

## Project Fiche – IPA National programmes / Component I

### 1 IDENTIFICATION

<b>Project Title</b>	<b>Support for participation in EU Programmes</b>
<b>CRIS Decision number</b>	2012/022-967
<b>Project no.</b>	13
<b>MIPD Sector Code</b>	9. Support and other activities
<b>ELARG Statistical code</b>	04.65
<b>DAC Sector code</b>	43082
<b>Total cost (VAT excluded)<sup>1</sup></b>	EUR 7.028.242 <sup>2</sup>
<b>EU contribution</b>	EUR 4.169.995
<b>Management mode</b>	Centralised
<i>Centralised mngmt:</i> <b>EU Delegation in charge</b>	EU Delegation to the Republic of Serbia
<b>Implementation management</b>	EU Delegation to the Republic of Serbia
<b>Implementing modality</b>	Stand alone project
<b>Project implementation type</b>	<i>Project-type interventions</i>
<b>Zone benefiting from the action(s)</b>	Republic of Serbia

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<sup>1</sup> The total project cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

<sup>2</sup> This figure represents an estimation of the total cost. Exact total cost will depend on Serbia's participation to EU programmes and rate of entry tickets reimbursement.

## **2 RATIONALE**

### **2.1 PROJECT CONTEXT: ISSUES TO BE TACKLED AND NEEDS ADDRESSED**

EU Programmes are a series of integrated measures adopted by the European Commission with the aim to strengthen co-operation among Member States regarding EU policies over a specified period. They cover a broad range of areas: from environmental protection, energy and transport to the development of entrepreneurship and competitiveness. They represent significant instruments for defining and conducting internal EU policies and are financed from the general budget of the European Union. With the aim of successfully conducting common policies, multi-annual programmes and action plans are established to fulfil the aims set out by the EU and its members in particular sectors.

Since 1997 EU programmes are opened to candidate countries and since 2003 also to potential candidates. The objective of participation of candidate countries and potential candidates is to facilitate their accession to the EU, as well as to familiarise them with the methods and policies of the EU.

The Republic of Serbia signed the Framework Agreement on participation in the EU Programmes on June 29th, 2005, which came into force on July 27th, 2005. In order to establish the legal basis for participation to each individual EU Programme, a Memorandum of Understanding is signed between the European Commission and the beneficiary country. The Memorandum of Understanding determines general principles of participation, including administrative capacities (e.g. financial control, satisfactory number of people dealing with their implementation etc.), financial resources for participation, mechanisms of participation in programme management etc.

So far, Serbia has signed MoUs concerning the following EU Programmes: the Framework Programme for research (FP7), PROGRESS, Culture, CIP, Fiscalis and Customs. A letter of interest has been sent for the 'Europe for Citizens' programme and the amount of financial contribution per year has been determined. By the end of 2011 two further MoUs were signed: for the 'Safer Internet' programme and 'Lifelong Learning' (participation in the centralised actions).

In addition to the signature of MoUs, each beneficiary country has to pay a contribution in the form of an annual fee to be paid to the budget ('entry tickets').

The Framework Agreement signed with the EC provides that EU external assistance can be used to reimburse part of the entry tickets paid by Serbia for participation to EU programmes.

IPA National Programmes can be used as a complement to national funds to co-finance the financial contribution ("entry ticket") to be paid each year by the countries to participate in the EU Programmes. The part of the financial contribution which is financed from the national budget should increase progressively, and a gradual and selective approach to participation should be maintained in EU Programmes. In line with the 2008 Enlargement Strategy paper, candidate and potential candidate countries can request co-financing through IPA of up to 90% of the country contribution to an EU Programme in the first year of participation.

In order to further encourage and support Serbian participation, the European Commission decided in 2010 to apply reimbursement of entry tickets with the following decreasing percentage rate:

1<sup>st</sup> year of participation - 90%

2<sup>nd</sup> year of participation - 85%

3<sup>rd</sup> year of participation - 80%

4<sup>th</sup> year of participation - 75%

5<sup>th</sup> year of participation - 70%

6<sup>th</sup> year of participation - 65%

7th and following years of participation - 60%

In order to further facilitate Serbia's participation, **keeping these percentage rates of co-financing under 2012 IPA National Programme remains essential.**

## **2.2 LINK WITH MIPD AND NATIONAL SECTOR STRATEGIES**

Given its multi-sectoral nature, participation of the Republic of Serbia in EU Programmes is included in the programming and budget heading of the MIPD 2011-2013 as "Other EU acquis and horizontal activities". According to the MIPD, IPA may finance activities that fall outside the strict scope of the seven priority sectors, such as: "participation in EU Programmes to which the country becomes eligible" (Section 3. page 14).

The project can contribute to all sectors of the MIPD, by facilitating the preparation of Serbia's accession to the EU, as well as by enhancing the absorption of funds and the implementation of projects.

## **2.3 LINK WITH ACCESSION PARTNERSHIP (AP) / EUROPEAN PARTNERSHIP (EP) / STABILISATION AND ASSOCIATION AGREEMENT (SAA) / ANNUAL PROGRESS REPORT**

In line with the Thessaloniki Agenda for Western Balkan countries, approved by the Council on 20 June 2003, EU Programmes may be opened to potential candidate countries in line with the approach followed for candidate countries in the EC Communication "Agenda 2000 (July 1997).

The Framework Agreements, establishing the general principles for the participation of the candidate countries and Western Balkan countries in EU Programmes provide that these countries shall contribute financially to the general budget of the European Union corresponding to the specific programmes in which they participate, and may apply for EU external assistance.

### ***Stabilization and Association Agreement (SAA)***

According to Article 132 of the Stabilisation and Association Agreement between the EC and the Republic of Serbia: "The Framework Agreement between the European Community and Serbia and Montenegro on the general principles for the participation of Serbia and Montenegro in Community Programmes, signed on 21 November 2004, and the Annex thereto shall form an integral part of this Agreement. The review provided for in Article 8 of that Framework Agreement shall be carried out within the Stabilisation and Association

Council, which shall have the power to amend, if necessary, the Framework”. The Framework Agreement on Participation in EU Programmes came into force on 27 July 2005.

In more general terms, the SAA encourages Serbia's participation in various EU programmes, for example in areas of general education and vocational education and training as well as youth policy and youth work, including non-formal education (Article 102), or regarding cooperation in research and technological development (Article 112).

### ***National Plan for Integration of the Republic of Serbia into the European Union (NPI)***

The revised NPI text from 2009 points out priority activities to be undertaken in the “integration agenda” of the Republic of Serbia in the medium term, including participation in EU Programs such as Customs 2013 and Fiscalis 2013.

## **2.4 PROBLEM ANALYSIS**

Through participation in EU Programmes, Serbia will continue to build knowledge and capacities of a range of stakeholders dealing with European issues and projects; actively participate in the implementation of EU policies; support a variety of the activities of institutions, small and medium enterprises and public companies by providing access to EU funds; intensify international cooperation and initiate mobility in relation to EU countries; intensify its efforts to implement the Stabilisation and Association Agreement and thus become more deeply involved in the European integration process.

## **2.5 LINKED ACTIVITIES AND DONOR COORDINATION**

Participation of Serbia in the EU Programmes is of primary importance to Serbia’s European efforts. This participation was therefore, encouraged by providing EU funds under National IPA Programmes for 2007 (EUR 2 million), 2008 (EUR 5 million) and 2011 (EUR 6 million).

So far, Serbia is participating to the following EU programmes: 7th Framework Programme for Research, PROGRESS, Culture, CIP, Fiscalis and Customs.

By the end of 2011 two other MoUs have been signed: for the Safer Internet programme and the Lifelong Learning programme (participation in the centralised actions).

## **2.6 Lessons learned**

The experience of neighbouring countries shows that participation in EU Programmes is an important feature of a successful pre-accession strategy. Furthermore, it is important for Serbian citizens, institutions, civil society and private sector to have the opportunity to acquaint themselves with EU values, EU policies in different fields, legal regulations and their implementation, successful solutions and experience from EU countries, and the methods and rules by which the EU functions.

The participation of Serbia in EU Programmes has contributed to a deeper knowledge and capacity-building of many stakeholders when dealing with European issues and projects.

The possibility to receive partial reimbursement from IPA of the entry tickets paid for the programmes alleviates the costs of participation in EU programmes for the candidate countries and potential candidates, and therefore encourages them to conclude MoUs for a diversified range of EU programmes. This contributes to their integration into the EU networks. To maximise the benefits Serbia can draw from the programmes in which it participates, additional trainings and awareness raising should be envisaged in order to strengthen institutional capacities of both programme coordinators and potential beneficiaries. It will also be necessary to ensure and deliver better access to information for all potential applicants, as well as budget support for partial co-financing of these projects.

To mobilise more private and public organisations to participate in EU Programmes, awareness-raising campaigns must continue to be organised along with intensified capacity building work. Only in this way will they be able to use the available EU funds effectively and gain further insight into EU procedures and mechanisms.

### **3 DESCRIPTION**

#### **3.1 OVERALL OBJECTIVE OF THE PROJECT**

To contribute to the preparation of Serbia's accession and increase the understanding of European Union policies and underpinning values by institutions and citizens of Serbia.

#### **3.2 SPECIFIC OBJECTIVE(S) OF THE PROJECT**

To support Serbian participation in EU programmes by co-financing the costs of the "entry-tickets" which Serbia must pay in areas such as education, health, science, culture, employment, entrepreneurship and innovation, taxation and custom systems.

#### **3.3 RESULTS**

##### **1. Participation of Serbia in a wide range of EU Programmes**

*Indicator:*

Number of programmes for which a MoU has been concluded

##### **2. Ensured reimbursement of part of Serbia's financial contribution ("entry-tickets") for participation in EU Programmes for which a Memorandum of Understanding is in force**

*Indicator:*

Serbian line ministries receive reimbursement of entry-tickets in a timely manner.

#### **3.4 MAIN ACTIVITIES**

*1. Provide IPA funds as reimbursement of a part of the entry ticket for participation in the EU Programmes for which a Memorandum of Understanding is in force or being negotiated.*

The planned share of EU contribution to the entry ticket for every year is decided between the beneficiary and the EC, normally before the MoU is signed. The participation of the beneficiary in EU Programmes, including payment by the country of the entry ticket, shall follow the specific terms and conditions set out for each such programme in the MoU. Based on the 2008 Enlargement Strategy paper it is possible for the candidate countries and potential candidate countries to request co-financing through IPA of up to 90% of the country contribution to an EU Programme in the first year of participation.

The Serbian Government must provide not only the national co-financing but also the funds necessary for the payment of the total entry ticket, prior to receiving the partial reimbursement from IPA.

Indicatively, the following EU programmes will be subject of reimbursement of entry tickets under IPA 2012:

- Seventh Framework Programme - 6th year of participation
- Progress programme – 6th year of participation
- Fiscalis – 4th year of participation
- CIP EIP – 5th year of participation
- CIP ICT PSP EU Programme – 3rd year of participation
- Culture– 5th year of participation
- Europe for Citizens– 1st year of participation
- Life Long Learning – 1st year of participation
- Safer Internet– 1st and 2<sup>nd</sup> years of participation

#### **ASSESSMENT OF PROJECT IMPACT, CATALYTIC EFFECT AND CROSS BORDER IMPACT (WHERE APPLICABLE)**

##### **Impact:**

For Serbia, participation in EU Programmes represents a major step forward in meeting the criteria for EU accession in the fields of science, culture, employment, entrepreneurship and innovation, taxation and customs systems. It represents an important step in familiarising the country and its citizens with the Union's policies and working methods. Above all, it will improve capacities of numerous stakeholders in managing EU projects and thus acquiring knowledge of EU rules and procedures.

##### **Catalytic effect**

Increased participation in EU Programmes is an important element in the EU integration process, as it implies participation in knowledge sharing, awareness raising and acquiring

knowledge from member states of EU practices in various sectors. This knowledge can subsequently be utilised in the design and application of future projects and actions in Serbia..

### **Cross-border impact**

Participation in EU Programmes will enhance regional cooperation (in particular among Western Balkans countries) through the implementation of joint projects /partnering activities. It will also allow potential partners from the Western Balkans countries and the European Union to exchange information and know-how, and build on each others' experience.

### **3.5 SUSTAINABILITY**

Participation in EU Programmes will encourage the active involvement of public and private institutions, civil society and universities to benefit from the EU accession process. It is expected that the knowledge and skills developed through participation in EU Programmes will be retained within the participating institutions and the responsible ministries. Established EU networks through EU Programme participation will be transformed into longer term formal and informal collaboration.

### **3.6 ASSUMPTIONS AND PRE-CONDITIONS<sup>1</sup>**

The responsible line ministries should ensure the timely payment of the total entry ticket, as well as timely and documented requests for reimbursement.

Responsible ministries continue to facilitate the support to applicant's participation in the programmes-.

## **4 IMPLEMENTATION ISSUES**

Contracting Arrangement:

The activity will be implemented as a reimbursement of a part of the payment for the entry ticket after the entry ticket has been paid, on the basis of a specific agreement with the EC. The reimbursement will be paid as a grant to the Serbian Government.

### **4.1 INDICATIVE BUDGET**

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<sup>1</sup> Assumptions are external factors that have the potential to influence (or even determine) the success of a project but lie outside the control of the implementation managers. Such factors are sometimes referred to as risks or assumptions but the Commission requires that all risks shall be expressed as assumptions. Pre-conditions are requirements that must be met before the sector support can start.

**Indicative Project budget (amounts in EUR) (for centralised management)**

Support for participation in EU Programmes			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA EU CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB	INV	(a) = (b) + (c) + (d)	(b)	%*	Total (c) = (x) + (y) + (z)	%*	Central (x)	Regional / Local (y)	IFIs (z)	(d)	%*
Activity 1			<b>7.028.242</b>	<b>4.169.995</b>		<b>2.858.247</b>						
Entry ticket for EU Programmes					68%		32%					
Entry ticket for EU Programmes- first year of participation					90%		10%					
Entry ticket for EU Programmes- 2 <sup>nd</sup> year of participation					85%		15%					
Entry ticket for EU Programmes- 3 <sup>rd</sup> year of participation					80%		20%					
Entry ticket for EU Programmes- 4 <sup>th</sup> year of participation					75%		25%					
Entry ticket for EU Programmes- 5 <sup>th</sup> year of participation					70%		30%					
Entry ticket for EU Programmes- 6 <sup>th</sup> year of participation					65%		35%					
Entry ticket for EU Programmes- 7th and following 60years of participation					60%		40%					
<b>TOTAL IB</b>			<b>7.028.242</b>	<b>4.169.995</b>		<b>2.858.247</b>						
<b>TOTAL INV</b>			-	-								
<b>TOTAL PROJECT</b>			<b>7.028.242</b>	<b>4.169.995*</b>	<b>59,33%</b>	<b>2.858.247</b>	<b>40,67%</b>					

Amounts net of VAT

- (1) In the Activity row use "X" to identify whether IB or INV
- (2) Expressed in % of sum of each line of the Total Expenditure (column (a))

## 4.2 INDICATIVE IMPLEMENTATION SCHEDULE (PERIODS BROKEN DOWN BY QUARTER)

Contracts	Start of Tendering	Signature of contract	Project Completion
EU contribution to the entry ticket for the EU Programmes	NA	T+2Q	T+10Q

## 4.3 CROSS CUTTING ISSUES

### 4.3.1 *Equal Opportunities and non discrimination*

Based on the fundamental principles of promoting equality and combating discrimination, participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

### 4.3.2 *Environment and climate change*

The project will have no negative environmental effects.

### 4.3.3 *Minorities and vulnerable groups*

Involvement of minorities through the participation in the EU Programmes will be encouraged. In all activities during this project steps will be taken to ensure that the rights of minorities are taken into account.

### 4.3.4 *Civil Society/Stakeholders involvement*

Civil society organizations will take part in the implementation phase of the project as final beneficiaries of some activities of Community Programmes targeted to these associations in Republic of Serbia.

## ANNEX 1: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche			
Project title: Support for Participation in EU Programmes		Contracting period expires three (3) years after signature of Financing Agreement	Disbursement period expires fives (5) years after signature of Financing Agreement
		<b>Total budget : EUR 7.028.242</b>	<b>IPA budget: EUR 4.169.995</b>
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
To contribute to the preparation of Serbia's accession and increase the understanding of European Union policies and underpinning values by institutions and citizens of Serbia.	Serbia is continuously progressing in implementing EU policies	EC Annual Progress Report Government documents	
SPECIFIC PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions
To support Serbian participation in EU programmes by co-financing the costs of the "entry-tickets" which Serbia must pay in areas such as education, health, science, culture, employment, entrepreneurship and innovation, taxation and custom systems.	Number of institutions/organisations fully benefiting under EU Programmes and initiatives	-Reports from the beneficiary countries to NIPAC - Annual NIPAC Reports on IPA	Government supports implementation of EU policies
RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
1. Participation of Serbia in a wide range of EU Programmes	Number of programmes for which a MoU has been concluded	<ul style="list-style-type: none"> <li>▪ EU Contribution Agreements</li> </ul>	<ul style="list-style-type: none"> <li>▪ The responsible line ministries ensure the timely payment of the total entry ticket, as well as timely and documented requests for reimbursement.</li> </ul>
2. Ensured reimbursement of part of Serbia's financial contribution ("entry-tickets") for participation in EU Programmes for which a Memorandum of Understanding is in force	Serbian line ministries receive reimbursement of entry-tickets in a timely manner	<ul style="list-style-type: none"> <li>▪ EC Reports</li> </ul>	<ul style="list-style-type: none"> <li>▪ Responsible ministries continuously facilitate the support to the applicants participation in the programmes- e.g. FP7, CIP, CULTURE, Fiscalis, Customs, PROGRESS</li> </ul>
Activities		Means & Costs	Assumptions
Provide IPA funds as reimbursement of a part of the entry ticket for participation in the EU Programmes for which a		IPA contribution to the entry tickets reimbursed	

Memorandum of Understanding is in force or being negotiated.	based on the MoUs Costs: 4.169.995 EUR	
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## **ANNEX 2: Institutional Framework – legal responsibilities and statutes**

**NIPAC Technical Secretariat – European Integration Office**, Sector for planning, programming, monitoring and reporting on EU funds and development aid fulfills an important role in the process of programming IPA and also with regard to EU Programmes. In that regard, the Sector, in close cooperation with the relevant institutions, supports the information provision and dissemination activities for the public and the relevant stakeholders.

Based on the annual Action Plans for the programming and reporting of international assistance and IPA, line ministries are obliged to report to the NIPAC office on the process and progress achieved in their participation in the relevant EU programmes.

Various line ministries are responsible for coordination of specific EU Programmes.

## **ANNEX 3: Reference to laws, regulations and strategic documents**

- Framework Agreement on participation in the EU Programmes signed between EC and Government of Serbia on June 29th, 2005, which came into force on July 27th, 2005

- MoU between Government of Serbia and European Commissions signed for participation in different EU Programmes :[include here the list of MoUs signed, date and the year as from they apply]

## **ANNEX 4. Details per EU funded contract where applicable**

N/A

N/ A