

**Standard Summary Project Fiche – IPA centralised programmes**  
**(Regional / Horizontal programmes ; centralised National programmes)**

**1. Basic information**

**1.1 CRIS Number: 2007/19322**

**1.2 Title: Administrative capacity building of the Customs Administration for the full implementation of the common EU transit procedure**

**1.3 ELARG Statistical code: 03.29**

**1.4 Location: Serbia**

**Implementing arrangements:**

**1.5 Contracting Authority (EC): EC**

**1.6 Implementing Agency: N/A**

**1.7 Beneficiary (including details of project manager):** Customs Administration of the Ministry of Finance

**Financing:**

**1.8 Overall cost: 1.5 million Euros**

**1.9 EU contribution: 1.5 million Euros**

**1.10 Final date for contracting: 3 years after the signature of the Financing Agreement**

**1.11 Final date for execution of contracts: 5 years after the signature of the Financing Agreement**

**1.12 Final date for disbursements: 6 years after the signature of the Financing Agreement**

**2. Overall Objective and Project Purpose**

**2.1 Overall Objective:**

Implement the Common Transit Procedure by building the capacity of the Serbian Customs Administration.

**2.2 Project purpose:**

- 1) Speeding up and facilitating the transit procedures on border crossing points
- 2) Assisting the Serbian Customs Administration to set up Community Transit corresponding administrative, legal and equipment structures and preparing for the implementation of an NCTS-compatible automated transit system
- 3) Joining the Convention on Common Transit Procedure of the EU

**2.3 Link with AP/NPAA / EP/ SAA**

Efficient border management and border security are essential for the region and Europe as a whole. The EU is committed to work with all countries to achieve, in the entire region, the goal of **open but controlled and secure border**, this being an important element of the Stabilisation and Association Process (SAP).

At the same time, the European Partnership calls for development of the technical infrastructure and human resource capacities to implement the Integrated Border Management policy including strengthening of the border police and the customs services. According to the European Partnership, in order to implement all the priorities, it is necessary to establish

effective coordination and cooperation among all the relevant authorities and agencies involved in border control, trade facilitation and border region cooperation, as well as efficient and integrated border management systems.

In the economic requests contained in the decisions of the European Council which were created by the Commission of the European Communities, one of the middle term priorities is enhancing transparency and exchange of information with EU member states with the aim of facilitating the flow of goods and more efficient realisation of measures for preventing evasion of duties of paying taxes and other fees.

On the other hand, the Strategy for EU Enlargement emphasises the importance of efforts which are needed to invest into areas of development of information technologies of customs administrations in order to fully connect to the customs IT systems of the EU.

In Chapter V of the EU Association Strategy of Serbia, the Administrative Capacities for Joining the EU and the Reform of the Governmental Administration, it is emphasised that the process of joining the EU, from the very beginning of its implementation, requires a reliable system of governmental administration which will be able to accept and forward requirements of harmonising with the rules of the European Union. At the same time, one has to have in mind the accomplished European standards and organisation and functioning of a governmental administration, which are being affirmed in the process of establishing the "**European administrative frame**". Part 5.2 is dedicated to the reform of the governmental administration in which the importance of the reform is emphasised. The final goal of reform is to provide high quality of services to citizens and business subjects and create a governmental administration which can widely support the economic stability.

In the National EU Association Strategy of Serbia, the importance of harmonising with the EU is of paramount importance. That includes harmonising with all the technical rules and standards, as well as harmonisation of relevant procedures with the rules of the EU in the area of the free flow of goods. The internal harmonisation of the regulations which refers to the form and control of releasing goods, means harmonising specific procedures with the EU, including information exchange. This harmonisation has the aim to facilitate and speed up the flow of goods and services on common European territory.

The IBM Strategy of the Republic of Serbia defines the importance of international cooperation in the area of information exchange with other countries' administrations. Data acquired through exchange also represent an important source of information for efficient and full cooperation and coordination between various border agencies.

According to the PRSP, successful functioning of the system as a whole requires partnership and collaboration at all government levels (central and local), as well as teamwork. These relations imply strong decentralisation of competences and finances, strengthening the rule of law by the state, the market model of the economy and market principles. A well-organised and competent public administration is a key factor for successful integration into the EU.

## **2.4 Link with MIPD**

The Multi-Annual Indicative Planning Document emphasises the importance of further "development and implementation of strategies and policies in order to establish sectoral

policies and a regulatory framework compatible with European standards e.g. in customs and taxation.” (section 2.2.3.1., page 23).

## **2.5 Link with National Development Plan (where applicable)**

N/A

## **2.6 Link with national/ sectoral investment plans (where applicable)**

N/A

### **3. Description of project**

#### **3.1 Background and justification:**

Services involved in the IBM at the borders are: Border Police of the Ministry of Interior, the Customs Administration of the Ministry of Finance and Veterinary and Phyto-Sanitary Inspection of the Ministry for Agriculture, Forestry and Water Management. These four border services, by means of their joint work at the borders, should provide the basic preconditions for an effective system of control and surveillance at borders. Each of those bodies has a specific task and role in the system of integrated border management, but it is of utmost importance to harmonize their work and to establish mechanisms for their co-operation. The system of quality management would at the beginning be a pilot project for the Customs Administration, and afterwards would be used for other border agencies, in order to be applicable for all bodies of the governmental administration one day.

In January 2006 the Government adopted the National IBM Strategy. The Strategy has been assessed to be in compliance with the European Commission’s Guidelines for IBM in the Western Balkans and mostly with the core principles of the Schengen Catalogues of the Best Practice. The National IBM Strategy presents the starting base for further development of the IBM policy in Serbia and for its updating and implementation.

One of the most important priorities in the process of joining the EU is creating a territory of free flow of goods in the Republic of Serbia, as well as harmonising procedures and rules which are currently in force in the EU. It is also important to stress that every candidate for joining the EU must ratify the Convention on common transit procedures. The prerequisite for ratification of this Convention is implementation of basic functionalities of the NCTS. Customs Administration has provided a Development Strategy of the ISCS, which was adopted at the level of the Ministry of Finance, at the beginning of 2005. One of the segments of development is a new computerized system (NCTS).

Main stakeholders in the implementation of this project are: Ministry of Interior, Border Control Directorate; Ministry of Finance, Customs Administration; Ministry of Agriculture, Forestry and Water Management; Veterinary Inspection and Phyto-Sanitary Inspection; Ministry of Infrastructure and other stakeholders who will directly benefit from improvement of capacities of the border agencies.

The main users of the NCTS (New Computerised Transit System of the European Union) are, besides the Customs Administration, all stakeholders in the international transit procedure, domestic as well as foreign. Joining the common transit procedure of the EU, in general, brings good to the whole of the foreign trade sector.

### **3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact**

Serbian Customs Office aims to develop suitable infrastructure and provide modern equipment which will support the business strategy of the customs administration as a whole and will contribute to improve the activity through the application of modern technology and its proper distribution.

With implementation of NCTS the Serbian Customs Administration aims to develop and implement trade facilitation mechanisms, which will minimise the costs of customs procedures for trade as well as creating effective and efficient customs procedures.

### **3.3 Results and measurable indicators:**

- 1) Improved capacities of the Serbian Customs Administration necessary to meet the requirements of a full and stable implementation of all Common/Community transit procedures and a fully operational NCTS system.
- 2) Established technical capacities for data exchange with the EU and current IT system of the Customs Administration adapted to new business challenges and new forms of data exchange.
- 3) Joining the common transit procedure of the EU and a faster and more transparent transit procedure with a reduced number of abuses in foreign trade business.

### **3.4 Activities:**

1) Alteration, i.e. supplementation of the customs provisions in order to harmonise the transit procedure; readjusting the system for managing guarantees; the National system for managing guarantees adjusted with the EU system for managing guarantees; the concept of an authorised stakeholder in the procedure (*Authorized Economic Operator*) introduced;

This activity will include development of administrative capacity within the Serbian Customs Administration to administer all duties and actions required for joining and subsequent implementation of the common transit procedures.

2) Implementation of the New Computerized Transit System of the European Union (NCTS); alteration, i.e. supplementation of the customs provisions in the area of e-business and exchange of data electronically;

3) Creating conditions for introduction of a Single Electronic Window which enables all stakeholders in the customs procedure (such as foreign trade companies, banks, agents, chambers of commerce, transportation-logistics companies, inspection agencies, the customs and the police) to electronically lodge documents to one another through a regulated procedure; rationalization, optimization of documents and an improved way of completing them; Administrative rules for co-operation and co-ordination with the other ministries which are directly responsible for the introduction of the various measures on import or export of goods at the national level developed; Training for managing business processes under new conditions.

The activities dealing with capacity building will be implemented in the form of a Twinning Project under a Contract between Serbia and a Member State. The project will be supervised and coordinated by a Project Leader, who is to be a high-ranking official of the Member State Institution. The project will provide a Resident Twinning Adviser and a number of short and medium term experts.

The component that is dealing with equipment will be implemented through a Supplies contract.

### **3.5 Conditionality and sequencing:**

Project implemented through a Twinning requires full commitment and participation of the senior management of the beneficiary institution.

In addition to providing the Twinning partner with adequate staff and other resources to effectively operate, the senior management must be fully involved in the development and implementation of the policies and institutional change required to deliver the project results.

Implementation of the project is also conditioned upon involvement and commitment of the stakeholders towards fulfillment of the project objectives.

The Customs Administration will work in accordance with other relevant border agencies (Border Police of the Ministry of Interior, Veterinary and Phyto-Sanitary Inspection of the Ministry for Agriculture, Forestry and Water Management and keep them informed of developments and outputs of the Twinning.

### **3.6 Linked activities**

In the field of IBM there have been many EU projects oriented to restructuring and upgrading of border crossing points. In 2001, 2002 and 2004 the EU launched projects for border crossing points at Horgoš, Batrovci and Preševo, all affecting Serbian part of Corridor X as far as road transport is concerned. The railway border crossing at Dimitrovgrad railway station represents the continuation of the interventions along the Corridor X.

In 2002 EIB and EBRD extended loans to Serbia for the rehabilitation of the railway sector, for the amounts of 70 million Euros and 56 million EUROS respectively. This project that is monitored by the PIU (railways) 2002 projects of the Agency, also includes rehabilitation works along the Niš – Dimitrovgrad line on Corridor X. Similarly for the road sector in 2002 the EIB and EBRD have extended loans for rehabilitation of roads, for amount of 95 million EUROS and 76 million Euros respectively and this project is monitored by PIU (roads) of the Agency.

In addition a document prepared in 2004 by the EAR on the subject of the secondary border crossings in particular with Bosnia and Hercegovina has been made available to the government of Serbia and to the EC Delegations in Croatia and in Bosnia and Hercegovina. This document is expected to facilitate a common approach of the institutions both inside the EC and in the IFIs, in order to promote coordinated project planning in the sector.

From 2002 to 2006 “The Regional CARs Programme for Western Balkan – Multi-Year Indicative programme 2002-2006 (MIP)” took place. The programme gave some orientations and recommendation to Serbian representatives also in the field of IBM but also found out that Balkan states in general have no comprehensive approach to border management, which inevitably brings about poor results.

From October 2003 to April 2005 Project “Support of Law Enforcement Agencies in Serbia and Montenegro” (EuropeAid/114617/D/SV/YU) was held by the FIIAPP in Serbia. The beneficiaries’ authorities were Border police, Organized Crime, Criminal Forensic Laboratory and Prosecutors Offices.

In the framework of 2004 budget for the AENEAS Programme (financial and technical assistance to third countries in the areas of migration and asylum) UNHCR assisted Serbia and Montenegro with 698.005,92 Euros for building an Asylum Structure.

CARDS Regional Project "Establishing Compatible Legal, Regulatory & Institutional Frameworks in the Field of Visas, Migrations and Asylums" was implemented in the period from 2004 to 2005. The Project has developed through three modules - asylums, visas and migrations, and one international organization each (UNHCR, ICMPD and IOM) was responsible / charged with each of the above modules. Each module was implemented through 6 to 8 seminars, and the results published in the particular documents, which were finally summarized as a “Road Map” document.

In the year 2005 Twinning with the EU Member State (Slovenia, Holland) in Serbia assisted in the reform of Veterinary and Phyto-sanitary Inspections, development of new inspection procedures and modernization of the border crossing points. Twinning’s achievements were mostly shown in the adoption legislation, regulations and handbooks, training of inspectors and provided equipment on the border crossing points.

In the year 2005 DCAF (Democratic Control for Arm Forces) organized a conference on “Border Security” in Skopje. Second conference held in 2006 in Sarajevo. Aims of the conferences were to enhance of the international co-operation in the SE Europe in the field of Border Control.

Currently, the Trade and Transport Facilitation in Southeast Europe (TTFSE) project, financed by the International Development Association (IDA), is being implemented. One of the most important segments within this project is the "Single Electronic Window" which, besides facilitating and simplifying communication amongst governmental agencies and ministries, aims to facilitate in great deal the foreign trade procedure.

Moreover a regional IPA 2007 project "Regional support to the implementation and monitoring of the Integrated Border Management strategies and related Action Plans and development of regional and cross border initiatives" should be implemented in 2008/2009 and assist the countries in developing their capacities to manage their borders in an efficient, coherent and appropriate manner.

Finally, the project will be designed and implemented so as to avoid duplication with both ongoing and planned CAFAO activities and projects in Serbia.

### 3.7 Lessons learned

The current IT system of the Customs Administration of the Republic of Serbia (ISCS) provides a complete support to the transit procedure at national level, in the way regulated by current regulations. Within the context of a wider economic territory (beyond the boundaries of Serbia) as well as cooperation with the customs administrations in the sense of full exchange of information, however, the transit procedure as well as the ISCS possess limited functionalities. The most important boundaries are: entrance of a relatively large amount of information at the border, non-existence of announcements of arrival of transiting consignments as a source of information for selectivity and targeting, lack of information on movement in completing a transit operation after exiting the country, etc. All these lacks produce a negative effect in the domain of foreign trade: slowing down the transit procedure, growing the costs of the transit procedure, as well as lack of instruments for an efficient fight against frauds in the area of customs and tax regulations.

Having in mind the inability to support all strategic business goals of the customs service at a high technical level, in the way the modern customs services work today, with intense use of information and communication technologies, constant development of the IT system is the prerequisite without which the modernization, and the realization of the strategic business goals of the customs service is not possible. Moreover, procedures completed at the border, as well as cooperation in the work of the border agencies needs introduction of a system of quality management in order for the procedures to become more strict, with a smaller number of forms, without the possibility of making mistakes.

These experiences point out the necessity to support harmonizing with the current transit procedure in order to fulfill the conditions for joining the common transit procedure of the EU and the EFTA countries, by which these above mentioned negative effects would be superseded. Besides this, the system of quality management would additionally provide that the lacks of the existing state would be eliminated.

### 4. Indicative Budget (amounts in €)

Activities	TOTAL COST	SOURCES OF FUNDING										
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION					PRIVATE	
		Total	% *	IB	INV	Total	% *	Central	Regional	IFIs	Total	% *
Activity 1	1 million	1	100									
contract 1.1	1 million	1										
contract 1.2	0.5 million	0.5	100									
<b>TOTAL</b>	<b>1.5 million</b>											

\* expressed in % of the Total Cost

### 5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1.1	T+1Q	T+3Q	T+9Q
Contract 1.2	T+2Q	T+4Q	T+9Q

All projects should in principle be ready for tendering in the 1<sup>ST</sup> Quarter following the signature of the FA

## **6. Cross cutting issues (where applicable)**

Development Policy Joint Statement by the Council and the European Commission of 10 November 2000 establishes that a number of Cross-cutting Issues shall be mainstreamed into EC development co-operation and assistance.

Cross-cutting issues will be addressed in the project so as to comply with the best EU standards and practice in that area and in a way which demonstrates how they will be dealt with within the project's framework, its activities and outputs.

Cross-cutting issues will be addressed in a proactive manner, and will present a specific component of projects (at all levels of projects' development, starting from the project identification stage). Synergies between the projects and the objectives of will be identified and developed. Also, the projects' objectives and activities need to be screened in order to ensure they won't impact negatively on gender equality, minorities' inclusion and environment.

Finally, the beneficiary will make sure its objectives, policies and interventions have a positive impact on and are in line with the main principles of gender equality, minorities' inclusion and environment.

### **6.1 Equal Opportunity**

Increase in trade and export will have positive impact on the overall economy which will in turn provide new employment opportunities for the population, both male and female.

Furthermore, advice provided by the Twinning experts to Customs Administration needs to be gender-sensitive and provide information on issues of clandestine female emigration and the trafficking of women which is still one of major criminal activities in the region.

### **6.2 Environment**

Measures for reducing pollution from road (e.g., fuel quality control) will have to be promoted as subsequent implementation of the project is likely to increase road traffic at and along the borders.

### **6.3 Minorities**

Serbia has demonstrated its commitment to further improve human and minority rights by signing and ratifying a number of international conventions in this area (also foreseen in European laws and standards). Improved transit at the borders will not only facilitate trade and ensure revenue, but will also enable Serbia to meet its obligations under international security and policing conventions such as sensitivity to the presence of minorities in border areas.



## ANNEX I: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche	Programme name and number	
<b>Administrative capacity building of the Customs Administration for the full implementation of the common EU transit procedure</b>	Contracting period expires 5 years after the signature of the Financing Agreement	Disbursement period: expires 6 years after the signature of the Financing Agreement
	Total budget : 1.5 million Euros	IPA budget: 1.5 million Euros

Overall objective	Objectively verifiable indicators	Sources of Verification	
Administrative capacity building of the Customs Administration in order to achieve full implementation of the common transit procedure of the EU	- Implementation of the common transit procedure of the EU initiated	- Progress reports for implementation of the common transit procedure of the EU	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
1) Speeding up and facilitating the transit procedures on border crossing points. 2) Assisting the Serbian Customs Administration to set up Community Transit corresponding administrative, legal and equipment structures and preparing for the implementation of an NCTS-compatible automated transit system. 3) Joining the Convention on Common Transit Procedure of the EU.	- Improved transit procedures and decreased backlogs at the borders  - Signing of the Convention on Common Transit Procedure of the EU	- EC Delegation monitoring reports - Project monitoring reports	- Government and relevant institutions are committed to achieving secure borders and efficient border management  - Government is committed to EU integration process
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
- Improved capacities of the Serbian Customs Administration necessary to meet the requirements of a full and stable implementation of all Common/Community transit procedures and a fully operational NCTS system. - Established technical capacities for data exchange with the EU and adapting the current IT system of the Customs Administration to the new business challenges and new forms of data exchange - Joining the common transit procedure of the EU and a faster and more transparent transit procedure with a reduced number of abuses in foreign trade business	- Trade facilitation mechanisms developed and implemented to minimize the costs of customs procedures for the trade and to create effective and efficient customs procedures  - Suitable infrastructure developed modern equipment which will support the business strategy of the customs administration provided	- EC Delegation and contracted experts' reports - Monitoring reports on the implementation of the National IBM strategy - Progress reports of the Customs Administration's Development Strategy of the ISCS (IT system of the Customs Administration of the Republic of Serbia)	- Political and economic stability  - Commitment of stakeholders and continued Government willingness to join the common transit procedure of the EU  - Good cooperation between the main stakeholders and agencies (services) involved in IBM  - Enough trained IT personnel within relevant institutions able to operate the new computerised system (NTSC)
Activities	Means	Costs	Assumptions
- Alteration, i.e. supplementation of the customs provisions in order to harmonise the transit procedure - Implementation of the New Computerized Transit System of the European Union (NCTS); alteration, i.e. supplementation of the customs provisions in the area of e-business and exchange of data electronically - Creating conditions for introduction of a Single Electronic Window which enables all stakeholders in the customs procedure to electronically lodge documents to one another through a regulated procedure; rationalization, optimization of documents and an improved way of completing them; Administrative rules for co-operation and co-ordination with the other ministries which are directly responsible for the introduction of the various measures on import or export of goods at the national level developed; Training for managing business processes under new conditions; establishing a permanent body for introduction, coordination, control and maintenance of the system of quality management	Technical Assistance/ Training / Training of Trainers / Seminars / Workshops / International Training Visits / Expert Advisors  Supplies	<b>1.5 million Euros</b>	- Adequate choice and subsequent provision of TA  - IT staff of the beneficiaries able to handle demands of the new computerised system

**ANNEX II: amounts (in M€) Contracted and disbursed by quarter for the project**

<b>Contracted</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Q5</b>	<b>Q6</b>	<b>Q7</b>	<b>Q8</b>	<b>Q9</b>	<b>Q10</b>	<b>Q11</b>
Contract 1.1			1.0								
Contract 1.2				0.5							
Contract 1.3											
Contract 1.4											
.....											
<b>Cumulated</b>			<b>1.0</b>	<b>1.5</b>							
<b>Disbursed</b>											
Contract 1.1			600.000				300.000		100.000		
Contract 1.2				340,000	110,000	50,000					
Contract 1.3											
Contract 1.4											
.....											
<b>Cumulated</b>			<b>600,000</b>	<b>940,000</b>	<b>1,050,000</b>	<b>1,100,000</b>	<b>1,400,000</b>		<b>1,500,000</b>		

## ANNEX III

### Description of Institutional Framework

The Customs Administration is in charge of implementation and monitoring of this project. Customs Administration falls under the competence of the Ministry of Finance. The work, mandate and authorisations of the Ministry are regulated by the Law on Ministries (adopted on May 15, 2007 (Official Gazette of Republic of Serbia no. 48/07)) – i.e. Article 6. Organisational chart of the Ministry of Finance is given below.

#### Minister of Finance

#### State Secretaries

#### Secretariat

#### Independent executives

Independent Inspector  
of Internal Control

Coordinator of Public  
Administration Reforms

#### Departments

Tax  
Administration

Public Debt  
Administration

Treasury  
Administration

Customs  
Administration

Tobacco  
Administration

Administration for  
Money Laundering  
Prevention

Gaming  
Administration

Foreign Currency  
Inspection

Free Zones  
Administration

Macro-economic and Fiscal  
Analysis Department

Budget Inspection and  
Audit Department

Fiscal System Department

Department for Property  
related Legal Affairs

Finance System Department

Customs System and  
Policy Department

Chamber of Appeals for  
Infractions Procedures

Department for International  
Financial Relations

Project Management  
Department

Public Procurement  
System Group

## ANNEX IV

### Reference to laws, regulations and strategic documents:

#### Reference list of relevant laws and regulations

Key laws, regulations and strategic documents in the area of Customs Administration and Integrated Border Management:

##### *General:*

- Constitution of the Republic of Serbia
- Law for the Implementation of the Constitution of the Republic of Serbia
- National Strategy for Serbia and Montenegro's Accession to the European Union
- Action Plan for the Implementation of the European Partnership

##### *Customs Administration:*

- Customs Law
- Development Strategy of the ISCS
- Law on Foreign Trade
- Law on Customs Tariffs
- Law on Free Trade Zones

##### *Integrated Border Management:*

- IBM Strategy of the Republic of Serbia

##### Integrated Border Management:

- Guidelines for Integrated Border Management in the Western Balkans – updated version of January 2007

##### *Veterinary and Phyto-Sanitary Issues:*

- Agriculture Law
- Veterinary Law

### Reference to AP /NPAA / EP / SAA

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At the same time, the European Partnership calls for development of the technical infrastructure and human resource capacities to implement the Integrated Border Management policy including strengthening of the border police and the customs services. According to the European Partnership, in order to implement all the priorities it is necessary to establish effective coordination and cooperation among all the relevant authorities and agencies involved in border control, trade facilitation and border region cooperation, as well as efficient and integrated border management systems.

In the economic requests contained in the decisions of the European Council which were created by the Commission of the European Communities, one of the middle term priorities is enhancing transparency and exchange of information with EU member countries with the aim of facilitating the flow of goods and more efficient realisation of measures for preventing evasion of duties of paying taxes and other fees.

On the other hand, the Strategy for EU Enlargement emphasises the importance of efforts which are needed to invest into areas of development of information technologies of the customs administrations in order to fully connect to the customs IT system of the EU.

In Chapter V of the EU Association Strategy of Serbia, the Administrative Capacities for Joining the EU and the Reform of the Governmental Administration, it is emphasised that the process of joining the EU, from the very beginning of its implementation, acquires a reliable system of governmental administration which will be able to accept and forward requirements of harmonising with the rules of the European Union. At the same time, one has to have in mind the accomplished European standards and organisation and functioning of a governmental administration, which are being affirmed in the process of establishing the "**European administrative frame**". Part 5.2 is dedicated to the reform of the governmental administration in which the importance of the reform is emphasised. The final goal of reform is to provide high quality of services to citizens and business subjects and creating a governmental administration which can widely support the economic stability.

In the National EU Association Strategy of Serbia, the importance of harmonising with the EU is of paramount importance. That includes harmonising with all the technical rules and standards, as well as harmonisation of relevant procedures with the rules of the EU in the area of the free flow of goods. This, besides the internal harmonisation of the regulations which refer to the form and control of releasing goods, means harmonising specific procedures with the EU, including information exchange. The mentioned harmonisation has the aim to facilitate and speed up the flow of goods and services on common European territory.

The IBM Strategy of the Republic of Serbia defines the importance of international cooperation in the area of information exchange with other countries' administrations. Data acquired through exchange also represent an important source of information for an efficient and complete cooperation and coordination of border agencies.

For PRSP, successful functioning of the system as a whole requires partnership and collaboration at all government levels (central and local), as well as teamwork. These relations imply strong decentralization of competences and finances, strengthening the rule of law by the state, the market model of the economy and market principles. A well-organized and competent public administration is a key factor for successful integration into the EU.

### **Reference to MIPD**

The Multi-Annual Indicative Planning Document emphasises the importance of further "development and implementation of strategies and policies in order to establish sectoral policies and a regulatory framework compatible with European standards e.g. in customs and taxation." (section 2.2.3.1., page 23).

### **Reference to National Development Plan**

N/A

### **Reference to national / sectoral investment plans**

N/A

## **ANNEX V**

### **Details per EU funded contract (\*) where applicable:**

#### **Account of tasks expected from the team leader, resident twinning advisor and short term experts**

##### **4.1. Team Leader**

The team leader should be a high ranking EU official with broad general knowledge of all processes and issues related to functioning of a Customs Administration within the EU. The team leader will continue to work for his/her administration but will be in charge of drafting, supervising and coordinating all issues related to this Twinning project.

##### **4.1.1. Qualifications of the team leader**

- Broad experience of many years in the area of operational functioning of an EU Customs Administration
- Deep understanding of the EU's common transit procedure
- Overall understanding of the relevant issues in the sector and area related to customs administration and its relevant procedures
- Good leadership skills
- Experience with working in transition countries and countries in the region will be considered an advantage

##### **4.1.2. Tasks of the team leader**

- Overall coordination and supervision of the project
- Hiring short and medium term experts
- Handling administrative issues such as signing off reports, letters, notes, etc.

##### **4.2. Resident Twinning Adviser**

Resident Twinning Adviser has the task to assist the beneficiary institution with organisation and mobilisation of technical assistance, daily advice and training, seminars, workshops, organisation of study tours.

The Resident Twinning Adviser shall be or have been employed at an EU Customs Administration. He/she will possess good management skills and preferably have experience of working in transition countries and countries in the region.

##### **4.2.1. Qualifications of the Twinning adviser**

- In-depth knowledge of customs procedures as well as working experience with an EU Customs Administration
- Experience in NCTS implementation/development
- Communication and advisory skills
- Relevant university degree, preferably in public administration/finance area
- Experience in project management
- Experience in EU procurement rules will be considered an advantage

#### **4.2.2. Tasks of the Twinning adviser**

- Monitoring and evaluating, on a day to day basis, the Partner Institution's needs and priorities, the quality and quantity of the input of short term experts and the Serbian partner institution, project risks, progress against the project budget, benchmarks, and outputs, and take any necessary remedial action.
- Executing specific tasks as set out in the various activities described in this work plan. In particular assisting short-term-experts in the delivery of training
- Liaising with the Delegation of the European Commission and, as necessary, with experts involved in related projects outside the Partner Institution
- Reporting formally to the Member State Project Leader; and reporting issues informally as necessary to the Partner Institution. The RTA will also assist in the preparation of the project quarterly reports and the final report to the Delegation of the European Commission.
- Assisting in the preparation of all project related documents which are of vital importance for smooth implementation, such as inception report, sector strategy/policy/plan, assessment reports, quarterly monitoring reports, final project report, training manuals, project impact reports and other strategic documents which will be produced in the course of duration of this project
- Designing a work plan for the implementation for the project
- Ensuring continuity of the project by means of day to day management and provision of advice to the beneficiary
- Planning and coordination of project outputs as well as ensuring their quality
- Assisting the team leader in mobilising short and medium experts and monitoring the work of the experts
- Coordinating and organising workshops, seminars, study tours, trainings, etc.

#### **4.3. Short and Medium term Experts**

##### **4.3.1. Qualifications of short and medium term experts**

- Minimum of 3 years of experience in the field of customs administration and related procedures

##### **4.3.2. Tasks of short and medium term experts**

- Contributing to the sustainability of the project by ensuring that aspects of the project related to their field of expertise are implemented timely
- Supervision and on-site coordination of all activities related to their field of expertise and performed under this project
- Timely proposals for any corrective measures
- Assistance with drafting of strategic documents and preparation of trainings, study tours, workshops, seminars, etc.