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ANNEX II

to the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of Serbia for 2024

Action Document for European Integration Facility

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23(2) of NDICI - Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

Title	EU Integration Facility Annual action plan in favour of Serbia for 2024
OPSYS	OPSYS business reference: ACT-62414
ABAC	ABAC Commitment level 1 number: JAD.1398284
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)
Economic and Investment Plan (EIP)	Yes Priorities: Transport (14,3 %); Energy (9,6 %); Digital (28,5 %); Rule of law, governance and public administration reform (47,6 %)
EIP Flagship	No
Team Europe	No
Beneficiary(y)/(ies) of the action	The action shall be carried out in the Republic of Serbia
Programming document	IPA III Programming Framework
PRIORITY AREAS AND SECTOR INFORMATION	
Window and thematic priority	Window 2: Good governance, EU acquis Alignment, Good Neighbourly Relations and Strategic communication Thematic priority 2: Administrative capacity and EU acquis alignment (100 %)
Sustainable Development Goals (SDGs)	Main SDG : SDG 16: Peace and Justice & Strong Institutions Other significant SDGs (up to 9) and, where appropriate, targets: SDGs 7 - affordable, clean energy; SDG 9- improved infrastructure; SDG 17: partnerships for the goals
DAC code(s)	Main DAC code 15110 Public sector policy and administrative management – 100%

Main Delivery Channel	12001-Central Government			
Targets	<input checked="" type="checkbox"/> Climate <input type="checkbox"/> Gender <input type="checkbox"/> Biodiversity			
Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Aid to environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Internal markers and Tags	Policy objectives	Not targeted	Significant objective
EIP		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
EIP Flagship		YES <input type="checkbox"/>		NO <input checked="" type="checkbox"/>
Tags:		YES		NO
Transport		<input checked="" type="checkbox"/>		<input type="checkbox"/>
Energy		<input checked="" type="checkbox"/>		<input type="checkbox"/>
Environment and climate resilience		<input type="checkbox"/>		<input checked="" type="checkbox"/>
Digital		<input checked="" type="checkbox"/>		<input type="checkbox"/>
Economic development (incl. private sector, trade and macroeconomic support)	<input type="checkbox"/>		<input checked="" type="checkbox"/>	
Human Development (incl. human capital and youth)	<input type="checkbox"/>		<input checked="" type="checkbox"/>	

	Health resilience	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration and mobility	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Agriculture, food security and rural development	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Rule of law, governance and Public Administration reform	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Other	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Tags	YES	NO
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital governance	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	digital entrepreneurship	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital skills/literacy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Connectivity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Tags	YES	NO
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	health	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	education and research	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reduction of Inequalities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION			
Amounts concerned	Budget line: 15.020101.01 Total estimated cost: EUR 15 500 000 Total amount of EU budget contribution EUR 15 500 000		
MANAGEMENT AND IMPLEMENTATION			
Implementation modalities (management mode and delivery methods)	Project modality Direct management through: - Procurement		
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2025		
Final date for concluding contribution / delegation	3 years following the date of conclusion of the financing agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation		

agreements, procurement and grant contracts	
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

The proposed Action aims to align the IPA III beneficiary's policies and legislation with the EU standards, enhance Serbia's institutional capacity, and supports priorities outlined in the Programming Framework of IPA III¹ and the Stabilization and Association Agreement (SAA). It aims to fulfil fundamental requirements for membership and improve accession-related processes by mobilizing reserve funds and maintaining momentum for important reforms. This Action will provide targeted support for Serbia's continued progress towards EU membership by building upon the progress made so far and considering the revised EU enlargement methodology to ensure effective alignment and implementation of legislation, as well as the fulfilment of undertaken obligations.

As a vital component of IPA Window 2, the proposed Action focuses on thematic priority 2, emphasizing the importance of administrative capacity and EU acquis alignment. Its primary objective is to enhance the country's administrative capacity in the areas of transport safety, energy and climate, and information security standards and align its policies and legislation with those of the EU, thereby enabling the country to fulfil its obligations as a future member of the EU more effectively. The proposed Action is a high-priority initiative that intersects with all the other IPA III Windows (road security – Window 1 and 3, Information Security – Window 2, Transport and Energy - Window 3 and indirectly with Window 4) and incorporates Gender and Disability DAC codes G1 and D1 for comprehensive gender and disability mainstreaming.

The proposed Action leverages digitalisation and smart technologies in improving transport safety and reducing road fatalities and injuries. It supports the monitoring, reporting of the Integrated National Energy and Climate Plan (INECP) to align with the Energy Community Treaty and EU Regulation 2018/1999. Additionally, the Action seeks to enhance Serbia's compliance with EU and international standards in service delivery, service management, and information security through the implementation of the ISO certification process and the General Data Protection Regulation (GDPR) application, which will reinforce E-Government services and ensure accountability within public administration.

The proposed Action is aligned with the objectives of the EU enlargement policy and the key recommendations outlined in the Serbia Report 2023². According to the Report, Serbia has a good level of preparation in the transport sector, yet needs to further improve road safety at national and local level. Regarding the energy sector, Serbia is moderately prepared. In the area of environment and climate change, Serbia has achieved some level of preparation and should considerably step up ambitions towards a green transition. When it comes to information society and media, Serbia is moderately prepared. Limited progress was made concerning digitalisation in the area of e-government and in aligning to EU digital single market objectives, while initiatives on development of ultra-fast broadband infrastructure in rural areas and support

¹https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-01/C_2021_8914_F1_COMMISSION_IMPLEMENTING_DECISION_EN_V5_P1_1462289.PDF

² 2023 Communication on EU Enlargement policy, Serbia 2023 Report, SWD (2023) 690 final, Available at: https://neighbourhood-enlargement.ec.europa.eu/serbia-report-2023_en

to the digitalisation of schools continued. It also contributes to the 2023-2025 Economic Reform Programme (ERP)³ Serbia's EU accession negotiations, the Economic and Investment Plan (EIP)⁴, and the implementation of the Green Agenda for the Western Balkans⁵. The proposed Action is consistent with the adopted national comprehensive policy framework for addressing transport, climate change and energy issues, and information security and is harmonized with the strategic framework and legislation of the EU. The Action contributes to Sustainable Development Goals (SDGs) 7, 9, 13, 16, and 17 and puts a strong emphasis on SDG 5 (Gender Equality) and SDG 10 (Reduced Inequalities) to ensure gender and disability mainstreaming. The Action is structured to assess, address, mainstream, promote and reduce inequalities, and complements the EU macro-regional Strategies for the Adriatic-Ionian Region (EUSAIR) and the Danube Region (EUSDR).

1.3 Beneficiar(y)/(ies) of the Action

The Action shall be carried out in the Republic of Serbia. Particular beneficiaries are: Ministry of European Integration, Ministry for Construction, Transport and Infrastructure together with the Ministry of Internal Affairs and the Road Traffic Safety Agency of Republic of Serbia, the Ministry of Mining and Energy, The Ministry of Environmental Protection, Ministry of Information and Telecommunications together with the eGovernment (ITE Office), Ministry of Public Administration and Local Self-Government. However, for the part of the intervention related to the information security, the Action addresses the needs of the entire National Public Administration.

2. RATIONALE

2.1. Context

Specifically, the Action supports the objectives outlined under thematic priority 2 of IPA Window 2, which focuses on enhancing the administrative capacity of the Ministry of European Integration, Ministry for Construction, Transport and Infrastructure together with the Ministry of Internal Affairs and the Road Traffic Safety Agency Ministry of Mining and Energy, The Ministry of Environmental Protection, eGovernment Office. By strengthening the country's administrative capacity and aligning its policies and legislation with EU standards, the Action supports the country in fulfilling its obligations of EU membership.

This Action is crucial as it intersects with other IPA III Windows and follows a sector-based approach to build institutional capacity. The Action supports also thematic priority 1 of IPA Window 2, which focuses on good governance. Through the ISO certification and implementation of relevant standards, the quality and effectiveness of public administration will be improved, and E-Government services will be strengthened, thereby ensuring accountability within the public administration and demonstrating the country's commitment to meeting EU standards and criteria. Moreover, this Action will facilitate the implementation of IPA Window 3 by supporting the objectives outlined under thematic priority 2 - Transport, Digital Economy and Society, and Energy. The improved implementation of national and EU Regulations for commercial vehicles and transportation of dangerous goods in Serbia as well as the support for the monitoring, reporting, of the INECP will contribute to the development of the transport, digital economy, and energy and climate action sectors in the country contributing to concerted efforts to climate change mitigation and adaptation.

The proposed Action will support the implementation of the **EIP for the Western Balkans** and the implementation of the **Green Agenda for the Western Balkans**. It will also integrate the findings from studies such as EBRD's Green Economy Financing Facility (GEFF Serbia Leasing)⁶ and the Gender in

³ <https://mfin.gov.rs/en/documents2-2/economic-reform-program-erp-2>

⁴ https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-10/communication_on_wb_economic_and_investment_plan_october_2020_en.pdf

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020SC0223>

⁶ https://ebrdgeff.com/serbialeasing/wp-content/uploads/2022/02/GEFF-Serbia-Leasing_Summary-of-Gender-Baseline-Assessment.pdf

Transport Study⁷ to provide a comprehensive strategy for gender and disability mainstreaming. The Action is further aligned to the Action Plan for the Implementation of the Sofia Declaration on the Green Agenda for the Western Balkans 2021-2030⁸ of the Regional Cooperation Council, in particular in reference to the area of decarbonisation. Furthermore, the experiences of the ongoing EU-funded regional “Transition toward low emissions (Tratolow) project”⁹ vis-à-vis the need to provide support for the capacities of different authorities at national level for the implementation of the development of low emissions and climate resilient economies will be used in the implementation of the contracts under this Action. The Action calls for the provision of support to enhance Serbia's transport safety and increase the supply security and competitiveness of the Serbian energy market in line with a more streamlined approach to energy and climate policy. The EIP emphasizes the use of the EU's digital strategy as the guiding principle for a human-centric digital transformation of the economies and societies in the region. The implementation of information security standards and the support provided under this Action will contribute to Serbia's digital transformation and its economic growth and prosperity. In accordance with the **Implementation Guidelines for the Green Agenda for the Western Balkans**, the assistance to be provided under this Action is consistent with the decarbonization pillar, which includes climate, energy, and mobility. The proposed intervention aims to support this transition by aligning with the **EU Green Deal's** objective of promoting sustainability. To achieve this, the Action leverages digitalisation, and smart technologies in improving transport safety and reducing road fatalities and injuries, supports the monitoring and reporting on INECP to address energy and climate concerns, and promotes a digital, sustainable, and inclusive society.

The proposed Action aims to address immediate issues identified in Serbia's EU accession negotiations, including enhancing Serbia's institutional and administrative capacities to meet priorities outlined in the **SAA, National Plan for Adoption of the EU acquis (NPAA)**, and relevant sector-specific strategic frameworks. With 22 of the 35 chapters opened since the initiation of negotiations in 2014 of which two have already been provisionally closed, this Action seeks to fulfil some of the requirements and conditions necessary for successful EU integration. In particular, it addresses those related to alignment with EU Regulation (EU) No 2006/561, Directive 2008/68/EC, Regulation (EC) No 1907/2006 and the amended Treaty Establishing the Energy Community incorporating the Directive (EU) 2018/2001, Directive (EU) 2018/2002, Regulation (EU) 2018/1999, Delegated Regulation (EU) 2020/1044, Implementing Regulation (EU) 2020/1208, as well as Regulation (EU) 2019/942, Regulation (EU) 2019/943, Directive (EU) 2019/944, Regulation (EU) 2019/941, Regulation (EU) 2015/1222, Regulation (EU) 2016/1719, Regulation (EU) 2016/631, Regulation (EU) 2016/1388, Regulation (EU) 2016/1447, Regulation (EU) 2017/2195, Regulation (EU) 2017/2196, Regulation (EU) 2017/1485, Regulation (EU) 543/2013, Regulation (EU) 1227/2011 Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 on measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972, and repealing Directive (EU) 2016/1148 (NIS 2 Directive), Regulation (EU) 2019/881 of the European Parliament and of the Council of 17 April 2019 on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act) and Regulation (EU) 2016/679 (GRDP).

The criteria for Serbia to embark on negotiations and open the cluster 4 were to develop an action plan to regulate minimum stocks of oil and oil derivatives, as well as to adopt a legally binding plan for separation in the gas sector in order to ensure the competitiveness of the gas market. Serbia fulfilled these criteria, which created the conditions for the opening of Cluster 4 encompassing Chapter 14 - Transport policy, Chapter 15 - Energy, Chapter 21 - Trans-European networks and Chapter 27 - Environment and climate change.

This Action is also in line with the Action Plan for the implementation of the Sofia Declaration on the Green Agenda for Western Balkans 2021-2030 (GAWB) addressing specifically the decarbonisation sector by addressing following actions from the GAWB: Set forward-looking 2030 energy and climate targets, develop

⁷ <https://secons.net/en/publikacija/gender-equality-in-transport-in-serbia/>

⁸ <https://balkangreenenergynews.com/wp-content/uploads/2021/10/GAWB-ACTION-PLAN-Final-04.10.2021.pdf>

⁹ <https://www.tratolownetwork.eu/about/project>

and implement Integrated National Energy and Climate Plan and as part of its implementation prepare and implement climate adaptation programme, prioritise energy efficiency and improve it in all sectors, increase the share of renewable energy sources and provide the necessary investment conditions, decrease and gradually phase out coal subsidies, implement the Regional Road Safety Action Plan.

The Serbia Report 2022 emphasises the need to improve Serbia's road administrative capacity, particularly for dangerous goods transport, road safety, and ITS, given that number of road deaths in Serbia is more than 33 % higher than the EU average. This is in line with the importance of the Western Balkans Green Agenda emphasized at the EU-Serbia Stabilisation and Association Council (SA Council) on 25 January 2022. In the energy sector, as well as environment and climate change the relevant recommendation in the Serbia Report 2023 is to finalise and implement the National Energy and Climate Plan (NECP) addressing the recommendations of the Energy Community Secretariat, and the Energy Sector Development Strategy in accordance with the Green Agenda for the Western Balkans and the obligations from the Energy Community Treaty. Additionally, addressing the recommendation from the Serbia Report 2022, the proposed Action seeks to prepare Serbia and its public administration for compliance with EU and international standards in information security and privacy, as required by the EU General Data Protection Regulation (GDPR). This is in line with the **negotiation for chapter 10 - information society and media**, which is now part of cluster 3 (Competitiveness and inclusive growth) and requires standardization of information and cyber security management procedures and compliance with GDPR.

The proposed Action is also in line with reforms proposed under Serbia's **Economic Reform Programme (ERP) 2023-2025**. The ERP emphasises the high degree of transport acquis alignment confirmed by the EC Report 2022 - page 116. Adopting a comprehensive traffic development strategy and general master plan, building and modernising road and rail infrastructure, increasing traffic safety, streamlining border crossing procedures, and instituting combined/intermodal transport are all essential. The ERP defines the necessity of support for construction new power plants and increased renewable energy sources, energy efficiency and market openness and the need to upgrade Serbia's energy transmission and distribution network with modern equipment and management and monitoring systems. Additionally, the ERP recognizes the government's focus on furthering the reform in developing e-services. The majority of recommended action interventions will concentrate on ERP initiatives, thereby enhancing strategic investment planning and management for the transition to a green and digital economy as a contribution towards a complete transition.

The development of administrative capacity and alignment with the EU acquis are critical components of achieving **SDG 16**: peace, justice and strong institutions as they contribute to the effective functioning of institutions, the establishment of transparent and accountable governance systems, and the protection of human rights. This Action contributes to **SDG 7**: affordable and clean energy, and **SDG 13**: Climate action as it aims to improve the INECP and its monitoring, reporting to ensure access to affordable, reliable, and sustainable, energy for all, but also address issues of climate change mitigation and adaption in a holistic manner. It also contributes to **SDG 9**: industry, innovation and infrastructure, as it focuses on improving transport safety and information security standards, which are key components of sustainable and inclusive economic growth. Additionally, the implementation of information security standards, such as certification of public administration organizations for ISO 27000 and 20000 standards, and compliance with GDPR is linked to **SDG 17**: partnerships for the goals, promoting cooperation and partnerships between organizations to achieve sustainable development. This Action contributes to **SDG 5**: Gender Equality and **SDG 10**: Reduced Inequalities by promoting gender and disability mainstreaming in all its facets.

The Action complements the **EU macro-regional Strategies** for the Adriatic-Ionian Region (EUSAIR) and the Danube Region (EUSDR) because it contributes to Window 3 thematic priority 2 that is closely aligned with the objectives of the new cohesion policy (a smarter, greener, and more connected Europe) and make extensive use of the embedding procedure and flagship initiatives of these two macro-regional strategies. The Action is also structured to assess, address, mainstream, promote and reduce inequalities.

Under the area of support administrative capacity and EU acquis alignment, the proposed Action aims to improve Serbia's administrative capabilities and alignment with EU requirements. It will address immediate issues identified during the negotiation process and support all sectors, windows, and thematic priorities. This

will involve all Sector Working Groups (SWGs) and enhance the strategic framework in all sectors. The Action will facilitate discussions on the legal implications of the negotiation process and involve donors and civil society organizations. The action will ensure involvement of specialized civil society organizations focusing on gender and disability rights in SWGs, as required.

In the area of support for road transport safety, Serbia's efforts towards EU accession include aligning with EU transport sector rules. Serbia is committed to accelerate work on road transport safety at national and local levels. The SAA, Transport Community Treaty, General Transport Master Plan, and sub-sector strategies provide guidance and a strategic vision for the transport sector at regional and national levels. The upcoming National Transport Development Strategy for 2023-2030, will provide an appropriate policy framework for infrastructure improvement and overall transport system safety.

The Law on working hours of vehicle crew engaged in road transport and tachographs governs the implementation of the Action (tachograph system, accident data collection system, vehicle safety system, e-Call system). Because of the strict driving and resting times that are also enforced by the Action, it meets the requirements of the EU Regulation (EU) No 2006/561.

Serbia's legislation is aligned with EU regulations and directives related to the transport of dangerous goods¹⁰, including the Directive 2008/68/EC on the inland transport of dangerous goods and Regulation (EC) No 1907/2006 on the registration, evaluation, authorisation and restriction of chemicals (REACH). The country has also harmonized its training and certification requirements for drivers involved in the transport of dangerous goods with those of the EU. The Law on transport of dangerous goods and Rulebook on the program and method of taking the exam for professional competence to perform the duties of a driver of a vehicle for the transport of dangerous goods sets out the requirements for the initial and periodic training of drivers, the content of training courses, and the certification of drivers.

The proposed Action aligns with EU initiatives, including the Transport Community Treaty (TCT), Trans-European Transport Network (TEN-T), Europe on the Move, and Western Balkans Strategy for Sustainable and Smart Mobility. By enhancing safety and efficiency, the project promotes a single transport area, harmonized legislation, sustainable mobility, and regional cooperation for a safer, sustainable, and better-connected transport sector. This demonstrates Serbia's commitment to creating a more efficient and safer transport network for its citizens and the European community while improving its compliance with EU regulations.

The area of support of the action focused on the INECP implementation monitoring, reporting, plays a crucial role in advancing towards the 2030 targets for Serbia adopted in the Energy Community framework. The Ministry in charge of energy has started preparing the new Energy Development Strategy covering the period until 2050. The Ministry has prepared both the draft INECP, which should be adopted by July 2024, and the draft Strategic Environmental Impact Assessment Report. Key priorities of the draft INECP comprise an increased penetration of RES in Serbia's energy mix along with targeted energy efficiency measures aiming to reduce the final energy consumption by increasing energy performance. The 2030 target for RES is 33.6% share in the gross final energy consumption, although the Energy Community 2030 agreed and adopted a legally binding target of 40.7% for Serbia. RES will be considered as the major domestic source of electricity production with a share reaching 45% of the gross final electricity consumption in 2030. The final energy consumption in 2030 is planned to amount to at most 9.7 Mtoe in the policy scenario, while the primary energy consumption is expected to be equal to at most 14.68 Mtoe in 2030 in the policy scenario. The targeted annual renovation rate equals to 1% approximately for the residential buildings (according to the provisions of the Long Term Buildings Renovation Strategy), 3% for the public buildings and 2.3% for the other non-residential buildings. When it comes to decarbonisation, in 2030, as compared to 2019, the reduction of the share of lignite in electricity production, i.e., lignite phase-down, is planned to be not more than 25%. The proposed

¹⁰ EU Commission Report 2022 states that "legislation on transport of dangerous goods is well aligned with the EU acquis and it also covers transport of hazardous substances".

objective for the reduction of greenhouse gas (GHG) emissions in 2030, as set out in the INECP, is a 40.3% reduction with LULUCF compared to 1990 levels, or a 33.3% reduction without LULUCF compared to 1990 levels. This aligns with the Nationally Determined Contributions (NDC) document adopted in August 2022, although the planned share of Renewables and absolute level of Final Energy Consumption are below the ambition of the respective 2030 targets for Serbia as adopted on 15 December 2022 under the Energy Community framework.

Priority is also given to the climate change adaptation, as the measures defined in the Draft INCEP foresee the implementation of the Adaptation Plan to Climate Change that specifies the objectives, guidelines and means of implementation for effective adaptation to climate change along with the framework set by the United Nations Convention on Climate Change and EU directives. Also foreseen is the establishment and operation of the National Climate Change Council, a Carbon Footprint Observatory for all sectors, and a National GHG inventory system.

Another priority of the Draft INCEP is the promotion and fostering of the circular economy and bio economy thus also contributing to the attainment of the climate change mitigation objective. An array of planned measures covers the sectors of waste and wastewater, agriculture, forestry, land use and land use change with targets for N₂O and CH₄ emissions.

The action contributes to the fulfilment of the obligations outlined in the Paris Agreement, Green Agenda and Energy Community Treaty and complies with the Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action. It also enhances the legal framework and institutional capacity in compliance with Regulation (EU) 2019/941 and Directive (EU) 2019/944. The action should reflect the implementation of the Energy Community Decarbonisation Roadmap (specially making substantial progress on agreeing to a carbon pricing system for the Energy Community) and Monitoring and Reporting and Verification (MRV) package. Therefore, the action plays a crucial role in establishing a stable and attractive investment environment for energy infrastructure, necessary for maintaining a continuous and reliable energy supply.

The area of support for the implementation of information security standards is aligned with several national and EU strategies and policies. In Serbia, the proposed interventions form a standardised operational framework for back-end security for electronic service providers and organizations that use and create electronic data. The interventions contribute to the specific objectives of the National Program for the Adoption of the Acquis, the Public Administration Reform Strategy 2021-2030, the e-Government development program in the Republic of Serbia, the Law on GAP, Law on Information Security, the Information Society and Information Security Development Strategy (2021-2026) and Action Plan 2021-2023. The Information Society and Information Security Development Strategy calls for strengthened capacities for the ICT systems of public administration organizations, as well as improved information security for citizens, public administration, and businesses.

The proposed intervention will help ensure that the government can innovate in the development and provision of electronic services while complying with global trends, including the need for privacy and information security. This is particularly important given the dynamic development of technology and the increasing use of electronic services.

With respect to efforts related to GDPR and ISO 27701, this intervention will also contribute to enhanced implementation of the Law on Personal Data Protection. This is a challenging task, considering the rapid development of ICT and the significantly increased flow of personal data. Moreover, the intervention will be beneficial for the Commissioner for Information of Public Importance and Personal Data Protection, who is authorised to supervise the enforcement of data protection and monitor the implementation of data safeguards.

As part of the Serbia's EU integration process and alignment with the EU policies, the authorities of the Republic of Serbia are implementing a number of reform measures which derive from conclusions/obligations

formulated within the dialogue with the European Commission. Regarding the area of information society, it is important to highlight that the topic related to planned and undertaken activities of Serbian authorities in the implementation of the priorities set in Digital Compass, has been recognized as very relevant during the last meeting of the SAA Committee. In addition to this, it should be taken into consideration that the Republic of Serbia is the signatory of the Digital agenda. These two facts shape policy and reform activities in this area. The Action contributes to particular objectives and/or targets defined in the Strategic Plan 2020-2024 DG CONNECT, the 2030 Digital Compass, the Digital Agenda for the Western Balkans, and the European Strategy for Data. The implementation of the Action will contribute to data protection and safety, thus paving the way for Serbia's inclusion into a future EU single market for data and a cyber-resilient Europe. It will also contribute to the digitalisation of public services, development of e-Government and eHealth, adoption and implementation of the acquis in the digital single market, and the protection of EU values, such as personal data protection and consumer protection legislation. The proposed interventions contribute to ensuring that data can flow across sectors, that the rules for access and use of data are fair and clear, and that there are trustworthy data governance mechanisms in place.

2.2. Problem Analysis

Administrative Capacity and EU Acquis Alignment (Unallocated Funds)

Short problem analysis

Serbia's strong determination to attain its goal of becoming an EU member is reflected in the multitude of measures it has taken towards achieving it. Nevertheless, the revised EU enlargement methodology presents a formidable challenge that requires significant efforts to implement reforms and legislation in all clusters. Consequently, targeted support will be provided to the Serbian administration to enhance the EU accession process, which will include effective alignment and implementation of legislation, and strengthening of administrative capacities.

Although Serbia has made progress in implementing legislation, efficient implementation and enforcement in several sectors remain a significant challenge. Therefore, there is a pressing need to bolster capacities for effective implementation and monitoring of new legislation. This will require additional resources and the acquisition of new skills and competencies.

Serbia has established new structures, such as the Coordination of Negotiations, which comprises of six negotiating clusters headed by coordinators and negotiating groups responsible for specific chapters. The Ministry of European Integration will collaborate with eligible institutions to ensure the quality of proposals and allocate available funds. Despite these measures, work still needs to be done to strengthen institutions, align and adopt legislation, and ensure effective implementation and enforcement to ensure successful EU accession.

To ensure timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors, adequate strategic planning and sectoral reform capacity must be developed. Currently, 22 chapters are open and two are provisionally closed, highlighting the need to remain steadfast in pursuit of EU membership.

Identification of main stakeholders

The Ministry of European Integration is responsible for coordinating all end recipients under this area of support. The role of the Ministry of European Integration is to ensure that the end recipients of the assistance are coordinated in a coherent and efficient manner. The end recipients will be identified once the action proposal has been approved by the Working Group for the Management of Negotiation and Policy Envelope Funds within the IPA. The end recipients are the line ministries and other public institutions that will receive

the assistance, and they will be identified based on the action proposal approved by the Working Group. Their role is to utilize the assistance effectively and efficiently to achieve the desired outcomes.

Road Transport Safety

Short problem analysis

When it comes to road safety in Serbia there is a steady decrease of fatalities in road accidents. In 1981, 1810 fatalities were recorded against 521 in 2021. Nonetheless, in 2021 the number of people killed in traffic accidents per million inhabitants in Serbia amounted to 76 as compared to 44 the EU. What is alarming however is that the number of injured persons remains rather constant since 1981 and amounts to 19905 in 2021.

In addressing the capacities in the transport sector to meet EU requirements related to road transport safety, Serbia faces challenges in adjusting the mechanisms of control for driver's working, driving, break, and rest times. There is a need for improvement in the functioning, reliability, and accuracy of tachographs and the scope of enforcement carried out on the road and at the premises of transport operators. Moreover, starting from June 2019¹¹, the installation of SMART tachographs is mandatory for all new vehicles in line with EU requirements. The EU has also adopted new legislation outlining the deadline for retrofitting older-generation tachographs with SMART tachographs. The enforcement of the Law on working hours of vehicle crew engaged in road transport and tachographs requires specific capacities, skills, and competences of police officers and traffic inspectors, as well as standardized methodology and technical procedures. The main challenges lie in the insufficient number of police officers and traffic inspectors and lack of specialized equipment and vehicles for roadside checks and checks at carrier premises. Currently, Serbian police officers and traffic inspectors are trained to perform controls related to analogue tachographs, but they lack knowledge and skills for performing controls of digital and SMART tachographs, as well as SMART tachographs. In 2017, 65,664 vehicles and 765,406 working days of drivers were controlled; however, data from only 2,930 digital tachographs were collected. At the carrier premises, 18,673 vehicles and 575,596 working days of drivers were controlled, out of which data from 2,167 digital tachographs were collected. These data points illustrate the current challenges in enforcement and control of digital tachographs in Serbia.

The transport of dangerous goods is a significant and vital activity in Serbia, particularly in the road transport sector. While the country has enacted the Law on dangerous goods in transport and implemented EU regulations and directives, there are areas for improvement, primarily regarding the training and certification of drivers involved in the transport of dangerous goods. A key issue is the efficiency of the process for obtaining the ADR¹² driver training certificate for dangerous goods transport. The current system is not as effective as it should be in ensuring that drivers are promptly certified, and the availability of timely and easily accessible data on certified drivers is limited.

Identification of main stakeholders

In accordance with the Law on working hours of vehicle crew engaged in road transport and tachographs, the MoCTI is responsible for coordinating law enforcement activities, performing roadside controls and controls at premises of carriers, communicating and exchanging information with the European Commission and other countries, supervising enforcement at transport undertakings and roadside checks, supervising tachograph workshops, etc. In accordance with the Law on transport of dangerous goods, the MoCTI is also overseeing the implementation and enforcement of the Law, including supervising the training and certification process for drivers involved in the transport of dangerous goods;

The Road Traffic Safety Agency (RTSA) is tachograph card issuing authority (CIA), workshop approving and auditing authority. Also, RTSA maintains electronic register of tachographs installed in vehicles, workshops, fitters, seals etc.

¹¹ Implementing Regulation (EU) No 165/2014 of the European Parliament and of the Council, Commission Implementing Regulation (EU) 2016/799 of 18 March 2016

¹² European Agreement concerning the International Carriage of Dangerous Goods by Road

The Ministry of Interior (MoI) is responsible for conducting roadside supervisions and overseeing inspections at transport undertaking premises, as per Article 43 of the Law on working hours of vehicle crew engaged in road transport and tachographs;

Authorised training centres provide the necessary training to ensure compliance with safety regulations related to transport of dangerous goods.

Monitoring and Reporting on the implementation of the Integrated National Energy and Climate Plans

Short problem analysis

Serbia belongs to one of the regions most affected by climate change in the world and its climate vulnerability is best portrayed by hard figures. According to the Report of the Hydro Meteorological Institute of Serbia¹³, 9 of the 10 hottest summers in Serbia measured from 1951 to today were recorded after 2000. As many as six of the hottest summers in more than 70 years were in the last decade alone. And the trend continues with 2022 being the third hottest year. In the decade 2011-2020 Serbia witnessed 4 heat waves annually, as compared to less than one in the period 1961-1990, 40-50 tropic days as compared to 20-30 during 2011-2020. In the last decade there were 5 draught summers and 5.6% extreme precipitations (floods) as compared to one and respectively 2.4% per decade in 1961-1990¹⁴. In the period 2041-2070, temperatures will be higher by 1.8-2.2°C, while by the end of the century, it is expected to rise by more between 3.6-4.0°C. Warming will be most pronounced in the summer season, when temperatures will exceed the threshold of 4.0°C compared to the base period (1961-1990).

In addition to more frequent fires, climate change in Serbia also affects the quality of wood, so the estimated losses from poor wood quality are 64% to 95% of the forecasted income. Total material damages caused by extreme climatic and weather conditions in Serbia, only in the period from 2000 to 2015, exceed 5 billion euros, where more than 70 percent of losses are related to drought or high temperatures. The second main cause is the floods that caused enormous damage in 2014 alone (according to estimates, more than 1.3 billion euros will need to be invested for recovery)¹⁵.

With the adoption of the Law on Climate Change ("Official Gazette of RS", No. 26/2021), the Republic of Serbia established one of the main components of the institutional and legal framework necessary for the fight against climate change, namely the establishment of a system for reducing greenhouse gas emissions (GHG) and adaptation to changed climate conditions. The law provides the basis for an efficient and transparent monitoring, reporting and verification (MRV) system, which will provide detailed information on progress in fulfilling domestic and international obligations and ensure the monitoring of the achievement of the nationally determined contribution.

Prior to the COP21, the Republic of Serbia had submitted the National Determined Contribution (INDC) to the United Nations Framework for Convention on Climate Change (UNFCCC), declaring the country's contribution to the global efforts for greenhouse gas (GHG) emissions reduction through: "GHG emission reduction by 9,8% until 2030 compared to base-year (1990) emissions". Following that, the Republic of Serbia ratified the Paris Agreement in 2017. In accordance with the Articles 3 and 4 of the Paris Agreement and paragraphs 22 and 24 of Decision 1 CP/21, the Second National Determined Contribution (NDC) was submitted in August 2022, defining the intended GHG emission reduction of 13.2% compared to 2010 level i.e. 33,3% compared to 1990 by 2030 (without LULUCF¹⁶). The GHG emission intensity of the Republic of Serbia¹⁷ and some of the neighbouring countries is portrayed on the graph below:

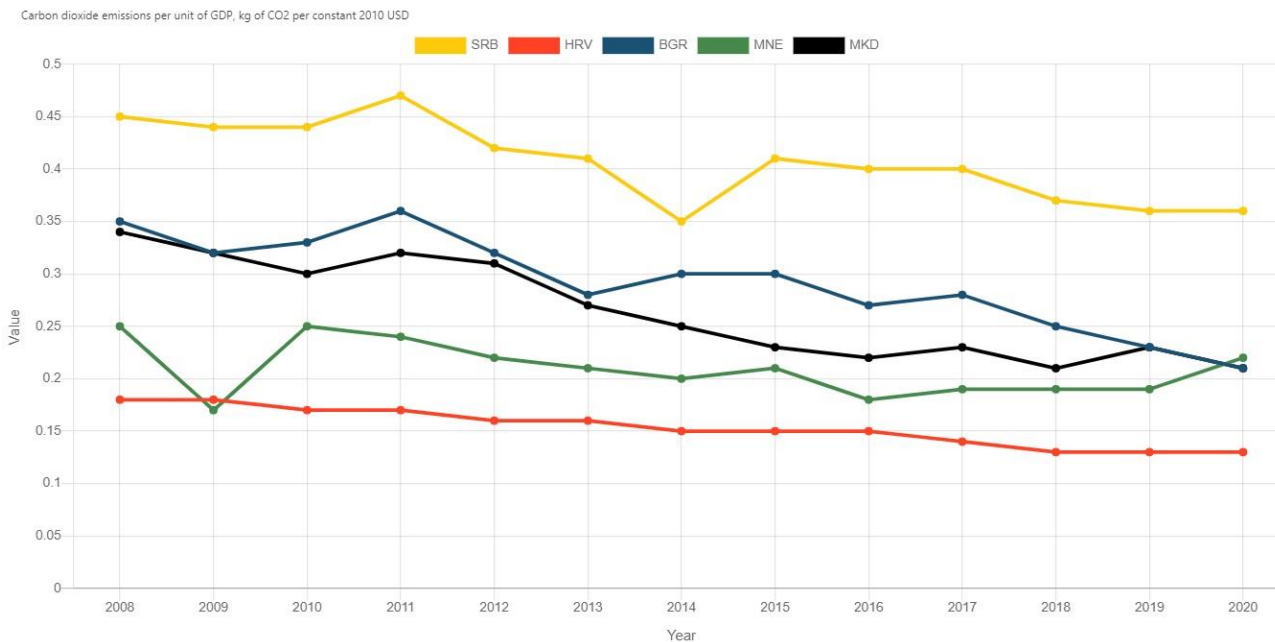
¹³ <https://www.danas.rs/vesti/drustvo/izvestaj-rhmz-iza-nas-je-trece-najtoplije-letu-u-istoriji-srbije/>

¹⁴ <https://klima101.rs/srbija-klimatske-promene/>

¹⁵ <https://www.economia.rs/klimatske-promene-u-srbiji/>

¹⁶ Land Use, Land Use Change, Forestry

¹⁷ The GHG emission intensity is one of SDG indicators (9.4.1), United Nations Global SDG Database



Source: [United Nations Global SDG Database](#)

Energy system development is fraught with uncertainty, although this uncertainty is addressed by analytical models and energy scenarios. These methodologies help policymakers and investors evaluate potential energy system configurations. There are a lot of moving parts in energy production, including the benefits and drawbacks of the current energy sector structure, future population projections, long-term GDP estimates (10, 20, and 30 years), energy prices, greenhouse gas emissions, phase out of the existing plants, the potential development and implementation of new technologies, and more. Energy modelling software is used to update strategic documents, which requires knowledge and experience. Reporting obligation according to the current Governance Regulation require submission of the integrated national energy and climate progress report by 15 March 2025 and every 2 years thereafter requiring a robust coordination among various parts of the Serbian public administration. Having in mind that the INECP is new very complex obligatory document, as well as the Serbian energy sector is faced with large challenges and new obligations, there is a lack of experience in reporting and revising strategic documents within the Ministry of Mining and Energy which will be eased by the continuous support and assistance that the European Commission and the Energy Community Secretariat will provide in views of this exercise.

Identification of main stakeholders

The Ministry of Mining and Energy (MoME) is the main stakeholder in coordinating the energy and climate policy definition, planning, and close monitoring. Considering the role of the Ministry of Environmental Protection in the data compilation needed for the integrated progress reports, it should be also included as a beneficiary.

Implementation of Information Security Standards

Short problem analysis

The proposed intervention aims to address several problems related to the implementation of electronic services and information security in public administration organizations in Serbia. These problems include the need for public administration organizations to comply with the new Serbian Law on free access to information of public importance, the Partnership for Open Government Initiative, and ISO standards for information security.

The lack of capacity in public administration organizations to comply with international standards on information security, business continuity management system and GDPR, is a significant issue that needs to be addressed. Furthermore, there is an insufficient provision of secured and manageable ICT services, which is essential for the implementation of the Government of Serbia's digital agenda and fully transactional e-

Services. Continuity with the activities that have been conducted through the IPA 2019 project "Strengthening E-Government services and quality assurance system within public administration" is to be ensured. This assistance provided a gap analysis and recommendations for alignment with ISO 27000 and ISO 20000 to selected public administration institutions, and the next step that will successfully conclude process related to this series of standards is certification. There is also a need for support related to the certification of Office for Information Technologies and e-Government, as a coordinating body, for ISO 27032 and ISO 22301 standards, as well as for preparation of public administration organisations for implementation of ISO 27032 and ISO 22301 series of standards as well as for compliance with GDPR. General need for improvement in information security and cyber resilience in Serbia and alignment with the EU digital services international standards remains very relevant. Furthermore, the administrative procedures and digital skills of citizens and businesses are at present weak. The adoption, implementation, and enforcement of the acquis in the area of the digital single market are lagging behind and several national and EU strategies related to digitalization and cyber resilience need to be addressed. Finally, the global information security threat, which poses risks to both regular and digital economies, emphasizes the need to take precautionary steps long before becoming "fully digital".

Identification of main stakeholders

Key stakeholders are the Ministry of Information and Telecommunications (MIT) and the Office for Information Technologies and e-Government (ITE Office).

2.3. Lessons Learned

Having separate funding envelopes for negotiation and policy development has proven to be an effective way to provide flexibility in addressing unexpected needs related to institution building and administrative capacity strengthening. These funds can effectively support horizontal activities arising from the negotiation process and acquis transposition and enforcement. This type of funding is especially useful for sectors with the diverse and large acquis, as it provides a reserve of funds to respond to emerging tasks related to EU accession needs. The national administration has expressed high interest in this type of funding, making it a relevant financing tool in the national IPA package. The experience gained from using these funds highlights the usefulness of this type of programming and financing tool in addressing EU accession needs.

In recent years, Serbia has made significant steps in improving its transport infrastructure, including roads, rail, and inland waterways. The country increased its spending on the transport sector from EUR 2 billion (2015-2018) to EUR 3 billion (2019-2021). A wide range of donors, including IPA and Connecting Europe Facility grants, loans, and the Western Balkans Investment Framework (WBIF), have supported this improvement. The largest donor, the EU, contributes 98% of the total assistance in the sector through IPA, WBIF, and CEF. Key lessons learned include the importance of mobilizing donor support, ensuring proper training and capacity building for traffic police and road inspectors, and implementing road safety systems effectively. The training initiatives, such as seminars and the Twinning project "Strengthening the Administrative and Performance Capacity of the Ministry of Transport and Transport Institutions", have enhanced the control of digital tachographs in traffic on roads. Additionally, the IPA 2016 program through European Integration Facility, focuses on establishing road safety systems in local communities, introducing MAIS3+ injury scale, and implementing modern road safety tools. Regular reporting to the Sub-committee to the SAA on transport issues has shown that adequate training for supervisory bodies and magistrates is essential for the efficient and uniform implementation of the law and the AETR Agreement (Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport). However, the number of traffic inspectors and the resources available to them remain limited, highlighting the need for continued support and capacity building to ensure effective road safety management. Lessons learned also emphasize the need for a comprehensive approach to road safety, focusing on the transportation of dangerous goods. Developing an efficient online platform for ADR driver training certificate testing will enhance the process, maintain a record database, and ensures certified drivers transport dangerous goods, promoting overall safety and sustainability.

IPA was instrumental in the implementation of a wide variety of initiatives, including those that were specified by the Energy Community Treaty, enforcing regulations on industrial pollution control, improving energy

efficiency, assuring a stable supply, and a great deal more. In particular, through IPA 2013 the deployment of the SCADA system was successfully supported and through IPA 2017 the preparation of the first INECP is in its final stage. During the last 7-8 years, a number of RES and other distributed generation (DG) have been constructed and connected to the Serbian power distribution grid. There were 356 distributed energy resources (DER) connected to a power distribution grid at the end of 2021. In the previous period, Serbia has been investing around 100 million euros per year in the reconstruction and reinforcement of the electricity distribution network. Appropriate re-planning of the existing power distribution grid is required in order to achieve reliable, stable and energy-efficient drainage of electricity from DG, and the operation of the power distribution system as a whole.

The lessons learned from the ongoing IPA 2019 project "Strengthening E-Government services and quality assurance system within public administration" highlights the importance of ensuring continuity, upgrading technology and services, and obtaining certification to meet information security and service management standards. These lessons are crucial in building a secure and efficient digital environment in the public administration sector.

Prior and ongoing support has centred on building up economic policymakers' abilities to implement laws and policies that are in line with the EU acquis. In order to reap the full advantages of support interventions, it is essential to continue providing assistance to the whole business environment and to modify the legal and institutional frameworks, as was learned from previous evaluations¹⁸. In addition, the evaluations emphasised that any new interventions should specify in detail which accession chapters are addressed by the supported reform in order to avoid duplication, ensure that the key incentive for the reform (the perspective on accession) is clear, and facilitate the exchange between IPA and the negotiation process.

The lessons learned also refer to the measures that need to be taken in order to reduce the likelihood of the action being delayed and remove any obstacles that may stand in the way of its flawless execution while development work continues on previously funded projects that are connected to this action.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The Overall Objective (Impact) of this action is to enhance the EU accession process.

The Specific Objective (Outcome) of this action is provision of targeted support to the Serbian administration in meeting EU accession requirements, including effective alignment and implementation of legislation and strengthening of administrative capacities.

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

Outputs contributing to Outcome 1 consist of:

- Output 1.1 - Ensured the timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors
- Output 1.2 - Improved implementation of national and EU Regulations for commercial vehicles and transportation of dangerous goods in Serbia
- Output 1.3 - Improved integrated national energy and climate plan monitoring, reporting, in accordance with the Energy Law and obligations under the Energy Community Treaty
- Output 1.4 - Public administration organisations certified for information security (ISO 27001) and service management (ISO 20000-1) standards, prepared for implementation of ISO 27032 and ISO 22301 series of standards as well as for compliance with GDPR, and ITE Office certified.

The impact of the intervention is to improve and facilitate the process of EU accession for the country. This aims at bringing the country closer to meeting the standards and criteria necessary for membership in the

¹⁸ Evaluation of Sector Approach Under IPA; Evaluation done for the European Commission October 2018

European Union. The intervention aims to support the country in ensuring the timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors. Furthermore, the Action aims to support the country in enhancing compliance with EU accession requirements, specifically in the areas of transport safety, energy and climate, and information security standards. By improving in these areas, the country can demonstrate its commitment to meeting the EU's standards and criteria. In order to contribute to the Action's Impact, conditions outside of the action's control must hold. These include political stability in Serbia under a new administration committed to EU membership and the *acquis*, full political commitment to reform implementation and investment in infrastructure and institutional human resources development, strong collaboration across all institutional levels, and consistent institutional confidence.

Output 1.1 aims to provide Serbia with flexible and ad-hoc support to ensure timely implementation of EU accession-related actions and effective policy dialogue with the EU in priority sectors. The intervention seeks to enhance the alignment of national legislation with the EU *acquis* and strengthen the management of the EU accession process by providing targeted support for ad hoc projects. The EU financial assistance can be utilized for specific capacity-building measures that support the implementation of new *acquis* aligned legislation and progress on fundamental and structural reforms, ultimately supporting the country's accession process. Additionally, the intervention will support smaller scale interventions. Finally, the intervention may be used for project preparation facility type of support.

Output 1.2 focuses on enhancing road traffic safety in Serbia by procuring tachograph simulators, related equipment, and training national authorities while also developing an online platform for ADR driver training certificate assessments. This output aims to improve the implementation of national and EU regulations for commercial vehicles and transportation of dangerous goods, accelerating Serbia's EU accession process. By strategically acquiring resources and offering specialized training, Serbia aligns with EU standards and fortifies its administrative capacities. Drawing from TRACE and TRACE2 project best practices, this intervention showcases Serbia's dedication to road transport safety. Ultimately, it aims to reduce fatalities and injuries by mitigating accidents due to substandard service and fulfilling EU requirements for road transport safety and driver working day monitoring.

Output 1.3 - Following a more streamlined approach to energy and climate policy, the action is intended to support the monitoring and reporting on the implementation of the INECP in order to implement Energy Community Treaty and implement the adapted and adopted EU Regulation 2018/1999 in the field of INECP, taking account of the existing bilateral arrangements between the Energy Community Secretariat and the European Environment Agency. This will help Serbia advance efficiently with streamlined reporting on the INECP. If there was no overlap with other support streams and, by receiving this support, Serbia will improve energy and climate policy to meet the requirements of the Energy Community Treaty and support EU energy and climate goals.

Output 1.4 - Public administration organisations certified for information security (ISO 27001) and service management (ISO 20000-1) standards, prepared for implementation of ISO 27032 and ISO 22301 series of standards as well as for compliance with GDPR, and ITE Office certified, aims to enhance Serbia's compliance with EU and international standards in service delivery, service management, information security, cyber resilience, and privacy and data protection. By improving the quality and effectiveness of public administration through ISO certification and implementation of the relevant standards, the intervention aims to strengthen E-Government services and ensure accountability within the public administration.

3.2. Indicative Activities

Activities related to Output 1.1 - Ensured the timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors

The unallocated funds within the annual programmes are set aside for non-programmable activities, with the EU Integration Facility (EUIF) being the designated support facility. The funds are earmarked for providing expertise and resources to support national administration, institutions, and activities towards fulfilling the conditions for EU accession. The unallocated funds provide Serbia with flexibility to address unforeseen institution-building needs and strengthen administrative capacities. The facility is important for sectors with

diverse and extensive acquis, as it ensures a reserve of funds to be mobilised in order to respond to emerging tasks related to identified EU accession needs. It may also be utilised for project preparation facility type of support. The prioritization and selection of projects/actions to be funded through unallocated funds are managed by the Working Group for the Management of Unallocated Funds within the Instrument for Pre-accession Assistance. The Working Group operates based on Guidelines for the Working Group for Management of Unallocated Funds and comprises officially appointed representatives of various institutions. NIPAC Technical Secretariat (TS) is in charge of coordinating the Working Group tasks.

Activities related to Output 1.2 Improved implementation of national and EU Regulations for commercial vehicles and transportation of dangerous goods in Serbia

Main envisaged activities include:

- Provision of support for the improvement of the road transport safety system through the procurement of tachograph simulators and related equipment, and the training of the national authorities, including:
 - Equipping police officers and traffic inspectors with digital tachograph simulators for continuous training and knowledge updates with units distributed across police administrations and key agencies such as: Traffic Police Directorate, Inspection Department within MoCTI, and the Road Traffic Safety Agency;
 - Providing specially-equipped mobile offices and control sets for on-road digital tachograph supervision by police officers and traffic inspectors;
 - Strengthening the capacities of traffic inspectors and police officers through specialized SMART tachograph training, transitioning from analogue systems, addressing manipulations, and integrating best practices from TRACE and TRACE2 projects for effective law enforcement, development of new rulebooks and protocols.
- Development of an online platform for assessing candidates pursuing the ADR driver training certificate for dangerous goods transportation, featuring a comprehensive system for registration, payment, databases, question creation, and test administration, with a focus on user-friendly access, security, and expandability.

Activities related to Output 1.3 – Improved integrated national energy and climate plan monitoring, reporting, in accordance with the Energy Law and obligations under the Energy Community Treaty

In accordance with the new legal framework, specifically articles 8a and 8b of the Energy Law, the MoME is obliged to prepare, monitor, report and update INECP. The draft of the INECP is prepared by June 2023 and should be adopted by June 2024. Regulation 2018/1999 as adapted and adopted in the Energy Community defines the content of the INECP and outlines the procedures for monitoring, reporting of the INECP. Therefore, it is crucial to establish an adequate process and build capacities of the MoME for proper monitoring of the implementation, reporting of the INECP in accordance with Governance Regulation, as well as for monitoring, reporting of the long-term strategies in the coming period. Energy policy and INECP comply the crosscutting issues such as environmental protection, climate change and biodiversity, energy poverty, gender equality etc. Given the complexity of INECP and the unpredictability of the energy situation in the region, MoME requires technical assistance through this Action, with the specific knowledge and experience transfer in monitoring and analysis of energy and climate policy in order to determine the need for the revision of the climate targets policies at a very detailed level.

The main envisaged activities of the **Output 1.3** include:

- Enhancing energy modelling tools for effective planning and analysis: This activity will include updating the SEMS system to incorporate the latest version of TIMES, along with input data for previous years at both the national and regional levels, in both English and Serbian languages. Furthermore, the macroeconomic analysis tool will be updated with relevant data to align with EU standards for energy modelling and macroeconomic projections. Finally, the High RES penetration market tool will also be updated with the necessary data. Hands-on technical assistance will be provided for an effective and autonomous use of the modelling tools.

- Assessing and reporting on Serbia's Integrated National Energy and Climate Plan implementation progress: This activity encompasses analysing the level of realization of scenarios and policies and measures that formed the basis of the INECP development for the period up to 2030 with the vision up to 2050. Additionally, biennial progress report will be prepared and submitted to the Energy Community Secretariat in line with the Governance Regulation (EU) 2018/1999.
- Capacity building in alignment to the Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action may include such areas as support for the development and strengthening of internal modelling capacity, support in designing and implementing a robust and effective monitoring methodology for climate change-related activities; assistance in identifying key indicators and metrics for monitoring greenhouse gas emissions, mitigation efforts, and adaptation measures; increasing awareness and training for state-of-the-art tools and technologies for data collection, analysis, and reporting, assistance in establishing efficient systems for collecting, managing, and storing relevant data, methods for improving data quality and reliability through standardized data collection processes; support for the improved coordination with State Authorities, including in communication and information-sharing mechanisms; allocation of specific tasks and responsibilities among various stakeholders involved in the monitoring and reporting process, skills enhancement for staff tasked with preparing accurate and comprehensive reports., mainstreaming of cross-cutting issues into the reporting process; support for data verification processes to ensure the accuracy and reliability of reported information, among similar ones.

. Activities related to Output 1.4 - Public administration organisations certified for information security (ISO 27001) and service management (ISO 20000-1) standards, prepared for implementation of ISO 27032 and ISO 22301 series of standards as well as for compliance with GDPR, and ITE Office certified.

Building on the work of the previous IPA 2019 project, the activities will be undertaken to assist the public administration organisations to go through the certification process and meet the standards outlined in ISO 27001 and ISO 20000, respectively. Activities include establishing policies, controls, and audits to meet the standards' requirements while addressing non-conformities; submission of an application to a certification body, with cooperation during the certification process, and a continual approach to best practices, evaluation, and improvement; provision of training to employees and conduction of regular internal audits.

The activities will ensure the improvement of effectiveness and accountability of public administration organisations through their certification for information security (ISO 27000) and service management (ISO 20000) standards, but they will also include the components dedicated to preparation of public administration organisations for ISO 27032 and ISO 22301 series of standards and compliance with GDPR. The activities of support will also cover certification of ITE Office.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

Emphasis will be placed promoting green procurement for purchases related to the action by prioritising environmentally friendly options, such as energy-efficient devices, eco-friendly materials, software optimized to reduce energy consumption, and suppliers with strong environmental performance records.

Improved INECP monitoring, reporting, will play a crucial role in reducing greenhouse gas emissions and promoting clean energy. The mainstreaming of environmental protection, climate change, and biodiversity can be achieved by considering these issues at every stage of the action, from the revision of the INECP to the preparation of reports. Integrating environmental considerations into the plan, monitoring and reporting on the impact of energy policies on the environment and biodiversity, promoting the use of renewable energy sources and energy efficiency measures, and ensuring that reporting to the Energy Community Secretariat includes information on progress towards reducing emissions and promoting clean energy and environmental protection will all contribute to this goal.

Public administration organizations participating in providing e-Government services being prepared for ISO certification will promote information security and data protection, which are essential for the sustainable use of digital technologies. Integrating environmental considerations into the preparation process, promoting the use of renewable energy sources and energy-efficient equipment, software and services, and ensuring that information security and data protection systems are designed and implemented in an environmentally sustainable manner will drive the mainstreaming of environmental considerations in this output.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. This indicates that the action was assessed against the marker and found to be gender-sensitive. Analysis, informed by substantial studies, identifies a pressing need for promoting gender equality. First, EBRD's Green Economy Financing Facility (GEFF Serbia Leasing) completed a gender baseline evaluation in spring 2021. The study found that women are at a disadvantage when it comes to climate change, both in terms of knowledge, economic opportunity and influence on legislation and policy making. Second, the Coordination Body for Gender Equality under the office of the Deputy Prime Minister and the World Bank supported the Gender in Transport Study, which demonstrates female involvement and mobility requirements. The findings from both studies will be used to improve the action's gender mainstreaming.

The resources and expertise made available through action Output 1.1 will prioritise the examination of women's interests and rights within the context of the EU accession process, alongside other relevant considerations. Emphasizing road safety symbolizes the action's commitment to creating an environment where women can access opportunities safely. The implementation of output which focuses on preparing public administration organizations for ISO certification provides an opportunity for gender mainstreaming by addressing gender inequalities and promoting gender equality in the provision of e-Government services. At the very least, the action offers an excellent opportunity to improve the government's ability to assess environmental and climate change restrictions from a gendered perspective.

Beneficiaries from different sectors will receive technical assistance from the action in the form of gender-sensitive capacity building and awareness raising. When applicable, action reports and steering committees will provide sex-disaggregated data on project results and activities.

Human Rights

The principles of transparency, inclusiveness and non-discrimination will be applied across all activities and at every stage of the proposed action implementation. For example, the preparation of PA public administration organizations for ISO certification in ITE Office and information security plays a crucial role in promoting and protecting human rights in the provision of e-Government services. ISO certifications, such as ISO 27032, ISO 22301, and compliance with GDPR, ensure that information security and data protection rights are respected and protected, while ISO 27001 and ISO 20000 providing the framework for ensuring that IT e-Government services are provided in a way that respects human rights. By preparing public administration organizations for these certifications, the project aims to create a secure and trustworthy environment for the provision of eGovernment services, where individuals' privacy and data protection rights are respected and protected. This is a crucial step towards promoting and protecting human rights in the provision of e-Government services.

Disability

According to the OECD Disability DAC codes identified in section 1.1, this Action is labelled as D1. This implies the action's integral commitment to fostering the inclusion of people with disabilities in accordance with the legal obligations outlined in Serbia's legislation. By directing specialised knowledge and resources towards national entities, as outlined in Output 1, it will be possible to guarantee comprehensive representation of individuals with disabilities and effectively address their distinct requirements throughout the European Union accession process. The implementation of measures that facilitate secure access to digital information and services, streamline service delivery, and promote transparency in service provision would be advantageous for individuals with disabilities, as it would reduce their reliance on external assistance. The primary objective of the Action on road transport safety and injury reduction is closely associated with the mitigation of impairments resulting from vehicular collisions. Moreover, as part of the action, efforts will be

made to incorporate accessibility considerations into the design and implementation processes in order to enhance the accessibility and inclusivity of public administration organisations in their pursuit of ISO certification and compliance with GDPR. This considerate approach not only guarantees compliance with regulations but also actively strives to promote inclusivity in e-Government services. The implementation of this initiative will facilitate the enhancement of accessibility and equitable opportunities for individuals with disabilities in the realm of e-Government services, thereby fostering a more comprehensive and accommodating atmosphere for all stakeholders. Finally in the monitoring of implementation and reporting on Serbia's Integrated National Energy and Climate Plan, the government and institutions can assess the effects on health, access to services and position of persons with disability related to energy efficiency, energy poverty, and can adjust further development and supports targeted actions and measures.

Conflict sensitivity, peace and resilience

The war in Ukraine and the consequent energy crisis pronounce the need to focus on better integration of the regional energy market, energy cooperation and networking.

Disaster Risk Reduction

Although the action's primary focus is not on reducing disaster risks, it can be used to help build domestic resources and capabilities through bilateral and multilateral channels to help ensure adequate, sustainable, and timely means of implementation in capacity-building, financial and technical assistance, and technology transfer in line with international commitments on disaster risk reduction.

Other considerations if relevant

This action will encourage participation from citizens and Civil Society Organisations (CSOs) as needed. Stakeholders and the general public must work together to achieve EU accession goals. All relevant parties should be consulted early on in the planning process, and their needs should be accounted for as thoroughly as possible. The promotion and awareness-raising campaigns will also include outreach to CSOs.

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/ Medium/ Low)	Impact (High/ Medium/ Low)	Mitigating measures

3. People and the organisation	Inadequate staffing levels, high turnover rates, and a lack of technical capacity among the relevant ministries and beneficiaries may hinder their ability to effectively absorb the support provided by the interventions, develop the necessary project documentation, and implement the reforms, leading to delays and inefficiencies	M	M	Enhance the human resource management process by providing targeted technical assistance and capacity building programs to enhance the skills and knowledge of the relevant staff. Conduct regular assessments of the staffing levels and technical capacity of the relevant ministries and beneficiaries to identify areas where additional support is needed. Establish a clear process for developing project documentation and ensure that all relevant stakeholders are involved in the review and approval process to ensure buy-in and ownership of the project documentation
1. External environment	Insufficient political will, coordination, and commitment among key stakeholders may result in a lack of support for the interventions, including delays, inconsistencies, and potential discontinuity in the implementation of the necessary reforms	M	M	Develop a communication and outreach strategy to build support for the interventions and align them with national priorities. Engage in regular communication and consultation with political leaders and other stakeholders, establish mechanisms for reviewing and adjusting the interventions as needed, and work with relevant stakeholders to identify and address potential risks and challenges. Leverage the support of external partners and donors to help build political will and coordination around the interventions.
3. People and the organisation	Decisions are being made without the input of all stakeholders involved and those who are most impacted by the action. There is a lack of importance placed on their input which can lead to misunderstanding, conflict and slowing the action implementation	L	M	Protecting the interests of stakeholders, including local authorities, and ensuring their participation in the project requires the allocation of institutional resources, the continued engagement of all relevant stakeholders, and the maintenance of a constant dialogue between these actors.
1. External environment	Regulations and standards set by the EU in the areas of transport safety, energy and climate, and information security could change during the course of the project	M	M	Regularly monitor EU regulations and standards and assess the potential impact on the action. Engage with relevant stakeholders to stay informed and ensure that the action remains aligned with the latest regulations and standards.

External Assumptions

Assumptions at the level of the Specific Objective(s)

- The EU accession process will continue to progress;
- There is strong collaboration across all institutional levels;
- A consistent level of confidence in institutions is maintained;
- There is full political commitment to invest in the energy and climate sector;
- Authorities have the capacity to consistently and effectively implement new regulations and practises;
- The necessary technical infrastructure and expertise exists to implement information security standards

Assumptions at the level of the Outputs

Output 1.1

- Staff experienced in EU integration tasks remain in respective institutions as civil servants

Output 1.2

- All involved stakeholders, authorities, and departments effectively coordinate and communicate
- Relevant authorities and staff are willing and committed to participate in and complete the training programs and adopt new methodologies;
- New equipment and software are successfully integrated with existing systems and infrastructure;
- Procurement and delivery of equipment, software, and other required resources is timely;
- Authorities and training centres actively collaborate to ensure consistent standards and knowledge transfer.

Output 1.3

- There is full political commitment in the implementation of the Energy Law and Climate Law in the fields of energy and climate policy and meeting targets set in the INECP.

Output 1.4

- There is full political commitment and willingness to comply with the ISO standards and GDPR to ensure the provision of secure and reliable eGovernment services.

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results [maximum 10 @]	Indicators [it least one indicator per expected result @]	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To enhance the EU accession process	1 Technical readiness of the Republic of Serbia in terms of fulfilment of criteria for membership to the EU.	1 No (2023)(2023)	1 Yes (2030)	IGC conclusions European Commission Report on Serbia	
		2 Total GHG emissions	2 80,094 Gg CO ₂ eq (1990, with Land use, Land Use Change and Forestry - LULUCF)	2 47,762 Gg CO ₂ eq (2030, with LULUCF)	2 Energy Balance of Serbia ¹⁹ , INECP report	
		3 Share of RES in Gross Final Consumption	3 26,3% (2020)	3 40,7% (2030)	3 Energy Balance of Serbia ²⁰ , INECP report	
		4 Primary energy consumption	4 14,966 M toe (2020)	4 14,68 Mtoe (2030)	4 Energy Balance of Serbia, INECP report	
		5 Final Energy consumption	5 8,887 M toe (2020)	5 h9.54 Mtoe (2030)	5 Energy Balance of Serbia, INECP report	
		6 Logistic Performance Index (LPI)	6 2,40 (2023)	6 3,40 (2030)	6 World Bank Database ²¹	
		7 Number of people killed in road traffic accidents	7 521 (2021) 404(Males) 117 (Females)	7 ≤ 180 (2030) 140 (Males) 40 (Females)	7 Statistical report of the state of road traffic safety in the Republic of Serbia ²²	
		8. Number of seriously injured people in road accidents (broken down by gender)	19,905 (2021) 12,175(Males) 7,730 (Females)	≤ 10,000 (2030) 6,000 (Males) 4,000 (Females)	8 Statistical report of the state of road traffic safety in the Republic of Serbia ²³	
Outcome 1	Targeted support is provided to the Serbian administration in meeting EU accession requirements, including effective alignment and implementation of legislation and strengthening of administrative capacities	1.1 Progress towards alignment with the EU Acquis in key policy areas 1.1 Progress towards alignment with the EU Acquis in 1.1.1 Transport 1.1.2 Energy 1.1.3 Information society and Media 1.2 Number of controlled drivers' working days on roadside checks	1.1. No/limited/some progress (2022) 1.1.1 Good level of preparation 1.1.2 Moderately prepared 1.1.3 Moderately prepared 1.2 1,262,162 (2016)	1.1. Good/Very good progress (2028) 1.1.1 Well advanced 1.1.2 Good level of preparation 1.1.3 Good level of preparation 1.2 ≥ 1,350,000 (2028)	1.1. European Commission report on Serbia 1.2 MoCTI data collection report	The EU accession process will continue to progress and Serbia There is strong collaboration across all institutional levels. A consistent level of confidence in institutions is maintained.

¹⁹ <https://www.stat.gov.rs/en-us/oblasti/energetika/>

²⁰ <https://www.stat.gov.rs/en-us/oblasti/energetika/>

²¹ LPI is measuring Perception of the quality of trade and transport related infrastructure; e.g. Ports, railroads, roads, information technology). Data are available at <https://lpi.worldbank.org/>

²² https://www.abs.gov.rs/admin/upload/documents/20221110114749-statisticki_eng_2021_final.pdf (page 29, table 2.7)

²³ https://www.abs.gov.rs/admin/upload/documents/20221110114749-statisticki_eng_2021_final.pdf (page 29, table 2.7)

		1.3 Number of annually issued ADR driver training certificates for dangerous goods transport issued	1.3 1830 (2022)	1.3 2600 (2028)	Exam results available on website MoCTI ²⁴	There is full political commitment to invest in the energy and climate sector.
		1.4 Level of compliance with EU Regulation 1999/2018	1.4 Non-compliant (2023)	1.4 Compliant (2029)	1.4 Energy Community Country Implementation Annual Report ²⁵	Authorities have the capacity to consistently and effectively implement new regulations and practises.
		1.5 Level of compliance with NIS and NIS2 directives	1.5 Serbia aligned its legislation with NIS directive with adoption of Law on Information Security and its bylaws (2023) NIS2 Directive: non-compliant (2023)	1.5 NIS Directive fully implemented (2028) NIS 2 Directive: Compliant (2028)	1.5 European Commission Report on Serbia	The necessary technical infrastructure and expertise exists to implement information security standards.
Output 1 related to Outcome 1	1.1 Ensured the timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors	1.1.1. Number of accession related interventions supported that mainstream gender and disability issues	1.1.1 0 (2022)	1.1.1 ≥ 3 (2027)	1.1.1 Annual Implementation Report prepared by NIPAC TS	Staff experienced in European integration tasks remain in respective institutions as civil servants
Output 2 related to Outcome 1	1.2 Improved implementation of national and EU regulations for commercial vehicles and transportation of dangerous goods in Serbia	1.2.1. Number of sets for tachograph control	1.2.1. 0 (2023)	1.2.1. ≥ 50 (2026)	1.2.1 Provisional Acceptance Certificate	All involved stakeholders, authorities, and departments effectively coordinate and communicate.
		1.2.2. Number of SMART tachograph demonstration cases (simulators)	1.2.2 0 (2023)	1.2.2 ≥ 5 (2026)	1.2.2 Provisional Acceptance Certificate	Relevant authorities and staff are willing and committed to participate in and complete the training programs and adopt new methodologies.
		1.2.3. Number of specialized vehicles for tachograph inspection	1.2.3 0 (2023)	1.2.3 ≥ 1 (2026)	1.2.3 Provisional Acceptance Certificate	New equipment and software are successfully integrated with existing systems and infrastructure.
		1.2.4. Number of trained employees of the National Authorities on new generation of tachographs broken down by gender	1.2.4 0 (2023)	1.2.4 ≥ 140 (2027) ≥ 70 Females (2027)	1.2.4 Approved Project Progress Reports	Procurement and delivery of equipment, software, and other required resources is timely.
		1.2.5. Number of laptop computers for the implementation of digital exams for drivers of dangerous goods	1.2.5 0 (2023)	1.2.5 ≥ 25 (2025)	1.2.5 Provisional Acceptance Certificate	Authorities and training centres actively collaborate to ensure consistent standards and knowledge transfer is ensured.
		1.2.6. Number of online platforms for assessing candidates pursuing the ADR driver training certificate for dangerous goods transportation	1.2.6 0 (2023)	1.2.6 1 (2027)	1.2.6 Approved Project Progress Reports	
		1.2.7. Number of MoCTI Department for Transport of Dangerous Goods and training centres staff trained in usage of online platform (broken down by gender)	1.2.7 0 (2023)	1.2.7 ≥ 30 (2027) ≥ 12 Females (2027)	1.2.7 Approved Project Progress Reports	
Output 3 related to Outcome 1	1.3 Improved Integrated National Energy and Climate Plans monitoring, reporting in accordance with the Energy Law and obligations under the Energy Community Treaty	1.3.1 Number of the INECP monitoring reports prepared submitted to Energy Community Secretariat	1.3.1 0 (2022)	1.3.1 ≥ 1 (2027)	1.3.1 Energy Community Country Implementation Report	There is full political commitment in the implementation of the Energy Law in the field of the Energy policy and meeting targets set in the INECP/updated INECP.
Output 4 related to Outcome 1	1.4 Public administration organizations participating in providing e-Government services are prepared for	1.4 1 Number of public administration organizations in providing e-Government services that are ISO 27001 certified.	1.4 1 4 (2023)	1.4.1 ²⁶ 27 selected PA organizations certified for ISO 27001.	1.4 1 Certificates and compliance statements issued by an accredited body	Public administration organizations have a strong commitment and willingness to comply with the ISO standards and GDPR to ensure the provision of secure and reliable e-Government services.

²⁴ <https://mgsi.gov.rs/cir/dokumenti/transport-opasne-robe-vozachi-vozila-za-transport-opasne-robe>

²⁵ <https://www.energy-community.org/implementation/IR2021.html>

²⁶ The value has been formulated based on assessment conducted through previous phase of support, and final commitment will be confirmed in the preparation phase.

	ISO 27000 and ISO 20000 standards, and compliance with GDPR	Number of public administration organizations in providing e-Government services that are ISO 20000 certified.	1 (2023)	11 selected PA organizations certified for ISO 20000.	
		1.4.2 Number of public administration organizations participating in providing e-Government services assessed in terms of their preparedness for ISO 27032 and ISO 22301.	1.4.2 0 (2023)	1.4.2 93 public administration organizations participating in providing e-Government services prepared for ISO 27032 and ISO 22301.	1.4.2 Approved Project Progress Reports
		Report with recommendations for enhanced implementation of the Serbian legal framework aligned with the EU GDPR for selected PA organizations.	No (2023)	Yes	
		1.4.3 ITE certified for ISO 27032, ISO 22301 and ISO 27701.	1.4.3 No (2023)	1.4.3. Yes	1.4.3 Certificate and compliance statements issued by an accredited body

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Serbia.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of conclusion of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

N/A

4.4. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures²⁷.

4.4.1. Direct Management (Grants)

N/A

4.4.1.1. Grants

N/A

4.4.1.2. Twinning Grants

N/A

4.4.1.3. Grants (Participation to EU programmes)

N/A

4.4.2. Direct Management (Prize(s))

N/A

²⁷ [EU Sanctions Map](#). 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.

4.4.3. Direct Management (Procurement)

Procurement under direct management will contribute to achieving single Outcome 1 of the Action - Enhanced compliance with EU accession requirements focusing on implementation of policies in the areas of transport safety and connectivity, energy and climate and information security standards. Outcome 1 will be implemented through procurement by the Delegation of the European Union (EU) to the Republic of Serbia.

4.4.4. Indirect Management with a pillar-assessed entity

N/A

4.4.5. Indirect Management with an IPA III beneficiary

N/A

4.4.6. Contribution to <name of the relevant Regional Investment Platform>

N/A

4.4.7. EFSD+ operations covered by budgetary guarantees

N/A

4.4.8. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

N/A

4.4.9. Other actions or expenditure

N/A

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)	Indicative third-party contribution, in currency identified
Methods of implementation – cf. section 4.4		
Outcome 1 - Targeted support is provided to the Serbian administration in meeting EU accession requirements, including effective alignment and implementation of	15 500 000	N.A.

legislation and strengthening of administrative capacities Output 1.1; Output 1.2; Output 1.3; and Output 1.4, composed of:		
Output 1.1 - Ensured the timely implementation of accession-related actions and effective policy dialogue with the EU in priority sectors, composed of: Procurement (direct management) – cf. section 4.4.3	10 000 000	N.A.
Output 1.2 - Improved implementation of national and EU Regulations for commercial vehicles and transportation of dangerous goods in Serbia, composed of: Procurement (direct management) – cf. section 4.4.3	1 500 000	N.A.
Output 1.3 - Improved integrated national energy and climate plan monitoring, reporting in accordance with the Energy Law and obligations under the Energy Community Treaty, composed of: Procurement (direct management) – cf. section 4.4.3	1 000 000	N.A.
Output 1.4 - Public administration organisations certified for information security (ISO 27001) and service management (ISO 20000-1) standards, prepared for implementation of ISO 27032 and ISO 22301 series of standards as well as for compliance with GDPR, and ITE Office certified, composed of: Procurement (direct management) – cf. section 4.4.3	3 000 000	N.A.
Procurement – total envelope under section 4.4.3		
Procurement – total envelope under section 4.4.3	15 500 000	N.A.
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another Decision	N.A.
Strategic Communication and Public Diplomacy – cf. section 6	will be covered by another Decision	N.A.
Contingencies	N.A.	N.A.
Totals	15 500 000	N.A.

4.7. Organisational Set-up and Responsibilities

Output 1.1

The end recipients of the Output 1.1 of the assistance, which includes coordination of preparation of implementing and supporting documents, will be known once the action proposal has been approved by the Working Group for the Management of Negotiation and Policy Envelope Funds within the IPA. The Ministry of European Integration will coordinate all end recipients, who may be line ministries and other responsible public institutions.

For each intervention related to Output 1.1, a Steering Committee (SC) will be established to guide its implementation. The SCs will include representatives from the Ministry of European Integration, the Central Financing and Contracting Unit of the Ministry in charge of finance, and the EU Delegation. Additionally, the composition of the SCs may include relevant representatives of other stakeholders, based on equal representation of the interests of all institutions while bearing in mind effectiveness and efficiency.

Output 1.2

The Ministry of Construction, Transport, and Infrastructure (MoCTI) is the final beneficiary and coordinator of Output 1.2 achievements. In addition to the MoCTI, the Ministry of Internal Affairs and the Road Traffic Safety Agency of Republic of Serbia, are the beneficiaries. A Steering Committee will be established to oversee the execution of the intervention. The members of the Steering Committee will include representatives from the MoCTI, the Ministry for European Integration and the EUD. In addition, the membership of the Steering Committees may include appropriate representatives of other stakeholders and will be based on an equitable representation of the interests of all institutions, while keeping in mind the efficiency and effectiveness of the organisation.

Output 1.3

The Ministry of Mining and Energy is the final beneficiary and coordinator of the achievements within the Output 1.3. A Steering Committee will be established to guide the interventions' execution and monitor their implementation. Representatives from the Ministry of Mining and Energy, the Ministry for European Integration, and the EUD will be designated as members of the Steering Committee. The Steering Committees' membership will also include representatives of other stakeholders (as the Energy Community Secretariat) and will be based on equitable representation of all institutions' interests while maintaining the efficiency and effectiveness of such organisational set-up.

For the purpose of facilitating the implementation of consultations and participation of all relevant institutions in the monitoring, reporting process of INECP a Working Group will be endorsed consisting of the representatives of the Ministry of Mining and Energy, Ministry of Environmental Protection, Environmental Protection Agency, other Ministries, institutions, energy companies and representatives of civil society organisations.

Output 1.4

The Ministry of Information and Telecommunications (MIT) is the final beneficiary and coordinator of the achievements within Output 1.4. A Steering Committee will be established to guide the interventions' execution and monitor their implementation. Representatives from the Office for Information Technologies and eGovernment (ITE Office), Ministry of Public Administration and Local Self-Government, Ministry of EU Integration and the EUD will be designated as members of the Steering Committee. The Steering Committees' membership will also include representatives of other stakeholders and will be based on equitable representation of all institutions' interests while maintaining the efficiency and effectiveness of such an organisational setup.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.8. Pre-conditions [Only for project modality]

Precondition for the realisation of Output 1.3 is the adoption of integrated national energy and climate plan (INECP) by the Government of Serbia by 30 June 2024.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical, and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible, at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Arrangements for monitoring and reporting, including roles and responsibilities for data collection, analysis, and monitoring:

- The European Commission will monitor the Action using Result Oriented Monitoring (ROM), which includes site visits, data collection, and analysis. During these visits, independent consultants retained by the Commission will meet with Action beneficiaries and the NIPAC Technical Secretariat (TS) to discuss the implementation of the intervention. Beneficiaries would assist ROM consultants upon request from the NIPAC TS, including the provision of data and documentation, participation in interviews and meetings, and commentary on monitoring reports. This shall provide an impartial assessment of the ongoing or post-action performance of the Action, as required.
- The NIPAC, with the assistance of the NIPAC TS, is responsible for the overall coordination of IPA III assistance in the Republic of Serbia, including the supervision of IPA III programme implementation, as well as the establishment, operation, and participation of stakeholders in monitoring committees. Beneficiaries of the Action will report their progress to Steering Committees and Sector Monitoring Committees (SMCs), while the NIPAC TS will manage data collection and analysis for monitoring the Action's implementation, including the collection of information from beneficiary reports for monitoring committees.
- In accordance with the respective committees' rules of procedure, the Commission will attend monitoring committee meetings and co-chair IPA Monitoring Committee (IPA MC). Through these activities, the Commission will be kept informed of the entire IPA III progress and will participate in high-level monitoring discussions, thereby endorsing crucial decisions resulting from monitoring. Upon request, the Commission will provide the NIPAC TS with information regarding the implementation of interventions managed under direct management. This information will be used for reporting to SMCs, the IPA MC, and for preparing the Annual report on the implementation of financial assistance. Through the SMC reports and annual IPA report on the implementation of financial assistance, the Commission will also monitor the implementation of the Action.

5.2. Evaluation

Having regard to the importance of the action, a mid-term or final and/or ex-post evaluation may be carried out for this Action or its components via independent consultants contracted by the Commission.

Mid-term evaluation may be carried out for learning purposes, in particular with respect that it contains numerous components pertaining to the accession process and in terms of assessing effectiveness, sustainability, and impact. It will also serve as a basis for revising implementation strategies and activities, if necessary, and for planning potential future activities in the sectors in Serbia under IPA III.

In case a final or ex-post evaluation is envisaged, it will be carried out for accountability and learning purposes at various levels (including for policy revision).

If the Commission decide to carry out evaluations, the Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partner at least 6 months in advance of the dates envisaged for the evaluation exercise and 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 partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner

country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Evaluation services may be contracted under a framework contract.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the 2022 guidance document [*Communicating and raising EU visibility: Guidance for external actions*](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and contribution agreements.

7. SUSTAINABILITY

The key to ensuring the sustainability of the Action lies in maintaining a stringent focus on the areas addressed, which are incorporated into Serbia's sector policies, plans, and programs. The outputs of the Action are linked to national strategies and policies, demonstrating the government's commitment to addressing the problems tackled by this Action. The Beneficiaries of the Action will prioritize sustainability when approving the final outputs of the contracts financed under this Action and will ensure that the results are preserved beyond the implementation period. The Beneficiaries of the Action will confirm their dedication to respecting the objectives and utilizing the results for the intended purpose, ensuring that the results persist after the implementation period has concluded. They will make use of the tangible and intangible outputs from the contracts for the purposes specified in the contracts and will assess the results using the relevant indicators. Moreover, the Beneficiaries of the Action will ensure adherence to sustainability conditions, starting from the provisional acceptance of assets, whereby the use of tangible and intangible assets procured under IPA III programs will be granted permanently. The NIPAC and the Commission will jointly monitor the sustainability of IPA III assistance through SMCs and within the IPA MC.

Appendix 1: IDENTIFICATION OF THE PRIMARY INTERVENTION LEVEL FOR REPORTING IN OPSYS

A Primary intervention (project/programme) is a coherent set of results structured in a logical framework aiming at delivering development change or progress. Identifying the level of the primary intervention will allow for:

- ✓ Differentiating these Actions or Contracts from those that do not produce direct reportable development results, defined as support entities (i.e. audits, evaluations);
- ✓ Articulating Actions and/or Contracts according to an expected common chain of results and therefore allowing them to ensure a more efficient and aggregated monitoring and reporting of performance;
- ✓ Having a complete and exhaustive mapping of all results-bearing Actions and Contracts.

The present Action identifies as

<p>Group of contracts level (i.e: i) series of programme estimates, ii) cases in which an Action Document foresees many foreseen individual legal commitments (for instance four contracts and one of them being a Technical Assistance) and two of them, a technical assistance contract and a contribution agreement, aim at the same objectives and complement each other, iii) follow up contracts that share the same log frame of the original contract)</p>		
<input checked="" type="checkbox"/>	<p>Group of contracts</p>	<p>Unallocated envelope, number of individual legal commitments/contracts:</p> <p>Service contract – TA for Ministry of Mining and Energy for improvement of the integrated national energy and climate plan monitoring, reporting:</p> <p>Service contract – TA for MoCTI for Improvement of implementation of national and EU Regulations for commercial vehicles and transportation of dangerous goods:</p> <p>Supply contract for MoCTI for procurement of sets for tachograph control, SMART tachograph demonstration cases, specialized mobile offices/vehicles for tachograph inspection, laptop computers for the implementation of exams for drivers of dangerous goods:</p> <p>Service contract – TA for the Ministry of Information and Telecommunications for ISO 27000 and ISO 20000 standards, and compliance with GDPR:</p>