



EUROPEAN COMMISSION

Brussels, 18.7.2011
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COMMISSION IMPLEMENTING DECISION

of 18.7.2011

**adopting the Multi-beneficiary Programme under the IPA Transition Assistance and
Institution Building Component for the year 2011**

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THE EUROPEAN COMMISSION,

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

Having regard to Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA)¹, and in particular Article 14(2)(a) thereof,

Whereas:

- (1) Regulation (EC) No 1085/2006 lays down the objectives and main principles for pre-accession assistance to candidate countries and potential candidates.
- (2) In accordance with Article 7 of Regulation (EC) No 1085/2006, the assistance should be provided through multi-annual or annual programmes. These programmes should be drawn up in accordance with the general policy framework referred to in Article 4 of Regulation (EC) No 1085/2006 and the relevant multi-annual indicative planning document referred to in Article 6 of that Regulation.
- (3) The Council established an Accession Partnership or a European Partnership for all candidate countries and potential candidates. The Commission has adopted on 20.06.2011 a Multi-beneficiary Multi-annual Indicative Planning Document 2011-2013² which presents indicative allocations for the main priorities for Multi-beneficiary pre-accession assistance to all relevant candidate countries and potential candidates.
- (4) Therefore, the Multi-beneficiary Programme under the IPA Transition Assistance and Institution Building Component for the year 2011 aims at providing assistance to the following priorities: Ensuring non-discrimination and respect for human rights as well as freedom of expression; Maintain the momentum of judiciary and public administration reform; Enhance regional cooperation in the fight against organised crime and corruption; Helping the countries to overcome the economic and financial crisis and prepare for sound recovery by jointly working on increasing competitiveness and investments in infrastructure; as well as fostering reforms in higher education.
- (5) To achieve the priorities selected in the MIPD, the Commission will focus the assistance primarily on the following sectors: 1) Justice and Home Affairs, including

¹ OJ L 210, 31.7.2006, p. 82.

² C(2011)4179

fundamental rights and vulnerable groups; 2) Public administration reform; 3) Private Sector Development; 4); Transport and energy infrastructure; 5) Environment and Climate Change; and 6) Social Development

- (6) This Decision meets the requirements of Article 90 of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation No 1605/2002³ (hereafter: “Implementing Rules”) and constitutes thus a Financing Decision within the meaning of Article 75 (2) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities⁴ (hereafter: “Financial Regulation”).
- (7) It is appropriate to implement Project 1 on human rights and minority protection in joint management with the Council of Europe, Project 4 on Trade Logistics in joint management with the World Bank, parts of Project 5 in joint management with the Organisation for Economic Cooperation and Development (OECD), Project 7 in joint management with the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD) and the Council of Europe Bank (CEB), Project 10 in joint management with the United Nations International Strategy for Disaster Reduction (UNISDR) and the World Meteorological Organization (WMO), and part of Project 16 in joint management with International Organisation(s) such as UN Organisations, as these organisations have prepared the activities, assessed their feasibility and defined the implementation agreements together with the European Commission.
- (8) The measures provided for by this Decision are in accordance with the opinion of the IPA Committee⁵.

HAS DECIDED AS FOLLOWS:

Article 1

The Multi-beneficiary Programme under the IPA Transition Assistance and Institution Building Component for the year 2011, as set out in the Annex, is hereby adopted.

This programme shall be implemented partly by centralised management and partly by joint management with the Council of Europe, the World Bank, the Organisation for Economic Cooperation and Development (OECD), the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), the Council of Europe Bank (CEB), the United Nations International Strategy for Disaster Reduction (UNISDR), the World Meteorological Organization (WMO) and other international organisations such as UN organisations.

³ OJ L 357, 31.12.2002, p. 1

⁴ OJ L 248, 16.9.2002, p.1

⁵ Recalling the Council Conclusions of 18 February 2008, Member States declare that the adoption of the Multi-Beneficiary Programme under the IPA Transition Assistance and Institution Building Component for the year 2011 does not prejudice the position of each individual Member State on the status of Kosovo (under UNSCR 1244/99), which will be decided in accordance with their national practice and international law.

This programme is implemented without financing agreements.

Article 2

The maximum amount of European Union contribution shall be **EUR 132 382 500** to be financed through Article 22.020701 of the general budget of the European Union for 2011.

Done at Brussels, 18.7.2011

For the Commission
Štefan FÜLE
Member of the Commission

**ANNEX: Multi-beneficiary Programme under the IPA Transition Assistance and
Institution Building Component for the year 2011**

1. IDENTIFICATION

Beneficiaries	Western Balkans: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Montenegro, Serbia, as well as Kosovo*. Turkey Iceland
CRIS / ABAC numbers	2011/22-964, 2011/023-176, 2011/023-177, SI2.596300
Year	2011
Cost	EUR 132 382 500
Implementing Authority	European Commission, except for projects: (1) Promoting human rights and protecting minorities - to be implemented by joint management with the Council of Europe. (4) Trade logistics - to be implemented by joint management with the World Bank. (5) Regional Programme on Trade and Investment - to be implemented by joint management with the OECD. (7) Western Balkan Investment Framework - to be implemented by joint management with International Financial Institutions (EIB, EBRD CEB). (10) Building Resilience to Disasters in Western Balkans and Turkey - to be implemented by joint management with the United Nations International Strategy for Disaster Reduction (UNISDR) and World Meteorological Organization (WMO). (11) Erasmus Mundus Western Balkans – Turkey Window, (12) Erasmus Mundus – Partnerships and (13) Youth: The European Commission will delegate the implementation of these projects to the Education, Audiovisual and Culture Executive Agency. (16) Strengthening European Integration - to be partly implemented

* Under UNSCR 1244/1999

	by joint management with an International Organisation or International Organisation(s) such as UN Organisations.
Final date for concluding the financing agreements	<i>This Programme will be implemented without financing agreements.</i>
Final dates for contracting	30 November 2012
Final dates for execution	30 November 2014 The following exceptions apply: PF 7: 31 December 2018 PF 8: 30 November 2015 PF 11 and 12: 30 November 2017

Sector Codes	<ul style="list-style-type: none"> (1) Promoting human rights and protecting minorities: 15160 (2) Local Administration Facility: 15112 (3) Multi-beneficiary Statistical Cooperation Programme: 16062 (4) Trade logistics: 33120 (5) Regional Programme on Trade and Investment: 33120 (6) Quality Infrastructure: 32182 (7) Western Balkan Investment Framework: 43010 (8) Horizontal Support to coordination with International Financial Institutions: 24030 (9) Support to the Transport Community Treaty: 21010 (10) Building Resilience to Disasters in Western Balkans and Turkey: 74010 (11) Erasmus Mundus Action 1: 11420 (12) Erasmus Mundus – Action 2: 11420 (13) Youth in Action Programme: 11420 (14) Participation in EU Agencies: 43010 (15) Cross-Border Institution Building (CBIB +): 43010 (16) Strengthening European Integration: 43010
Budget line(s) concerned	22.020701: Regional and Horizontal Programmes
Programming Task Manager	Unit D3, Regional Programmes, DG Enlargement
Implementation Task Manager	<p>Unit D3, Regional Programmes, DG Enlargement</p> <p>DG Enlargement will cross sub-delegate implementation of project (3) to DG Eurostat;</p> <p>DG Enlargement will cross sub-delegate implementation of project (9) to DG MOVE;</p> <p>The European Commission will delegate the implementation of projects (11), (12), and (13) to the Education, Audiovisual and Culture Executive Agency.</p>

2. PRIORITIES FOR EU ASSISTANCE

This IPA Multi-beneficiary Programme is designed to respond to Multi-beneficiary priority needs as indicated in the IPA Multi-beneficiary Multi-annual Indicative Planning Document (MIPD) 2011-2013, taking into account activities implemented under the National Programmes, the guidance provided in EU strategic documents, the lessons learned from the programming and implementation of previous EU assistance and the findings from consultations with, *inter alia*, the beneficiaries, certain International Financial Institutions

(IFIs), the Regional Cooperation Council (RCC), EU Member States, civil society organisations and European Commission services.

While the main assistance to IPA beneficiaries is given through the National Programmes, the Multi-beneficiary Programme endeavours to complement and add value to these as well as to enhance regional cooperation. Multi-beneficiary assistance covers regional projects that set out to promote cooperation between IPA beneficiaries as well as horizontal projects that address common needs of the IPA beneficiaries and aim to achieve efficiencies and economies of scale.

In order to define the strategy in the 2011-2013 Multi-beneficiary MIPD, a thorough planning and participatory consultation process with all stakeholders started back in 2009. For a number of priority sectors for regional cooperation, Working Groups were set up to provide a framework for discussions with beneficiaries, donors, civil society and other stakeholders. Discussions in these Working Groups continued until early 2010 to develop specific sector plans that in turn fed into the draft MIPD for 2011-2013. This process allowed better tailoring of the new Multi-beneficiary strategy according to the needs of the Beneficiaries in the region and enhanced their ownership of the programme. Each sector plan sets out the sequencing and scope of priority projects for the annual programming exercise.

The Multi-beneficiary MIPD 2011-2013 identifies the following priorities: (1) to maintain the momentum of reform of the judiciary and public administration; (2) to enhance regional cooperation in the fight against organised crime and corruption; (3) to contribute to ensuring non-discrimination and respect for human rights as well as freedom of expression; (4) to help completing the process of reconciliation in the Western Balkans; (5) Contribute to building a vibrant civil society; (6) to help the Beneficiaries overcome the economic and financial crisis and prepare for sound recovery by jointly working on increasing competitiveness and investments in infrastructure; and (7) to foster reforms and regional cooperation in education.

To achieve the priorities selected for support in the programming period 2011-2013, the Multi-beneficiary MIPD contains seven (7) sectors on which IPA assistance will be focused:

- Justice and home affairs, including fundamental rights and vulnerable groups
- Public administration reform
- Support to civil society
- Private sector development
- Transport and energy infrastructure, including nuclear safety
- Environment and climate change
- Social Development.

To facilitate programming, the Multi-beneficiary IPA 2011 projects managed by DG Enlargement, Unit Regional Programmes have been consolidated into separate Programmes:

- Multi-beneficiary Programme 2011 (this programme);
- Tempus Programme 2011;

– Horizontal Programme for Nuclear Safety and Radiation Protection.

In addition, the European Commission will adopt a Programme to support Civil Society Development in 2011-2013 for which Multi-beneficiary assistance will complement funds from national IPA programmes in the Civil Society Facility. A new programme for preparatory actions for preserving and restoring cultural heritage in conflict areas is also planned to be adopted in 2011.

Multi-beneficiary programme assistance will be provided through IPA component I for "Transition Assistance and Institution Building".

2.1. Priorities selected under this programme

In order to use resources more effectively and efficiently, it is intended to address a limited number of priorities and sectors on an annual or multi-annual basis through the regional and horizontal Multi-beneficiary programmes. The selection process of projects that form part of this annual programme has been based on the various sector plans, in coordination with the IPA Beneficiaries, other donors, the RCC, civil society and other stakeholders, taking also into account lessons learnt of past and on-going programmes for Multi-beneficiary support.

The current Multi-beneficiary programme for IPA 2011 includes 16 projects that were developed, to a large degree, together with the Beneficiaries in the various sector Working Groups. As part of the programming process, only projects that have achieved sufficient readiness for implementation have been accepted.

Particular attention has been given to projects that support the Beneficiaries to **overcome the economic and financial crisis and prepare for sound recovery** by frontloading financial support for priority investments in infrastructure, in close coordination with IFIs, also by supporting regional initiatives. A number of projects for trade facilitation should also support the Beneficiaries to prepare their response to the crisis.

With a view to maintain the momentum of **public administration reform** and improve governance, two projects have been selected, one of which will support local administrations. The other project provides horizontal support to statistics, which is not only an essential basis for the development of democratic and market-oriented societies, but is a precondition for successful accession negotiations.

A regional project promoting **human rights and protecting minorities** has been selected as one of the priorities in the sector Justice and Home Affairs.

Under the priority to **foster reforms and regional cooperation in education**, the IPA 2011 Multi-beneficiary programme will continue previous practice and support the Erasmus Mundus Action 1 and 2 as well as the Youth in Action programme.

In the sector of **environment and climate change**, a regional project has been selected to build resilience to disasters in the Western Balkans and Turkey, whereas future interventions to support RENA will be programmed at a later stage.

The remaining priorities and sectors of the Multi-beneficiary MIPD will be addressed either by separate programmes in 2011 or by subsequent programmes in 2012 and 2013, building on results of currently on-going interventions, as foreseen in the various sector plans. This is particularly pertinent for the priority area of the **rule of law and the fight against organised**

crime and corruption. A number of programmes on judicial, police and prosecutor cooperation as well as border management are currently ongoing whose results will feed into future interventions in this area, in particular in the planned witness protection programme.

2.2. Sectors selected under this programme

The Multi-beneficiary programme 2011 will focus its support through the various projects to achieve the following sector objectives:

1) Sector Justice and Home Affairs, including fundamental rights and vulnerable groups: The ultimate objective is to contribute to ensuring compliance with the Copenhagen political criteria, specifically to guarantee respect for human rights and protection of minorities in all candidate countries and potential candidates.

2) Sector Public administration reform: The overall objective is to contribute towards upgrading the operational capacities and the professionalism of public administrations at central, regional and down to local level. Also, in the area of statistics, the aim is to continue upgrading and strengthening the statistical systems of all IPA Beneficiaries.

3) Sector Private Sector Development: The aim is to raise regional competitiveness, including through increased competence of human capital, attract investments, facilitate trade and establish a business climate conducive to the development of SMEs.

4) Sector Transport and Energy infrastructure: Support in this sector has the ultimate goal to support the modernization of the economies of the beneficiaries, to increase the access to finance for investments in priority infrastructure projects in the region, with particular attention to regional initiatives.

5) Sector Environment and Climate Change: The aim is to support beneficiaries to align with the environmental climate change *acquis*, strengthen regional cooperation (through RENA) in strategic planning for environmental policy and develop the capacities and mechanisms in the area of disaster risk management and mitigation of and adaptation to climate change.

6) Sector Social Development: The objective is to support the development of the higher education systems in the beneficiaries through cooperation between local higher education institutions and those of the EU Member States as well as to promote youth exchange.

In addition, the Multi-beneficiary programme 2011 will finance a number of other interventions that fall outside the scope of these sectors such as project identification and preparation, preparatory measures in view of participation in EU Programmes and Agencies, support measures for the implementation and monitoring, of IPA programmes and support by way of technical assistance to strengthen the capacity for programming and implementing cross border cooperation at intra Western Balkans borders.

Particular emphasis is paid to the joint appraisal of projects, including an early identification of the relevant stakeholders, in particular implementing beneficiary institutions. On the occasion of the IPA MB Programme Coordination Meeting in Tirana, 29 -30 June 2010, discussions therefore focused also on ways to improve communication and information flow throughout the programming cycle and project implementation.

2.3. Description of projects and/or other implementation modalities under each sector

Sector	IPA support (in EUR million)	Implementation modalities' (projects, budget support, etc.), beneficiary, purpose, results, activities, contribution to the priorities, and indicative implementation schedule
Justice and Home Affairs	3.6	
Project 1: Promoting human rights and protecting minorities	3.6	<p>The project purpose is to set up and nurture an active regional network in the Western Balkans of relevant bodies involved in promoting human rights and in protecting minorities, especially but not exclusively made of the national minority councils and ombudsmen. The aim is to focus on the implementation of existing legislation in line with European standards and practices, starting with but not limited to anti-discrimination norms.</p> <p>The project will be implemented by joint management with the Council of Europe. The Commission and the Council of Europe will conclude a Contribution Agreement in Q4 2011 for an execution period of 36 months.</p>
Public Administration Reform	10.7	
Project 2: Local Administration Facility	2.5	<p>The purpose of this project is to enhance awareness-raising and exchange of experience with a view to improving the knowledge and skills of representatives of local and regional authorities regarding European integration and EU accession.</p> <p>The European Commission will implement the Local Administration Facility via the service contracts for the logistics of the TAIEX programme in accordance with Article 242 (1) (c) in conjunction with Article 242 (2) (b) of the Implementing Rules.</p>
Project 3: Multi-beneficiary Statistical Cooperation Programme	8.2	<p>The project's purpose is to continue upgrading and strengthening the beneficiaries' statistical systems, thereby improving the availability, quality, comparability and timeliness of statistical data.</p> <p>The project will be implemented through direct grants to the NSIs of Croatia, Turkey, Iceland, the former Yugoslav Republic of Macedonia and Serbia in Q1 2012 for a total of EUR 5 000 000 on the basis of a de-jure and de-facto monopoly to carry out the statistical activities included in this project in line with Article 168 (1) (c) of the Implementing Rules as the NSIs are the institutions inside the public administration of the IPA beneficiaries responsible for collecting, producing and disseminating official statistics. The grant beneficiaries will contribute 10% co-financing to the eligible expenditure.</p> <p>Part of the project will be implemented by a Service Contract for EUR 3 200 000 that will be awarded following a call for tender to be launched in Q3 2011. The contract will provide technical assistance to those beneficiaries, in particular, who do not receive a grant under this Programme.</p> <p>Implementation of this project will be cross sub-delegated from DG Enlargement to DG Eurostat.</p>
Private Sector Development	35.2825	

Project 4: Reducing regulatory and administrative constraints related to trade logistics and harmonising cross-border clearance systems and services in the Western Balkans	1.5	<p>In continuation of previous projects, the purpose is to simplify and harmonize trade related regulations and administrative procedures, in particular clearance procedures for cargo and to develop a comprehensive regional approach.</p> <p>This project will be implemented by joint management with the International Finance Corporation. The European Commission will sign an Administration Agreement with the International Finance Corporation in Q3 2011.</p>
Project 5: Regional Programme on Trade and Investment in the Western Balkans	1.2825	<p>The project purpose is to support the implementation of the Central European Free Trade Agreement 2006 (CEFTA), thereby to contribute to trade liberalisation. As a result there should be a simplified single system of rules that facilitate intra-regional trade relations.</p> <p>This project will be implemented through: 1) an operating grant to the CEFTA Secretariat for a value of EUR 682 500 which should be signed in Q3 2011, based on Article 168 (1) (c) of the Implementing Rules of the Financial Regulation, considering that the Secretariat has a de facto monopoly, and 2) a Contribution Agreement under joint management with the OECD in relation to monitoring investment-related issues of CEFTA for a value of EUR 600 000 that will be concluded in Q4 2011.</p>
Project 6: Quality Infrastructure	2.5	<p>Through regional networking initiatives and training, the project will improve the capabilities of ministries and quality infrastructure bodies, all of which are implementing strategies to comply with Chapter 1 of the EU acquis, enabling them to offer industry services to provide the tools to trade in the EU market, as well as in the markets of the beneficiaries.</p> <p>The project will be implemented by the European Committee for Standardization (CEN) following the signature of a service contract after negotiated procedure (Art. 242(1)(b) of the Implementing Rules (IR)) in Q3 2011 since the services are entrusted to a public-sector body and relate to activities of an institutional nature.</p>
Project 7: Western Balkan Investment Framework	30.0	<p>The purpose of the Project is to put into practice the WBIF, in particular, to provide the necessary means (financial and/or human) to the economic actors, i.e. financial institutions and businesses, to enable them to offer competitive products and services and to face challenges following the economic crisis.</p> <p>The project will be implemented through two service contracts of EUR 15 million each, one following a call for tender to be launched in Q3 2011 and one, as foreseen in the tender for the initial contract, extending an existing service contract with COWI AS in Q4 2011, in accordance with Article 242 (1) c) in conjunction with Article 242 (2) (b) of the Implementing Rules.</p>
Transport and Energy Infrastructure	45.6	
Project 7: Western Balkan Investment Framework	40.0	<p>The purpose of the Project is to put into practice the WBIF, in particular, to support the preparation and implementation of priority infrastructure investment projects, financed by a combination of grants and loans and to provide the necessary means (financial and/or human) to the economic actors, i.e. financial institutions and businesses, to enable them to offer competitive products and services and to face challenges following the economic crisis.</p> <p>The project will be implemented in joint management with IFIs (EIB, EBRD CEB) through three contribution agreements of EUR 10 million each that</p>

		should be signed in Q1 2012, Q2 2012 and Q4 2012 respectively and through one contribution agreement of EUR 10 million within the European Western Balkan Joint Fund, managed by EIB and EBRD that should be signed in Q4 2011.
Project 8: Horizontal Support to coordination with International Financial Institutions in the Western Balkans and Turkey	2.0	<p>The project's purpose is to improve donor coordination and aid effectiveness by ensuring consistence between strategic objectives and financing by multiple stakeholders. The project will bring together the beneficiaries, the European Commission, headquarters as well as its delegations in the region, regional organizations and IFIs to discuss and agree on priorities at policy, strategy, technical and operational level. Areas covered are those of infrastructure and socio economic development most relevant for the beneficiaries.</p> <p>The project will be implemented by a Service Contract. As foreseen in the tender for the initial contract, the European Commission and Project Management Limited (PMG) will conclude an Addendum to the existing Service Contract in Q2 2012, in accordance with Article 242 (1) c) in conjunction with Article 242 (2) (b) of the Implementing Rules.</p>
Project 9: Support to the Transport Community Treaty	3.6	<p>The project purpose is to support the start-up of the Transport Community Treaty by making available the European Union's Contribution to the budget of the Transport Community Permanent Secretariat.</p> <p>The contribution to the Transport Community budget will constitute a subscription to a body of which the EU is a member in the meaning of 108(2)(d) of the Financial Regulation. The project will be cross sub-delegated to DG Move.</p>
Environment and Climate Change	2.2	
Project 10: Building Resilience to Disasters in Western Balkans and Turkey	2.2	<p>The project purpose is to enhance the capacity of IPA beneficiaries in the areas of disaster risk reduction and adaptation to climate change.</p> <p>The Action will be implemented in joint management with two specialized international organizations, namely the United Nations International Strategy for Disaster Reduction (UNISDR) and World Meteorological Organization (WMO). A Contribution Agreement for EUR 2 200 000 will be concluded between the European Commission and the lead partner in Q4 2011, in line with the relevant Regulations and legislation in force and based on a formal agreement between the two partner organizations with regards to this specific Action.</p>
Social Development	21.5	
Project 11: Erasmus Mundus Action 1: Western Balkans - Turkey Windows	8.0	<p>The project purpose is to enable highly qualified graduates and doctoral candidates from the Western Balkans and Turkey to engage in postgraduate study at European universities and to obtain qualifications and/or experience in the European Union and EFTA-EEA States.</p> <p>This project will be implemented by indirect centralised management. Implementation tasks are delegated by the European Commission to the Education, Audiovisual and Culture Executive Agency (EACEA). Following the selection of the awarded students, the EACEA will conclude grant contracts with the universities. It is expected that these contracts will be concluded in Q3 2011.</p>
Project 12: Erasmus Mundus – Action 2: Partnerships, Lot -	12.0	The project purpose is to enable the exchange of staff and students at all levels thereby enhancing their knowledge and skills.

Western Balkans		This project will be implemented by indirect centralised management. Implementation tasks are delegated by the European Commission to the Education, Audiovisual and Culture Executive Agency. The project will be implemented through a call for proposals. The call for proposals should be launched in Q4 2011. The selection and award criteria will relate to (a) the financial and operational capacity of the applicant, (b) the relevance of the proposal, and (c) the methodology proposed.
Project 13: Youth in Action Programme – Western Balkans Window	1.5	<p>The purpose of this project is to promote the non-formal education and youth sector in the region by supporting projects with the partner beneficiaries, in particular exchanges of young people and those active in youth work and youth organisations as well as initiatives that reinforce young people's mutual understanding, sense of solidarity and tolerance, as well as the development of cooperation in the field of youth and civil society in the Western Balkans.</p> <p>The Programme “Youth in Action” is implemented on the basis of a permanent Call for Proposals. The present project, as part of the overall programme, foresees three deadlines: September 2011, February 2012 and June 2012. Grants will be awarded to Youth organisations following the selection of the projects after an evaluation by experts on the basis of criteria defined in the Youth in Action Programme Guide.</p>
Other interventions	13.5	
Project 14: Participation in EU Agencies	8.0	<p>The project purpose is to support EU Agencies by allowing them to carry out preparatory measures in the Beneficiaries with the Beneficiary counterparts and stakeholders so as to facilitate future participation in these EU Agencies, and to stimulate cooperation between the Beneficiaries and their stakeholders.</p> <p>This project will be implemented through 14 Grant Agreements which should be signed in Q3 2011 with the EU Agencies based on Article 168(1)(f) of the Implementing Rules of the Financial Regulation. The EU Agencies and amounts are the following: CPVO (EUR 0.4 million); EASA (EUR 0.7 million); ECDC (EUR 0.4 million); ECHA (EUR 0.3 million); EEA (EUR 1.0 million); EFSA (EUR 1.0 million); EMCDDA (EUR 0.9 million); EMSA (EUR 0.3 million); ERA (EUR 0.3 million); EU-OSHA (EUR 0.9 million); EUROFOUND (EUR 0.7 million); EMEA (EUR 0.9 million); EIGE (EUR 0.1 million); ICC (EUR 0.1 million).</p>
Project 15: Cross-Border Institution Building (CBIB +) - Regional technical assistance to cross-border cooperation at intra Western Balkan borders	2.5	<p>The purpose of this project is to enhance regional coordination and harmonisation of approaches and mechanisms in the field of cross-border cooperation at intra-Western Balkan borders, in line with EU frameworks and guidelines in the area of territorial cooperation.</p> <p>The project will be implemented through a service contract following an international restricted tender procedure to be launched in Q4 for a value of EUR 2 500 00 and a duration of 24 months (tentatively from December 2011 to December 2013) The service contract may be extended for an equivalent value and duration in accordance with Article 242 (1) (c) in conjunction with Article 242 (2) (b) if the Implementing Rules.</p>
Project 16: Strengthening European Integration	3.0	The project purpose is to strengthen the ability of the beneficiaries to effectively design and develop programmes and projects to be submitted for financing under IPA Multi-beneficiary Programmes as well as to enable the implementation of a number of accession-related actions of various public/private actors in order to meet specific and urgent needs in the beneficiaries. Furthermore, to support the beneficiaries' participation in activities for the exchange of information, networking, participation in workshops, conferences, study visits and similar activities and to assist in

		<p>smaller-scale projects supporting European Integration.</p> <p>It is expected that the project will be implemented through approximately 12 service contracts for a total indicative amount of EUR 1 000 000, procured through calls for tender (6) or under framework contracts (6), depending on the amount, which should be signed between Q3 2011 and Q3 2012. In addition, depending on the nature and scope of the demands and whenever the requirements and conditions for such implementation modalities are fulfilled, part of the project can be implemented also through grant contracts awarded in accordance with the provisions in the Financial Regulations and Implementing Rules (Title VI) and/or joint management with International Organisation(s) such as UN Organisations, following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. In the case of directly awarded grants, Article 168 (1) (c) of the Implementing Rules of the Financial Regulation, to bodies with a de jure or de facto monopoly and/or Article 168 (1) (f) of the Implementing Rules of the Financial Regulation, on account of its technical competence and high degree of specialisation, e.g. for regional initiatives such as the Igman Initiative (max. EUR 500 000) and RECOM (max. EUR 500 000) should apply. If applicable, the European Commission will sign a Contribution Agreement with the International Organisation at the latest in Q3 2012. The fulfilment of the conditions for such joint management agreements or grants will be laid down in the award decision(s) by the Authorising Officer by Sub-delegation.</p> <p>One direct grant agreement is foreseen with the South East Europe Regional Rural Development Standing Working Group (SWG SEE) for an indicative amount of EUR 150 000 to be awarded in Q2 2011, based on Article 168 (1) (f) of the Implementing Rules of the Financial Regulation, since a particular type of body on account of its technical competence is required. Based on their regional presence and wide experience in horizontal actions, reviews and stakeholder coordination in the area of rural development, only SWG SEE combines the required technical capacity, knowledge and above all independence and authority to undertake a fair and consistent assessment, with a view to creating the conditions for effective coordination of a future regional pilot initiative.</p> <p>One contribution agreement is foreseen with the ICTY for activity 8 based on Article 168 (1) (f) of the Implementing Rules of the Financial Regulation, on account of its technical competence and high degree of specialisation. Only the ICTY, responsible for the war crime judgements, has the technical capacity and knowledge to conduct this assignment. Indicative amount of EUR 400.000 to be awarded in Q3 2011.</p> <p>One contribution agreement is foreseen with the United Nations Office on Drugs and Crime (UNODC) for activity 9 based on Article 168 (1) (f) of the Implementing Rules of the Financial Regulation, on account of its technical competence and high degree of specialisation. UNODC has particular competences in coordinating and facilitating the development of benchmarks, methodologies and approaches for a global experienced based assessment of corruption, as well as anti-corruption efforts. Indicative amount of EUR 450.000 to be awarded in Q3 2011.</p>
TOTAL	132.3825	

2.4. Overview of past and ongoing assistance (EU / IFI / Bilateral and national assistance) including lessons learned and evaluations

Past and ongoing assistance

Between 2001 and 2010, over EUR one billion was allocated in assistance to the beneficiaries through the CARDS Regional Programmes, the Phare Multi-Country Programmes and the recent IPA Multi-beneficiary programmes. In financial terms, assistance provided under these programmes has addressed, in particular, economic development, through extensive and close collaboration with IFIs which have helped the development of a functioning financial sector capable of supporting the expansion of the private sector and the needs of municipalities.

Equally important is the support that has been given to the regional cooperation process in the Western Balkans and certain areas of key importance for the European integration, such as taxation and customs, statistics, public administration (SIGMA) and horizontal support via TAIEX.

Lessons learned

In designing this IPA Multi-beneficiary programme, particular note has been taken of the results of projects programmed in previous years. Accordingly, the selection of projects has been made on the basis of EU strategic documents, the lessons learned from the programming and implementation of previous EU assistance and findings from internal and external consultations.

The main conclusions of the ongoing strategic/interim evaluation of regional cooperation in the Western Balkans and Turkey are the following:

- Multi-Beneficiary IPA assistance remains a relevant and important tool to foster regional cooperation and tackle common problems in the region.
- Local ownership of the Multi-Beneficiary programmes has improved through measures that involve regional and local stakeholders from an early stage of the programming process.
- While the strategic objectives of the MIPDs are adequate, the lack of SMART result indicators in previous MIPDs makes it difficult to measure the effectiveness and impacts of interventions.

The involvement of beneficiaries and the RCC in the initial project conception phase of the programming provides the opportunity to judge their absorption capacity for each project as well as to evaluate how each project would fit into the national plans. IPA National Programmes have also been carefully assessed.

Support to the priority areas Justice and home affairs, Public administration, Environment and Climate Change, Social development and Agriculture and rural development could take advantage of the experiences and best practices in reforms and transition in different Member States. These are compiled in the "European Transition Compendium" (ETC).

Donor Coordination process

Coordination and coherence of assistance and activities is particularly important, given the large number of players involved. The need for improved coordination and coherence has

been highlighted to the Commission during consultations as a continuing concern by the authorities of the region¹.

Efforts are being made by the Commission to ensure good coordination in the programming as well as the implementation process by organising regular meetings throughout the year with Beneficiaries, Delegations, EU Member States, IFIs, the RCC and other stakeholders. This process is aimed at ensuring complementarities, avoiding overlaps and enhancing, as far as possible, local ownership of the choices, content and design of the programmes.

The Commission organised two Donor Coordination conferences in 2010 where the Commission and Member States, together with the IFIs and non-EU donors, discussed the various sector plans that provided the basis for the Multi-beneficiary MIPD 2011 – 2013 as well as those projects that were selected to form the Multi-beneficiary programme for 2011. The discussions proved to be a key tool to determine areas of common interest and possibilities for sector coordination and division of labour.

2.5. Horizontal issues

Cross cutting issues, such as equal opportunities and non-discrimination, support to minorities and vulnerable groups, environmental protection, public health and good governance with particular attention to fight against corruption, have, as appropriate, become an integral part of each project. The mainstreaming of the cross cutting issues in each project shall ensure that strategies, policies, structures and operating procedures of the Beneficiary are in conformity with the principles defined in the various projects.

2.6. Conditions

The commitment of the beneficiaries to make the necessary resources available, to cooperate closely and to share knowledge as well as experiences are essential to the success of the projects included under this programme.

¹ Donor Coordination Ad Hoc Report, MWH Consortium, 10 December 2008

2.7. Indicative Benchmarks

	2011		2012 (cumul.)	
	EU	NF	EU	NF
Number of negotiated procedure for Service Contract				
Local Administration Facility (1)				
Quality Infrastructure (1)	3		4	
Western Balkan Investment Framework (1)				
Horizontal Support IFIs (1)				
Number of tenders launched				
Statistical Cooperation (1)				
Western Balkan Investment Framework (1)	3		9	
CBIB+ (1)				
Strengthening European Integration (6)				
Numbers of Framework Contracts				
Strengthening European Integration (6)	3		6	
Number of calls for proposal				
Erasmus Mundus – Action 2: Partnerships, Lot - Western Balkans (1)	3		3	
Youth in Action Programme – Western Balkans Window (1)				
Strengthening European Integration (1)				
Number of Direct Grants				
Statistical Cooperation (5)				
CEFTA (1)				
Erasmus Mundus Action 1: Western Balkans - Turkey Windows (152)	171		175	
Participation in EU Agencies (14)				
Strengthening European Integration (3)				
Number of Contribution Agreements under Joint Management				
Promoting human rights and protecting minorities (1)				
CEFTA (1)	3		8	
Western Balkan Investment Framework (4)				
Disaster Risk Reduction (1)				
Strengthening European Integration (1)				
Number of Administration Agreements				
Trade Logistics (1)	1		1	
Subscription to a EU body				
Transport Community (1)	1		1	
Contracting Rate (%)				
	91		100	

3. BUDGET (AMOUNTS IN EUR)

3.1. Indicative budget table

Centralised and joint management	Institution Building (IB)					Investment (INV)					Total (IB + INV)	Total IPA EU contribution	
	Total expenditure	IPA EU contribution		Other contribution*		Total expenditure	IPA EU contribution		Other contribution*		EUR (g)=(a)+(d)	EUR (h)=(b)+(e)	% ⁽²⁾
	EUR (a)=(b)+(c)	EUR (b)	% ⁽¹⁾	EUR (c)	% ⁽¹⁾	EUR (d)=(e)+(f)	EUR (e)	% ⁽¹⁾	EUR (f)	% ⁽¹⁾			
Justice and Home Affairs	3 600 000	3 600 000	100								3 600 000	3 600 000	2.72
Project 1: Human rights and protecting minorities	3 600 000	3 600 000	100								3 600 000	3 600 000	-
Public Administration	11 255 556	10 700 000	95.06	555 556	4.94						11 255 556	10 700 000	8.08
Project 2: Local Administration Facility	2 500 000	2 500 000	100								2 500 000	2 500 000	-
Project 3: Statistics	8 755 556	8 200 000	93.65	555 556	6.35						8 755 556	8 200 000	-
Private Sector Development	7 175 000	5 282 500	73.62	1 892 500	26.38	300 000 000	30 000 000	10	270 000 000	90	307 175 000	35 282 500	26.65
Project 4: Trade logistics	2 000 000	1 500 000	75.00	500 000	25.00						2 000 000	1 500 000	-
Project 5: Trade and Investment	2 550 000	1 282 500	50.29	1 267 500	49.71						2 550 000	1 282 500	-
Project 6: Quality Infrastructure	2 625 000	2 500 000	95.24	125 000	4.76						2 625 000	2 500 000	-

Project 7: Western Balkan Investment Framework						300 000 000	30 000 000	10	270 000 000	90	300 000 000	30 000 000	
Transport and Energy Infrastructure	6 650 000	5 600 000	84	1 050 000	16	400 000 000	40 000 000	10	330 000 000	90	406 650 000	45 600 000	34.45
Project 7: Western Balkan Investment Framework						400 000 000	40 000 000	10	330 000 000	90	400 000 000	40 000 000	-
Project 8: Horizontal Support to coordination with IFIs	2 000 000	2 000 000	100								2 000 000	2 000 000	-
Project 9: Transport Community Treaty	4 650 000	3 600 000	77.42	1 050 000	22.58						4 650 000	3 600 000	-
Environment	2 590 000	2 200 000	84.94	390 000	15.06						2 590 000	2 200 000	1.66
Project 10: Building Resilience to Disasters	2 590 000	2 200 000	84.94	390 000	15.06						2 590 000	2 200 000	-
Social Development	21 875 000	21 500 000	98.29	375 000	1.71						21 875 000	21 500 000	16.24
Project 11: Erasmus Mundus Action 1:	8 000 000	8 000 000	100								8 000 000	8 000 000	-
Project 12: Erasmus Mundus – Action 2:	12 000 000	12 000 000	100								12 000 000	12 000 000	-
Project 13: Youth in Action Programme –	1 875 000	1 500 000	80.00	375 000	20.00						1 875 000	1 500 000	-

Other interventions	13 500 000	13 500 000	100								13 500 000	13 500 000	10.20
Project 14: Participation in EU Agencies	8 000 000	8 000 000	100								8 000 000	8 000 000	-
Project 15: Cross-Border Institution Building (CBIB +)	2 500 000	2 500 000	100								2 500 000	2 500 000	-
Project 16: Strengthening European Integration	3 000 000	3 000 000	100								3 000 000	3 000 000	-
TOTAL	66 645 556	62 382 500	93.51	4 263 056	6.49	700 000 000	70 000 000	10	630 000 000	90	766 645 556	132 382 500	100

- * Other contribution (public and private national and/or international contribution) provided by national counterparts and/or international organisations and/or grant beneficiaries
- (1) Expressed as a % of the Total expenditure IB or INV (column (a) or (d)).
 - (2) Priority axis rows only. Expressed as a % of the grand total of column (h). It indicates the relative weight of the priority with reference to the total IPA EU contribution of the entire Financing Proposal.

3.2. Principle of co-financing applying to the projects funded under the programme

The IPA EU contribution, which represents **17.27%** of the total budget allocated to this programme, has been calculated in relation to the **eligible expenditure**, which in the case of centralised management and joint management is based on the **total expenditure**.

Due to its regional character it is not possible to require national co-financing for all the projects in this Programme.

In the case of grants, final grant beneficiaries should contribute with a minimum of 10% of the eligible expenditure of the project.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Implementation modalities

The programme will be implemented on a centralised basis by the European Commission in accordance with Article 53a of the Financial Regulation² and the corresponding provisions of the Implementing Rules³, save for the following exceptions:

Project 1: The programme will be implemented by the European Commission by joint management with the Council of Europe following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the Council of Europe will conclude a Contribution Agreement.

Project 4: The programme will be implemented by the European Commission by joint management with the World Bank following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the World Bank will conclude an Administration Agreement.

Project 5: The programme will be implemented by the European Commission by joint management with the OECD following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the OECD will conclude a Contribution Agreement.

Project 7: The programme will be implemented by the European Commission by joint management with International Financial Institutions (EIB, EBRD, CEB) following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the International Financial Institutions will conclude Contribution Agreements.

Project 10: The programme will be implemented by the European Commission by joint management with the United Nations International Strategy for Disaster Reduction (UNISDR) and World Meteorological Organization (WMO) following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the United Nations International Strategy for Disaster Reduction

² Regulation 1605/2002 (OJ L 248, 16.9.2002, p.1)

³ Regulation 2342/2002 (OJ L 357, 31.12.2002, p. 1)

(UNISDR) and World Meteorological Organization (WMO) will conclude a Contribution Agreement.

Project 16: Part of the programme will be implemented by the European Commission by joint management with an International Organisation or International Organisation(s) such as UN Organisations, following Article 53d of the Financial Regulation and the corresponding provisions of the Implementing Rules. To this end, the Commission and the International Organisation will conclude a Contribution Agreement.

For joint management all international organisations shall have been subject of the 4-pillar assessment according to Article 53d of the Financial Regulation. Such assessment is still ongoing for OECD and EBRD. In anticipation of the results of the assessment and based on the longstanding and problem-free cooperation with the OECD and EBRD, joint management mode can be proposed. WMO has not been subject of the 4-pillar assessment. Project no. 10 will be implemented by WMO under the presumption of conformity, i.e. based on the longstanding and problem-free cooperation with that organisation.

Projects (11) Erasmus Mundus Action 1: Western Balkans - Turkey Windows; (12) Erasmus Mundus – Action 2: Partnerships, Lot - Western Balkans and (13) Youth in Action Programme – Western Balkans Window will be implemented by indirect centralised management following Article 53a of the Financial Regulation and the corresponding provisions of its Implementing Rules. Implementation tasks are delegated under Article 54 (2) (a) of the Financial Regulation to the Education, Audiovisual and Culture Executive Agency, which was created by Commission Decision 2005/56/EC of 14 January 2005. The mandate of the agency was extended by Commission Decision 2007/114/EC of 8 February 2007.

Implementation of project (3) Statistical Cooperation will be cross sub-delegated from DG Enlargement to DG Eurostat.

Implementation of project (9) Transport Community will be cross sub-delegated from DG Enlargement to DG Move.

4.2. General rules for procurement and grant award procedures

Procurement shall follow the provisions of Part Two, Title IV of the Financial Regulation and Part Two, Title III, Chapter 3 of its Implementing Rules as well as the rules and procedures for service, supply and works contracts financed from the general budget of the European Union for the purposes of cooperation with third countries adopted by the Commission on 24 May 2007 (C(2007)2034).

Grant award procedures shall follow the provisions of Part One, Title VI of the Financial Regulation and Part One, Title VI of its Implementing Rules.

The Commission shall also use the procedural guidelines and standard templates and models facilitating the application of the above rules provided for in the "Practical Guide to contract procedures for EU external actions" ("Practical Guide") as published on the EuropeAid website⁴ at the date of the initiation of the procurement or grant award procedure.

For cross sub-delegated programmes, AOSDs can use their own templates and guidelines, as long as these are in line with the provisions of Part Two Title IV of the Financial Regulation.

⁴ current address: http://ec.europa.eu/europeaid/work/procedures/implementation/practical_guide/index_en.htm

As regards activities under joint management, the general rules for procurement and grant award procedures shall be defined in the Contribution Agreement between the Commission and Council of Europe, World Bank, OECD, IFIs (EIB, EBRD, CEB), UNISDR, and WMO implementing such activities.

4.3. Environmental Impact Assessment (EIA) and Nature Conservation

All investments shall be carried out in compliance with the relevant EU environmental legislation.

An appropriate nature conservation assessment shall be made for each project⁵, equivalent to that provided for in Article 6 of the Habitats Directive⁶.

5. MONITORING AND EVALUATION

5.1. Monitoring

The Commission may undertake any actions it deems necessary to monitor the programmes concerned. These actions may be carried out jointly with the international organisation(s) concerned.

5.2. Evaluation

Programmes shall be subject to ex ante evaluations, as well as interim and, where relevant, ex post evaluations in accordance with Articles 57 and 82 of IPA Implementing Regulation, with the aim of improving the quality, effectiveness and consistency of the assistance from EU funds and the strategy and implementation of the programmes.

The results of evaluations shall be taken into account in the programming and implementation cycle.

The Commission may also carry out strategic evaluations.

6. AUDIT, FINANCIAL CONTROL AND ANTI-FRAUD MEASURES

The accounts and operations of all parties involved in the implementation of this programme, as well as all contracts and agreements implementing this programme, are subject to, on the one hand, the supervision and financial control by the Commission (including the European Anti-Fraud Office), which may carry out checks at its discretion, either by itself or through an outside auditor and, on the other hand, audits by the European Court of Auditors. This includes measures such as ex-ante verification of tendering and contracting carried out by the Delegation in the Beneficiary Country.

In order to ensure the efficient protection of the financial interests of the European Union, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and

⁵ Cf. Annex Nature Conservation to the corresponding investment project fiche

⁶ Council Directive 92/43/EEC of 21 May 1992 on the conservation of natural habitats and of wild fauna and flora (OJ L206, 22.7.1992). Directive as last amended by Regulation (EC) No 1882/2003 (OJ L 284, 31.10.2003, p. 1).

inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96⁷.

The controls and audits described above are applicable to all contractors, subcontractors and grant beneficiaries who have received EU funds.

7. NON SUBSTANTIAL REALLOCATION OF FUNDS

The authorising officer by delegation (AOD), or the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him/her by the AOD, in accordance with the principles of sound financial management, may undertake non substantial reallocations of funds without an amending Financing Decision being necessary. In this context, cumulative reallocations not exceeding 20% of the total amount allocated for the programme, subject to a limit of EUR 4 million, shall not be considered substantial, provided that they do not affect the nature and objectives of the programme. The IPA Committee shall be informed of the above reallocation of funds.

8. LIMITED CHANGES

Limited changes in the implementation of this programme affecting essential elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature⁸, may be undertaken by the authorising officer by delegation (AOD), or by the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending Financing Decision being necessary.

⁷ OJ L 292; 15.11.1996; p. 2

⁸ These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.