



Brussels, 17.2.2020
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COMMISSION IMPLEMENTING DECISION

of 17.2.2020

**adopting the Annual Action Programme for the Republic of Serbia for the year 2020,
part I**

COMMISSION IMPLEMENTING DECISION

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures of the implementation of the Union's instruments for financing external action¹, and in particular Article 2(1) thereof,

Having regard to Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012², and in particular Article 110 thereof,

Whereas:

- (1) In order to ensure the implementation of the first part of the Annual Action Programme for the Republic of Serbia for the year 2020, part I, it is necessary to adopt a financing decision, which constitutes the annual work programme for 2020. Article 110 of Regulation (EU, Euratom) 2018/1046 establishes detailed rules on financing decisions.
- (2) The envisaged assistance is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.
- (3) Regulation (EU) No 231/2014⁴ lays down the objectives and main principles for pre-accession assistance to beneficiaries listed in Annex I to that Regulation.
- (4) In accordance with Article 7 of Regulation (EU) No 231/2014 the assistance should be implemented through annual or multi-annual, country-specific or multi-country programmes. These programmes should be drawn up in accordance with the framework for assistance referred to in Article 4 of Regulation (EU) No 231/2014 and the relevant country or multi-country indicative strategy papers referred to in Article 6 of that Regulation.

¹ OJ L 77, 15.3.2014, p. 95.

² OJ L 193, 30.7.2018, p.1.

³ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

⁴ Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (OJ L 77, 15.03.2014, p. 11).

- (5) The Commission adopted an indicative strategy paper for Serbia for 2014 - 2020 on 19 August 2014 and revised on 10 August 2018 which provides indicative allocations for the sectors for pre-accession assistance.⁵
- (6) Considering the proposals for action submitted by the beneficiaries concerned, the Annual Action Programme for the year 2020, part I, aims at providing assistance for actions in the following sectors: democracy and governance, competitiveness and innovation and education, employment and social policies.
- (7) Pursuant to Article 4(7) of Regulation (EU) 236/2014, indirect management is to be used for the implementation of the programme.
- (8) The Commission should be able to entrust budget-implementation tasks under indirect management to the IPA II beneficiary specified in this Decision, subject to the conclusion of a Financing Agreement. In accordance with Article 154(3) and (4) of Regulation (EU, Euratom) 2018/1046 and first subparagraph of Article 14(3) of the Commission Implementing Regulation (EU) No 447/2014⁶ the Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management and, if necessary, to take appropriate supervisory measures in accordance with Article 154(5) of the Regulation (EU, Euratom) 2018/1046 before the relevant agreement can be signed.
- (9) The Commission is to ensure a level of protection of the financial interests of the Union with regards to entities and persons entrusted with the implementation of Union funds by indirect management as provided for in Article 154(3) of Regulation (EU, Euratom) 2018/1046. To this end, such entities and persons are to be subject to an assessment of their systems and procedures in accordance with Article 154(4) of Regulation (EU, Euratom) 2018/1046 and, if necessary, to appropriate supervisory measures in accordance with Article 154(5) of Regulation (EU, Euratom) 2018/1046 before a contribution agreement can be signed.
- (10) It is necessary to allow for the payment of interest due for late payment on the basis of Article 116(5) of Regulation (EU, Euratom) 2018/1046.
- (11) In order to allow for flexibility in the implementation of the programme, it is appropriate to allow changes which should not be considered substantial for the purposes of Article 110(5) of Regulation (EU, Euratom) 2018/1046.
- (12) The action programme provided for by this Decision is in accordance with the opinion of the IPA II Committee set up by Article 13 of Regulation (EU) No 231/2014.

⁵ C(2014) 5872 / C(2018) 5064

⁶ Commission Implementing Regulation (EU) No 447/2014 of 2 May 2014 on the specific rules for implementing Regulation (EU) No 231/2014 of the European Parliament and of the Council establishing an Instrument for Pre-accession assistance (IPA II) (OJ L 132, 3.5.2014, p. 32).

HAS DECIDED AS FOLLOWS:

Article 1

The programme

The Annual Action Programme for the Republic of Serbia for the year 2020, part I, , as set out in the Annex , is adopted.

Article 2

Union contribution

The maximum Union contribution for the implementation of the programme referred to in Article 1 is set at EUR 70,200,000.00 and shall be financed from the appropriations entered in the following lines of the general budget of the Union:

- EUR 14,650,000 from the budget line 22.02.01.01;
- EUR 55,550,000 from the budget line 22.02.01.02.

The appropriations provided for in the first sub-paragraph may also cover interest due for late payment.

The implementation of this Decision is subject to the availability of the appropriations provided for in the draft general budget of the Union for 2020, following the adoption of that budget by the budgetary authority or as provided for in the system of provisional twelfths.

Article 3

Methods of implementation and entrusted entities or persons

The implementation of the actions to be carried out by way of indirect management, as set out in the Annex, may be entrusted to the entities or persons referred to or selected in accordance with the criteria laid down in the Annex.

Article 4

Flexibility clause

The following changes shall not be considered substantial, within the meaning of Article 110(5) of Regulation (EU, Euratom) 2018/1046, provided that they do not significantly affect the nature and objectives of the actions:

- (a) increases or decreases for not more than 20% of the maximum contribution set in the first paragraph of Article 2, and not exceeding EUR 10 million;
- (b) cumulated reassignments of funds between specific actions not exceeding 20% of the maximum contribution set in the first paragraph of Article 2;
- (c) extensions of the implementation and closure period;

The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 17.2.2020

For the Commission
Olivér VÁRHELYI
Member of the Commission

ANNEX

to the Commission Implementing Decision adopting the Annual Action Programme for the Republic of Serbia for the year 2020, part I

1 IDENTIFICATION

Beneficiary	Republic of Serbia
Basic act: CRIS/ABAC Commitment references and budget line(s): Total cost: EU Contribution:	Instrument for Pre-accession Assistance (IPA-II) 2020/042-262 Total cost: EUR 14,950,000.00 EU contribution: EUR 14,650,000.00 Budget line: 22.02 01 01 2020/042-263 Total cost: EUR 57,500,000.00 EU contribution: EUR 55,550,000.00 Budget line: 22.02 01 02
Method of implementation	Indirect management with the IPA II beneficiary. The operating structure responsible for the execution of the actions is: Department for Contracting and Financing of EU Funded projects (CFCU) at the Ministry of Finance. Action 2: "EU for Local Development" will be implemented through indirect management with UNOPS. Action 3: "EU for Human Resources and Social Inclusion" Result 3 will be implemented through indirect management with the United Nations Children's Fund (UNICEF).
Final date for concluding <u>Financing Agreement(s)</u> with the IPA II beneficiary	At the latest by 31 December 2021
Final date for contracting, including the conclusion of contribution/delegation agreements	3 years following the date of conclusion of the Financing Agreement
Indicative operational implementation period	6 years following the date of conclusion of the Financing Agreement.
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement.

(date by which this programme should be de-committed and closed)	
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2 DESCRIPTION OF THE ACTION PROGRAMME

2.1 SECTORS SELECTED UNDER THIS ACTION PROGRAMME

- Rationale for the selection of the specific sectors under this programme:

The priorities of the action programme for Serbia are in line with the Revised Indicative Strategy Paper for Serbia (the strategy paper)¹ which sets out the priorities for EU financial assistance for the period 2014-2020 to support Serbia on its path to EU accession based on two pillars: Democracy and Rule of Law, and Competitiveness and Growth. The selection of the specific sectors to be financed under this programme was based on the consideration of the objectives and results included in the revised strategy paper; the priorities defined within the strategy for 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'²; the specific recommendations of the Commission Report for Serbia for 2019, as well as on relevant national strategic documents, mainly the National Programme for Adoption of the *Acquis* (NPAA) and the Situation Analysis documents which make part of the draft Multi-Annual Planning Document for International Financial Assistance for the period 2019-2025 - Needs Assessment Document (NAD). The present programme has been prepared in close cooperation with the Ministry of European Integration and the national institutions, as well as in close coordination with other donors including international financial institutions. In view of consolidating a sector approach, the actions under this programme have been selected based on their relevance and their contribution to national sector strategies as well their link to accession negotiations. In addition, actions have been assessed based on key principles of maturity, absorption capacity, adequate sequencing with previously programmed IPA and other donors' assistance. Recommendations from sector evaluations of the IPA component II programmes were also taken into account. This process led to the selection of the following sectors for financing under the present programme: democracy and governance; competitiveness, innovation and agriculture and rural development; education, employment and social policies.

Overview of past and on-going EU, other donors' and/or IPA II beneficiary's actions in the relevant sectors:

European integration facility

The present programme includes support for general capacity building to support accession negotiations and support for the participation to EU programmes. Substantial IPA assistance has been provided under IPA II to Serbia to support the horizontal departments in charge of coordination of European integration process. Previous facilities have proved essential for Serbia's capacity to tackle the challenges of the accession process, by providing targeted support in key sectors. Support has also proven to be instrumental in enhancing capacities for alignment and implementation of *acquis* requirements. The dynamics of the EU accession process has increasingly required that Serbia improves the capacity of public administration, both in terms of developing adequate institutional structures and ensuring the sufficient number of qualified experts and competent civil servants to work on the harmonisation of the national legislation with the EU *acquis* and on the implementation of legislation and standards.

¹ C(2018) 5064 of 10.08.2018

² COM(2018) 65 of 06.02.2018

Competitiveness, innovation and agriculture and rural development

In the sub-sector of local development, Serbia has benefited from substantial assistance under IPA II. Support was geared towards developing competitiveness and social cohesion at local level, in particular by supporting municipalities in improving the business environment for small and medium enterprises (SMEs), providing assistance for the implementation of more efficient services for land management, issuing permits, as well as supporting small scale infrastructure interventions that have a positive impact on local economy and quality of life. The aim of the interventions has been to increase the capacities of municipalities in Serbia to attract investments, support business development and create jobs. Specific support for areas such as tourism development in the context of competitiveness support has also been included under the IPA II support. Evaluations conducted in the previous period have shown the high effectiveness of these actions and high absorption capacities. On the other hand municipalities should make greater efforts to attract investments, in particular by adhering more to good governance concept and its principles. The grant modality has proven to be a good capacity development mechanism.

Education, employment and social policies

The education, employment and social policies sector has received substantial assistance from IPA II funds as well as from international development partners over the period 2014-2018. IPA support focused in particular on reinforcing the link between the labour market and education system and supporting education reform through a sector budget support programme. Support was also provided for social inclusion of the most vulnerable groups, in particular Roma, through dedicated actions for social housing. Evaluations conducted for past assistance positively assessed the importance of this sector but highlighted the need to improve effectiveness, efficiency as well as impact and sustainability of activities. Coordination of the different institutions still needs to be improved, as well as better strategic policy planning in the sector.

List of Actions foreseen under the selected Sectors/Priorities:

Sector/Priority/Action	Direct management	Indirect management	
		With entrusted entity	With IPA II beneficiary
Democracy and Governance			
Action 1 - EU Integration Facility Indirect Management	n/a	n/a	EUR 14,650,000.00
TOTAL	n/a	n/a	EUR 14,650,000.00
Competitiveness, Innovation, Agriculture and Rural Development			
Action 2 – EU for Local Development	n/a	EUR 30,000,000.00	n/a
TOTAL		EUR 30,000,000.00	
Education, employment and social policies			
Action 3 – EU for	n/a	EUR	EUR

Human Resources and Social Inclusion		4,500,000.00	21,050,000.00
		EUR 4,500,000.00	EUR 21,050,000.00
TOTAL		EUR 34,500,000.00	EUR 35,700,000.00

2.2. DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

The envisaged assistance is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU³.

SECTOR	Democracy and Governance	EUR 14,650,000.00
Action 1	<i>European Integration Facility - Indirect Management</i>	<i>EUR 14,650,000.00</i>

(1) Description of the Action, objectives, expected results and key performance indicators

- Description of the action and objectives

The overall objective of this action is to contribute to strengthening the legislative framework and institutional and administrative capacities for the efficient carrying out of accession negotiations and fulfilling the requirements of EU membership.

The specific objectives of the action is to support the Serbian administration to effectively meet the requirements and conditions deriving from the accession negotiations and successfully manage overall EU integration and pre-accession assistance geared toward EU membership focusing on key areas, such as energy, transport, agriculture and health.

- Expected results and key performance indicators

The expected results are:

- Result 1: Sustainable administrative and institutional capacities developed in order to ensure further harmonisation, enforcement of the EU *acquis* and successful accomplishment of the accession negotiations in key EU *acquis* chapters, including transport, energy, health and agriculture;
- Result 2: The distribution system operator system management is improved and capability to monitor and operate the distribution gas infrastructure is in place;
- Result 3: Strengthened capacities of the Customs Administration and successful fulfilment of conditions for accession to the Customs Union.

³ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

The key performance indicators are:

- Rate of alignment with the EU *acquis*, as measured by the percentage of the implementation of the Serbian National Programme for Approximation with the EU *Acquis*;
- Number of negotiations chapters of the *acquis* opened and number closed.

(2) Assumptions and conditions

The assumptions that should be considered are: continuous commitment of the Serbian government to the EU integration process; continuous commitment to the implementation of public administration reform and public financial management reform programme; sufficient dedicated and qualified staff available at beneficiary institutions; sufficient level of civil servants experienced in European integration affairs remain in respective beneficiary institutions; NPAA and Regular Reports provide adequate guidance to the EU integration process; distribution system operator (DSO) is fully capacitated and there is commitment of Ministry in charge of finance to the implementation of the Public Financial Management Reform Programme.

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

Specifically, for the activities related to Result 2: the Technical specification and tender dossier for the Supply contract should be prepared in time. For the Result 3: Relevant national system components for DG TAXUD documentation regarding the automated import and export systems (AIS-AES), and customs decisions management system (CDMS) shall be available on time for further implementation and development. The technical specifications for supply of AIS, AES, CDMS shall be developed within scope of the IPA 2013 by autumn 2019, and are to be updated prior to the implementation. The customs administration needs technical assistance for developing needs analysis and technical specification (for hardware supply as well as analysis of division into lots). Sequencing of all three contracts concerning hardware, software and supervision should be aligned, in order to ensure compatibility within the integrated solution.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

(3) Implementation modalities:

(3)(a) Indirect management with the IPA II beneficiary

This action will be implemented under indirect management by the Republic of Serbia, which shall be responsible for carrying out all the tasks related to the implementation of the action. The Operating Structure responsible for the execution of the actions is the Ministry of Finance, Department for Contracting and Financing European Union Funded Programs.

In particular, the beneficiary country shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

SECTOR	Competitiveness and Innovation	EUR 30,000,000.00
Action 2	<i>EU for Local Development</i>	<i>EUR 30,000,000.00</i>

(1) Description of the Action, objective, expected results and key performance indicators

- Description of the action and objectives

The overall objective of this action is to contribute to the socio-economic development, prosperity and social cohesion of Serbian society.

The specific objective of the action is to decrease socio-economic disparities in two regions within Serbia.

- Expected results and indicators:

The expected results are:

- Result 1. Improved development planning in targeted municipalities and introduction of the Integrated Territorial Investment (ITI) concept;
- Result 2. Enhanced economic growth in targeted municipalities;
- Result 3. Improved social infrastructure and social cohesion in targeted municipalities.

The key performance indicators are:

- World Bank Doing Business Report – Distance to frontier, score (WB);
- Global Competitiveness Index (score);
- Regional Gross Domestic Product (GDP) as the percent of the national average (Šumadija and Western Serbia Region/ South – East Serbia Region);
- Number of unemployed people (Inactivity rate disaggregated by sex and age) - Šumadija and Western Serbia Region/ South – East Serbia Region.

(2) Assumptions and conditions

The main assumptions that should be considered are: the Government is committed to and is actively promoting regional development initiatives; there is political commitment on the municipal level towards integrated development planning; there is willingness of people in targeted municipalities to foster private sector development; the employers and business sector are interested to participate in improved practice-based training; the local self-governments are interested to implement innovative youth employment initiatives

through partnerships of the public, private and civil sector; there is willingness of local stakeholders to invest in the preparation of the required documentation.

(3) Implementation modalities

(3)(a) Indirect management with an international organisation

This action may be implemented in indirect management with the United Nations Office for Project Services (UNOPS). This implementation entails all three results.

The envisaged entity has been selected using the following criteria: extensive experience in Serbia, from 2010 to 2018, as an implementing partner of three major EU funded regional and local development area-based actions worth over EUR 60 million, two of which were successfully completed, while the third action, which started in 2018, is making a strong progress; experience as a key implementing partner of the Government and the EU in remediating the effects of floods that hit Serbia in 2014; demonstrated efficiency and effectiveness of its approaches, while tailoring them to the needs of the country and direct beneficiaries; extensive knowledge and experience with area-based development while applying integrated responses to diverse needs of the beneficiaries; excellent results of the UNOPS grant methodology, which includes technical assistance component, contributed to enhanced project management and public procurement capacities of 34 predominantly underdeveloped local self-governments (LSGs) from the South West and the South East of the country. UNOPS also worked with LSGs to develop 87 local regulations that enhanced good governance.

SECTOR	Education, employment and social policies	EUR 25,550,000.00
Action 3	<i>EU for Human Resources and Social Inclusion</i>	<i>EUR 25,550,000.00</i>

(1) Description of the Action, objective, expected results and key performance indicators

- Description of the action and objectives

The overall objective of this action is to contribute to sustainable and inclusive social development and economic growth of Serbian society.

The specific objectives of the action is to enhance employment and employability of the labour force, focusing on youth, persons with disabilities, long-term unemployed and women and to improve effectiveness of social inclusion policies to foster equal opportunities and active participation of women and men from the most vulnerable and marginalised groups.

- Expected results and key performance indicators

The expected results are:

- Result 1: Modernised labour market institutions and services to provide tailor-made assistance and improve access to employment opportunities for hard-to-employ persons;
- Result 2: Increased offer and diversification of accredited non-formal training courses and adult training providers;
- Result 3: Enhanced equal access to and quality of pre-university education for disadvantaged girls and boys (inclusive education for every child);
- Result 4: Modernised social protection system to assess and anticipate needs of most disadvantaged women and men, girls and boys and enhance their timely access to quality, sustainable and affordable community-based services;
- Result 5: Strengthened citizen protection against cross-border communicable disease health threats.

The key performance indicators are:

- Employment rate aged 15-64 disaggregated by sex and age;
- At risk of poverty or social exclusion (AROPE) corresponds to the sum of persons who are either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity;
- Ratio of persons employed through the national employment service (NES) in total employment;
- The percentage of the population aged 25-64 participating in education and training (sex disaggregated);
- Percentage of LSG budget allocated for social protection services (in relation to the last data from the mapping of social protection services).

(2) Assumptions and conditions

The assumptions that should be considered are: the stable economic growth, macroeconomic and fiscal stability of the Serbian economy; the Ministry responsible for employment and social policy remains committed to timely fulfilling of the accession criteria set in the Action Plans for Chapters 19 “Social Policy and Employment” , 23 “Judiciary and Fundamental Rights” and 28 “Consumer and Health Protection”; the Ministry for Education remains committed to implementing and monitoring the education reform; the Ministry for Health remains committed to timely fulfilling of the accession criteria; capacities of NES remain adequate for management of a direct grant; the Ministry in charge of Employment and NES are ready and willing to participate in improvement of active labour market measures (ALMPs), in line with the best EU practice; there is quality framework and legal regulations for traineeship, apprenticeship and other practice-based training defined that foster scaling up of quality of practice-based training; employers and business sector are interested to participate in ALMPs; there is a good cooperation between employment and education systems, business partners and social partners with clear responsibilities and leadership are in place; non-formal training providers are interested and have capacity to develop learning programmes based on qualification standards; the Ministry of Education is committed to implement mechanisms and services for inclusive education; the Ministry in charge of social protection is committed in the implementation and monitoring of the Social welfare development and deinstitutionalisation and Community-based social services strategies; the social service providers have capacity to provide services against required standards; local self governments remain committed to implementing Local Action

Plans on Roma inclusion, adequate normative framework for reporting to LSGs on social protection service providers established; a backbone microbiology system in the function of surveillance and response to communicable diseases in Serbia has the capacity to implement International Health Regulations, legislation, protocols or other policies related to reporting to the World Health Organisation.

The condition for the implementation of the Result 2 is a fully operational Qualification Agency performing tasks according to its remits. The Agency was established in 2018 and is expected to be fully functional by the end of 2019. For the Result 3, the condition is the adoption of the Rulebook on resources for assistive technologies. The draft Rulebook has been developed, and it will be finalised with the support of IPA 2016. For Result 5, the Ministry needs to integrate any new system with the EU-funded system delivered in August 2015 to the Health Insurance Fund, which had not been yet put to use.

Failure to comply with the requirements set out above may lead to a recovery of funds under this programme and/or the re-allocation of future funding.

(3) Implementation modalities

(3)(a) Indirect management with an international organisation

Furthermore, a part of this action may be implemented in indirect management with the United Nations Children's Fund (UNICEF). This implementation entails Result 3: Enhanced equal access to and quality of pre-university education for disadvantaged children (inclusive education for every child).

The envisaged entity has been selected using the following criteria: UNICEF is the global leader in promoting and protecting children's rights in 190 countries, including Serbia. UNICEF has been a key partner of the Ministry of education in achieving strategic priorities in inclusive education, through joint implementation of different crucial interventions aiming at improving accessibility, quality, equity, and inclusion in pre-university education.

(3)(b) Indirect management with the IPA II beneficiary

The remainder of this action will be implemented under indirect management by the Republic of Serbia, which shall be responsible for carrying out all the tasks related to the implementation of the action. The Operating Structure responsible for the execution of the actions is the Ministry of Finance, Department for Contracting and Financing European Union Funded Programs.

In particular, the beneficiary country shall be responsible for the contracting, implementation, information and visibility, monitoring and reporting of IPA II activities, and the evaluation thereof whenever relevant, in accordance with the principle of sound financial management, and for ensuring the legality and regularity of the expenditure incurred in the implementation of the programme.

a. INDICATIVE BUDGET TABLE - ANNUAL ACTION PROGRAMME FOR THE REPUBLIC OF SERBIA

		Indirect management		Direct management	Total EU contribution (EUR)	IPA-II beneficiary or other third party contribution (EUR)	Total (EUR)
		with IPA-II beneficiary	with entrusted entity				
		EU contribution (EUR)	EU contribution (EUR)	EU contribution (EUR)			
Objective 1	1 Democracy and Governance	14,650,000.00			14,650,000.00	300,000.00	14,950,000.00
	Action 1 EU Integration Facility Indirect Management	14,650,000.00			14,650,000.00	300,000.00	14,950,000.00
Objective 2	6 Competitiveness, Innovation, Agriculture and Rural Development		30,000,000.00		30,000,000.00		30,000,000.00
	Action 2 EU for Local Development		30,000,000.00		30,000,000.00		30,000,000.00
	7 Education, employment and social policies	21,050,000.00	4,500,000.00		25,550,000.00	1,950,000.00	27,500,000.00
	Action 3 EU for Human Resources and Social Inclusion	21,050,000.00	4,500,000.00		25,550,000.00	1,950,000.00	27,500,000.00
TOTAL		35,700,000.00	34,500,000.00		70,200,000.00	2,250,000.00	72,450,000.00

2 PERFORMANCE MONITORING ARRANGEMENTS

As part of its performance measurement framework, the Commission shall monitor and assess progress towards achievement of the specific objectives set out in the IPA II Regulation on the basis of pre-defined, clear, transparent measurable indicators. The progress reports referred to in Article 4 of the IPA II Regulation shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Indicative Strategy Paper.

In the specific context of indirect management by IPA II beneficiaries, National IPA Coordinators (NIPACs) will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources.

The overall progress will be monitored through the following means: a) Result Orientated Monitoring (ROM) system; b) IPA II Beneficiaries' own monitoring; c) self-monitoring performed by the EU Delegations; d) joint monitoring by the European Commission (DG NEAR) and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by Sectoral Monitoring committees, which will ensure a monitoring process at sector level.

3 EVALUATION

The financing of the evaluation shall be covered by another financing decision.

Having regard to the importance of the action mid-term, final or ex-post evaluation(s) will be carried out for this action or its components via independent consultants, or contracted by the Commission, or via an implementing partner. The midterm evaluation will be carried out for learning purposes, in particular with respect to intention to launch further phases of the actions. The final or ex-post evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that Serbia needs lessons learned for future use of EU funding.

The Commission shall inform the implementing partner at least six months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports shall be shared with the IPA II beneficiary and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the IPA II beneficiary, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.