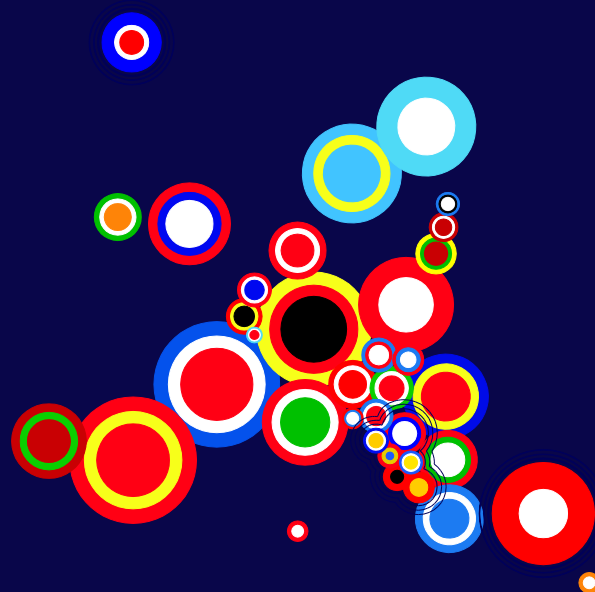




INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

Serbia European Integration Facility



Action Summary

The contents of the IPA 2015 Action on European Integration is being proposed at the point when the Republic of Serbia has started accession negotiations; it has established the structures for this process and has embarked with the implementation of the sector approach in line with the requirements of the new IPA for period 2014-2020 (IPA II).

*In order to maintain the momentum of important reforms on the medium-term, administration in Serbia will necessitate properly configured assistance to keep progressing on several tracks in parallel. The aim of this Action is to help in strengthening the link between the EU integration and policy agenda with financial assistance by allowing a faster response to a limited number of priority needs. EI facility is instrumental to enhancing capacities for alignment and implementation of *acquis* requirements. It is therefore proposed that this kind of facility is financed from IPA 2015 allocation as presented herewith.*

Action Identification	
Programme Title	Annual Action Programme for Serbia (2015)
Action Title	European Integration Facility
Action -ID	<i>Serbia/038-441/01 European Integration Facility</i>
Sector Information	
IPA II Sectors	<i>Democracy and Governance</i>
DAC Sector	<i>43010</i>
Budget	
Total cost (VAT excluded) ¹	EUR 11 000 000
EU contribution	EUR 11 000 000
Management and Implementation	
Method of implementation	Direct management
<i>Direct management</i>	EU Delegation to Serbia
Implementation responsibilities	For result 1 - Ministry of Mining and Energy For results 2 and 3 - Ministry of Agriculture and Environmental Protection For result 4 - Ministry of Education, Science and Technological Development For results 5 - Serbian European Integration Office
Location	
Zone benefiting from the action	Republic of Serbia
Specific implementation area(s)	<i>N/A</i>
Timeline	
Deadline for conclusion of the Financing Agreement	<i>31 December 2016</i>
Contracting deadline	<i>3 years after the signature of the Financing Agreement</i>
End of operational implementation period	<i>6 years after the signature of the Financing Agreement</i>

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

1. RATIONALE

PROBLEM AND STAKEHOLDER ANALYSIS

European Integration Facility

The pre-accession period and especially accession negotiations require an increasing number of qualified experts, competent civil servants and expertise and EU knowledge, as well as the establishment or strengthening of administrative structures and management systems that satisfy the requirements of the *acquis* in a number of areas.

On joining the EU, Serbia is expected to accept the *acquis*, i.e. the detailed laws and rules adopted on the basis of the EU's founding treaties. The negotiations will focus on the terms under which Serbia will adopt, implement and enforce the *acquis*, and notably, the granting of possible transitional arrangements, which must be limited in scope and duration. After the negotiations are launched, the pace of the negotiation will depend on the degree of preparation by Serbia and the complexity of the issues to be resolved. For this reason, in order to adapt itself to the negotiation procedures of the European Council Serbia needs technical support in administrative, legal and practical terms.

In terms of historic timeline, with the decision on June 2013, European Council opened the accession negotiations with Serbia. This was followed with the agreement between Belgrade and Pristina, reached in April 2013, in the framework of the EU-facilitated dialogue. Subsequently, in December 2013, the Council adopted the negotiating framework for accession negotiations and set the date for the first Inter-Governmental Conference (IGC) which took place in January 2014.

The analytical examination of the EU *acquis* (screening process) started in September 2013 and has been completed for all 35 chapters in March 2015. The EC assessed that Serbia should be capable of assuming the membership obligations in the medium term in almost all areas of the *acquis*², provided that the alignment and adoption of legislation is accompanied by its effective implementation and enforcement. The screenings completed demonstrated that there is a lack of specific knowledge and expertise in certain areas.

Overall the necessary structures to lead, coordinate and carry out accession negotiations are in place. The Chief Negotiator has been appointed and will be supported by the Negotiation team. Key role in the accession negotiations remains with national line institutions in accordance with their competences. The Coordination body for the accession process has been established to consider the most important issues and streamline accession-related tasks within national institutions. In total 35 negotiation groups will be functional during the accession process, while SEIO has additional tasks with the view of providing operational support to the Negotiation team.

One of the key strategic documents of the Government listing the accession negotiation priorities is the NPAA for period 2014-2018 that has been adopted in July 2014. The NPAA presents well - prepared information on planned reforms towards EU on short and medium term basis. The document is revised every year, taking into account the EC Progress reports findings and possible updates of the *acquis*. The document outlines the detailed plan of normative and institution building activities and reform processes targeted by the term which will be set as the deadline for attaining full internal readiness for the accession.

In the coming period it is possible that the opening benchmarks (also interim and closing benchmarks), set by the EC for certain chapters will have to be addressed with utmost urgency. Setting the negotiation positions for each chapter (it can be reasonably expected that Serbia shall ask for transition periods for certain areas during the negotiations if it is observed timely that the alignment, preparedness and implementation capacities are not satisfactory and shall not be by the time of accession into the EU) will often require in-depth understanding of the complete substance of chapters, if the targets envisaged by Serbian administration are to be realistic and reachable.

² **First Accession Conference with Serbia**, Brussels, 21 January 2014, 5486/14, (OR. en) PRESSE 15

In the current programming cycle, some accession-driven needs have been identified in the following sectors: (i) Energy; (ii) Human Resource and Social Development; (iii) Agriculture and Rural Development, iv) Food Safety, Veterinary and Phytosanitary issues, v) Cohesion policy. EI Facility is therefore, in the first instance, aimed at providing extended targeted and thematic support to the key institutions in above sectors, selected on the basis of the complexity of the respective chapters as per the Indicative Strategy Paper (ISP) (2014-2020) and last EC progress report of 2014. The EI Facility is to provide support in assessing legal and institutional framework in terms of rate of compliance with the *acquis*; provide assistance on issues in the negotiation process concerning alignment with the *acquis*; enhance capacities of the institutions and structures to efficiently implement/enforce the *acquis*.

RELEVANCE WITH THE IPA II STRATEGY PAPER AND OTHER KEY REFERENCES

European Integration Facility

Energy

In the energy sector, proposed activities for support through IPA 2015 EI Facility are in line with major EU and National strategic documents such as Indicative Strategy paper for Serbia 2014-2020 (ISP 2014 -2020), EC Progress Report on Serbia 2014 (EC PR 2014) and National Plan for the Adoption of the *Acquis* (NPAA) for period 2014-18.

First proposed activity for IPA 2015 EI Facility concerning the development of the management system of mandatory oil stocks reserves is the support for further harmonisation of the Serbian energy legislation to meet the Energy Community Treaty and the *acquis* obligations. The EC PR 2014 reminds that despite the Law on Commodity Reserves adopted in December 2013 Serbia did not provide information regarding the current oil stock levels. The NPAA prescribes a number of measures which should lead to implementation of the Council Directive 2009/119/EC, including harmonization of legislation, implementation of SAA obligations as well as different regulations and programmes in the area of establishment of system of mandatory oil and oil derivatives reserves.

Agriculture and rural development

In the sector of agriculture, proposed activity for support through IPA 2015 EI Facility is in line with the major EU and National strategic documents such as Indicative Strategy paper for Serbia 2014-2020 (ISP 2014 -2020), EC Progress Report on Serbia 2014 (EC PR 2014) and National Plan for the Adoption of the *Acquis* (NPAA) for period 2014-18.

The proposed activity which aims to enhance the MAEP capacities to plan, monitor and evaluate agricultural policy in the process of alignment with EU *acquis* and negotiation process in Chapter 11 is supporting overall capacities of the Ministry. The implementation of the activities under this Action will contribute directly to the achievement of the following result defined under the Indicative Strategy Paper for Serbia 2014-2020: Serbian agriculture policy is aligned with the EU *acquis*, including the establishment of the structures and systems necessary for implementation of the CAP. In the EC Progress report 2014 it is stated that in the area of agriculture and rural development alignment with the *acquis* remains at an early stage, thus the proposed Action will directly contribute to more efficient alignment in chapter 11.

Food safety, veterinary and phytosanitary issues

In the sector of food safety, veterinary and phytosanitary issues the proposed activity for support through IPA 2015 EI Facility is in line with the major EU and National strategic documents such as Indicative Strategy paper for Serbia 2014-2020 (ISP 2014 -2020), EC Progress Report on Serbia 2014 (EC PR 2014) and National Plan for the Adoption of the *Acquis* (NPAA) for period 2014-18.

The proposed activity aims to enhance the MAEP capacities to plan, monitor and evaluate the food safety, veterinary and phytosanitary policies in the process of alignment with EU *acquis* and negotiation process in Chapter 12.

The activities included in this action will contribute directly to some of the expected results of the ISP, in particular the improvement of food safety standards in line with the EU standards; and the

implementation of veterinary and phytosanitary services and controls in line with the EU requirements.

Despite the fact that the EC Progress report 2014 states that in the area of food safety, veterinary and phytosanitary policy Serbia remains moderately advanced, a number of measures have to be taken to be able to comply with EU Standards, in particular in terms of capacity building within the institutions. The proposed activities will directly contribute to more efficient alignment in Chapter 12 by synchronising and coordinating activities with other interventions targeting vertical activities in this Chapter.

Human Resources and Social Development Sector

The activity foreseen within the scope of HRSD sector is fully in aligned with the key national and EU strategic documents.

The Indicative Strategy Paper for Serbia (ISP) states that the objective of EU assistance in this sector is *“to support the ongoing education and training reforms in order to improve the quality of educational provisions (at all levels) and its relevance to the labour market, to support the reforms of employment and social protection policies and to improve social inclusion of the most vulnerable groups.”* The foreseen activity focuses on improving the quality of pre-university education and participation in higher education through design and introduction of final examinations for schools of general, VET and art vocations (final exam and matura) at the end of secondary education as an entry ticket at higher education. This shall contribute considerably to the improvement of quality and relevance of education and training system and their better match with the needs of the Serbian labour market and economy, which is one of the expected ISP's results.

The envisaged activity is also in line with the National Priorities for International Assistance (NAD) 2014-2017 with projections until 2020, i.e. the measure 2.1: Raising the quality and efficiency of the pre-university general education and measure 2.4: Rising the quality and participation in tertiary education. within the chapter B8 covering the needs of HRSD.

The foreseen activities in the area of education shall also contribute to an issue that the EC Progress Report for Serbia 2014 noted that the Quality assurance in primary and secondary education is improving, but that "Little progress was made in the area of education and culture and significant efforts are needed to improve the quality and efficiency of the education system.."

Cohesion policy

The EU membership is a strategic goal of the Republic of Serbia and, at the same time, a means for Serbia to modernise its legal, economic and institutional system. EU Cohesion policy implementation, the subject of negotiation within the chapter 22, directly contributes to increasing the level of technical capacity and skills within public administration.

With regard to Chapter 22, the NPAA envisages preparation of programming documents for implementing EU cohesion policy, designing of optimal system/institutional framework, strengthening capacities for programming and management of EU Post-Accession Funds at the central level as well as strengthening capacities for preparation and project implementation at the sub-national level for future beneficiaries/end recipients. The aim of this IPA 2015 EI facility is to provide support to help Serbia achieve a smooth transition from the IPA II to the more comprehensive funding under the Structural funds and Cohesion fund (the Funds).

This is also in line with the recommendations stipulated in the European Commission's latest Progress Report on Serbia (2014) stating that preparations in this area are still moderately advancing and that adequate implementation capacity needs to be ensured under indirect management. More specifically, there is a need for an adequate staff retention and recruitment policy and improvement of the capacity of potential final beneficiaries to produce project documentation in line with IPA requirements.

Finally, this chapter is of a cross-cutting nature and has a strong relation with a number of other negotiation chapters/sectors identified in the documents National priorities for International Assistance in the period 2014-2017 with projections until 2020 (NAD)/Indicative Strategy Paper for Serbia 2014-2020.

In particular, this action will directly contribute to the fourth specific objective of the implementing EU assistance in Serbia strengthening the ability of the beneficiaries to fulfil the obligations stemming from Union membership by supporting progressive alignment with, implementation and adoption of, the Union *acquis*.

SECTOR APPROACH ASSESSMENT

The activities under this stand-alone Action belong to several sectors and as such have been identified by relevant sector working groups and presented in relevant Sector Planning Documents (SPDs) 2015-17. In terms of IPA 2015 Programme and following the logic of the ISP, this Action is presented within the Democracy and Governance sector.

LESSONS LEARNED AND LINK TO PREVIOUS FINANCIAL ASSISTANCE

European Integration Facility

One of the major lessons learned from previous IPA interventions in this field is that if Serbia wants to achieve progress in the accession negotiation process, it is very important that it identifies areas where major issues in the implementation of the *acquis* can be expected. Early identification of these problems would allow the national experts more time in preparing their country's position (on transitional periods, on the length of these periods, on financial implications of full transposition of the *acquis*, etc.).

Although progress has been made through the previous assistance, a number of challenges remain: some of institutions have been hampered by lack of appropriate capacities. In this regard, the Action will provide sufficient support in order to strengthen current capacities in the relevant institutions such as line ministries and other bodies both for coordination of legal approximation, implementation of current and future legislation.

2. INTERVENTION LOGIC

OVERALL OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	
Increase the capacities of the Serbian administration to conduct effectively accession negotiations and successfully manages overall EU integration and pre-accession assistance geared towards EU membership	<ul style="list-style-type: none"> Number of negotiation chapters opened 	EC Progress Reports Reports on functioning of the committee drafted by NIC secretariat; Reports of the Public Debt Administration.	
SPECIFIC OBJECTIVE	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	ASSUMPTIONS
Strengthen the legislative and institutional capacities for the efficient carrying out of accession negotiations and for fulfilling the requirements of EU membership	<ul style="list-style-type: none"> Progress in the transposition of the EU aquis as measured by the % of the NPAA implemented 	Progress Reports; NPAA Reports SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports Financing Agreements on Annual Programmes on pre-accession assistance	Continuous support of the GoS to European Integration process Continuous support of the Member States to Serbia's European Integration process NPAA and Regular Reports provide adequate guidance to the programming exercise EU implementation procedures further streamlined Future allocation by the government of appropriate levels of human and financial resources; Budgetary constraints are not increased;
RESULTS	OBJECTIVELY VERIFIABLE INDICATORS	SOURCES OF VERIFICATION	ASSUMPTIONS
Result 1 Serbia's Energy Community obligations further fulfilled by development of management system of mandatory oil stocks reserves	<ul style="list-style-type: none"> Fully functional Administration for reserves of energy-generating products Increased volume of mandatory oil stocks 	Progress Reports; NPAA Reports SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports	Sufficient dedicated and qualified staff available at beneficiary institutions Stability of the institutions involved in indirect management of EU funds Tender procedure successfully implemented without bidders complaints within scheduled timeframe Methodology for prioritisation and selection of infrastructure projects widely and accurately followed by national institutions in the course of investments' planning and preparation.
Result 2 Improved capacities for planning and implementing alignment of agricultural policy in Serbia with the Common Agricultural Policy in the process of EU accession	<ul style="list-style-type: none"> Progress in Chapter 11 alignment. Prepared negotiation positions for Chapters 11 	Progress Reports; NPAA Reports SEIO reports;	
Result 3 Improved capacities for planning and implementing and enhancing food safety, veterinary policies in Serbia in the process of EU accession	<ul style="list-style-type: none"> Progress in Chapter 12 alignment. Prepared negotiation positions for Chapters 12 	Progress Reports; NPAA Reports SEIO reports;	
Result 4 Quality of secondary education improved through introduction of national final examinations (final exam for VET and art schools and matura for general schools)	<ul style="list-style-type: none"> Intermediate level of education standards achieved by students in general secondary education % of students that passed the secondary education final examination out of the total number of enrolled students 	Evidence-based reports published in official gazettes of the Republic of Serbia IEQE Matura evaluation report SORS/EMIS	

<p>Result 5 Functional and operational system for Structural and Cohesion funds established</p>	<ul style="list-style-type: none"> ▪ Progress of negotiations on the Chapter 22 of the acquis 	<p>Progress Reports; NPAA Reports SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports</p>		
<p>ACTIVITIES</p>		<p>MEANS</p>	<p>OVERALL COST</p>	<p>ASSUMPTIONS</p>
<p>Activities to achieve Result 1: Activity 1.1 - Technical assistance to the Administration for reserves of energy-generating products concerning the optimal management of mandatory oil stocks Activities to achieve Result 2 Activity 2.1 – Development of the Legislative and institutional framework of the Ministry of Agriculture and Environmental Protection for the effective alignment and implementation of the Acquis in the area of Agriculture and Rural Development Activities to achieve Result 3 Activity 3.1 - Preparation of Legislative and institutional framework of the Ministry of Agriculture and Environmental Protection for the effective alignment and implementation of the Acquis in the area of Food Safety, veterinary and phytosanitary policies Activities to achieve Result 4 Activity 4.1. Design and implementation of final exam and matura at the end of secondary education through strengthening capacities of relevant bodies and institutions, developing legislation and exam materials, promotion and piloting of final examinations Activities to achieve Result 5 Activity 5.1 Development of system for management of Cohesion policy</p>		<p>Service contracts</p>	<p>Total Budget of Action EUR 11 million</p>	<p>Tender procedure successfully implemented without bidders complaints within scheduled timeframe National structures regularly accredited for the indirect management of IPA II funds Final beneficiaries will continuously support and monitor the implementation of the activities</p>

ADDITIONAL DESCRIPTION

Result 1 - Serbian Energy Community obligations further fulfilled by supporting development of management system of mandatory oil stocks reserves.

Activity 1.1 Technical assistance to the Administration for reserves of energy-generating products concerning the optimal management of mandatory oil stocks

Energy Community contracting parties (including Serbia) decided to implement Directive 119/2009 / EZ, and therefore undertook the obligation to establish mandatory reserves of oil and /or oil derivatives not later than 31 December 2022, in the period of 90 days of average daily net imports or 61 day of average daily consumption depending on which amount is higher. Serbia has been investing significant efforts in necessary preparatory activities such as creating legal and institutional framework to be able to gradually fulfil those obligations.

Relating to legislative framework, a number of regulations has been adopted or drafted regulating the establishment of a system of mandatory oil and oil derivate reserves such as: Regulations on the methodology of data collection and processing and calculation of average daily net imports, the average daily consumption and the amount of required reserves of oil and petroleum products; Regulation on the amount, method of calculation, payment and disposal fee for the formation of mandatory reserves of oil and oil products; the draft Rulebook on Keeping the Register of mandatory reserves of oil and oil derivatives and preparing monthly statistical reports on the quantity, quality, structure and deployment of required reserves and other oil and petroleum products; Regulation on the plan and criteria for the procurement of mandatory reserves of oil and oil products. Serbian Government adopted the Regulation on the establishment long-term program of gradual formation and maintenance of mandatory oil reserves in June 2015 and Mid –term Programme for gradual formation and maintenance of mandatory oil reserves for the period 2015-2017 in beginning of July 2015. Minister of Mining and Energy adopted Annual Plan for formation and maintenance of mandatory oil reserves for 2015 on 8th of July 2015. The adoption of the programmes will support the preparation of an Action Plan for Serbia to align with the *Acquis* on minimum stocks of crude oil and/or petroleum products. It should indicate the timetable for legislative alignment, for establishing measures to be taken in the case of an emergency, for acquiring storage capacity, and for gradually increasing the stock levels to the minimum level set by the *acquis*. The part of those activities are supported by EU PLAC project, namely “Emergency Oil Stockholding” during which foundations for several regulations and by-laws are being drafted for successful transposition of Directive 2009/119/EC.

Concerning the institutional framework, the Energy law stipulates establishment of the Administration for reserves of energy-generating products (former Central Stockholding Entity) for carrying out activities related to the mandatory reserves. The Administration has been registered in February 2015 as a body within the Ministry responsible for energy. The new Rulebook on internal organisation and job classification of the Ministry of Mining and Energy currently in adoption procedure includes Administration for reserves of energy-generating products as an entity within this Ministry. The draft Rulebook foresees 10 posts in Administration planned to be fully employed until end of 2016.

The eestablishment and maintenance of mandatory reserves of oil and oil products has been identified as one of the Programmes/Projects in charge of Ministry of Mining and Energy adopted in the Government of Serbia Work Plan for 2015 and 7 billion RSD have been allocated for that purpose accordingly. in,

Administration for reserves of energy-generating products is in charge for implementation of activities in terms of formation and maintenance of mandatory reserves oil and oil derivatives reserves, including implementation of Annual Plan for formation and maintenance of mandatory oil reserves for 2015. In that respect, Administration prepared Financial plan and procurement plan for formation of mandatory reserves. During the third and fourth quarters of 2015, the Administration will together with Directorate for Commodity Reserves conduct the joint procurement of crude oil and oil derivatives which will be stored in public property storages managed by the Directorate for Commodity Reserves and PE Transnafta. To achieve the required volumes of oil products from the Annual Programme public procurement of option contracts will be carried out in accordance with the

Law on commodity reserves.

The Administration will need the technical assistance for the following activities:

- analysis of the operation of mandatory reserves in EU countries;
- drafting of the Feasibility Study for investment in storage capacities; This Feasibility Study is aimed for other necessary storage capacities than already existing Feasibility Study which is part of necessary technical documentation for proposed IPA 2016 project “Oil and oil derivatives storage”. Consequently, there is no interdependence nor sequencing between them.
- Feasibility Study for investment in the software for collecting and processing data for the management and maintaining mandatory reserves of oil and oil products;
- Preparation of the tender documentation for the software for collecting and processing data for the management and maintaining mandatory reserves of oil and oil products
- Support to controlling the quantity and quality of mandatory reserves;
- automatic reporting to the authorities, both for local and EU authorities, .

Under IPA 2015 EI Facility, a **service contract** is envisaged that includes assistance to capacity building of the Administration for reserves of energy-generating products in order to support the optimal management of mandatory oil stocks and to enable it to adequately fulfill its tasks to gradually increase stock levels according to necessary level set in EU directive.

The precondition or the successful deployment of this TA is the institutional establishment and operational capacity of the Administration for reserves of energy-generating products for absorption the contract activities.

Likewise, the precondition is the adoption of the new Rulebook on internal organization and job classification of the Ministry of Mining and Energy which includes the Administration for reserves of energy-generating products as an entity within the Ministry. Law on the method of determining of maximum number of public sector employees, is adopted. After adoption of regulation implementing the said Law which is in its final stage, the precondition will be met for the adoption of the new Rulebook on internal organization and job classification of the Ministry of Mining and Energy. This task should be performed by October 2015 (prior to the presentation of the action programme to the IPA Committee).

Result 2 - Strengthened capacity to effectively administer and implement alignment of Serbian agriculture with the Common Agricultural Policy in the process of EU accession

Activity 2.1 Preparation of Legislative and institutional framework of The Ministry of Agriculture and Environmental Protection for the effective alignment and implementation of the Acquis in the area of Agriculture and Rural Development.

In order to strengthen capacity to effectively implement and administer alignment of agriculture with Common Agricultural Policy (CAP), a number of results must be achieved, namely: to improve harmonisation process with the acquis in Chapter 11 as well as to facilitate and support the negotiation process in these chapters and to enhance the Ministry of Agriculture and Environmental Protection (MAEP) capacities to plan, monitor and evaluate agricultural policy with a view to acquis alignment and assess the effectiveness of implemented measures. In that respect, the MAEP has identified Activity that shall provide support in the preparation of Legislative and Institutional Framework of the Ministry of Agriculture and Environmental Protection for the effective alignment and implementation of the Acquis in the area of Agriculture and Rural Development which is the subject of 2015 EI facility.

Based on the adopted Strategy for Agriculture and Rural Development, the future Action plan for acquis alignment in Chapter 11 and the NPAA, the key areas for harmonisation will be selected and harmonization of national legislation with EU laws will be continued. This action shall directly address these issues by supporting the MAEP towards the negotiations in the Chapter 11.

In order to streamline the complexity of the alignment process in the sector of Agriculture and rural development it is important to address the processes, decision making and cooperation within the Ministry itself and to work in parallel on the improvement of the professional capacities of the staff. This Action will enable the scanning of the Ministry in order to provide the best possible solutions for the improvement of the institutional structure that will address the accession process and the future negotiations appropriately: this includes the development of the relevant administrative capacities, improvement of the analytical base, as well as support to restructuring in order to meet the CAP requirements especially those related to direct payments. Having in mind that one of the proposed opening benchmark for Chapter 11 is the request for the Republic of Serbia to present to the Commission an Action Plan as a basis for the transposition, implementation and enforcement of the acquis in agriculture and rural development, this Component of the Activity will assist in the delivery and implementation of this Action Plan.

Furthermore, there are some horizontal themes with implications on the Chapter 11 policy design making and implementation (e.g. cross-compliance) which will also be covered through this Action as well.

The activity envisages the alignment of legislation in those fields, which are not covered by the pipeline of the existing and planned projects in ARD Sector financed through IPA or bilateral donors.

Finally a support is envisaged to communicate changes of the policy to different stakeholders (farmers, associations, processors, civil society organisations, scientific community, etc.) by preparing and implementing a Communication plan for the accession negotiations for the Chapter 11.

The Department for International Cooperation will be the main body in charge for the implementation of this Activity, but several other Departments of the MAEP will be directly involved as well.

Result 3 - Improved capacities for planning and implementing and enhancing food safety, veterinary and phytosanitary policies in Serbia in the process of EU accession

Activity 3.1 - Preparation of Legislative and institutional framework of the Ministry of Agriculture and Environmental Protection for the effective alignment and implementation of the Acquis in the area of Food Safety, veterinary and phytosanitary policies

Having in mind that through the IPA assistance a number of projects targeting various vertical aspects of Chapter 12 are in the pipeline or have been programmed for the coming years it is necessary to streamline all activities related to the capacity building with the negotiation process thus contribute to the overall capacity to effectively implement and administer alignment of food safety, veterinary and phytosanitary policies. Therefore it is of crucial importance to comprehend all these separate activities during the process of the preparation for negotiations in Chapter 12.

This will imply assessment of the organisational setup, and establishment of the procedures for communication and internal control between MAEP and competent authorities which are relevant for Chapter 12.

In addition assessment of the professional capacities and determination of the Training Needs Analysis is envisaged along with the delivery of the tailored trainings for relevant Ministry staff (on the job training, workshops). These trainings will incorporate supporting the capacities of the Ministry staff to comprehend obligations and responsibilities derived from the negotiation process in Chapter 12, including sharing experiences of other countries. Assistance may also be provided to the process of harmonisation of the legislation, but limited only to those segments which will not be covered by the pipeline of the projects in the area of food Safety, veterinary and phytosanitary issues. The Department for International Cooperation will be the main body in charge for the implementation of this Activity, but other Departments of the MAEP will be directly involved as well.

Result 4 - Quality of secondary education improved through introduction of national final exams (final exam for VET and art schools and matura for general schools)

Activity 4.1 Design and implementation of final exam and matura at the end of secondary education thorough strengthening capacities of relevant bodies and institutions, developing legislation and exam materials, promotion and piloting of final examinations

Since 2001 a comprehensive reform of the education system in the Republic of Serbia has been conducted focusing on developing quality, equitable, efficient and effective system, which should contribute to raising the level of education of the population, the economic recovery and the process of integration of the Republic of Serbia into the European and world trends.

The quality of education is the key and overarching challenge. International surveys (PISA and TIMSS) show that many students aged 15 are functionally illiterate (one third of the population according to PISA, 2009); that the students' knowledge is mainly of a reproductive type; that the degree of applicability of this knowledge is below world and regional averages; that there is a very small proportion of students in the highest categories of knowledge (less than 1%) and an alarmingly large proportion in the lowest categories of achievement. Also, students' achievements on the final exam at the end of elementary education are below expectations.

Final exam at the end of elementary education is implemented in Serbia since 2011, with the support of the project "Support for quality assurance within the national primary and secondary education examination system" (IPA 2008) and is one of the important indicators of the quality of the education system. Data from this exam is important for further development of quality and accessibility of education. Final exams are built in elements of quality assurance system that provide information to policy makers on further actions and directions to improve education system.

Different indicators demonstrate the need to reform secondary education, especially general secondary education. Reform is focused on quality, applying a holistic approach to teaching and learning process and achieving learning outcomes, standards and developing competencies. Thus oriented reform process is in accordance with a laws and strategy in education. Project "Support Human Capital Development and Research – General Education and Human Capital Development" (IPA 2011) has provided support in defining standards and learning outcomes (general secondary education and general subjects in VET education) that are necessary precondition for introduction of final exams in secondary education.

As one of next steps in the context of on-going education system reform, in order to improve quality, transparency and relevance of education and training system to better match the needs of the Serbian labour market and economy, the activity on improving the quality of pre-university education by introducing final examinations at the end of secondary education has been envisaged under SPD 2015-17 to be proposed and financed under 2015 EI facility. The Law on Foundations of Education System (Official Gazette 2009 and amendments 2011 and 2013) prescribes the final exam at the end of three year secondary education and Matura exam (general, art and vocational Matura) at the end of four year secondary education. According to the Law final exam will have to be introduced for the first time in June 2018 (at the end of school year 2017/18) and Matura in June 2019 (at the end of school year 2018/19). The Law on Foundations of the Education System, along with the Law on Secondary Education and Law on Higher Education represents milestones in the process of the harmonisation of existing national laws with European regulation and standards in the area of education.

Envisaged activities are aimed at assisting the Republic of Serbia to implement into the education system, the system of final examinations (final exam and Matura) at the end of secondary education – as a entry ticket to higher education (faculties and professional career colleges). Assistance will be provided for preparation of exam materials as well as capacity building of different stakeholders, such as body for final examination on national level, councils in education, responsible persons for final examinations in the Ministry of Education, Science and Technological Development, institutes,

secondary schools and faculties³. These capacity building activities will encompass development of various programmes for training related to implementation of final examinations and a new approach to teaching and learning based on outcomes, standards and competencies, as well as delivery of 'training of trainers' for various training programmes. These different stakeholders will have main role in introducing and implementing final examinations in secondary education on national level. The action shall also support preparation of complete examination materials in terms of items and tests based on competences and standards, manuals for teachers as well as guide for exam implementation, workbooks for practice and brochures for students and parents). Based on mentioned preparatory activities, the Action shall also support actual implementation of final examinations/Matura in secondary schools. The pilot testing, including the analysis of result and public consultations will be performed in all (tree year and four year) secondary schools. This process is a new for secondary schools and students and the experience gained through implementation of final exam at the end of primary education will be of high importance. Finally the process of implantation will also be supported by developing relevant legislation, such as by-laws regulating program of final examinations (final exam and Matura) and implementation process. Also part of activities to be delivered, relates to media promotion that will include organising media campaigns and public presentations of final examinations at the end of secondary education.

The documents related to standards of achievement and qualification standards, providing the basis for the above activities have been mainly designed and adopted. Next step is to adopt subjects competencies and outcomes and full concept of final exam and Matura at the end of secondary education.

The activity on introduction of final examinations will be implemented by the means of service contract. Although this activity per se is not about implementing the acquis but rather achieving EU policy objectives through models tailored made for Serbia, service contract is more suitable for realising its objectives. Each EU member state has its own unique education system, so transposition of their models and practice may not be suitable for Serbia. Also, this activity will involve variety of stakeholders, not only public administration (MoESTD) but also Institutes, Councils, commissions, schools, students, etc. and technical assistance under service contract is more flexible option to provide adequate support. The Ministry of education, science and technological development will be the main beneficiary and institution responsible for the implementation of activities under this contract.

Result 5 - Functional and operational system for Structural and Cohesion funds established

Activity 5.1 Preparations for implementing the EU cohesion policy

The acquis Chapter 22 - Regional policy and coordination of structural instruments includes regulations related to management and implementation of the EU cohesion policy. The acquis under this chapter consists mostly of framework and implementing regulations, which do not require transposition into national legislation. They define the rules for implementing EU cohesion policy (drawing up, approving and implementing the Structural Funds and the Cohesion Fund (the Funds)) which are negotiated and agreed with the Commission, but implementation is the responsibility of the Member States.

Although key Cohesion policy regulations are directly applicable in all Member States, its implementation, however, is very complex, and it cannot be copied from other countries. Practice shows that the policies, institutional and procedural arrangements for using EU Funds should be developed and thoroughly tested well before accession.

³ Faculties are involved in the whole process of implementation on national level, not on individual level. In that way enrollment at faculties becomes transparent, equitable and accessible to all students who have completed four-year secondary education.

Having in mind the importance of the cohesion policy for Serbia's economic and social development and the complexity of establishing the whole system and putting it into practice, the Negotiation Group (NG) for chapter 22 led by SEIO and with the assistance of the experts for the GIZ project „Support to EU integrations in Serbia“ created the Master Plan for EU accession preparations in Chapter 22 (hereinafter used as: Master Plan). The Master Plan provides a complete listing and division of tasks and determination of responsibilities and deadlines. Specific activities to be implemented under this intervention, in line with the Master Plan, are as follows:

Capacity building of the institutions responsible for preparation of programming documents - Partnership Agreement and Operational Programme(s)

Programming documents for implementing the EU cohesion policy need to be prepared in a pre-determined structure and following a pre-determined methodology. The methodology specifically involves ex-ante assessment of the effects of the planned measures, as well as an extensive partnership exercise for consultation with stakeholders nationwide. Also, by introducing general and thematic ex-ante conditionalities and monitoring of their fulfilment in the new financial perspective, EC has put great emphasis on strategic and planning documents and application of horizontal principles i.e. anti-discrimination, equal opportunities, gender equality and environmental sustainability.

The experience from the recently acceded countries has shown that Serbia can expect the preparation of the programming documents, as one of the closing benchmarks.

Specific activities under this intervention shall include:

- a) Substantial preparations and training for the responsible national authorities - the methodological requirements to be applied in programming of cohesion policy programmes are significantly more demanding than those applied for IPA. Also, this has to go in line with the requirements of the general ex-ante conditionalities related to the application of the EU horizontal principles.
- b) Preparation of the programming calendar. It shall contain all development strategies and programmes, guided by the requirements from the thematic ex-ante conditionalities, which need to be prepared in the context of accession negotiations, and, specifically, Chapter 22. The programming calendar must be in line with – and must be take into account the negotiation positions in the relevant negotiation chapters.
- c) Revision of the existing stakeholders to comply with the partnership principle. According to Article 5 of the CPR, the programming documents must be drawn up by a government in cooperation with different stakeholders groups and social partners. The European Code of Conduct on Partnership (ECCP) lays down requirements which are necessary to attain high quality partnership in programming and implementation of the funds.
- d) Preparation of the actual programming documents. The preparation of the programming document defining the priorities to be jointly financed through EU and national resources in line with overarching EU and national objectives and guidelines should start about 1,5-2 years before the envisaged closure of the Chapter 22 at the accession negotiations. Operational programme(s) should be compiled subsequently, in time for the date of accession.

Design of the optimal structure/institutional framework for the Funds management

The Regulation (EU) No 1303/2013 envisages the designation of the following bodies for the management of cohesion policy programmes:

- Managing authority/ies (MA)
- Certifying Authority (CA, functions may be carried out by MA)
- Audit Authority (AA, functionally independent)
- Intermediate Bodies (as an option, to carry out MA or CA functions, if the member state so decides)

The establishment of the above bodies is compulsory, and will most likely be a pre-condition for closing negotiations in the Chapter 22. According to the recently acceded countries experience, adopting an institutional set up for implementation of the EU Cohesion Policy including the formal designation of institutional structures (with specific tasks and responsibilities) for all operational programme(s) was a closing benchmark. However, the nomination of the authorities should happen earlier in order to start with the related institution and capacity building programmes.

The structures and bodies established for the purpose of planning, programming and management of pre-accession funds (IPA) will be the basis, as indicated on the bilateral screening meeting. Also, the existing responsibilities, institutions and capacities for the programming and management of national development funds will be taken into account.

An analysis that will constitute a basis for setting up of the system for the Funds management, bearing in mind the existing responsibilities, institutions and capacities for the programming, programme management and financial administration of both IPA and national development funds in all relevant institutions will be conducted end 2015 from the GIZ project „Support to the EU accession negotiations“. This analysis will be the basis for the further studies/analysis under this intervention: the capacities and staff available in both IPA and national development policy systems, including an evaluation of the IPA implementation system; the assessment of minimum required administrative capacities, based on international benchmarks, considering different options for the institutional set-up and the distribution of responsibilities for cohesion policy programmes; the location and legal status of managing authorities and intermediate bodies, as well as the arrangements for the relationship between the MA and IB levels.

The assessment of capacity needs should cover:

- All sectors, bodies and administrative levels that are expected to be involved in the management of cohesion policy;
- All stages of the programme cycle – from strategic planning through operational programming, the identification and selection of projects, implementation, monitoring, financial management and evaluation;
- All types of allocation methods – from large projects through competitive grant schemes to financial instruments.

Assessing and addressing institution and capacity building needs

The decision of the optimal structure for the funds management should be followed-up by comprehensive institution and capacity building activities.

The management of cohesion policy programmes requires substantial human resources. Given the complexity of management, trained human resources are difficult to hire and to replace. Therefore, adequate human resource management, training and staff retention policies should be envisaged.

The experience from the recently acceded countries shows that it can be a closing benchmark for chapter 22 the development of the individual Organizational Development Strategies for all key organisations involved in Cohesion Policy management/implementation and Institutional Development and Capacity Building Strategy. The relevant aspects include the following:

a) Capacity building

The analysis of existing capacities and future needs should then be taken as the basis for creation of comprehensive institution and capacity building programme. Institution building for cohesion policy should be undertaken in two stages:

- general capacity building to create a critical mass of experts with detailed knowledge about cohesion policy, who will form the basis for the staff of cohesion policy bodies upon accession;
- specific capacity building, following the appointment of cohesion policy management bodies with the aim of establishing and equipping the management bodies with the required staff, knowledge, structures and procedures.

Awareness raising and information measures should be designed and delivered to the major groups of future beneficiaries of Funds (in parallel with the relevant programming exercises). This should encompass the preparation and dissemination of information and training materials, as well as the formal training of a limited number of key partners – such as relevant staff of major sub-national authorities involved in development policy.

b) Human resource management

Regarding the sustainability of institutional capacities the options for an innovative and performance oriented management of Human Resources in the cohesion policy institutional system should be addressed in a specific organizational development strategy/ies covering: recruitments, introductory and further training, career planning and staff retention, performance management, remuneration.

c) Methods and procedures

The definition of institutional capacities and structures should go hand-in-hand with the gradual development of procedures for the management of cohesion policy (e.g. for programming, project selection, monitoring, evaluation, financial management, etc.)

Above mentioned activities are the main preconditions for implementing the EU cohesion policy. In line with the experience from the recently acceded countries, these activities must be fulfilled before the membership.

MAIN ASSUMPTIONS AND PRECONDITIONS:

The **main assumptions** that should be considered on the level of the whole Action include

- Continuous support of the GoS to European Integration process
- Continuous support of the Member States to Serbia's European Integration process
- Future allocation by the government of appropriate levels of human and financial resources;
- Budgetary constraints are not increased
- Stability of the institutions involved in indirect management of EU funds
- Tender procedure successfully implemented within scheduled timeframe
- National structures regularly accredited for the indirect management of IPA II funds
- Final beneficiaries will continuously support and monitor the implementation of the activities

3. IMPLEMENTATION ARRANGEMENTS

ROLES AND RESPONSIBILITIES

This Action Document under IPA II assistance will be implemented and managed in accordance with the rules and procedures under Direct Management.

The institutional arrangements for implementation of this Action under Direct management includes: Ministry of Mining and Energy (Result 1); Ministry of Agriculture and Environmental Protection (Result 2); Ministry of Education, Science and Technological Development (Result 3); Serbian European Integration Office (Results 4); and EUD as Contracting Authority.

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

The activities under the **result 1 - Serbian Energy Community obligations further fulfilled by supporting development of management system of mandatory oil stocks reserves** will be implemented through service contract. The Ministry in charge of energy is responsible for achieving the result 1.

The activities under the **result 2 - Strengthened capacity to effectively administer and implement alignment of Serbian agriculture with the Common Agricultural Policy in the process of EU accession** will be implemented through service contract. The Ministry in charge of agriculture is responsible for the implementation of activities to achieve Result 2.

The activities under **result 3 - Improved capacities for planning and implementing and enhancing food safety, veterinary and phytosanitary policy in Serbia in the process of EU accession** will be implemented through service contract. The Ministry in charge of agriculture is responsible for the implementation of activities to achieve Result 3.

The activities under the **result 4 – Quality of secondary education improved through introduction of national final examinations (final exam for VET and art schools and matura for general schools)** will be implemented through service contract. The Ministry of Education, Science and Technological Development is responsible for the implementation of activities to achieve Result 4.

The activities under the **result 5 - Functional and operational system for Structural and Cohesion funds established** will be implemented through service contract. The Serbian European Integration Office is responsible for the implementation of activities to achieve Result 5.

4. PERFORMANCE MEASUREMENT

METHODOLOGY FOR MONITORING (AND EVALUATION)

The Commission may carry out a mid-term, a final or an ex-post evaluation for this Action or its results via independent consultants, through a joint mission or via an implementing partner. In case a mid-term or final evaluation is not foreseen, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner. The evaluations will be carried out as prescribed by the DG NEAR guidelines for evaluations. In addition, the Action might be subject to external monitoring in line with the EC rules and procedures set in the Financing Agreement. The evaluation shall include gender analysis as well.

Project monitoring will be conducted through direct participation in the project approval committee as well as regular reporting provided by the implementing agency. The action further foresees monitoring from the EU Results Oriented Monitoring (ROM) team.

The implementing authority will provide regular reporting on the implementation of the project, and on ensuring the beneficiary's needs and concerns are met and addressed. The implementing authority will ensure the flexibility of accommodating the needs within the framework of the project's mandate. The assessment will be used to provide suggestions for the future implementation of similar programming and draw out lessons learned from the current phase.

The project may be evaluated at the interim or ex-post stages under the supervision of the Commission's Evaluation Unit. The project may be audited by the Court of Auditors – in line with the standard European Commission procedures.

The monitoring of the action will be based on the four clusters of indicators as set below:

- Resource Indicators (indicators which provide information on the financial and human resources allocated by the experts' team to reach the results as described in the log frame)
- Output Indicators (indicators which represent the product/output of the each implemented activity);
- Impact Indicators (indicators, which represent the consequences of each implemented activity such as backlog reduction or number of court case decisions enforced)

INDICATOR MEASUREMENT

Indicator	Baseline (year) (2)	Milestone 2017(3)	Target 2020 (4)	Final Target (year) (5)	Source of information
Overall Objective (CSP indicator) ▪ Progress in the transposition of the EU aquis as measured by the % of the NPAA implemented	2015 – Some progress	Advanced progress	Advanced progress		EC Progress Reports
Result indicators					
Result 1 Increased volume of mandatory oil stocks	2015 – 0%	30%	80%		EC Progress Reports; Reports from Administration for reserves of energy-generating products;
Result 2 Progress in Chapter 11 alignment.	2015 - 0	50%	100%		EC Progress Reports; SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports
Result 3 Progress in Chapter 12 alignment.	2015 - 0	50%	100%		EC Progress Reports; SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports
Result 4 Intermediate level of education standards achieved by students in general secondary education	2015 - 0	60%	65%		Matura evaluation report
Result 5 Progress of negotiations on the Chapter 22 of the aquis	2015 - 0	Advanced progress	Chapter closed		EC Progress Reports; SEIO Reports on implementation of the Action Plans for fulfilment of EC recommendations contained in Annual Progress Reports

5. CROSS-CUTTING ISSUES

Cross-cutting issues will be addressed throughout the Action, so to ensure that those horizontal issues are appropriately mainstreamed whenever applicable in the envisaged activities. For the reference, best practices and EU standards would be used, but also the national legislation reflecting such standards and requirements as incorporated into domestic system

ENVIRONMENT AND CLIMATE CHANGE (AND IF RELEVANT DISASTER RESILIENCE)

By their nature the majority of activities envisaged under this action document do not imply direct and major impact to environmental issues, apart from the activities envisaged under environment and climate change sector (see section 2). In particular, through the result related to agriculture, issues concerning environment and climate change shall be more directly tackled through these actions. The role of that action will be to support the strengthening of the capacities of the ministry to tackle the negotiations process for the Chapter 11 of the EU acquis. This is one of the most demanding sectors in terms of reform and compliance and will help Serbia achieve the alignment of the national systems with those recognized under the Common Agricultural Policy (CAP). All other activities will however be implemented in a manner which is environmentally friendly e.g. with regards to reduction of the paperwork in the cases where introduction of IT based models and techniques are introduced for daily operations of administration.

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

The cooperation with CSOs is facilitated by the Government's commitment as part of its European Agenda. The Government set up a separate office with a main mandate to foster cooperation with and support the development of the civil sector (Office for Cooperation with Civil Society). The most important Government activities in this area were adoption of Guidelines for inclusion of civil society organisations in the regulation adoption process and wide consultation process for adoption of National Strategy for an Enabling Environment for Civil Society Development. The Strategy is not adopted yet, and the process for Action plan for its implementation is still in progress.

Regarding mechanisms for dialogue used for each one of the specific sectors covered by this Action Document, two official mechanisms were applied: (i) Office for Cooperation with Civil Society; and (ii) Sectorial Civil Society Organisations - SEKO for the processes of IPA programming. Both are examples of good practices in terms of CSO representation in general.

The Office for Cooperation with Civil Society is the main institutional mechanism for developing the dialogue between the Government and CSOs, through offering support to national institutions in understanding and recognizing the role of CSOs in policy shaping and decision making processes.

The Office also established the mechanism that allows involvement of CSOs in negotiations on the accession of the Republic of Serbia to the European Union. During 2013 and 2014, Office for Cooperation with Civil Society in cooperation with the Negotiating team for the accession and relevant institutions for different negotiation chapters, included CSOs in negotiations. CSO participation in this process so far included monitoring of explanatory screenings, participation in the preparation of the bilateral screening for some negotiating chapters and participation in briefing meetings that followed bilateral screenings.

In addition, SEIO established a consultation mechanism with the civil society organization (CSOs). This mechanism is based on the consultative process with Sectorial Civil Society Organizations (SECOs) and serves as a platform that enables exchange of information and contribution of CSOs in relation to planning development assistance, particularly programming and monitoring of the Instrument for Pre-Accession Assistance (IPA).

Both of these mechanisms have been actively used in the drafting of this action document. Civil society organisations linked to the respective sectors covered by this action document have been consulted on several occasions, including during the process of the drafting of the Sector planning documents, within which these specific actions are envisaged for each sector respectively. The Sector working groups, organised by SEIO in several phases of the drafting of the Action document gather representatives of the civil society, donor community, IFIs and interested stakeholders, and their

comments are taken into account in the process of the elaboration of the results, activities and indicators.

Also, in complementarity with EI facility, the Civil Society Facility, funded by the EU, helps to ensure an inclusive and transparent dialogue, consultation and communication with all relevant stakeholders in the respective sectors. This serves as a platform that enables exchange of information and contribution of CSOs in relation to planning development assistance, particularly programming and monitoring of the Instrument for Pre-Accession Assistance (IPA).

EQUAL OPPORTUNITIES AND GENDER MAINSTREAMING

Equal participation of women and men will be secured through appropriate information and publicity material, in the design of projects and accessibility to the opportunities they offer. An appropriate men/women balance will be sought on all the managing bodies and activities of the Action. All contractors shall be requested to provide monitoring data recording the participation of men and women in terms of expert inputs, as a proof of equal participation of men and women in the different phase. Enforcement of those principles is likewise ensured through specific administrative procedures applied in accordance with the Law on non-discrimination. In the implementation of activities under this Action, the same principles shall apply, so that participation in the envisaged activities will be guaranteed on the basis of equal access regardless of sex, ethnic origin, religion or belief, disability, age, etc. Gender equality incentives will be incorporated particularly in activities concerning capacity building.

MINORITIES AND VULNERABLE GROUPS

The Action will in no way harm the rights of any individuals, including minorities and vulnerable groups. Equally, having in mind the demands of EU enlargement, and that the EU has increasingly articulated its aspiration to represent not only stability and prosperity, but also democratic values, articulated in Copenhagen political criteria for membership, the Action, through its visibility and communication activities, shall spread the message that compliance with basic democratic standards is more than a condition for the EU accession.

6. SUSTAINABILITY

The action will produce sustainable results in the short run since it is designed to support the already existing beneficiary institutions and structures that are already in place, but which require additional assistance in the complex process of the harmonisation with *Acquis* and for the preparation for negotiations. This process is a key political priority to the Serbian Government, and the resources and attention of the national authorities are strongly geared toward achieving the steps needed for the opening and closing of the negotiation chapters, and for the achievement of all benchmarks in the process of EU accession negotiations. All of the capacities developed through this project will be used in the future period for the further alignment as part of the accession, and they will be a crucial resource for the EU integration. Sustainability is also envisaged in the fact that the support for legislative alignment results in adoption of the laws, by-laws, plans and policy documents by the Parliament, Government or governmental bodies, ensuring that these are part of the system, and not ad hoc interventions.

EI Facility shall prepare adequate Actions for IPA II funding in order to strengthen the institutions and administrative capacity for the full application of the EU *acquis* in Serbia and will therefore improve the effectiveness of Serbia's preparations for EU accession. It will also help in strengthening the capacity of institutions responsible for management of IPA II assistance.

7. COMMUNICATION AND VISIBILITY

Communication and visibility will be given high importance during the implementation of the Action.

The implementation of the communication activities shall be the responsibility of the beneficiary, and shall be funded from the amounts allocated to the facility.

All necessary measures will be taken to publicise the fact that the Action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions.

Likewise, notably for the implementing arrangements which are supposed to take place under indirect management, communication shall be aligned with requirements of the relevant manual of procedures concerning communication. Beneficiary and Contractor shall respect the EC's visibility guidelines in all communication activities undertaken by the project (briefings, presentations, press conferences and other events) and in the production of all visual communication tools (publications, fax headers, business cards, advertising material etc.).

Standard formats will be used in press conferences (presentations or similar events), workshops, invitation for the events, etc., in a manner to ensure communicating to a broader public the fact that the sector support is funded by the EU and to promote best practices and achieved results. The potential outreach of the Action is very extensive, given the great number of stakeholder involved and the general interest of the public for the accession negotiations but also for the effective usage of EU funds. SEIO Aid Matters newsletter⁴ shall also inform the public on major developments and on examples of good practices obtained through this IPA 2015 Action.

Visibility and communication actions shall demonstrate how the intervention contributes to the agreed programme objectives and the accession process. Actions shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. The actions shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Visibility actions should also promote transparency and accountability on the use of funds.

It is the responsibility of the beneficiary to keep the EU Delegation fully informed of the planning and implementation of the specific visibility and communication activities.

⁴ (<http://www.evropa.gov.rs/Evropa/PublicSite/TrainingsAndPublications.aspx>)