvements in line with the national policy. The intervention will result in an improved legal and procedural framework at both national and local level, in accordance with the planned reforms. It will lead to a more coordinated and effective Training Framework for professional development of the local administration, and increased capacities and competences at local level in selected priority areas.

Policy Legal and Advice Centre (PLAC): The aim of the assistance is to continue providing support to the national institutions in the alignment of national legislation with the Acquis, particularly regarding remaining Acquis to be transposed and new Acquis, as well as its proper implementation and effective enforcement by further building the capacities of involved stakeholders.Negotiations and Policy Developments Envelope: Through this envelope, support will be provided to any necessary actions supporting the EU accession process, which cannot be identified in the programming phase, as they will depend on the progress of Serbia's legislation and institution building. The support shall also be dedicated to back-up smaller-scale projects. Moreover, it is expected that the support to Independent State Bodies, such as State Audit Institution or National Bank of Serbia, will be included within this envelope (if not addressed with other sectorial actions). In particular, support to specific needs related to the Chapters 23 and 24 of the Acquis will be supported through this action.

Support to the conduction of evaluations is also part of the action, with the aim of ensuring the conduction of evaluations in accordance with an agreed evaluation plan, covering a number of sectors in particular from IPA II funding for Serbia, and focusing on innovative or sensitive projects, as well as on any intervention exceeding 10 million Euros, with the purpose of generating lessons learned and recommendations for future programming in those sectors in Serbia.

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

All of the actions proposed within the EIF derive from the priorities listed under the IPA II Indicative strategy paper (ISP) for Serbia, and have been aligned with the recommendations of the EC Serbia Report 2016.

The **competitiveness sector** is directly related to the IPS result “overall environment for doing business improved through simplification of the regulatory framework and through harmonisation of legislation with the Acquis”. This Action will promote further harmonisation of the legislation in the area of free movement of goods. It will address the target included in the ISP through strengthening the capacities of institutions to implement and enforce the relevant legislation, but also by providing help to enterprises and consumers to understand their rights. According to the EC Serbia Report 2016 Serbia should in particular: further align sectoral legislation and ensure better implementation of technical requirements and standards; reinforce its administrative capacity to perform market surveillance.

Under **Public Administration Reform**, this Action will directly contribute to achieving the following ISP result: “A civil service system based on merit is in place, including integrity systems, with regularly trained civil servants both at central and local government level, capable of applying sound administrative procedures in line with EU principles and therefore offering legal certainty to citizens and businesses.” Pursuant to the ISP, “capacity-building activities are anticipated at local government level to support implementation of horizontal reforms”. Based on EC - SIGMA monitoring framework for PAR principles, 2016 EC Progress Report for Serbia assesses that Serbia is moderately prepared in relation to the reform of its public administration. It recognizes that good progress has been achieved with new laws on general administrative procedures, public salaries and civil servants at provincial and local government level, but notes the slow implementation of the reform in particular concerning amending the civil service legal framework. The report therefore prioritizes that Serbia should “amend the civil service law through an inclusive and evidence-based process to guarantee the neutrality and continuity of the public administration and ensure merit-based recruitment, promotion and dismissal procedures, notably by eradicating exceptions and transitional arrangements in appointments”.

With regards to **PLAC** support, this AD will address the specific needs arising from the screening process, respective EC Progress Reports and further accession negotiations process. The PLAC support will be used to provide targeted advice and guidance to national administration in achieving the accession negotiation benchmarks, ensuring alignment of national legislation with the Acquis, , as well as its proper implementation and effective enforcement by further building the capacities of involved stakeholders.

The **Negotiations and Policy Developments Envelope** will enhance Serbia’s institutional capacities and strengthen it to meet the full range of priorities deriving from the Indicative Strategy Paper, as well as from the Stabilization and Association Agreement. The EC PR 2016 on Serbia highlights a number of issues that may be tackled through this envelope, including the achievement of the accession political criteria, specific emphasis on chapters 23 and 24, the co-operation between the authorities and the independent regulatory bodies, support to public administration reform, fundamental rights and protection of minorities. With regards to the economic criteria, the positive momentum for advancing structural reforms needs to be preserved. This includes priorities in the areas of private sector development, restructuring of state owned enterprises and public utilities and capacities to cope with competitive pressure and market forces within the Union. As regards Serbia's ability to take on the obligations of membership, main issues relate to securing adequate financial and human resources, and improvement of the legislation in the areas of public procurement, statistics and financial control.

Finally, the ISP gives high importance to lessons learned and recommendations stemming from **conducted evaluations** and audit missions in the programming of assistance. The evaluations envelope foreseen within this action supports the systematic use of evaluation as a method for improvement of programming in the long term period.

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

The selection of the actions under this action derives from lessons learned through the 2014 evaluation of performance of IPA I assistance, which noted that sustainability of some reforms requires proper, well-designed follow-up to relevant interventions.



In the case of the **Competitiveness sector**, support to the implementation of legislation in the area of free movements of goods builds on the IPA 2010 project related to “Strengthening of the Serbian system of market surveillance for food and non-food products” which was implemented to reduce Serbian consumers' exposure to unsafe products through the improvement of market surveillance system. The action also builds on the key lessons of the IPA 2013 project related to “Support to industrial development through capacity building of competent authorities for quality infrastructure and of conformity assessment service providers” which aimed to increase the level of competitiveness of Serbian industry on the EU market. Both previous interventions in this sector showed the relevance of targeted actions focusing on specific products, the need to incorporate not only legislative amendments but also trainings for all stakeholders involved, and finally the need for awareness actions to ensure knowledge and good practices are fully integrated into the production and consumer chains.

The intervention in relation to **Public Administration Reform** is a direct continuation of the ongoing project on human resources management at local level, which will last for the period 2016-2017, implemented under the IPA 2012. This ongoing project includes two main components, and is expected to result in the following:

- Establishment/improvement of a coherent legal, institutional and organizational framework for the enhancement of the HRM system / function in LSG units and.
- Establishment of institutional and organizational framework for LSG professional training system.

The implementation of the current 2016-2017 project has proven there is a significant demand and interest of the LSG units for support in this area (e.g. more than 50% of all Serbian LSGs (93) applied for 20 available tailor made Municipal Support Packages. The Action proposed for IPA 2017 plans to continue the ongoing support building on the results of the first phase, with the aim to broaden the coverage of directly supported LSG units and to assist the main policy proponents at central and local level in implementation and alignment of the new civil service framework.

Technical assistance to the **Policy and Legal Advice Centre** is being implemented currently through the IPA 2014 National Programme. This is the fourth in a row of PLAC projects directed towards assisting national institutions in the alignment of domestic legislation with the *Acquis* (first two projects were funded from CARDS funds). Assistance until now has led to an improvement of structures related to harmonization and approximation of national legislation with EU legislation, including mechanisms for consultation of relevant external stakeholders; improvements of compatibility of national legislation with EU legislation through preparation of relevant draft laws particularly during accession negotiations and capacities of institutions for the implementation of the aligned legislation in several prioritized chapters. Lessons learned so far show that specific emphasis needs to be placed on enhanced compatibility of national legislation with EU legislation and its effective implementation and enhanced capacities of relevant national structures for successful carrying out of accession negotiations. This will be the emphasis provided by the new round of PLAC support.

The experience gained so far concerning the demand for usage of the IPA **‘unallocated’ negotiation and policy envelopes**, demonstrates high interest of the national administration and the purposefulness of such a programming and financing tool in the national IPA package. This proved to be relevant in particular for sectors with diversified and voluminous *Acquis* such as environment, agriculture and rural development, internal market, but also justice and home affairs. In that respect the policy envelope ensures the reserve of funds to be mobilised with the aim to respond to emerging tasks related to the institution building and further strengthening of administrative capacities of institutions responsible for implementation of the *Acquis* in a flexible and immediate way.

With regard to ensuring objective and transparent allocation of the "unallocated funds" to concrete actions and projects, it has been jointly concluded by the national institutions, primarily the Ministry of European Integration, and the Commission that based on the previous experience a comprehensive system for the selection of the priorities to be financed through this envelope needed to be established. The prioritisation and decision making of the priorities funded in this manner is treated as a mini-

programming exercise with all seriousness that such process requires and deserves. Consequently, as of IPA 2013 the unallocated envelope has been a subject of approval by the Steering committee, with members including the Serbian European Integrations Office, the Central Financing and Contracting Unit of the Ministry of Finance, the IPA National Fund and EU Delegation. The basis for the work are the jointly agreed Guidelines for management of unallocated funds.

The Better Regulation Guidelines and the DG NEAR Guidelines on linking planning/programming, monitoring and evaluation both confirm the relevance of use of **evaluations**, through the application of appropriate quantitative and qualitative methodologies, for the improvement of programming in all sectors. The need for a systematic approach has been taken fully into account and an evaluation envelope, as recommended in the Guidelines, makes part of this action.

Finally, a general lesson learnt, applying to all sectors, is that policy and legislative development needs be inclusive and evidence-based, costed and subject to appropriate internal and external stakeholder consultations at the right time of the legislative and policy-making process. This is a key in ensuring implementation and enforcement of adopted policies and legislation.

## 2. INTERVENTION LOGIC

### LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	
To strengthen the legislative framework and institutional capacities, for the efficient carrying out of accession negotiations and fulfilling the requirements of EU membership	Rate of transposition of the EU <i>Acquis</i> , as measured by the % of the implementation of the Serbian National Programme for Approximation with the <i>Acquis</i>	EC Progress Reports NPAA Reports	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	ASSUMPTIONS
To support Serbian administration to effectively meet requirements and conditions deriving from the accession negotiations and successfully manages overall EU integration and pre-accession assistance geared towards EU membership focusing on key areas of free movement of goods, human resources development in local public administration and legislative harmonisation with the EU <i>acquis</i> . .	Progress made towards meeting the accession criteria as measured by relevant <i>Acquis</i> negotiation chapters.	Progress Reports; SIGMA reports	Continuous support of the GoS to European Integration process;  Continuous support of the Member States to Serbia's European Integration process;  Annual budget allocation by the government of appropriate levels of human and financial resources;  Sufficient dedicated and qualified staff available at beneficiary institutions.
<b>Result 1</b> – Serbia improves the implementation and legal framework and enforcement of EU-harmonised policies in the area of free movement of goods	Number of unsafe and non-compliant products withdrawn from the market in the scope of compulsory measures imposed by market surveillance authorities  Number of voluntary actions/measures to withdraw unsafe products from the market taken by economic operators	Annual report of the Ministry of Trade	Continuous progress on macroeconomic and fiscal stability  Government is committed to EI process
<b>Result 2</b> – Serbia further strengthens human resources development and management in local government units	Number of LSGs that have HRM functions (HR units/employees) with sufficient capacity to manage the workforce placed under their administrative supervision in	Standing conference of towns and municipalities data/reports on performance measurement index in HRM area	Policy and legal reforms in PA sector follow the SIGMA recommendations  Sufficient human and financial capacities of LSGs continue with

	accordance with applicable civil service framework.. <sup>1</sup>	Ministry of Public Administration and Local Self-Government report	modernization of HRM/HRD
Result 3 – Achieved high level of compatibility of national legislation with EU legislation and its effective implementation	Progress in the alignment and implementation of the Acquis within the negotiation chapters covered by this action notified by EC in Progress Report and documents relevant to negotiation process and on the SAA Committee and Sub-committees.	EC Common position on relevant negotiating chapters EC Progress Report National Programme for the Adoption of Acquis (possible future revision) Conclusions from the SAA Committee and Sub-committees meetings	Continuation of the EU integration process Staff experienced in European integration tasks remain in respective institutions as civil servants
Result 4 - A prompt implementation of emerging accession related actions in the sectors covered by the EU Acquis and policy dialogue with EU is ensured	Improved capacities of specific national institutions implementing the negotiation envelope projects for the achievement of selected NPAA priorities.	Government reports EC Progress Reports	Continuous support of the GoS to European Integration process
Result 5 –Evaluation of IPA II and National Programme IPA TAIB 2013 assistance is carried out.	Number of recommendations deriving from the conducted evaluations implemented	Annual Reports on implementation of IPA TAIB under Decentralised Management, Annual Reports on the implementation of IPA II assistance, and EAMR reports	

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<sup>1</sup>Measurement based on the sample of 50 LSGs subject to application of SCTM performance measurement index in HRM area defined as average percentage of sampled LSG against the maximum capacity of HRM function.

## DESCRIPTION OF ACTIVITIES

### **Result 1 - Serbia improves the implementation and legal framework and enforcement of EU-harmonised policies in the area of free movement of goods**

Activity 1.1 - Further legal harmonization in the areas such as: construction products, motor vehicles, chemicals, pyrotechnic articles/explosives for civil use, personal protective equipment, cultural goods, medical devices, toys.

The action will ensure harmonization of Serbian legislation with the relevant EU acquis for compliance and safety of the products, primarily for the products covered by the EU New and Old Approach Directives. These activities include transposition of large number of laws and secondary legislation deriving from the main EU Directives important for the functioning of certain industrial sectors, such as Construction, Road traffic and Chemical industry.

Activity 1.2 - Strengthening capacities of Quality Infrastructure Institutions (Accreditation Body of Serbia, Institute for Standardization of Serbia, Directorate of Measures and Precious Metals), and Conformity assessment bodies to implement relevant legislation

Full implementation of the transposed legislation will be ensured by establishing sufficient number of competent CABs, offering services that can, in an efficient manner, meet the needs of the Serbian economy and the EU market. By strengthening the capacities of CABs (through education of management and laboratory experts, as well as preparation for the status of Notified Body upon joining EU) transposed EU legislation will be fully applicable in practice. As the role of accreditation is to check and verify the competence of CABs and the role of standardization is to adopt EU harmonized standards in Serbian standardization system, strengthening capacities of the quality infrastructure institutions is necessary as well. Thus, increasing competence of Serbian CABs (confirmed by accreditation) and implementation of the EU harmonized standards on Serbian market will lead to the overall benefits for competitiveness of CABs and industry as well as products safety. The tailor made and targeted trainings and workshops for relevant quality infrastructure institutions will be organised on diverse topics related to the changes done in different industrial sectors.

Activity 1.3 - Strengthening of capacities of line ministers and market surveillance bodies to enforce legislation

A high level of coherency and coordination is to be achieved in the Serbian quality infrastructure system in order to bring it to the European standard and ensure product and consumer safety. Strengthening capacities of line ministries responsible for alignment and enforcement of legislation related to different products groups, as well as the Ministry of Economy, who has the leading and horizontal role in planning, coordination and implementation of all activities in the area of free movement of goods will be done with targeted workshops, training sessions and technical advisory.

In addition, the action will enable further strengthening of the capacities of all institutions in charge of Market Surveillance (by product groups). Upgrading of the Management Information System (MIS), developing operational sampling and testing procedures for the enforcement of the legislation related to the New as well as Old Approach Directives, as well as providing advanced and more specific trainings for market inspectors and all relevant institutions will be the main goal of this action.

The action will provide a database of the activities implemented and measures undertaken, respectively for non-compliant and dangerous products, using MIS and improving System for exchange of Information on Dangerous Products. It will provide support to Economic operators for more intensive usage of Electronic Submission Notification regarding dangerous products through "NEPRO+" system (undertaking voluntary measures).

Activity 1.4 - Awareness rising activities addressing consumers and SMEs/industry

Full enforcement and implementation of the novelties in the area of free movement of goods can be assured only if the final beneficiaries/targeted audience are fully aware of the changes done and the benefits of the new system in force. General public awareness rising as well as targeted industry/SMEs

producing different product groups reaching is of at most importance. Having considered that overall responsibility of placing safe products on the market lies with the producer who has to assure products' conformity with the standards, proper and high quality information has to be sent from the policy makers to the economic operators in different industrial sectors/SMEs that need to follow these new procedures and fulfil their obligation once placing products on the market. General public, consumers should be aware of all aspects of products safety and thus, enable market penetration of only those products fulfilling safety standards (while purchasing products with conformity mark, only).

The action will support the Ministry of Economy as well as line ministries and enforcement bodies to communicate this message to both, consumers and industry/SMEs by organizing public awareness raising campaigns, drafting guidance documents/manuals for the producers, organizing conferences, broadcasting safety information on social networks, drafting of different publications, organizing various events, etc.

Increased ability of Serbian industry to implement the EU legislation transposed into Serbian legal framework will lead to increase of competitiveness of the Serbian economy as well as removal of technical barriers to trade. EU consumers will as well benefit from this action, having considered the number of Serbian products exported on the EU market.

## **Result 2 - • Serbia further strengthens human resources development and management in local government units**

The Project will be implemented through two components:

### Component I. Strengthening the HRM functions at local level

#### Activity 2.1 - Improved legal and procedural HRM framework at national and local level in accordance with planned reforms

This activity will provide support to the line ministry and central government level institution in charge for professional development in the improvement of the strategic and legal framework pertaining to HRM and HRD of employees at local government level. This includes the elaboration of analyses, as may be needed; support for drafting bylaws/acts; as may be needed; revision of the AP for LSG Training strategy and support to the members of working groups/bodies tasked with normative development/revisions. Assistance to LSGs will aim at the alignment of local regulations and procedures to the national HRM policy. This will include the elaboration of models of local acts and procedures such as performance appraisal and career development of employees at the local level, etc.

#### Activity 2.2 - Increased effectiveness of the HRM system in LSGs administration

This activity includes the delivery of advanced standardized HRM packages to LSG (the advanced Municipal Support Package (MSP)). The activity is planned in 50 LSGs, out of which 30 should be new and 20 previous pilot municipalities, supported through the IPA 2012 Programme. The advanced MSP is aimed at further improvement of the HRM system, including specifically mentorship and coaching support, covering topics such as: recruitment procedures, with specific models for employment procedures by public call (јавни конкурс), performance appraisal, career development and implementation of Code of Conduct for local civil servants.

The activity will also include the delivery of Organisational Development MSPs. These include in-depth functional analyses, mapping of working processes, local administration reorganisation and optimisation, organisational setup, technical assistance for the implementation of procedures within the process of rationalisation, development of publication and distribution to LSGs, etc. The activity will target at least 15 pilot LSGs out of 50 LSGs supported through MSPs, and will take into full account the specifics of ethnic groups and vulnerable population in those LSGs. Furthermore, these pilot municipalities shall be granted support to implement necessary organizational adjustments and internal workflows pursuant to the findings and recommendations stemming out of the MSP implementation, including potential establishment of joint municipal services where feasible. This will be done by means of municipal grants fund of up to 450.000 EUR (sub-granting modality,) to at least 15 LSGs in question to provide for financial incentives to implement recommended measures as and where necessary.

A further set of activities relates to the capacity building for all LSGs through advisory services, on-

demand support, training, networking, peer-to-peer learning., etc. The project will provide consultancy support, on-demand technical assistance and knowledge tools and resources to all the LSGs and by actively supporting and building capacities of the Human Resources Management Service in developing its new mandate – providing support to LSG in HRM. The support will focus on the key issues, challenges and needs identified in the course of the HRM implementation and organisational development.

Topics as they are primarily expected include trainings for implementation and supervision of recruitment procedures and performance appraisal processes; training for local administration managers and employees in local HR services for the prevention of corruption in functioning of local administration and for the effective implementation of Code of Conduct for employees; Training of Trainers for local government HR managers and staff, in order to develop their capacity to support HRM function establishment in local institutions funded by the LSGs.

Implementation of an awareness campaign for the promotion of HRM functions and the professionalization of the public service will aim to create conditions for the better delivery of services to all citizens, having in mind the specifics of ethnic groups and a vulnerable population in LSGs.

## Component II. Strengthened human resources management and development system at local level

### Activity 2.3 - Training Framework for professional development of local administration more effective and coordinated

The activity will support the strengthening of the national training system of LSG employees. This will be implemented by means of technical assistance to the national institutions to maintain system of trainings of LSG employees and ensuring synergies between training programmes for central and local government employees. Activities include the training needs analysis preparation, selection of the qualifying training providers and their accreditation, as well as capacity development to monitor and evaluate their performance and assure the quality of provided trainings; organizing trainings for accredited training providers intended for standardization of the quality in performance; development of database on accredited providers, programmes; organisation of discussions and consultations with civil society, keeping records on conducted and planned trainings etc.). In the course of developing General Training Programmes for local level, smooth and functional communication channels/processes will be facilitated between key national institutions (MPALSG, central government institution in charge for professional development and the Council) and line institutions. Likewise, this activity will provide support for the operation of the Council and allow for knowledge and experience exchange between Serbian and relevant institutions from European countries/organisations.

Developing of capacities of local HRM units to successfully perform competencies they are tasked with, notably to implement Special Training Programmes (STPs) will be provided to all LSGs, in the view of development of capacities to successfully perform competencies related to organisation of Special Training Programmes (trainings, advisory support and coaching for: undertaking TNAs, planning and budgeting of trainings, preparation of STPs, selection and engagement of training providers, organizing the trainings and training evaluations). This includes additional mentorship for 50 LSGs to support them in the process of engaging training providers and implementation of concrete STPs (one STP per LSG). Likewise, annual analysis of local budgets will be undertaken to assess the allocation of funds for STPs trainings and for formulating the recommendations for improving the system of financing of STPs intended for LSG employees).

### Activity 2.4 - Increased LSG capacities in selected priority areas of local competences and management capacities of local leaders

Development and implementation of the General Training Programmes (GTPs) for LSG administration and its management/leadership includes development of at least 5 sectoral GTPs where at least 3 of developed programmes will be implemented through national open call; Development and implementation of a Leadership Programme for local leaders is also envisaged.

Provision of STPs to LSGs includes financial support to 50 LSGs, selected upon a competition, to develop and implement one STP each, depending on the concrete needs of each of selected LSGs (support is planned in the maximum amount of 2.500 EUR per STP).

Finally, it is relevant to note that the further strengthening of the human resources management / development system at local level will be influenced by the actual status of revision of the national civil service framework in the time to come. Support will be provided to the Ministry of Public Administration and Local Self-Government for the necessary reviews, possible amendments as well as any necessary drafting or revision of relevant legislation, strategies and action plans (PAR Strategy, Training Strategy) in view of aligning the envisaged policy changes with the local level administration. This includes also assistance in implementing new measures, such as changes to the legal framework regulating the subject of HRM and HRD in the public sector, (amendments to the Law on Civil servants and other laws which are presently being drafted) based on the 2016 Policy Paper. Also, by the time of implementation of this action, rationalization of the number of employees in LSGs will be largely completed and further recommendations on optimization of administration, allocation of competences and distribution of tasks for all governance levels should be available. New HRD framework concerning the local level employees is expected to build on the solutions piloted in the scope of IPA 2012 and as such will allow for the unconditional roll-out through IPA 2017 Action.

**Result 3 – • Achieved high level of compatibility of national legislation with EU legislation and its effective implementation ;**

Activity 3.1. Provide support to the national administration in understanding remaining Acquis which should be transposed, as well as new Acquis and provide assistance in drafting Acquis-compliant legislation.

- Delivery of trainings/workshops on the new Acquis,
- Drafting laws,
- Timely elaboration of necessary by-laws,
- Preparation of the instructions and other interpretative materials, action and training plans and other instruments for the smooth implementation of adopted legislation;

Activity 3.2. Assist competent institutions in assessing the effects/impact of the pieces of legislation to be harmonized and to accurately anticipate financial implications of their implementation;

Activity 3.3. Prepare national administration for the practical aspects and challenges in the implementation of harmonized regulations and support establishing of functional coordination mechanisms to facilitate implementation;

Activity 3.4. Assist relevant institutions in developing the necessary implementation follow-up measures and in monitoring and reporting on the implementation of harmonized legislation;

Activity 3.5. Advice if necessary on the competences and appropriateness of certain institutions to be in charge for specific and complex pieces of Acquis;

Activity 3.6. Provide technical advice on elaboration of national version of Acquis (e.g. consolidation of vocabularies, glossaries, etc.);

Activity 3.7. Support the national administration to establish and increase the capacity of the bodies/units necessary to assume the obligation of membership;

Activity 3.8. Continue support for national administration to overcome remaining benchmarks in certain negotiating chapters.

- Elaborate required analyses and reports (depending on the situation per chapter based on EU common position);

Activity 3.9. Provide assistance to the national administration in the preparation for the future participation in working bodies of the Council of European Union and other special bodies in the European Union.



The support to the national administration would also be relevant for the preparation for observer status in the special EU bodies in the period prior to the accession.

Activity 3.10. Provide technical support and advice to Negotiating team and Ministry of European Integration and to negotiating groups and other directly involved structures.

- Support Ministry of European Integration and Negotiating team in facilitation and coordination of horizontal and vertical negotiating structures in obtaining targeted capacity building
- Transfer of know-how from recent accession experiences (seminars, workshops, etc.).

**Result 4 - A prompt implementation of a number of accession related actions in the sectors covered by the EU *Acquis* and policy dialogue with EU is ensured**

Activity 4.1 - Selection, prioritisation and implementation of the Actions for financing according to established criteria

The envelope will support implementation of needs and gap analyses, action plan drafting, strategy development, legal work, training, study tours, Serbia's participation in activities for the exchange of information, networking, participation in workshops, conferences and similar activities.

In order to facilitate programming of these funds, the NIPAC TS established the Working Group (WG) for the Management of Unallocated Funds within the Instrument for Precession Assistance for the period 2007-2013 and 2014-2020. The role of the WG is to review the Actions proposed for financing and to adopt the list of prioritized Actions for financing under IPA unallocated funds. According to the guidelines of the WG the management of unallocated funds follows this procedure: (i) Potential beneficiaries present possible Actions to be funded to the Ministry of European Integration, that is responsible to consolidate all proposals and present them to the WG<sup>4</sup>; (ii) Proposed Actions are reviewed and considered by the WG; (iii) On the basis of the predefined criteria, the WG shall define the priority list of the proposed Actions, programme year for allocation of funds and management mode of financing; (iv) List will be regularly updated based on the newly identified needs.

Selection and prioritisation of the Actions for financing will be done according to following criteria:

- 1) Linkage to the priorities defined within the ISP;
- 2) Significance for the completion of an on-going project, action or process;
- 3) Maturity (documentation readiness, conditions for start of the implementation – availability of funds for co-financing, capacities of beneficiaries and end recipients);
- 4) Proposal responds to an emergency (for example: floods, migration crises etc.).

**Result 5– Evaluation of IPA II assistance and National Programme IPA TAIB 2013 is carried out**

The

envelope will be used for the conduction of a number of ex-ante, mid-term and in particular final evaluations, based on an approved evaluation plan, in accordance with the principles and recommendations of the Better Regulation Guidelines and the DG NEAR Guidelines on linking planning/programming, monitoring and evaluation. Sensitive or innovative interventions and projects/programmes exceeding 10 million will be the main subject of the evaluations. In order to achieve the result in an effective manner, a Joint Plan of evaluations for IPA I and II instrument encompassing all management modes will need to be previously adopted by the IPA Monitoring

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<sup>4</sup> Members of the WG can propose Actions for funding as well

Committee along with specification of type, scope, implementation modality, methodology, timing and indicative budget.

## RISKS

At the level of the entire Action, the following risks have been identified:

Risk	Mitigation measure
Relevant ministries and other beneficiaries are hesitant to commit the necessary human resources to the preparation of relevant documents such as tendering documents	Ministry of European Integration and EUD should always take into consideration workload analyses of all significant implementing institutions.
The relevant ministries and other beneficiaries are lacking capacities to further develop the Actions into the project documentation required for contracting and implementation.	Continuous support by Ministry of European Integration in development of the capacity of all institutions to prepare good quality documentation is a mitigating factor for this risk
Lack of political commitment and willingness to support the actions; including due to changes in the Governmental structures and lack of constant coordination and cooperation between main beneficiary institutions.	The role of Ministry of European Integration and the negotiating structures and the policy dialogue in the context of EU accession should be used to mitigate this risk.
Inadequate staffing and high turnover rates in the public administration.	The implementation of the Public administration reform strategy, supported by the EU and other donors, is a mitigation factor for this risk.
Lack of willingness and capacities in ministries to engage in the inclusive and evidence-based approach in policy and legal development	The implementation of the Public administration reform strategy, supported by the EU and other donors, is a mitigation factor for this risk
Absorption capacities for available EU funds may be low due to limited human resources	During the previous years, various efforts have been undertaken by relevant national authorities in Serbia to enable a higher absorption of EU funds. Special attention should be assigned to setting up of each programmes comprehensive monitoring and evaluation systems, a careful targeting and preparation of programme potential beneficiaries and extensive training should be provided to programme administration and institutions involved.
Deficiency in making timely decision about Actions to be funded from unallocated funds.	Ministry of European Integration , being Technical Secretariat to the WG for Management of Unallocated Funds will support work of the WG

	in making an assessment of proposed Action.
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## **CONDITIONS FOR IMPLEMENTATION**

There are no specific conditions related to any of the results foreseen by this Action.

## **3. IMPLEMENTATION ARRANGEMENTS**

### **ROLES AND RESPONSIBILITIES**

This Action Document under IPA II assistance was prepared and will be implemented and managed in accordance with provision of respective legislation, implementing and operating agreements and procedures.

In the context of the institutional framework, the following institutions have been responsible for programming, implementation, monitoring and evaluation of the interventions foreseen under this actions document: the Ministry of Economy (Result 1); the Ministry of Public Administration and Local Self-Government (Result 2); Ministry of European integration is responsible for the PLAC (Result 3), Negotiations and Policy Developments Envelope (Result 4) and Evaluation of IPA II assistance (Result 5). Besides, Ministry of European integration, in capacity of NIPAC TS/Body is responsible for coordination of programming, monitoring and evaluation (BCPME ), the final beneficiary of the Action are the Ministry in charge of economy (Result 1), the Ministry in charge of Public Administration and Local Self-Government, central government institution in charge for professional development, local-self-governments, Ministry in charge of European integration. The ministries will be directly responsible as the main institutional stakeholders for the implementation of the results under the proposed Action. The end recipients of the assistances are: the Ministry in charge of Economy and the Ministry in charge of Trade (Result 1), Ministry of Public Administration and Local Self-Government, central government institution in charge for professional development and Local self-governments (Result 2), Ministry of European integration and relevant line ministries,

In case of result 2 of the Action, the support will be implemented through Indirect Management Delegation Agreement with the Council of Europe which will act in partnership with Standing Conference of Towns and Municipalities – National Association of Local Authorities in Serbia (SCTM).

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

This action is designed to address and support measures which in view of their complexity and specificity will be implemented under direct management, or indirect management through an IO. The action also includes funding for the development of programmatic documentation and for support to immediate activities related to accession negotiations or acquis alignment which are best implemented under direct management, as well as an envelope for evaluation of direct managed programmes from IPA 17 and previous IPA II annual programmes for Serbia. A mirror action for indirect management is part of IPA 17 (EU for Citizens II).

The activities under the Result 1 - Implementation and enforcement of legislation in the area of free movements of goods will be implemented through one Service contract.

The activities under Result 2 - Strengthened HRM and HRD system at local level are envisaged to be implemented under the modality of Indirect Management with the Council of Europe (the CoE). As in the case of ongoing HRM project (first phase-IPA 2012), CoE will formalise cooperation with SCTM as the local implementing partner which will be tasked to carry out several aspects of the Action.

Ministry in charge of public administration and local self-government is responsible for the implementation of activities to achieve the results envisaged within result 2.

The activities under Result 3- Policy and Legal Advice Centre will be implemented through one Service contract. Ministry in charge for European integration is responsible for the implementation of the activities to achieve the result 3, and final beneficiaries are national line institutions to which the expertise is allocated. The overall budget of support envisaged within result 3 is 3,000,000.

The activities under Result 4 - Negotiations and Policy Development Envelope consisting of a prompt implementation of a number of accession related actions in the sectors covered by the EU *Acquis* and policy dialogue with EU will be implemented through several Service, Framework, supply and works contracts. Activities will be implemented in line with Guidelines for Work of the Working Group for Management of Unallocated Funds. Members of the WG are officially appointed representatives of the following institutions: Delegation of the European Union to the Republic of Serbia, Ministry of Finance (Sector for Managing EU Funds and Central Contracting and Financing Unit) and Ministry of European Integration (NIPAC TS).

The activities under the Result 5 concerning the evaluations envelope will include a number of evaluations for mainly IPA II interventions implemented under direct management, through a number of service contracts and framework contracts, in accordance with the plan for evaluations.

#### **4. PERFORMANCE MEASUREMENT**

##### **METHODOLOGY FOR MONITORING (AND EVALUATION)**

The Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its results via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the 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 EC rules and procedures set in the Financing Agreement. The evaluation shall include gender analysis as well.

Project monitoring will be conducted through direct participation in the project approval committee as well as regular reporting provided by the implementing agency. The action further foresees monitoring from the EU Results Oriented Monitoring (ROM) team.

The implementing authority will provide regular reporting on the implementation of the project, and on ensuring the beneficiary's needs and concerns are met and addressed. The implementing authority will ensure the flexibility of accommodating the needs within the framework of the project's mandate. The assessment will be used to provide suggestions for the future implementation of similar programming and draw out lessons learned from the current phase.

The project may be evaluated at the interim or ex-post stages under the supervision of the Commission's Evaluation Unit. The project may be audited by the Court of Auditors – in line with the standard European Commission procedures.

The monitoring of the action will be based on the four clusters of indicators as set below:

- Resource Indicators (indicators which provide information on the financial and human resources allocated by the experts' team to reach the results as described in the log frame
- Output Indicators (indicators which represent the product/output of the each implemented activity);
- Impact Indicators (indicators, which represent the consequences of each implemented activity such as backlog reduction or number of court case decisions enforced.



## INDICATOR MEASUREMENT

Indicator	Baseline (2016)	Target 2020 (3)	Final Target (2025)	Source of information
. Progress made towards meeting the accession criteria as measured by relevant Acquis negotiation chapters		Good progress	N/A	EU annual reports for Serbia
Number of unsafe and non-compliant products withdrawn from the market in the scope of compulsory measures imposed by market surveillance authorities  Number of voluntary actions/measures to withdraw unsafe products from the market taken by economic operators	120,000	150,000	200,000	Annual reports of the Ministry of Trade and Ministry of Economy
Number of compulsory (corrective and restrictive) measures imposed by market surveillance authorities	525	500	480	Annual reports of the Ministries in charge of trade and economy
INFORM (Index for risk management) in the case of Serbia	4,2 (year 2017)	4,0	<3,0 (year 2021)	INFORM: Country Index Report
LSGs have HRM functions with sufficient capacity to manage the workforce placed under their administrative supervision in accordance with applicable legislation and strategies <sup>5</sup>	38 %	65%	65% (year 2020)	SCTM data/reports on SCTM performance measurement index in HRM area
Progress in the alignment and implementation of the Acquis within the negotiation chapters	Good progress in the alignment and	Good progress in the alignment and		EC Common position on relevant

<sup>5</sup>Measurement based on the sample of 50 LSGs subject to application of SCTM performance measurement index in HRM area defined as average percentage of sampled LSG against the maximum capacity of HRM function. Measurement shall be conducted in the course of year 2017 and in the scope of IPA 2012 Programme on HRM in LSGs. At the moment of drafting of the AD, a preliminary assessment has been carried out by piloting the newly established performance criteria and the approximate baseline has thus been set. It is understood that by the time of launching of IPA 2017 Action, upon completion of the measurement on the sample of 50 LSGs, baseline as well as the targeted values shall be revised.

covered by this action notified by EC in Progress Report and documents relevant to negotiation process and on the SAA Committee and Sub-committees.	implementation of the Acquis within the negotiation chapters covered by this action	implementation of the Acquis within the negotiation chapters covered by this action	N/A	negotiating chapters EC Progress Report and other relevant EC documents National Programme for the Adoption of Acquis (possible future revision) Minutes on the SAA Committee and Sub-committees meetings
Improved capacities of specific national institutions implementing selected NPE actions for the achievement of NPAA priorities	No institutions supported in 2017	At least 5 institutions supported by 2020	5 (2020)	
Number of recommendations deriving from the conducted evaluations implemented	No evaluations performed yet	At least 5 evaluations conducted and 40% of recommendations incorporated into programming	65% of recommendations of conducted evaluations incorporated into programming	TAIB and EAMS report

(1) This is the related indicator as included in the Indicative Strategy Paper (for reference only)

(2) The agreed baseline year is 2010 (to be inserted in brackets in the top row). If for the chosen indicator, there are no available data for 2010, it is advisable to refer to the following years – 2011, 2012. The year of reference may not be the same either for all indicators selected due to a lack of data availability; in this case, the year should then be inserted in each cell in brackets. The baseline value may be "0" (i.e. no reference values are available as the Action represents a novelty for the beneficiary) but cannot be left empty or include references such as "N/A" or "will be determined later".

(3) The target year CANNOT be modified.

(4) This will be a useful reference to continue measuring the outcome of IPA II support beyond the 2014-2020 multi-annual financial period. If the Action is completed before 2020 (year for the performance reward), this value and that in the 2020 target column must be the same.

## **5. SECTOR APPROACH ASSESSMENT**

The activities under this Action belong to several sectors, namely Competitiveness (result 1) and Public administration reform (Result 2) and as such have been identified by relevant sector working groups and presented in relevant national documents covering the programming period 2015-17.

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

### **GENDER MAINSTREAMING**

The Action, as being focused on implementing specific and urgent needs emerging from European Integration process, represents the tool that will mainstream and provide an effective guide to all actors, to better implement gender mainstreaming and thereby better serve the needs of citizens, both women and men. Whenever relevant, the particular needs of Roma women and girls will especially be taken into consideration. The gender disaggregated data on which benefits from the support will be developed. During all stages of the operation, the action will aspire to promote non-discriminatory practices and procedures and to prohibit any form of unlawful discrimination including race, colour, religion, national origin, political affiliation, sex, age, marital status, or disability.

In 2016, Serbian Government adopted a National Strategy for Gender Equality 2016 – 2020 with an accompanying Action Plan for its implementation, as the main strategic document for promotion of gender equality in the Republic of Serbia. The Strategy highlights key national policies to reduce gender stereotypes and change some harmful cultural norms, as well as focusing on the development of new policies that will promote equal opportunities between women and men. The Action will closely align with the provisions and measures of this strategy.

### **EQUAL OPPORTUNITIES**

Equal participation of women and men will be secured through appropriate information and publicity material, in the design of action and accessibility to the opportunities they offer. An appropriate men/women balance will be sought on all the activities of the Action. All contractors shall be requested to provide monitoring data recording the participation of men and women in terms of expert inputs, as a proof of equal participation of men and women in the different phase. Enforcement of those principles is likewise ensured through specific administrative procedures applied in accordance with the 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. Gender equality incentives will be incorporated particularly in activities concerning capacity building.

### **MINORITIES AND VULNERABLE GROUPS**

Having in mind the demands of EU enlargement, and that the EU has increasingly articulated its aspiration to represent not only stability and prosperity, but also democratic values, articulated in Copenhagen political criteria for membership, the Action, through its visibility and communication activities, shall spread the message that compliance with basic democratic standards is more than a condition for the EU accession.

The Government of the Republic of Serbia has adopted the Strategy and Action Plan for fight against discrimination. Among documents relevant in the context human and minority rights, it should be mentioned that the Action Plan for the *Acquis* Chapter 23, includes a specific sub-action plan for the protection and promotion of minority rights.

This action will full implement all rights of vulnerable categories and national minorities living in targeted municipalities.



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

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

In particular CSOs will be included directly into the implementation of a number of actions within this AD. During Action related project preparation, organisations were invited to provide constructive comments of the proposals, which will contribute to balance and to balance and better project files. Direct cooperation with the National Association of Local Authorities in Serbia-Standing Conference of Towns and Municipalities is envisaged as part of the activities which will be conducted in the scope of the Result 2, related to human resources management at local self-government level.

Specific attention will be paid in the framework of this action to ensure that civil society and other non-state stakeholders are consulted in the right time of the legislative and policy-making process and that the decision-makers are informed about the outcomes of the consultations.

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

Environmental management is a largely devolved competence in Serbia. Its implementation is significantly hampered by lack of capacity at the level of LSG units and partially weak linkages between centralized and LSG functions and services. The ongoing functional review of the environment administration carried out under the PAR programme is expected to yield recommendations as regards necessary re-organization of public environmental management functions at all administrative levels and forecast capacities needed to implement the EU *Acquis* in the sector. The strengthening of local HRM and HRD capacities foreseen under action 4 will be critical to implement the conclusions and recommendations from said review and more effectively absorb the considerable number of capacity building actions targeting LSG under adopted and planned IPA programmes. Action 5 will assist to achieve Serbia's ambition to complete the full transposition of chapter 27 by end 2018 and prepare for its implementation.

## **7. SUSTAINABILITY**

The action will produce sustainable results in the short run since it is designed to support the already existing beneficiary institutions and structures that are already in place, but which require additional assistance in the complex process of the harmonisation with *Acquis* and for the preparation for negotiations. This process is a key political priority to the Serbian Government, and the resources and attention of the national authorities are strongly geared toward achieving the steps needed for the opening and closing of the negotiation chapters, and for the achievement of all benchmarks in the process of EU accession negotiations. All of the capacities developed through this project will be used in the future period for the further alignment as part of the accession, and they will be a crucial resource for the EU integration. Sustainability is also envisaged in the fact that the support for legislative alignment results in adoption of the laws, by-laws, plans and policy documents by the Parliament, Government or governmental bodies, ensuring that these are part of the system, and not ad hoc interventions.

EIF shall prepare adequate Actions for IPA II funding in order to strengthen the institutions and administrative capacity for the full application of the EU *Acquis* in Serbia and will therefore improve the effectiveness of Serbia's preparations for EU accession. It will also help in strengthening the capacity of institutions responsible for management of IPA II assistance.

This action will ensure that all policies and legislation will be developed according to the better regulation approach, which ensures inclusive and evidence-based policy and legislative development. The increased focus on the quality of the legislative and policy-making process will help to ensure that adopted policies and laws can be better implemented. Also, institution-building under this action will respect effective lines of accountability between institutions (agencies and parent institutions), therefore avoiding any possible fragmentation of administration.

In case of Negotiations and Policy Developments Envelope, the sustainability has to be monitored through sub-actions, since the envelope itself is not using any funds or implementing any actions. The sustainability of envelope has been ensured in the past through the successful implementation of sub-actions and through the achievement of envelope purposes and results of individual sub-actions.

Finally, the evaluations envelope will generate systemic recommendations and inputs relevant for future programming.

Trainings and training materials provided through this Action, will make an integral part of the annual training plans of the Human Resources Management Service and will be uploaded and available at all times on the Ministry of European Integration web site (via link).

## 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 and the accession process. 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.

It is the responsibility of the beneficiary to keep the EU Delegation fully informed of the planning and implementation of the specific visibility and communication activities.

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

In terms of the concrete outputs, under the **free movement of goods**, the outcome follows up on previous efforts in the field of consumer rights protection related to products safety. Consumer rights are among the most interesting and visible areas of EU integration for citizens, and a field where EU standards play a direct and important role. The list of consumer products where support with harmonisation of safety standards will be performed has high potential for visibility. High visibility of this output is expected in particular through the implementation of the activity 1.4, awareness raising addressing consumers as well as SMEs/industry. Under the outcome oriented at **Human resources development / management at local self-government level**, appropriate visibility for the EU needs to be secured through the implementation of a communication and visibility plan, agreed with the EU, by the implementing partner. The output has potential to showcase the improvements in the standards of services in those municipalities where the activities are implemented. The use of local level authorities, CSOs and other bodies as partners to ensure visibility and reach the audience is advisable. The **PLAC projects** have had high visibility and reach in the past. This outcome will focus on more than 10 chapters of the acquis, so a broad range of themes and topics can be used. The project should plan a specific visibility component as part of its activities. The **Unallocated envelope** can indicatively be used to ensure horizontal visibility to IPA / EU accession across the board for the IPA 2017 programme.

