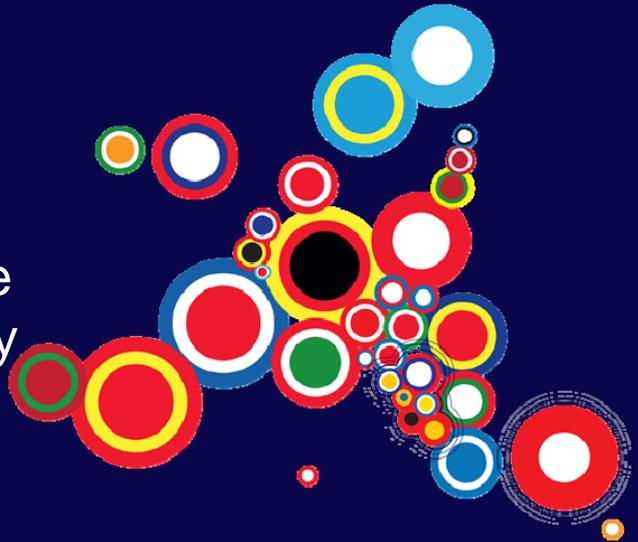




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

MULTI-COUNTRY

Support for Improvement in
Governance and
Management (SIGMA) in the
Western Balkans and Turkey



Action summary

SIGMA contributes to strengthening public administrations in the Western Balkans and Turkey, the objective being to bring beneficiaries' administrations up to European values of democracy, human rights and the Rule of Law, to strengthen integrity, predictability, accountability, legality and transparency and to provide quality policy outcomes supporting socio-economic development.

This action more specifically aims to improve performance by the IPA II beneficiaries through a stronger focus on how reforms can be taken forward, implemented and assessed.

SIGMA assistance encompasses the six core areas of good governance and public administration reforms (PAR), such as civil service and public administration organisation and functioning, policy development and coordination, PAR strategic framework and coordination, public finance management including public procurement. In this way, SIGMA assists IPA II beneficiaries in building up administrative capacities for the adoption and correct implementation of the EU *acquis* so as to create adequate conditions in the framework of the European perspective.

Action Identification			
Action Programme Title	IPA II Annual Multi-Country Action Programme 2017		
Action Title	Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey		
Action ID	IPA 2017/039-402.04/MC/SIGMA		
Sector Information			
IPA II Sector	9. Regional and territorial cooperation		
DAC Sector	15110		
Budget			
Total cost	EUR 15 306 122		
EU contribution	EUR 15 000 000		
Budget line(s)	22.020401 – Multi-country programmes, regional integration and territorial cooperation		
Management and Implementation			
Management mode	Direct management		
<i>Direct management:</i> European Commission	DG NEAR – Unit A.3 Thematic Support, Monitoring and Evaluation		
Implementation responsibilities	DG NEAR – Unit A.3 Thematic Support, Monitoring and Evaluation		
Location			
Zone benefiting from the action	Western Balkans (Albania, Bosnia Herzegovina, the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, Serbia) and Turkey		
Specific implementation area(s)	N/A		
Timeline			
Final date for contracting including the conclusion of delegation agreements	31 December 2018		
Final date for operational implementation	31 December 2021		
Policy objectives / Markers (DAC form)			
General policy objective	Not targeted	Significant objective	Main objective
Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo Declaration of Independence.

Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
RIO Convention markers	Not targeted	Significant objective	Main objective
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

Public administration reform, together with the rule of law and economic governance, remains a key priority in the enlargement process. It is a cross-cutting issue of fundamental importance for success in political and economic reforms and building a basis for implementing EU rules and standards. The quality of administration directly impacts governments' ability to provide public services, to prevent and fight against corruption and to foster competitiveness and growth.

The Western Balkans and Turkey face important challenges on public governance, which are common to all of them - although they differ in a number of ways and are at different stages of development.

While most of the beneficiaries have Public Administration Reform (PAR) strategies, strategic plans do not always transpose the reform in all its complexity. Lack of implementation and monitoring capacities are among the main concerns.

Generating policy options remains generally poor. The main shortcomings relate to the lack of proper policy analysis capacities, poor quality of legislative drafting and policy development, poor inter-ministerial coordination, inadequate public consultation and weak fiscal and regulatory impact assessments. In addition, costs for implementation of policies are not systematically calculated and budgeted. These elements largely explain why the beneficiaries continue to suffer from poor implementation and enforcement record of laws and policies.

There is a difficult context for a professional, meritocratic, de-politicised, reliable public administration to emerge. The understanding of the rule of law has not yet been wholly established in institutions or in people's behaviours and mentalities. Civil service reform efforts have not yet had the desired effect of reducing politicisation and other distortions such as personalisation of power and patronage. A professional class of permanent civil servants, upon which holders of public office rely and which can exercise a check on power, has not emerged yet. Corruption remains a problem in both the political sphere and public administration.

The overall administrative architecture is fragmented, leading to a proliferation of agencies with various accountability lines and other dysfunctions. Often, basic functions at central level are not fully assured, severe coordination problems are frequent and administrative procedures tend to be sector or law specific, although there are increasing initiatives to introduce general laws on administrative procedures.

Resource allocation lacks transparency, ministries have very limited capacities to plan and make their contributions. Domestic budget is not understood as a policy instrument and sound and effective management of public finances is not always seen as an important part of public administration. The system of managerial responsibility and delegation of authority, a core principle of sound financial management, has not been properly developed. In most policy domains, financial impact assessments are not carried out yet.

Despite the absence of a comprehensive and specific accession-related framework, the policy dialogue on PAR has recently been strengthened, especially in those beneficiaries where a strategic framework on PAR and Public Finance Management (PFM) has been developed.

The main stakeholders are the central institutions responsible for public administration reforms¹, as well as the central structures in charge of coordination among institutions, independent bodies and the Parliament within the scope of their scrutiny and oversight powers. The actual organisation varies according to the assignment of responsibilities at the level of each IPA II beneficiary. An illustrative list is provided hereafter: Ministries and offices of the minister responsible for public administration reform co-ordination and public administration development, such as: Ministry of Public Administration, Ministry of Interior, Office of the Minister for Public Administration; Civil service commissions/offices; Government Offices/General Secretariats; Legal Secretariats; Ministries of Justice, Ministries of Finance, oversight bodies, Supreme Audit Institutions, institutions responsible for European integration or approximation, Public Procurement Authorities, Parliaments.

OUTLINE OF IPA II ASSISTANCE

SIGMA activities are designed to produce improvements which will contribute towards strengthening the IPA II beneficiaries' capacities to fulfil their obligations under the Copenhagen criteria and the Stabilisation and Association Process (SAP). In particular, their objective is to strengthen institutional and administrative arrangements in the 6 horizontal PAR core areas as identified for the first time in the 2014-2015 Enlargement Strategy and further defined by the Principles of Public Administration, grouped under the following 3 overarching sectors: Sector 1) Strategic Framework of Public Administration Reform, Policy Development and Co-ordination; Sector 2) Public Service and Human Resource Management, Accountability and Service Delivery; Sector 3) Public Finance Management, Internal Control and Audit, External Audit and Public Procurement.

SIGMA will contribute to improve the preparation, coordination and implementation of public policies and domestic legislation, to build-up a professional civil service which is managed according to the merit-based principle, to enhance the organisation of the public sector, its transparency and accountability toward citizens, to improve the quality and accessibility of public services as well as to improve the management of public funds.

To this aim, SIGMA will deliver the following indicative activities: a) assistance in developing and/or fine-tuning governance and PAR strategies and action plans; b) assistance in improving horizontal governance and PAR design and implementation capacities and performance; c) assess regularly progress and performance in the beneficiaries; and d) provide technical support for policy dialogue with the IPA II beneficiaries.

The SIGMA approach is based on peer assistance and hands-on experience. All activities will be agreed with the IPA II beneficiaries and with the European Commission and framed in Action Plans specific for each beneficiary and regional Action Plans, thus ensuring adherence to the IPA II beneficiaries' needs and domestic reform agendas.

SIGMA will follow its current regular cycle of work. Through annual assessments, SIGMA will measure progress and identify the main problems that the IPA II beneficiaries are facing along the reform process. Consequently, concrete solutions and activities to tackle the problems identified will be framed in action plans developed in cooperation with the IPA II beneficiaries, the geographical units in DG NEAR, the EU DELs and the relevant line DGs. In this way, SIGMA ensures coherence between assessment results and assistance. SIGMA will implement the planned activities, ensuring necessary flexibility to adapt action plans to changes in the priorities of the IPA II beneficiaries.

¹ As defined in the Enlargement Strategy, PAR includes the development of strategic framework for PAR, Policy development and coordination (including European Integration), Public service and human resources management,

Public officials and office holders throughout the central institutions responsible for PAR, independent bodies and the Parliament will directly benefit from the action. Ultimately both citizens and economic actors will benefit from delivery of public services.

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

The mid-term review of the Indicative Multi-Country Strategy Paper 2014-2020² (MCSP) and of the Indicative Strategy Papers³ will confirm the focus on PAR as an essential component of democratic governance and the rule of law, vital for the accession process.

The development of a more a professional, de-politicised, accountable and reliable public administration which is able to prepare and implement domestic legislation in line with EU legislation and best practice and to better serve citizens and business has been identified as a key priority by the IPA II beneficiaries. Most of them are also focusing on strengthening PFM system and policy coordination, as well as the capacity to establish reliable strategies and action plans which are able to lead to expected results.

In addition, the Better Regulation Agenda is one of the key priorities of the European Commission and it is also endorsed by other EU institutions. It focuses on inclusive and evidence-based law and policy-making process and aims to ensure that “policy is prepared, implemented and reviewed in an open, transparent manner, informed by the best available evidence and backed up by involving stakeholders”.

SIGMA is a horizontal action which addresses common problems through providing the IPA II beneficiaries with assistance tailored their individual needs. In this way the action intends to support domestic PAR agenda.

SIGMA action contributes to both the Enlargement and the SEE 2020 Strategies, whose objectives represent important benchmarks for the reform efforts of the IPA II beneficiaries and the financial assistance under IPA II will be used to support meeting these targets. The action contributes to enhancing democracy and governance and Rule of Law and fundamental rights by further improving the professionalism of the public service, build capacity and improve efficiency of service delivery, strengthen public financial management and thus enhance the overall quality, reliability, integrity, transparency and accountability of public administration.

Through SIGMA, the European Commission promotes a more comprehensive approach building on systematic analytical annual assessments of the internal governance systems, providing analytical input for detailed PAR and PFM strategies and action plans and ongoing high-level policy dialogue in the Special Groups on PAR, will remedy earlier shortcomings.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

Lessons learned result in a set of policy recommendations to increase the impact of SIGMA:

- In the past PAR related assistance was too fragmented and addressed a wide set of institution building-related issues thus limiting the impact of EU financial assistance. From here the choice to concentrate efforts on a limited number of key horizontal systems such as completion and modernisation of the general administrative and accountability frameworks; policy development and coordination capacities; data collection and monitoring systems; rationalisation/simplification of administrative structures

Public financial management (including public procurement, internal control and external audit)

² C(2014) 4293, 30.06.2014

³ C(2014) 5770, 18.08.2014-Albania; C(2014) 9495-Bosnia and Herzegovina, 15.12.2014; C(2014) 5861, 19.08.2014-the former Yugoslav Republic of Macedonia; C(2014) 5771, 18.08.2014-Montenegro; C(2014) 5772, 20.08.2014-Kosovo; C(2014) 5872, 19.08.2014-Serbia; and C(2014) 5998, 26.08.2014-Turkey

(especially of enforcement mechanisms) procedures; public service and human resource management, public procurement and financial management.

- Progressing on PAR requires coordination with all PAR related initiatives and therefore close coordination with geographical units in DG NEAR, EU Delegations, relevant line DGs and other donors or international organisations;
- Past experience has shown that isolated interventions to build administrative capacities are not sustainable if not supported by progress throughout public administration. Sometimes EU assistance has led to the creation of 'islands of excellence', which are rarely sustainable in the overall administrative environment. This has notably been criticised by the Court of Auditors (2016 Meta Audit on IPA I assistance). PAR cuts across the whole public administration and requires a comprehensive approach. In addition, in the past most of the IPA II beneficiaries have developed a number of domestic strategies which were not based on reliable analytical data, were not properly consulted internally and with the civil society, were not costed and the necessary financial resources were not allocated in the budget. Based on this, the Action will promote the development of credible, relevant and fully "owned" PAR and PFM strategies subject to constant monitoring of implementation including stronger links between horizontal and sectorial approaches.
- Past experience has demonstrated that any reform progress requires strong political commitment to reforms and strong leadership. Therefore the Action will support to the European Commission's efforts in raising political awareness and commitment to PAR.
- The IPA II beneficiaries are still dominated by a legalistic culture where the adoption of legislation is an objective in itself; in addition, because of the low quality of legislation and policy documents (often not properly consulted internally and externally, not costed and budgeted and lacking of impact assessment) they have suffered of poor implementation records. Therefore, the Action will put more emphasis on implementation and provide support on how reforms and sectorial strategies are designed, prioritised, sequenced and implemented.
- Credibility and relevance of public policies and possibility to be implemented depends to a great extent on the quality of the problem analysis, prioritisation of objectives and actual assessment of impacts. In addition past experience has showed that strategic documents are rarely accompanied with a set of performance indicators which would allow monitoring progress against objectives. Therefore the Action will support the IPA II beneficiaries to deepen the evidence base of domestic policies in various PAR areas and strengthen instruments for monitoring progress.

2. INTERVENTION LOGIC

LOGICAL FRAMEWORK MATRIX

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	
A more effective and sustainable public governance and stronger public administrations at all levels in the region so that they correspond to European values of democracy and the Rule of Law.	Score of Government effectiveness by 2020	World Bank	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	ASSUMPTIONS
To improve the IPA II beneficiaries' performance in the six core horizontal public administration reform areas, notably: 1. Improved PAR and PFM strategic frameworks and related coordination and monitoring systems 2. Improved policy development and coordination system 3. Strengthened professionalism of the civil service and modernised human resources management system, 4. Improved rationality of the organisation of public administration, its transparency and external accountability 5. Improved quality and accessibility of public services and access to administrative justice 6. Increased transparency and efficiency of public finance management system	Level of quality of the strategic framework on PAR and PFM Level of effectiveness of PAR implementation and comprehensiveness of monitoring and reporting	SIGMA regular assessment reports Commission assessments PAR strategies and planning documents in place or adjusted Beneficiaries' reports on implementation of PAR Strategies Reports of the meetings of PAR Special Groups	Continued ownership and commitment by the IPA II beneficiaries to ensure constant improvement of public administration to make progress towards European values and principles. To this aim: a) SIGMA and the European Commission will continue to work for raising awareness of importance of PAR and will ensure their commitment to support policy dialogue with the PAR Special Groups; b) SIGMA and the European Commission will support and promote the involvement of a broader set of relevant stakeholders that can support and encourage/add pressure for reform to take effect and be reinforced c) SIGMA and the European Commission will ensure sufficient flexibility to respond to demand for assistance from IPA II beneficiaries and to changes of priorities; d) SIGMA and the European Commission will ensure high coherence between assessment results, technical assistance and other European Commission instruments.
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS (*)	SOURCES OF VERIFICATION	ASSUMPTIONS
R 1 Improvements of the quality of the PAR and PFM strategies and/or action plans, including their coordination and monitoring systems (in line with the Principles of Public Administration) are promoted	N. of PAR strategies/action plans reviewed by SIGMA; N. of PFM strategies/action plans reviewed by SIGMA; N. of beneficiaries supported by SIGMA in improving PAR/PFM coordination and monitoring systems.	Output of technical assistance Training results/ output/ performance evaluations SIGMA regular assessment reports	Capacity of the IPA II beneficiaries to absorb and integrate advice and recommendations into their internal systems and effectively use policy analysis and proposals for policy design. Acceptance of SIGMA recommendations by the beneficiaries To these aims:
R 2 Improvements of the legal framework and of governments' practices in the 6 horizontal PAR core areas are promoted	N. of SIGMA reviews of laws and secondary legislation in governance institutions; N. of SIGMA reviews of guidelines, manuals, etc.; N. of training sessions/workshops.	SIGMA activity reports Output of technical assistance Training results/ output/ performance evaluations SIGMA regular assessment reports Multi-country policy papers	a) SIGMA and the European Commission will ensure that the action activities take into account absorptive capacities of the IPA II beneficiaries. b) SIGMA and the European Commission will ensure that technical assistance targets highest priorities of the IPA II beneficiaries in PAR. c) SIGMA, the European Commission and the IPAAII beneficiaries will engage in close political dialogue.
R. 3 Progress of the IPA II beneficiaries in the implementation of PAR and PFM reforms is regularly assessed and reform priorities are highlighted and sequenced for each IPA II beneficiary.	SIGMA Annual Assessment Reports timely delivered, shared and discussed with the European Commission and the IPA II beneficiaries; SIGMA Annual Plans; Share of PAR Special Groups meetings supported by SIGMA in their preparation, discussions and follow-up.	SIGMA activity reports; SIGMA regular assessment reports; SIGMA Action Plans.	

DESCRIPTION OF ACTIVITIES

The overall objective of the action is to facilitate more sustainable governance and public administration reforms and strengthen public administrations in the region so that they are brought up to European values of democracy, human rights and the Rule of Law, integrity, predictability, accountability, legality and transparency and provide quality policy outcomes supporting socio-economic development.

More specifically the action aims to improve the IPA II beneficiaries' performance in key horizontal governance and public administration reform fields including civil service and administrative legislation, rationalisation of public sector organisation, integrity and transparency, public financial management, public procurement, policy making, coordination and monitoring.

SIGMA action will contribute to the improvement of the overall functioning of public administration in the IPA II beneficiaries. In particular SIGMA will perform the following indicative activities:

R. 1 Improvements of the quality of the PAR and PFM strategies and/or action plans, including their coordination and monitoring systems (in line with the Principles of Public Administration) are promoted

- Review of PAR and PFM related strategies and action plans and analytical work, advice and capacity building activities to strengthen coordination and monitoring mechanisms.

R. 2 – Improvements of the legal framework and of governments' practices in the 6 horizontal PAR core areas are promoted

- Analytical work, advice and capacity building activities:
 - to improve inclusive and evidence-based policy development and coordination and monitoring mechanisms;
 - to put in place and strengthen implementation of a coherent and appropriate general administrative legal framework, including through consistent administrative procedures;
 - to rationalise and strengthen the administrative structure in terms of size, coordination mechanisms, autonomy and political mandate and financial and human resources;
 - to the preparation of legislation to build a professional and merit-based civil service system;
 - to support mechanisms being put in place for ensuring internal and external accountability of central administration bodies;
 - to the preparation of legislation to strengthen the PFM systems, including budget preparation, budget execution with cash management, public internal financial control system, accounting and reporting, and external audit;
 - to the preparation of legislation to improve Public Procurement, harmonising the regulatory framework with the EU *acquis*, establishing the policy and institutional structures, operational capacities and market conditions needed for the effective implementation of EU legislation and strengthening public procurement operations that are capable of delivering value for money in the best interest of the relevant IPA II beneficiary.

R. 3 – Progress of the IPA II beneficiaries in the implementation of PAR and PFM reforms is regularly assessed by SIGMA and reform priorities are highlighted and sequenced for each IPA II beneficiary

- Assessment of reform progress in the IPA II beneficiaries through applying the PAR monitoring framework;
- Elaboration of action plans addressing the needs of each beneficiary and of regional action plans addressing common needs to prioritise assistance according to the IPA II beneficiaries' needs;
- Support to preparation and implementation of the policy dialogue meetings on PAR.

RISKS

The main risk for the success of the action relates to the level of commitment of the IPA II beneficiaries towards PAR. The overall challenge is to ensure that political and administrative leaders within beneficiaries' administrations are committed to good governance and PAR and to stabilising and making professional their public administrations and civil service. To overcome this challenge, the European Commission and SIGMA are committed to continuously raise awareness of PAR importance, target broader range of stakeholders (including civil society) that can support and encourage/add pressure for reform to take effect and be reinforced. The European Commission with the support of SIGMA will continuously engage with the IPA II beneficiaries in the high-level policy dialogue within the PAR Special Groups, and other policy fora.

A second risk relates to the capacity of the IPA II beneficiaries to absorb and integrate advice and recommendations. Regarding this issue, SIGMA will ensure that technical assistance targets the highest priorities of the IPA II beneficiaries and that the activities take into account absorption capacities of the IPA II beneficiaries, pursuing realistic results that are good enough for IPA II beneficiaries in transition. Moreover, SIGMA and the European Commission will ensure sufficient flexibility to respond to rising demands for assistance from IPA II beneficiaries or to changes in the priorities of an IPA II beneficiary, as well as to ensure high coherence between assessment results, technical assistance and other European Commission instruments. In addition, the European Commission and SIGMA will make all necessary efforts to ensure the necessary coordination with other donors, thus promoting a coherent approach and avoiding duplications and excessive pressure from donors on the limited capacities of the IPA II beneficiaries.

CONDITIONS FOR IMPLEMENTATION

The Framework Administrative Agreement between the European Union and the Organisation for Economic Co-operation and Development (OECD) regulate their relations with reference to actions administrated by the OECD and funded or co-funded by the European Union. With reference to the SIGMA programme, specific conditions agreed between the OECD and the European Commission apply until June 2018. In case these conditions are not renewed or amended, the provisions of the European Commission / OECD Framework Administrative Agreement will apply.

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

The action is implemented by the OECD. The team will be composed of a core of OECD staff, which will have extensive professional experience and knowledge of EU Member States administrations, with special regards to the 6 PAR core areas.

Since SIGMA is a joint initiative of the OECD and the EU, management and implementation responsibilities are shared between the OECD and DG NEAR Unit A.3. The OECD and the European Commission will inform each other about the persons appointed within the institutions to manage this action.

Prioritisation of activities will take place in close co-ordination with the European Commission according to the concrete needs of each IPA II beneficiary. In line with the priorities defined together with the European Commission and with the IPA II beneficiaries, SIGMA will develop detailed action plans for each IPA II beneficiary and regional activities, specifying results, activities and output and outcome indicators. Unit A.3 in DG NEAR will consult the SIGMA action plans with relevant geographical units in DG NEAR, with the EU Delegations in the IPA II beneficiaries and the relevant line DGs. SIGMA will be involved in this consultation process. Moreover, DG NEAR Unit A.3 will ensure coordination with DG NEAR Unit C.3 in

order to strengthen the integration of the different Institution Building instruments, involving SIGMA where necessary.

SIGMA will work closely with the geographical units at European Commission Headquarters, in addition to maintaining close relations with the EU Delegations and line DGs. Ad hoc coordination and management meetings will be organised between SIGMA and Unit A.3, including geographical units where relevant.

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

The action will be implemented on a direct management basis through a grant with the OECD. The direct award is based on Article 190 (1)(f) of the Rules of Application, since a particular type of body on account of its technical competence and its high degree of specialisation is required.

Since 1992, SIGMA has embodied the commitment of the European Commission to co-operate with the OECD in order to promote better public governance in the enlargement context. The successive SIGMA programmes have been repeatedly evaluated (in 2007 and 2012) with a positive track record in terms of efficiency, quality, effectiveness and sustainability of results and IPA beneficiaries have always expressed a high level of satisfaction due to its high level of relevance, flexibility and quality of expertise delivered.

The contract is to be signed by Q4 2017 with the starting date of activities set in Q3 2018. The early signature of the contract will ensure a mid-term contractual perspective to SIGMA core staff, thus helping OECD/SIGMA to retain the most experienced experts.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

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

SIGMA shall perform effective and regular monitoring of the action in order to assess interim progress at a programme level, identify areas of failure and their reasons, and any immediate action to be taken to improve programme performance further. Here as well DG NEAR Guidelines on linking planning/programming, monitoring and evaluation should be considered.

SIGMA shall provide 18-monthly substantive reports of the action on progress achieved, based on objectives envisaged in the SIGMA action plans, covering action outputs and outcomes.

SIGMA will regularly transmit to the Commission relevant information of its activities to assist in ensuring the appropriate visibility and co-ordination of the action. SIGMA will ensure that the relevant European Commission services are kept informed of all developments. Information on all movements (staff and consultants) in beneficiary entities will be systematically communicated to the Commission.

SIGMA will support mid-term and final evaluations of the results achieved that the European Commission could entrust to independent consultants.

DG NEAR Unit A.3 will evaluate progress in the achievement of expected results on the basis of indicators outlined in this action document and in each action plan. The regular SIGMA assessments, in

complementarity with the European Commission's appreciation, are crucial for evaluating SIGMA impact and the actual improvement of the IPA II beneficiaries' performance in the key horizontal governance and public administration reform fields.

INDICATOR MEASUREMENT

Indicator	Baseline (value + year)	Target 2020	Final Target (2021)	Source of information
<p>Score of Government effectiveness</p> <p>This includes the process by which governments are selected, monitored and replaced; the capacity of the government to effectively formulate and implement sound policies; the respect for the institutions that govern economic and social interactions among them (World Bank definition).</p>	2.6 (2014)	2.9	2.9 (2021)	World Bank
<p>Composite indicator: Level of quality of the strategic framework on PAR and PFM</p> <p>This indicator assesses the coverage, scope, coherence of PAR planning documents and whether they are prioritised; it also assesses the presence of minimum content of PAR planning documents including the quality of consultations related to PAR planning documents. In this way, this indicator measures to what extent PAR related strategies and action plans are relevant and credible. It is measured through 6 sub-indicators included in the revised PAR monitoring framework.</p>	Available in 2017 assessment reports (2016 data)	To be specified by end 2017	To be specified by end 2017	Regular SIGMA assessments (new assessment framework) European Commission's assessments Beneficiaries' reports on implementation of PAR Strategies Budgetary documents Reports of the meetings of Special Groups
<p>Composite indicator: Level of effectiveness of PAR implementation and comprehensiveness of monitoring and reporting</p> <p>This indicator measures the track record of implementation of PAR and the degree to</p>	Available in 2017 assessment reports (2016 data)	To be specified by end 2017	To be specified by end 2017	

<p>which the goals were reached. It also assesses the systems for monitoring and reporting of PAR. It is measured through 3 sub-indicators included in the revised PAR monitoring framework.</p>				
--	--	--	--	--

5. CROSS-CUTTING ISSUES

GENDER MAINSTREAMING

In general, a gender perspective will be maintained ensuring that the results of the action impact positively on gender equality.

The action will ensure that its advice is consistent with equal opportunities and non-discrimination principles in all relevant areas, in particular on policy development, human resources management and service delivery, and will therefore contribute to mainstream gender consideration across public administration. Gender-sensitive considerations will be taken into account in all analyses and in assistance in policy and legislative development and gender will be mainstreamed in all activities and deliverables related to the implementation of this action. The development of a merit-based civil service system, including transparency, de-politicisation and meritocratic recruitment processes can have a positive influence on gender equality and contribute to move towards a Public Administration where it's possible for both women and men to enter and develop within administrations on an equal basis.

EQUAL OPPORTUNITIES

Lack of good governance and public administration reform hamper equal opportunities for women and men. SIGMA will ensure equal opportunity of participation in action activities to everybody; in addition, to the extent that the action addresses issues where gender may be directly relevant (e.g. civil service law), SIGMA will ensure that its advice is consistent with this cross-cutting principle.

MINORITIES AND VULNERABLE GROUPS

To the extent that the action addresses minority-related issues (e.g. civil service law) it will ensure that its advice is consistent with non-discrimination principles and with positive discrimination provisions where these are in force (e.g. the Ohrid Agreement). In addition, SIGMA will ensure opportunity of participation in project activities to all civil servants disregarding ethnic or vulnerable groups they belong to.

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

The action will make every effort to encourage domestic reform teams to consult widely, for example consulting with business associations on policy to simplify administrative procedures. Likewise, the action will contribute to promote the "Better Regulation Agenda" which, among other issues, advocates for appropriate involvement of non-governmental stakeholders in developing, monitoring and implementing public policies and legislation. In order to increase ownership by the IPA II beneficiaries and stimulate a need for governance and PAR, the action will target non-governmental stakeholders such as NGOs, business representatives, the media and concerned citizens.

Such efforts should be coordinated with initiatives funded under the IPA Civil Society Facility, such as e.g. the WeBER project, which aims to strengthen the capacity of civil society to monitor and engage in dialogue on key public sector reforms in accordance with the Principles of Public Administration.

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

Environmental objectives are not directly targeted by this action. However, to the extent that the action addresses the horizontal policy and legislative development process, it will have positive effects on the capacity of the IPA II beneficiaries to align their legislation with the EU environmental *acquis*. In this

regard, the action will promote and advocate the better regulation approach, which focuses on inclusive and evidence-based law- and policy-making process. It aims to ensure that “policy is prepared, implemented and reviewed in an open, transparent manner, informed by the best available evidence and backed up by involving stakeholders”. In addition, the action will contribute to professionalisation of the civil service and to improvements in the organisation of the administration as a whole. This will have positive effect in terms of quality of legislation and strategies and their proper implementation in all sectors, including environment and related areas.

Climate action relevant budget allocation: EUR 0.

6. SUSTAINABILITY

Sustainability ultimately depends on the determination of authorities to implement the reforms, but SIGMA’s close collaboration with the European Commission in the area of policy dialogue and its close involvement both in the technical implementation and in the development of sequenced and prioritised reform processes should further improve sustainability. SIGMA approach promotes intensive learning experiences that have a lasting impact on stakeholders and lay the foundation for sustainable change.

SIGMA is characterised by long-term and close working relationships and partnership with key institutional stakeholders at different hierarchical levels. Activities undertaken under SIGMA will be agreed with the IPA II beneficiaries and will be structured so as to ensure ownership by the IPA II beneficiaries of the interventions: SIGMA will provide advice and assist development of policy options instead of drafting legislation and policy documents for the IPA II beneficiaries. Evidence from the past and current experience show that SIGMA technical advice is not automatically accepted and that exchange of ideas and approaches often results in a compromise, ultimately ensuring ownership.

Activities will be designed to ensure that the IPA II beneficiaries’ capacity constraints have been taken fully into account and political backing for reform will be continuously evaluated in cooperation with the European Commission. Activities will be monitored and discussed with the European Commission to identify situations where risks to sustainability exist, in order to collaborate with the European Commission to mitigate these risks, including by identifying them in future progress reports and action plans.

In order to foster sustainability, follow-up opportunities will be identified for other EU instruments, where appropriate.

Actual legal drafting will be mainly done by the beneficiaries; SIGMA experts will support them with 'options analysis', regulatory impact assessments, concept papers, etc. prior to supporting them with drafting of legislation/ amendments. Even if some drafting is done by experts, it will be paired with capacity building (e.g. detailed explanation of proposed texts, comparison among international examples, etc.).

Written procedural manuals or guidelines prepared in the framework of this action s will be simple enough to be regularly updated and changed by the staff of the respective organisations without further external support; any guidelines or procedures developed with the support of the action will not contradict with any legal provision of the Beneficiaries.

7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the action. The implementation of the communication activities shall be 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 agreed Communications and Visibility Plan annexed to the grant agreement. 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 awareness within the beneficiary public administrations and 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.

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

OECD will give maximum visibility to SIGMA, notably through the SIGMA website. The publications, reports and website of the SIGMA shall acknowledge that it is a joint initiative and fully recognise the relative support provided by the other institution.

SIGMA printed materials (including letterhead and visiting cards, SIGMA publications, policy briefs, activity reports and brochures) as well as online material (website and newsletter) will specify the relationship between the OECD and the European Union as: *“A joint initiative of the Organisation for Economic Co-operation and Development and the European Union, principally financed by the European Union.”*

In addition to the SIGMA logo, the logos of the European Union and the OECD will appear on the cover of each SIGMA publication.

SIGMA staff is committed to spreading awareness of efforts made by the European Union in the field of PAR in the IPA II beneficiaries. On all occasions, staff will properly recognise the relationship between OECD and the European Union.

Distribution of SIGMA reports, online newsletter and other public information will be co-ordinated between the European Commission and OECD through mailing lists which will be maintained by SIGMA and which will include parties within the European Commission, the EU Member States and the IPA II beneficiaries.