

ANNEX 1

TITLE OF THE ACTION PROGRAMME

1 IDENTIFICATION

Beneficiary	Beneficiaries listed in Annex I of the IPA II Regulation (IPA II beneficiaries)
CRIS/ABAC Commitment references	2017/039-402; MCP 2017- part NEAR 2017/039-873; MCP 2017 - part ESTAT 2017/039-874; MCP 2017 - part ENV 2017/039-875; MCP 2017 - part CLIMA 2017/040-009; MCP 2017 - part EAC 2017/040-405; MCP 2017 - part MOVE SI2.757504; MCP 2017 - part EACEA
Total cost	EUR 174 336 822
EU Contribution	EUR 168 000 000
Budget line	22.020401 – Multi-country programmes, regional integration and territorial cooperation
Management mode/ Entrusted Entity	Direct management by the European Commission Except for: Part of Action No. 6 – EU Integration Facility: indirect management by the British Council Part of Action No. 9 – Support to the Western Balkan Integrative Internal Security Governance: indirect management by the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH – GIZ Action No. 17 – The Western Balkan Enterprise Development and Innovation Facility (WB EDIF) Competitiveness, Guarantees, Venture Capital Ecosystem: indirect management by the European Bank for Reconstruction and Development (EBRD), European Investment Fund (EIF) and the World Bank Action No. 19 – Regional Housing Programme (RHP) (Sarajevo Process) Phase 2: indirect management by the Council of Europe Development Bank (CEB)
Final date for contracting including the conclusion of delegation agreements	at the latest by 31 December 2018

Final date for operational implementation	<p>at the latest by 31 December 2021</p> <p>Except for:</p> <p>Action No. 17 – The Western Balkan Enterprise Development and Innovation Facility(WB EDIF) Competitiveness, Guarantees, Venture Capital Ecosystem: 31 December 2028</p>
Programming Unit	DG NEAR Unit D.5 - Regional Cooperation and Programmes
Implementing Unit/ EU Delegation	<p>DG NEAR Unit D.5 - Regional Cooperation and Programmes, with the following exceptions:</p> <p>Action No. 2: Western Balkans Youth Window under Erasmus +, co-delegated to EACEA</p> <p>Action No. 3: Statistics, cross sub-delegated to DG ESTAT</p> <p>Action No. 4: Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey, DG NEAR Unit A.3– Thematic Support, Monitoring and Evaluation</p> <p>Action No. 5: International assessment for mathematics and science testing in primary education (TIMSS), cross sub-delegated to DG EAC</p> <p>Part of Action No. 6: EU Integration Facility (IT assistance contract), DG NEAR Unit A.3– Thematic Support, Monitoring and Evaluation</p> <p>Action No. 10: Systematic Exchange of Electronic Data – SEED+, DG NEAR Unit A.3– Thematic Support, Monitoring and Evaluation</p> <p>Action No. 11: Support to CEFTA Secretariat, DG NEAR Unit A.3– Thematic Support, Monitoring and Evaluation</p> <p>Action No. 12: EU Environment Partnership Programme for Accession (EPPA), cross sub-delegated to DG ENV</p> <p>Action No. 13: EU Support for Climate Action in IPA II beneficiaries – Transition towards the low emissions and climate-resilient economy, cross sub-delegated to DG CLIMA</p> <p>Action No. 16: EU support to the Transport Community Treaty Secretariat, cross sub-delegated to DG MOVE</p> <p>Action No. 20: Cross-Border Institution Building (CBIB+) – Phase III, DG NEAR Unit A.4 – Financial assistance: policy and strategy</p>

2 DESCRIPTION OF THE ACTION PROGRAMME

2.1 SECTORS SELECTED UNDER THIS ACTION PROGRAMME

- Rationale for the selection of the specific sectors under this programme:

This Instrument for Pre-Accession Assistance (IPA II) Multi-country action programme is designed to respond to priority needs as identified in the Multi-country Indicative Strategy Paper 2014-2020 (hereinafter referred to as Strategy Paper) adopted on 30 June 2014¹. The Western Balkans and Turkey face important challenges to meet the political and economic membership criteria and to align with the Union *acquis*. These challenges are common to all IPA II beneficiaries, although to varying degrees. The IPA II Multi-country programme also contributes to meeting the targets and expected results identified in the Strategy Papers for each IPA II beneficiary.

As pointed out in the Strategy Paper, challenges persist in the area of democracy and rule of law, including the functioning of institutions guaranteeing democracy, empowerment of civil society, the fight against organised crime, safeguarding **fundamental rights**, such as freedom of expression and the rights of persons belonging to minorities.

While solutions supported by IPA II funds need to be adapted to the specific situation of each individual IPA II beneficiary and supported under a national IPA programme, certain problems are best tackled at regional or horizontal level. This is the case where a beneficiary cannot achieve the desired results alone as they require close cooperation and support from other IPA II beneficiaries (for instance for fighting organised crime), or where joint efforts are more cost-effective since they create synergies or economies of scale. A particular focus on the support to the reconciliation process in the Western Balkans will be ensured.

The Strategy Paper sets out as well how IPA II assistance will support reforms and investments in line with the identified key challenges for **competitiveness and growth**, in complementarity with assistance provided under the national programmes.

In accordance with the Strategy Paper, assistance will be delivered under the following four headings, each one presenting one dimension of the added value of the horizontal and regional programming:

- i. Horizontal support to sector policies and reforms;
- ii. Regional structures and networks;
- iii. Regional investment support;
- iv. Territorial cooperation.

¹ C(2014)4293, 30.06.2014

The focus of the 2017 multi-country action programme rests to a large extent on tackling the **fundamentals first**, e.g. rule of law, including security, fundamental rights, public administration reform, as well as on economic development and competitiveness; in addition to the **connectivity agenda**. It contains 20 regional and horizontal actions grouped under the four headings of the Strategy Paper. Where relevant actions under this multi-country action programme shall also respect and shall be implemented in line with the EU Charter of Fundamental Rights, Universal Declaration of Human Rights and other beneficiaries' international human rights obligations.

List of actions foreseen under the selected priorities:

LIST OF ACTIONS	MANAGEMENT MODE	AMOUNT IN EUR
01. Regional Training and Support Programme to improve Quality and Professionalism in Journalism	Direct	2 000 000
02. Western Balkans Youth Window under Erasmus +	Direct	3 000 000
03. Statistics	Direct	14 000 000
04. Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey	Direct	15 000 000
05. International assessment for mathematics and science testing in primary education (TIMSS)	Direct	1 500 000
06. EU Integration Facility	Direct/Indirect	5 000 000
07. Regional support to protection-sensitive migration management systems in the Western Balkans and Turkey - PHASE II	Direct	5 000 000
08. EU Regional Action for Roma Education	Direct	3 000 000
09. Support to the Western Balkan Integrative Internal Security Governance	Direct/Indirect	20 000 000
10. Systematic Exchange of Electronic Data – SEED+	Direct	4 800 000
11. Support to CEFTA Secretariat	Direct	200 000
12. EU Environment Partnership Programme for Accession (EPPA)	Direct	2 500 000
13. EU Support for Climate Action in IPA II beneficiaries – Transition towards the low emissions and climate-resilient economy	Direct	2 000 000
14. EU-World Bank/GFDRR Western Balkans Disaster Risk Management Program	Direct	3 000 000
15. Triple-P Tourism in SEE: Promotion, Policy, and Pilots	Direct	5 000 000
16. EU support to the Transport Community Treaty Secretariat	Direct	1 000 000
17. The Western Balkan Enterprise Development and Innovation Facility (WB EDIF) Competitiveness, Guarantees, Venture Capital Ecosystem	Indirect	28 000 000
18. IFI Coordination Office (IFICO)	Direct	6 000 000
19. Regional Housing Programme (RHP) (Sarajevo Process) Phase 2	Direct/Indirect	45 000 000
20. Cross-Border Institution Building (CBIB+) – Phase III	Direct	2 000 000
TOTAL		168 000 000

Programmes for territorial cooperation and support for civil society development are being decided separately. Also, a financing decision to support investment priorities in infrastructure in the Western Balkans through grants will be taken separately.

- Overview of past and on-going EU, other donors' and/or IPA II beneficiary's actions in the relevant sectors:

When designing this programme due account has been taken of activities implemented under the national programmes, the guidance provided in EU strategic documents, the lessons learned from the programming and implementation of previous EU assistance and the findings from consultations with, *inter alia*, the beneficiaries, International Financial Institutions (IFIs), international organisations, the Regional Cooperation Council (RCC), EU Member States and civil society organisations.

The lessons learned from IPA I demonstrated that progress towards meeting EU membership criteria is best achieved by a mix of measures planned both at regional and IPA II beneficiary level. The IPA interim evaluation and meta- evaluation recommended that the Multi-country programmes should develop more rigorous selection criteria for the supported actions and focus on areas with clear needs for a regional approach. It also concluded that further efforts are needed to involve regional stakeholders more in programming and that central administrations should be involved in project implementation as a way to improve ownership and coordination.

Other conclusions concern economies of scale in horizontal programmes versus efficiency risks, due to sometimes complex set-ups for their implementation under IPA I assistance.

Under IPA II, efficiency concerns will be addressed by more effective coordination, focusing on fewer priorities, comprehensive and longer-term planning and, where relevant, a sector approach.

2.2 DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

Save differently specified, the essential selection and award criteria for all grants (including direct award):

The essential selection criteria are financial and operational capacity of the applicant. The essential award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

Horizontal support to sector policies and reforms

Action 1	<i>Regional Training and Support Programme to improve Quality and Professionalism in Journalism</i>	<i>Direct Management</i>	<i>EUR 2 million</i>
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action contributes to enhance the quality and trustworthiness of news available to citizens in the Western Balkans. New generations of young and mid-career journalists will be trained to master how to provide quality news. Existing capacities in mid-career training will be upgraded and enhanced. A regional network will support the promotion of better journalism by involving media, Civil Society Organisations (CSOs) as well as EU and local training and academic institutions. Mainstream and Public Service Media will, through the action, be engaged in publishing investigative stories thus making such stories available to the larger public. The standards and awareness of such journalism will be further consolidated through the continuation of the regional EU Award Scheme for Investigative Journalism.

Objectives: To enhance quality and trustworthiness of news and journalism available to citizens.

Expected results: New generations of young and mid-career journalists trained; existing capacities of training providers upgraded; Mainstream and Public Service Media publishing investigative stories; continuation of the regional EU Award Scheme for Investigative Journalism.

Key performance indicators:

- Number of journalists trained disaggregated by sex
- Number of investigative stories published
- Training courses offered by local training providers alone or in partnership with media/CSOs/Academia in the Western Balkans
- Number of awards issued in the Western Balkans and Turkey

(2) Assumptions and conditions

The most significant main conditions for implementation of the action are already in place. All IPA II beneficiaries, excluding Turkey, have a legal framework ensuring that the exercise of the freedom of association and expression is formally guaranteed and some local capacities for training in quality news and investigative journalism exist.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Grant – Call for proposal (*Promotion of Quality and Professionalism in Journalism*):

- a) Objectives and foreseen results: See above.
- b) The essential eligibility criteria: Main actions supported by this call for proposals, by means of grants, are related to the creation or development of regional

networks for training and support actions to improve quality and professionalism in journalism.

In order to be eligible the applicant must be an academic, CSOs or media organization based in one of the IPA II beneficiaries and be active in and/or a group of CSOs or media organizations from at least four of the seven IPA II beneficiaries. Academia and CSOs from EU Member States could be co-applicants of the actions.

N.B.: For the sake of sound management the present call for proposals can be combined with other calls of the Civil Society Facility or Multi Country Programme (e.g. having a specific lot dedicated to "Promotion of Quality and Professionalism in Journalism").

- c) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for grants under this call is 90% of the eligible cost of the action.
- d) Indicative amount of the call: EUR 2 million.
- e) Indicative date for launch of the call for proposals: Q2 2018.

Action 2	<i>Western Balkans Youth Window under Erasmus+</i>	<i>Direct Management</i>	<i>EUR 3 million</i>
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: The action will promote participation of young people and youth workers from the Western Balkans in Erasmus+ non-formal learning projects, reinforcing capacity building in the field of youth and allowing organisations from Western Balkans to act as project coordinators and apply directly for an EU grant under the framework of the Erasmus+ programme. To this end, organisational development and capacity building projects in the field of youth will be implemented with the aim to strengthen youth cooperation between Erasmus+ Programme countries and the Western Balkans, as well as cross-border cooperation within the Western Balkan region.

Objectives: To improve the level of key competences and skills of young people, including those with fewer opportunities, facilitating young people's active participation in democratic life and the labour market, by means of international non-formal learning activities, capacity building and policy cooperation.

Expected results: Strengthening of cooperation between youth organisations from all Western Balkans with organisations from the Erasmus+ Programme countries as well as the exchange of expertise and know-how between them in the field of youth and non-formal education; Improved involvement of young people from Western Balkans in international youth cooperation to acquire socio-economical skills which could facilitate young people's employability and their integration in society; Promotion of equity and inclusion by facilitating the access to activities for participants with disadvantaged backgrounds and fewer opportunities; Increased involvement of Western Balkans youth workers in joint projects with youth organisations from Erasmus+ program countries;

Improvement of the operational capacity of organisations established in the Western Balkans, notably youth organisations, Non-Governmental Organisations (NGOs) and "National Youth Councils", in particular with regard to the management of international cooperation projects supported by European Union funds.

Key performance indicators:

- Number of youth and other organisations from the Western Balkans participating in joint activities under this Window with organisations from Erasmus+ Programme countries;
- Number of young people (disaggregated by sex at final report level), in particular young people with fewer opportunities, and youth workers from all Western Balkans involved in a balanced way in joint projects with organisations from the Erasmus+ Programme countries.

(2) Assumptions and conditions

The Education, Audiovisual and Culture Executive Agency (EACEA) is already responsible for the management of parts of the EU's funding programmes in the fields of education, culture, audiovisual, sport, youth, citizenship and volunteering. Consequently EACEA has built up relevant institutional framework, structures and knowledge in order to successfully implement this Programme.

(3) Implementation arrangements for the action: Direct management by the Education, Audiovisual and Culture Executive Agency (EACEA).

Grant – Call for proposals (*Western Balkans Youth Window under Erasmus+ Key Action 2 (KA2) Capacity Building in the field of Youth*):

Objectives and foreseen results: See above.

a) The essential eligibility criteria:

Actions/activities to be supported will include encouraging cooperation, networking and exchanges of practices in the field of youth, seminars, conferences, workshops, meetings, training courses, study visits and job-shadowing. The aim is to improve the quality and recognition of youth work, non-formal learning and volunteering and to foster the development, testing and launching of schemes and programmes of non-formal learning mobility.

Applicants can be non-profit organisations, associations, NGO's (including European Youth NGOs); "national Youth Councils" or public bodies at local, regional or central level established in the IPA II beneficiaries of the Western Balkans. These criteria are further detailed in the Erasmus+ Programme Guide. Proposed actions must be transnational and involve a minimum of 3 participating organisations from 3 different beneficiaries of which at least one is from the Western Balkans and one an Erasmus+ Programme country.

b) The essential award criteria are relevance, quality of project design and implementation, quality of the project team and cooperation arrangements, as well as impact and dissemination.

c) Maximum rate of EU co-financing: The maximum grant awarded for an Erasmus+ Western Balkans Youth Window project is EUR 150 000. EU co-financing is based on a combination of Unit costs and portion of eligible costs

according to the funding rules specified in the Erasmus+ Programme Guide for Key Action 2 "Capacity building in the field of youth" type of projects. Activity based costs will be covered up to a maximum of 80% of eligible costs. Several types of costs linked to the involvement of young people with fewer opportunities can be covered up to 100%. The specific financial rules are outlined in the Erasmus+ Programme Guide.

- d) Indicative amount of the call: EUR 3 million.
- e) Indicative date for launch of the call for proposals: applicants have to submit their grant application by Q1 2018 for projects starting between 1 July and 31 December of 2018.

Action 3	Statistics	Direct Management	EUR 14 million
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: The action aims to support the IPA II beneficiaries in the process of harmonisation with EU standards by aligning their present methodologies and output with the EU *acquis* in statistics and gradually integrating them into the European Statistical System (ESS). Assistance provided in the framework of IPA II will result in an increased availability of good quality data from the IPA II beneficiaries. These data can be used by policy makers on central, regional and European level.

The "National Statistical Institutes" (NSIs) of the beneficiaries will participate in meetings and working groups within the ESS, training events, study visits and they will benefit from consultancies and reviews. Moreover, the NSIs can send trainees to EU Member States for in-depth learning. The planned statistical projects will focus on implementing data collection and production in the following broad statistical areas: macro-economics statistics, business statistics, social statistics, agricultural and environment statistics, multi-domain statistics as well as address shortcomings in the institutional environment of the NSIs and the infrastructure.

Objectives: To improve compliance with the EU *acquis* in statistics; To make statistics a better tool for policy purposes; To further integrate the NSIs into the ESS; To progress in implementing the European statistics Code of Practice (CoP); To strengthen the management capacity of NSIs.

Expected results: Improved availability and quality of statistical data in selected statistical areas; Increased trust and confidence in statistics expressed by policy makers; Increased relevance and timeliness of statistical data for policy makers; Increased knowledge about the EU *acquis*, European statistics and their compilation methods, standards and terminologies; Improved cooperation between ESS and NSIs of IPA II beneficiaries; Increasingly assured professional independence of the NSI; Role of NSIs as coordinators of the official statistical system strengthened.

Key performance indicators:

- Compliance rate with the EU *acquis* in statistics;

- Progress in the implementation of the CoP;
- Qualitative scoring in NEAR reports per IPA II beneficiary.

(2) Assumptions and conditions

There are certain pre-conditions that need to be met for the success of the action. A pre-condition is to establish a system for knowledge transfer within the offices and an appropriate human resource policy to ensure more attractive career options for statisticians to slow down the rate of turnover. The latter shall be done in line with the rules governing career path of civil servants and public employees.

In terms of financing, it is essential that the Governments of the IPA II beneficiaries ensure sufficient budget for NSIs for their activities.

Another pre-condition is that a system of efficient coordination among different donors is in place to avoid inefficiencies in action implementation. Eurostat is constantly monitoring the various donor activities in the region through the annual donor coordination survey, and keeps close contact with other donors through coordination meetings.

(3) Implementation arrangements for the action: Direct management by DG ESTAT A3

(3)(a) Essential elements of the action for direct management:

Procurement:

- a) the global budgetary envelope reserved for procurement: EUR 7 630 000.
- b) the indicative number and type of contracts: 1 service contract.
- c) indicative time frame for launching the procurement procedure: Q4 2017.

Grant - Direct grant award (*Statistics - National Statistical Institutes*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: Grants will be provided to the NSIs of the former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey based on Article 190 (1)(c) of Rules of Application of Regulation (EU, Euratom) No. 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union² (hereinafter referred to as "the Rules of Application") based on the exclusive competence of the "National Statistical Institute" in the area of official/European statistics. Through these grants the beneficiary NSIs shall be directly responsible for the implementation of the activities foreseen in this action. Eurostat uses a call for application addressed to NSIs of the relevant IPA II beneficiaries listed above as they have a de-jure and de facto monopoly to carry out the statistical activities included in this action. They are, according to statistical laws, the institutions inside the public administration of IPA II

² OJ L 362 of 31.12.2012, p. 1.

beneficiaries responsible for collecting, producing and disseminating official statistics. The NSIs may be supported in this undertaking by other services of the public administration but the final responsibility for disseminating official statistics lies with the NSIs.

- c) Name of the beneficiaries: "National Statistical Institutes" of the former Yugoslav Republic of Macedonia, the Republic of Montenegro, the Republic of Serbia, and the Republic of Turkey.
- d) Indicative amount of the grants: EUR 6 000 000 (for all the four NSIs).
- e) Maximum rate of EU co-financing: 95% of the eligible cost of the action for the grants to the NSIs of the four IPA II beneficiaries.
- f) Indicative date for signing the grants agreements: Q3 2018.

Grant - Direct grant award (*Statistics - International Monetary Fund*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: A grant will be awarded to the International Monetary Fund (IMF) based on Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation. The IMF will be awarded a financial contribution for financing the implementation of two statistical projects in specific statistical areas in the IPA II beneficiaries, namely external sector statistics and government finance statistics. This assistance will be complementary to the assistance provided by Eurostat. The IMF has sound expertise in these statistical areas and has already worked with relevant institutions (NSIs, Ministry of Finance) in the IPA II beneficiaries.
- c) Name of the beneficiary: the International Monetary Fund in the area of government finance statistics.
- d) Indicative amount of the grant: EUR 370 000.
- e) Maximum rate of EU co-financing: 100 % of the eligible cost of the action. For EU visibility reasons it is essential that the EU is the sole donor for the action.
- f) Indicative date for signing the grant agreement: Q2 2018.

Action 4	<i>Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey</i>	<i>Direct Management</i>	<i>EUR 15 million</i>
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: SIGMA contributes to strengthening public administrations in the Western Balkans and Turkey, the objective being to bring beneficiaries'

administrations up to European values of democracy, human rights and the Rule of Law, to strengthen integrity, predictability, accountability, legality and transparency and to provide quality policy outcomes supporting socio-economic development. This action more specifically aims to improve performance by the IPA II beneficiaries through a stronger focus on how reforms can be taken forward, implemented and assessed.

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

Objectives: To improve the IPA II beneficiaries' performance in the six core horizontal governance and PAR reform areas, notably: PAR strategic framework, policy development and coordination, civil service and human resources management, accountability, service delivery and PFM, including public procurement and external audit.

Expected results: Improvements of the quality of the PAR and PFM strategies and/or action plans, including their coordination and monitoring systems (in line with the Principles of Public Administration) are promoted; Improvements of the legal framework and of governments' practices in the 6 horizontal PAR core areas are promoted; Progress of the IPA II beneficiaries in the implementation of PAR and PFM reforms is regularly assessed and reform priorities are highlighted and sequenced for each IPA II beneficiary.

Key performance indicators:

- Score of Government effectiveness;
- Level of quality of the strategic framework on PAR and PFM;
- Level of effectiveness of PAR implementation and comprehensiveness of monitoring and reporting.

(2) Assumptions and conditions

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

(3) Implementation arrangements for the action: Direct management by DG NEAR A3

Grant - Direct grant award (*SIGMA - Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey*)

- a) Objectives and foreseen results: See above.

- b) Justification for the use of an exception to calls for proposals: The direct award is based on Article 190 (1)(f) of the Rules of Application, since a particular type of body on account of its technical competence and its high degree of specialisation is required. Since 1992 SIGMA has embodied the commitment of the European Commission to co-operate with the OECD in order to promote better public governance in the enlargement context. The successive SIGMA programmes have been repeatedly evaluated (in 2007 and 2012) with a positive track record in terms of efficiency, quality, effectiveness and sustainability of results and IPA beneficiaries have always expressed a high level of satisfaction due to its high level of relevance, flexibility and quality of expertise delivered.
- c) Name of the beneficiary: Organisation for Economic Co-operation and Development (OECD).
- d) Indicative amount of the grant: EUR 15 000 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for grants under this grant is 98% of the eligible cost of the action.
- f) Indicative date for signing the grant agreement: Q4 2017.

Action 5	<i>International assessment for mathematics and science testing in primary education (TIMSS)</i>	<i>Direct Management</i>	<i>EUR 1.5 million</i>
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: The International Association for the Evaluation of Educational Achievement (IEA) will test primary students in the Western Balkans in 4th grade primary on math and sciences under the Trends in International Mathematics and Science Study (TIMSS). The results of these tests at an earlier age will be most valuable for the teachers and policy-makers who will have several years in which to improve the educational provision, hopefully resulting in better student skills and better PISA results. Funding the international costs of TIMSS was one of the priorities agreed at the 2015 Western Balkans Platform on Education and Training.

With this intervention, the EU will support the international costs of TIMSS while the relevant IPA II beneficiaries themselves bear their costs in terms of staff and other resources needed to conduct the testing. This participation will be organised directly between the relevant IPA II beneficiaries and the IEA which will inform and train the beneficiaries for their tasks. The EU will conclude a contract with the IEA to which it will pay the international costs for the beneficiaries' participation in TIMSS.

Objectives: To engage the Western Balkans in taking part in the international assessment of primary students in math and science as measured by TIMSS, by covering the international costs of their participation in this assessment.

Expected results: Number of reports per relevant IPA II beneficiary on pupils' performance in TIMSS including scores and analysis available; Maximised performance of pupils; Increased development needs analysis; Enhanced educational policy and

strategy in the area of mathematics and sciences; Strengthened capacity of Ministry of education staff, teachers and directors via participation and training for this international assessment.

Key performance indicators:

- Education and Training 2020 benchmarks, including the qualitative benchmark of fewer than 15% of 15 year-olds being under-skilled in reading, mathematics and science as measured by PISA;
- Scores in mathematics and science in exams at beneficiary level;
- TIMSS Average achievement/ Confidence percentage;
- Number of training programmes for teachers targeting development of problem solving.

(2) Assumptions and conditions

The action will fund the international costs of the participation of the Western Balkans in the TIMSS 2019 assessment. The adoption of the commission implementing decision, however, is foreseen beyond the usual IEA deadline for registration.

IEA is willing to allow participation of the Western Balkans as of the beginning of 2017 so that the relevant IPA II beneficiaries understand the tasks ahead and prepare accordingly. This activity is to be part of the costs of each IPA II beneficiary and will not be reflected in the contract with the EU.

After the cross-delegation procedures planned by DG NEAR and DG EAC are completed, DG EAC can proceed with contacting IEA for their services. The relevant IPA II beneficiaries will be asked to sign an agreement with the IEA to confirm their commitment. This agreement needs to be annexed to the contract between EAC and IEA for the payment of the international costs for participation.

(3) Implementation arrangements for the action: Direct management by DG EAC C3

Grant - Direct grant award (*International assessment for mathematics and science testing in primary education (TIMSS)*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation. The IEA carries out TIMSS assessments since 1995. Therefore its knowledge of the methodology and its mandate, strengths and valuable previous technical expertise on this specific type of activity constitutes an extremely valuable advantage for the implementation of the action.
- c) Name of the beneficiary: The International Association for the Evaluation of the Educational Achievement (IEA).
- d) Indicative amount of the grant: EUR 1.5 million.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the action. Full financing of the action is essential for the action to be carried out for EU visibility reasons, as this action fully covers the international costs of participation in TIMSS. The costs of their

participation will be covered by the IPA II beneficiaries themselves, which is why IEA will sign an agreement with each of the Ministries.

f) Indicative date for signing the grant agreement: Q3 2017.

Action 6	<i>EU Integration Facility</i>	<i>Direct Management (EUR 3.2 million) /Indirect management (EUR 1.8 million)</i>	<i>EUR 5 million</i>
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: The action contains a number of smaller interventions such as provision of technical assistance, preparatory or follow up actions, which are not yet mature enough to be presented as stand-alone actions. It may also cover relevant networking, visibility, evaluation activities, as well as training. It also foresees the follow up to the pilot action for a regional executive programme and exchange component for young civil servants from the Western Balkans. Support Transparency International and Partnership for Social Development on obstacles to good governance, as well as support in assisting the IPA II beneficiaries in their preparation for participating in the EU Trans European networks in the fields of taxation and customs, and support for the implementation of the work programme of the Regional Youth Cooperation Office (RYCO).

Objectives: To contribute to progress in the accession process, by supporting flexible, pilot actions addressing urgent and/or unforeseen that merit to be addressed rapidly in order to assure continuity in the accession process and herewith related issues.

Expected results: Specific and urgent needs in the region supported; Ensured implementation of a number of accession related preparatory and start-up actions; Urgent/bridging support for important regional initiatives and organisations ensured; TA provided, studies carried out; Training provided; Monitoring and evaluation missions/studies carried out; Visibility material produced; Follow up to the pilot action for regional executive and exchange programme successfully completed; Assessment and track record of "National Integrity System"; Assessment of barriers to good governance in public procurement; Further adaptation of business procedures used in the tax and customs administrations for the mandatory exchange of information; development of IT systems in compliance with accession-essential interconnectivity requirements (limited to candidate countries); sustainability, transfer of knowledge and ultimate ownership by the IPA II beneficiaries; Knowledge of young civil servants in WB-6 on European perspective related issues increased; Collaboration between young civil servants in WB-6 central administrations enhanced.

Key performance indicators:

- Number of preparatory and start-up actions implemented;

- Number of good quality communication materials produced;
- Number of monitoring/evaluation missions carried out;
- Number of young civil servants having successfully completed the executive programme;
- Progress made by the beneficiary administrations in their preparation for interconnectivity and interoperability;
- Participation in monitoring missions and timely delivery of mission reports; production of administrative documents, assessment of project documents; organisation of workshops and trainings.

(2) Assumptions and conditions

No particular conditions to be signalled at this stage.

(3) Implementation arrangements for the action:

Indirect management with the British Council (*Delegation agreement: EU Scheme for Young Civil Servants in the Western Balkans – II*)

(3)(a) Entity entrusted with budget implementation tasks

The implementation of the part of the action (EU Scheme on Young Civil Servants in the Western Balkans) will be entrusted to the British Council building on its mandate, strengths, presence and valuable previous expertise in the Western Balkans, particularly in implementing a similar scheme, the Young Cells Scheme in Kosovo*. The British Council has also implemented the pilot phase of the scheme in 2016-2017. The indicative amount of the contract will be EUR 1.8 million. The essential selection criteria are financial and operational capacity of the delegatee. The award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action.

(3)(b) Short description of the tasks entrusted to the entity

The British Council will be responsible for the organisation of a regional executive programme and exchange component for young civil servants from the Western Balkans (5 from each IPA II beneficiary). The 30 candidates will jointly participate in a tailor-made 3-4 week long executive programme covering key public administration areas such as policy formulation and analysis. The British Council will be responsible for the management, procurement and implementation of the programme. The action will cover a duration of two years' period.

(3)(c) Essential elements of the action for direct management: Direct management by DG NEAR D5 and DG NEAR A3 (IT contract)

Procurement:

- The global budgetary envelope reserved for procurement: EUR 1.7 million.
- The indicative number and type of contracts: 4– 5 service contracts/specific contracts under framework contracts.

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

- c) Indicative time frame for launching the procurement procedures: Q4 2017-Q3 2018.

Grant - Direct grant award (*National Integrity System*)

- a) Objectives and foreseen results: To improve good governance in the IPA II beneficiaries by decreasing corruption.
- b) Justification for the use of an exception to calls for proposals: The direct grant is based on Article 190 (1) (f) of the Rules of Application for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. Transparency International has developed a unique and innovative methodology to assess the performance of anti-corruption systems, the so-called "National Integrity System" (NIS) assessment. The approach combines comprehensive research and active stakeholder engagement. The support will allow TI to conduct/update assessments of the NIS in each of the IPA II beneficiaries, provide guidance on how to strengthen the accountability and transparency of the central systems and develop a methodology for establishing a mechanism to track progress relating to improving anti-corruption efforts.
- c) Name of the beneficiary: Transparency International.
- e) Indicative amount of the grant: EUR 0.4 million.
- f) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 90% of the total cost of the grant.
- g) Indicative date for signing the grant: Q3 2017.

Grant - Direct grant award (*Assessment of barriers in good governance in public procurement*)

- a) Objectives and foreseen results: To identify and analyse the barriers impeding/frustrating good governance in public procurement.
- b) Justification for the use of an exception to calls for proposals: The direct grant is based on Article 190 (1) (f) of the Rules of Application for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. Partnership for Social Development (PSD) developed a unique assessment methodology with accompanied IT for which it holds a Certificate for copyright protection assurances.
- c) Name of the beneficiary: PSD.
- e) Indicative amount of the grant: EUR 0.3 million.
- f) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 90% of the total cost of the grant.
- g) Indicative date for signing the grant: Q3 2017.

Grant - Direct grant award (*Support to participation in the European Judiciary Training Network activities*):

- a) Objectives and foreseen results: To foster knowledge and skills of the judiciary exchanges of good practices in the interest of the accession process.
- b) Justification for the use of an exception to calls for proposals: The direct grant is based on Article 190 (1) (f) of the Rules of Application for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power.
- c) Name of the beneficiary: EJTN.
- e) Indicative amount of the grant: EUR 0.3 million.
- f) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the grant.
- g) Indicative date for signing the grant: Q3 2017.

Grant - Direct grant award (*Support to the Regional Youth Cooperation Office (RYCO)*):

- f) Objectives and foreseen results: The establishment of RYCO is an important initiative as regards regional reconciliation. In terms of its objectives, RYCO aims to further encourage youth cooperation, mutual understanding and exchange of experiences, with a view to strengthening stability, sustainable development and progress in the Western Balkans. The Commission shares these objectives and will provide funding through the Western Balkan Youth Window under the IPA II to help youth organisations in the region implement activities in line with the work programme of RYCO. Furthermore, the direct grant is awarded to help RYCO to implement its work programme.

Expected results: Enhanced youth cooperation, mutual understanding and exchange of experiences in the Western Balkans, with a view to strengthening stability, sustainable development and progress in the region; An effectively functioning of RYCO in the Western Balkans that is actively promoting exchanges of young people in the region in synergy with the EU framework on education, training and youth.

- g) Justification for the use of an exception to calls for proposals: Article 190 (1)(f) of the Rules of Application on account of its technical competence, mandate, and high degree of specialisation. RYCO is a unique body of this kind in the Western Balkans. Its establishment is politically very important in order to promote regional reconciliation, starting with young people.
- h) The name of the beneficiary: Regional Youth Cooperation Office (RYCO).
- i) Indicative amount of the grant: EUR 0.5 million.
- j) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 25% of the total cost of the action.
- k) Indicative date for signing the grant agreement: Q3 2017.

Action 7	<i>Regional support to protection-sensitive migration management systems in the Western Balkans and Turkey - PHASE II</i>	Direct Management	EUR 5 million
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(1) Description of the action, objectives, expected results and key performance indicators

Description of the action: The action further develops and operationalises a protection sensitive migration management system in the IPA II beneficiaries. The action seeks to ensure a comprehensive and holistic regional approach to migration management in the Western Balkans and Turkey, based on a human rights perspective. Complementing IPA assistance at the bilateral level, the action constitutes phase 2 of a similar regional IPA action implemented since 2016. It focuses on pre-screening, registration, and identification of people, improving the information exchange mechanisms, setting up structures to facilitate voluntary and non-voluntary return solutions and improving the central referral systems. Additionally, it seeks to build local communities' resilience and promote social inclusion.

Objectives: To further build institutional capacities and operations of the relevant institutions coming in first and second points of contact with migrants and persons in need of international protection that is in full respect of fundamental rights set up by international standards and to build local communities' resilience and promote social inclusion.

Expected results: (1) Identification of mixed migration flows at first and second points of contact and within the territory as well as pre-screening, screening on nationalities improved; (2) IPA II beneficiaries' asylum procedures that take vulnerabilities into consideration and are line with EU standards in the Western Balkans improved; (3) Information exchange mechanisms on non-personal information and data set up, and data gathering, analysis, coordination and transparency with regards to migration enhanced, incorporating coherent and consistent data on labour migration to, from, and within the region in line with the relevant EU standards; (4) Voluntary and non-voluntary return mechanisms and operational cooperation established at regional level, along with the selected countries of origin; and (5) More resilient local communities created and social cohesion between dwellers and asylum seekers, refugees, migrants, people in need of international protection and persons with other protection needs improved.

Key performance indicators:

- Number of pools of translators deployed in the key spots from Farsi, Arabic and Pashtu ensuring appropriate gender balance;
- Number of asylum requests processed;
- Number of exchanges of operational data and aggregate data within the region and with EU member states;
- Number of laws and by-laws in place to manage voluntary and non-voluntary return operations;

- Number of social programmes initiated for employment and social cohesion targeting specifically foreigners.

(2) Assumptions and conditions

A smooth implementation can be ensured through well-defined action plans, timely agreed with all the partners. Functional governance, both in the project teams and the central bodies coordinating the action, with clear and well-structured lines of communication, can assure a fair and broad involvement of all the actors, leading to an increased ownership of action, results and good quality of the programme outputs.

Great communication and clear messages have to be shared among partners and with stakeholders in order to address any issues under the common objective to develop protection sensitive measures within the management systems, in the Western Balkans.

Strong coordination has to be systematised from all the partners and the IPA II beneficiaries. For result 5, it is key to have an accreditation system in place to enable CSOs to deliver services under social programmes in the IPA II beneficiaries. Strong will to share information among the targeted IPA II beneficiaries is a sine qua non condition to fulfil the programme objectives.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Grant - Direct grant award *(Regional support to protection-sensitive migration management systems in the Western Balkans and Turkey - PHASE II - Component I)*

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant to the European Border and Coast Guard Agency (commonly referred to as Frontex) is based on Article 190 (1) (f) of the Rules of Application for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. The Frontex mandate makes it the most qualified and reliable entity to implement the component I for this action in the light of the European perspective and the harmonisation to EU practices in migration management. It is currently implementing phase I of the programme, targeting similar results and implementing same type of activities. Therefore, it is considered efficient keep with the existing programme governance, and build upon the practices developed over phase I. Frontex will apply its established methodology and training tools constituting the best practices within the European Union as well as already trained experts from the EU Member States. In addition, Frontex already signed working arrangements with all the beneficiaries and a memorandum of understanding with Turkey. Those agreements make actions implementation more effective and strengthen Frontex support impact. The role of the European Asylum Support Office (EASO) and the United Nations High Commissioner for Refugees (UNHCR) is to monitor the EU/UN standards application for the protection of fundamental rights of migrants in the region. The International Organisation of Migration (IOM) is in charge of supporting Frontex (and the beneficiaries) regarding the activities on data collection and sharing, given its high expertise in performing return procedures and operations. Additionally, as EASO and UNHCR, IOM partnership under Component I aim at standardising the protection sensitive measures developed within the migration management

systems in the Western Balkans. In addition, all the selected entities are expected to ensure the achievement of the expected outcome, on the basis of their strong technical capacities and their broad existing stakeholder networks, since they work already in the region on the themes of the action.

- c) The name of the beneficiary: Frontex in partnership with IOM, EASO and UNHCR.
- d) Indicative amount of the grant: EUR 3 400 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the action. In accordance with Article 192 of the Financial Regulation, for EU visibility reasons, it is essential that the EU is the sole donor for the action. Additionally, Frontex is an Agency of the European Union.
- f) Indicative date for signing the grant agreement: Q4 2018.

Grant - Direct grant award (*Regional support to protection-sensitive migration management systems - PHASE II Component II*)

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant to IOM is based on Article 190 (1) (f) of the Rules of Application for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. The IOM mandate makes it the most qualified and reliable entity to implement this part of the action. IOM is implementing phase I of the programme, and it is considered efficient to keep with the existing programme governance, and build upon the practices developed over phase I. IOM along with Frontex, EASO and UNHCR is currently working to develop regional Assisted Voluntary Returns (AVRs) and asylum system in the region and manages the activities concerning information exchange mechanisms and setting up mechanisms for a sustainable regional voluntary return structure. IOM will be in charge of the component on social cohesion and community resilience since it is already implementing other type of similar contracts worldwide and in the region. IOM has already started policy discussions with the central and local authorities on the themes covered by this action; and its local offices are already active in this area in the field. The speed of IOM procedures ensures flexibility and appropriate capabilities to face eventual emergencies.
- c) The name of the beneficiary: International Organisation of Migration (IOM), in partnership with Frontex, EASO and UNHCR.
- d) Indicative amount of the grant: EUR 1 600 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for this grant is 90 % of the eligible cost of the action.
- f) Indicative date for signing the grant agreement: Q4 2017.

Regional structures and networks

Action 8	<i>EU Regional Action for Roma Education</i>	Direct Management	EUR 3 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The aims to reducing the Roma/non-Roma gap in participation to and completion of quality education, to improving Roma transition between education and employment, and promoting durable systemic change and de-segregation within education systems in the Western Balkans and Turkey. This will be achieved by supporting preschool education for Roma kids; awarding scholarships to Roma students; supporting the transition between education and employment of Roma; building capacities of relevant authorities and their understanding of the specific challenges faced by the Roma community; and by supporting regional networking and raising awareness on these issues. The target group and final beneficiaries of the action will be central and local authorities (Ministries of Education, municipalities and school directorates) whose capacities will be strengthened through the action, Roma CSOs and community-based organisations, Roma students and youth.

Objectives: (1) To promote equal participation in quality education for Roma at all levels (pre-school, primary, secondary, university and vocational education); and to improve educational outcomes (including preventing school drop-out) with a special focus on reducing the wide gap between male and female education levels; (2) To improve Roma youth employability and a smooth transition for Roma between end of studies and employment market; and (3) To promote desegregation and systemic durable change for Roma in the education sector.

Expected results: (1) Models tested and good practices identified for supporting early childhood development and education, improve educational outcomes and school performance, prevent school drop-out and offering a second chance to those who have already dropped out, and implement desegregation; (2) Employability of Roma students increased; (3) Understanding of the specific challenges faced by the Roma community and capacity of policy makers to ensure systemic and durable change for Roma in the education sector improved; (4) Attitudes towards Roma and of Roma changed for the better through training school officials, Roma and non-Roma teachers and parents, and sharing experiences and success stories of role models; (5) Regional cooperation and networking among relevant authorities and civil society working for Roma education enabled; and (6) Awareness raising and outreach on Roma education enhanced.

Key performance indicators:

- Number of local integration actions implemented with the support of the project technical assistance;
- Minority citizens capable of work who have actually found a job as a result of EU support related activities;
- Extent to which policy making on minorities integration by local and central authorities is evidence-based.

(2) Assumptions and conditions

There are no specific legal or policy conditions required for the implementation of the action. However, the action will only be successful if local and central authorities, schools, school teachers and parents demonstrate interest, engagement and active participation in the project activities. In particular, the engagement of relevant authorities to implement decisions and plans also providing the necessary budget for them, as well as to use the knowledge and tools produced or established by the project also after its completion, will ensure sustainability of the project results. Creating such ownership is embedded in the action. As for Result 4, a certain degree of openness of authorities and communities to change their attitude towards Roma will be needed.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Grant - Direct grant award (*EU Regional Action for Roma Education*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: the direct grant to the Roma Education Fund (REF) is based on Article 190 (1)(f) of the Rules of Application, since a particular type of body on account of its technical competence and its high degree of specialisation is required. The REF is an international NGO created in the framework of the Decade of Roma Inclusion in 2005. The Decade of Roma Inclusion 2005-2015 was an initiative that brought together governments, intergovernmental and non-governmental organisations, as well as Roma civil society in a shared political commitment by participating governments and other participating actors to eliminate discrimination against Roma and close the unacceptable gaps between Roma and the rest of society. REF specific mission and focus is to close the gap in educational outcomes between Roma and non-Roma through supporting policies and programs which ensure quality education for Roma, including the desegregation of education systems. Through its activities, REF promotes Roma inclusion in all aspects of the central education systems of the IPA II beneficiaries and other countries participating in the Decade of Roma Inclusion.
- c) Name of the beneficiary: Roma Education Fund.
- d) Indicative amount of the grant: EUR 3 000 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for the action is 80 % of the eligible cost of the action.
- f) Indicative date for signing the grant agreement: Q2 2018.

Action 9	<i>Support to the Western Balkan Integrative Internal Security Governance</i>	Direct management (EUR 7 million) /Indirect Management (EUR 13 million)	EUR 20 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action's intends to assist the Western Balkans in tackling occurring forms of Serious and Organised Crimes (SOC) including terrorism that have been impacting the region and Europe as a whole. It will assist their law enforcement services to eliminate to the highest extent possible the main motivating factor to Organised Crime Groups (OCGs) operating in/through the region – their illegally gotten financial gains, building on the existing achievements, relevant regional mechanisms and structures to further improve the capacities of prosecutors, police, judiciary as well as financial investigation units, enabling the seizure or illegal financial profits through successful cross-border investigations and sufficient follow up. The action will deliver an integrative and coordinated approach to countering SOC in/emanating from the Western Balkan region – based on the Integrative Internal Security Governance (IISG) concept, which builds on the methodology of the EU Western Balkan Counter-Terrorism initiative. The integrated multi-annual action plan will integrate the efforts of EU and international partners.

Objective: To counter serious crime and terrorism based on intelligence led policing, financial investigations through an effective and functioning IISG in the Western Balkans.

Expected results: (1) Beneficiaries are better equipped in tackling organised crime, major and serious criminal phenomena and terrorism including violent extremism; (2) Improved co-operation and collaboration between the Western Balkans law enforcement and judiciary and with other bodies; (3) One overarching Western Balkan Security Governance with integrative plan of actions created and endorsed; (4) Trust between the Beneficiaries, donors and implementers is increased on cross border and international cases; (5) Capacity and confidence among the Beneficiaries in fighting organised crime, terrorism and alike is improved; and (6) Europol Liaison Officers fully operational in the selected Western Balkans.

Key performance indicators:

- Number of (in particular multi-country) investigations started and completed.
- Number of cases of confiscated assets following (in particular multi-country/regional) co-operation.
- Number of arrests of (returning) Foreign Terrorist Fighters (FTFs) and recruiters.

(2) Assumptions and conditions

The IISG coordination mechanism will have to be set up by Q3 2017. Its Terms of Reference, promotion and communication strategy, and a monitoring and evaluation framework, also applicable for the action representing piloting activities for the IISG Pillar II – *Western Balkan Counter-Serious Crime initiative (WBCSCi)*, have to be set up

by mid-2017 in order to be communicated to partners, to achieve support, awareness and to begin functioning.

The Beneficiaries should commit themselves to prioritize within their own organisations the objectives of the action. Furthermore, it is expected that the beneficiaries allocate budget for regional Joint Investigation Teams (JIT's), just as Eurojust has a budget to support JIT's. A special budget for travel, accommodation and translation could be a good stimulus to establish more regional JIT's. Furthermore, a budget for translations/interpretation should be guaranteed and the co-financing of the Liaison Officer's/LM's at Europol and Eurojust.

It is also expected that the Beneficiaries nominates a prosecutor (and if possible also a police officer) especially dedicated to (further) asset recovery, who will stimulate the use of all legal measures already in place for this. This person can be part of the Embedded Country Teams (ECT) and the advisors and experts on asset recovery and Asset Recovery Offices (ARO) issues.

The ECT staff should be placed in the appropriated offices at the Beneficiaries' administrations (the Organised Crime/Special Prosecution Offices and the respective police units).

Essential for the success of the project is that the beneficiaries guarantee access to files, access to information, all respecting the legal framework and constraints. It often remains a challenge getting the right statistical data (crime related, related to international judicial cooperation, etc.).

3) Implementation arrangements for the action:

(3)(a) Entity entrusted with budget implementation tasks

Indirect management with the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH – GIZ.

Considering the Framework Administrative Agreement between the Commission and among others GIZ, who already managed the preceding project International Cooperation in Criminal Justice – Prosecutors' Network in the Western Balkans is well place to implement the bulk of the action.

(3)(b) Short description of the tasks entrusted to the entity

GIZ will carry out budget implementation tasks: procurement and grant award procedures and management of corresponding contracts and payments as well as directly implement activities. In the performance of the activities, GIZ will cooperate with implementing partners, in particular the Center for International Legal Cooperation, other EU MS agencies and the Police Cooperation Convention secretariat for South East Europe.

A Delegation Agreement will be concluded with GIZ for an EU contribution of EUR 13 million. In addition, GIZ will provide additional co-financing of the value of EUR 1.5 million.

(3)(c) Essential elements of the action for direct management: Direct management by DG NEAR D5

Grant - Direct grant award (*Training and evaluation activities to the United National Office for Drugs and Crime (UNODC)*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant to UNODC is based on Article 190 (1) (f) for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. The UNODC will be awarded the grant directly building on its mandate, strengths, presence and valuable previous expertise in the Western Balkans both in terms of the provision of training in financial investigations (done in cooperation with CEPOL) but also on evaluation using its own unique methodology.
- c) Name of the beneficiary: UNODC.
- d) Indicative amount of the grant: EUR 2 500 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 95% of the total cost of the action.
- f) Indicative date for signing the grant agreement: Q3 2017.

Grant - Direct grant award (*Training activities to the European Union Agency for Law Enforcement Training - CEPOL*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant to CEPOL is based on Article 190 (1) (f) for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. CEPOL will be awarded the grant directly building on its mandate, strengths and valuable previous expertise in the Western Balkans both in terms of the provision of training in financial investigations (done in cooperation with UNODC).
- c) Name of the beneficiary: CEPOL.
- d) Indicative amount of the grant: EUR 2 500 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the action. Full financing of the action is essential for the action to be carried out, since CEPOL is an EU Agency entirely funded by EU grants. The necessity for full EU funding will be further justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.
- f) Indicative date for signing the grant agreement: Q3 2017.

Grant - Direct grant award (*Deployment of Europol Liaison Officers to the Western Balkans*):

- a) Objectives and foreseen results: The action will provide financial support to cover the costs related to the deployment of Europol's Liaison Officers in the Region starting with a pilot deployment.
- b) Justification for the use of an exception to calls for proposals: The direct grant is based on Article 190 (1) (f) for actions with specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power. Europol will be awarded the grant directly building on its mandate, strengths and valuable previous expertise with the Western Balkans.
- c) Name of the beneficiary: Europol, the European Police Office.
- d) Indicative amount of the grant: EUR 2 000 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the action. Full financing of the action is essential for the action to be carried out, since Europol is an EU Agency entirely funded by EU grants. The necessity for full EU funding will be further justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.
- f) Indicative date for signing the grant agreement: Q3 2017.

Action 10	<i>Systematic Exchange of Electronic Data – SEED+</i>	Direct Management	EUR 4.8 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The intervention logic of the proposed "SEED+" action stems from the conclusions of the Vienna and Paris Western Balkan Summits (August 2015 and July 2016), within the wider framework of the Berlin Process, related to the development of trade facilitation measures and policies among the Western Balkans. Moreover, as mentioned, the establishment of an enhanced trade facilitation instrument at customs level, is a key element for the implementation of the Trade Facilitation Protocol under the Central European Free Trade Agreement (CEFTA). The maintenance of the current SEED will allow the CEFTA members to continue in the path of simplifying border crossing procedures with positive effects on flows of goods and services in the region. The proposed initiative will allow each of the participating Beneficiaries to continue the work on simplifying border procedures as defined at central level. The new phase of SEED will also address additional bottlenecks according to the needs expressed by participating Beneficiaries. The new features and developments which have been agreed among the CEFTA members, during the negotiations of the Trade Facilitation Agreement, will move in the direction of enhanced regional integration and improved harmonisation of procedures, expanding the scope of the existing system by involving non-custom related administrations.

Objective: To develop and implement the key technical (Information Communication Technology) tool – SEED+ in line with the provisions and actions agreed upon by CEFTA Parties in the framework of the regional Trade Facilitation Agreement (CEFTA Additional Protocol 5).

Expected results: SEED+ IT infrastructure is in place to support the implementation of the CEFTA Additional Protocol 5 on trade facilitation, enabling extended data exchange between CEFTA Parties; Regular and systematic data exchange between all institutions/governmental authorities and the Customs Authorities in the Beneficiaries established, in all CEFTA Parties; Operational instructions for all stakeholders drafted and adopted by all relevant institutions in all CEFTA Parties; Regional databases are developed, fed by relevant data and regularly updated.

Key performance indicators:

- Number of operational regional databases accessible to the public and for authorities (anonymously, as well as for authorised users);
- MoU between non-custom agencies and custom authority are adopted;
- Agencies IT systems are upgraded to allow data exchange with custom authority and SEED+;
- Information flows between Agencies IT systems and custom authorities are defined and in place.

(2) Assumptions and conditions

Protocol 5 is adopted and implemented. Exchange of info between customs and agencies operational; Smooth cooperation amongst public bodies involved in SEED+ in order to maintain and expand the scope of exchanged information; Each relevant administration remains committed to upgrade its own IT system in order to be able to meet the objectives of SEED+; Smooth flow of information through the CEFTA parties for fostering trade facilitation, amongst others via the implementation of risk management, the respect of the rules concerning intellectual property rights, SPS, TBT and in general terms, law enforcement; Skilled people are appointed to use and analyse data exchanged in the framework of SEED+.

(3) Implementation arrangements for the action: Direct management by DG NEAR A3

Procurement:

- a) the global budgetary envelope reserved for procurement: EUR 4.8 million.
- b) the indicative number and type of contracts: One service contract.
- c) indicative time frame for launching the procurement procedure: Q1 2018.

Action 11	Support to CEFTA Secretariat	Direct Management	EUR 0.2 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action will be implemented following the conclusion of one direct grant agreement (operating grant) for one year duration (April 2018-March

2019) with the Secretariat of the Central European Free Trade Agreement (CEFTA Secretariat). The CEFTA Secretariat with its international core staff continues to support the CEFTA Structures in the implementation of CEFTA and coordinates the former with the implementation of the Integrated Growth Pillar of the SEE 2020 Strategy.

The EU contribution will complement the overall contribution provided to the Secretariat by CEFTA members and will be used to cover salaries and running costs of the CEFTA Secretariat in Brussels.

Objective: To continue supporting the Secretariat in its mandate of technical assistance provider for CEFTA members.

Expected results: Implementation of the CEFTA Agreement promoted; Enforcement of the decisions adopted by the CEFTA Structures to liberalise and facilitate trade strengthened.

Key performance indicators:

- Increase of intra-regional trade in goods;
- Trade liberalization agenda implemented;
- No. of Mutual Recognition Agreements signed and N. of Ministerial Decisions adopted to facilitate trade and liberalise trade in services.

(2) Assumptions and conditions

Main condition for the timely and successful implementation of the initiative is the full commitment by CEFTA members to continue working towards the objective of facilitating trade in the Western Balkans and, within this framework to well as to benefit from the role of the Secretariat as technical service provider.

3) Implementation arrangements for the action: Direct management by DG NEAR A3

Grant - Direct grant award (*Support to CEFTA Secretariat*):

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant (operating grant) with the CEFTA Secretariat is based on Article 190 (1)(f) of the Rules of Application on account of its technical competence and high degree of specialisation. Since 2001, regional trade policy in the region of South East Europe has been developed and implemented under the auspices of the Stability Pact's Trade Working Group. With the entry into force of Central European Free Trade Agreement (CEFTA) in 2006 responsibility for facilitating, managing, monitoring and promoting trade relations was transferred to the CEFTA institutions. The Secretariat was established in 2007 through a CEFTA Joint Committee Decision and received the mandate to provide technical and administrative support to the Joint Committee, to any sub-committee, expert group or other body established by the Joint Committee so as to support the CEFTA Parties in the implementation of the CEFTA 2006 and of trade related components of the SEE 2020 Strategy.
- c) Name of the beneficiary: CEFTA Secretariat.
- d) Indicative amount of the grant: EUR 200 000.

- e) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for this grant is 44 % of the eligible cost of the action.
- f) Indicative date for signing the grant agreement: Q2 2018.

Action 12	<i>EU Partnership for Accession (EPPA)</i>	<i>Environment Programme</i>	Direct Management	EUR 2.5 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action will provide technical assistance to IPA II beneficiaries with a view to supporting their progress towards the adoption and implementation of the EU environment *acquis*, as well as strengthening regional cooperation in the environmental field.

The action will target the areas identified as having the biggest potential for progress with concrete deliverables. These include waste, water, air quality and industrial pollution, nature and biodiversity, combating illegal trade in timber and wildlife, as well as compliance checks of legislation.

It seeks to complement the work carried out under the Environment and Climate Regional Accession Network (ECRAN) and to foster regional cooperation in new areas of interest to the EU. An important dimension of the action is the planned close collaboration and exchange with EU Member States' experts, as it also focuses on areas of intervention with impact on the EU as a whole and on EU citizens.

Objective: To foster and strengthen regional cooperation in the Western Balkans and Turkey in policy areas with a trans-boundary character such as waste management, nature protection, biodiversity, air quality, industrial pollution, and water management

Expected results: (1) Information provided to the environmental ministries and other relevant public administration institutions on the latest policy priorities in the environmental policy area; (2) Capacity building and technical expertise to IPA II beneficiaries provided for the preparation of waste management plans, the development of policies and the revision of legislation in line with EU waste priorities; (3) Regional cooperation in trans-boundary water management and protection of the marine and coastal environment facilitated; (4) The capacity to address trans-boundary air quality issues and to further the alignment to the air quality legislation strengthened; (5) Regional cooperation in managing trans-boundary nature protection, marine and coastal matters facilitated; (6) Regional cooperation for combating illegal timber trade facilitated; (7) Regional cooperation for combating wildlife trafficking facilitated; (8) Compliance checks for draft legislation prepared.

Key performance indicators:

- Trans-boundary issues in waste, nature protection, biodiversity conservation, air pollution, industrial pollution and water management sectors managed by the beneficiaries regionally;

- Progress in aligning with the waste, water, and air legislation;
- Progress in combating trade in illegal timber;
- Progress in combating wild fauna and flora trafficking.

(2) Assumptions and conditions

Political support for alignment with the EU *acquis*. Availability of the Beneficiaries to actively participate in the events organised in the framework of the action and to provide expected deliverables before each event. Concrete deliverables will also require investments by IPA II beneficiaries and therefore a commitment from their side to follow up the capacity building and the regional cooperation initiatives with concrete investments will be necessary for the success of the action.

(3) Implementation arrangements for the action: Direct management by DG ENV F2.

Procurement:

- a) the **global** budgetary envelope reserved for procurement: EUR 2.5 million.
- b) the indicative number and type of contracts: one service contract.
- c) indicative time frame for launching the procurement procedure: Q3 2017.

Action 13	<i>EU Support for Climate Action in IPA II beneficiaries – Transition towards the low emissions and climate-resilient economy</i>	Direct Management	EUR 2 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action aims to continue the support to the implementation of the 2015 Paris Agreement on Climate Change in the Western Balkans and Turkey and help their transition towards the low emissions and climate-resilient economy. IPA II beneficiaries are now in process of ratification of the Agreement and planning for the implementation of their contributions to it. Subsequently, the action will support the Beneficiaries' efforts, which have already started through a previous bridging IPA II Multi-country Programme 2016 action, but will also continue climate actions carried out through the multi-annual Environment and Climate Regional Accession Network (ECRAN) project (2013-2016). The technical assistance will be of paramount importance in supporting climate policy and legislative development across sectors, as well as an increased climate mainstreaming that will allow IPA II beneficiaries to fulfil their international and the EU accession requirements.

Objectives: To support the Beneficiaries to build their capacity for the implementation of the 2015 Paris Climate Agreement and for the development of low emissions and climate resilient economies; To enhance the regional exchange of information, best practices, peer-to-peer reviews, experience and awareness-raising between the IPA II

beneficiaries and between IPA II beneficiaries and the Member States towards the implementation of Beneficiaries' commitments under the Paris Climate Agreement.

Expected results: (1) Regional awareness on the outcomes and provisions of Paris Agreement and the legislative proposals under the 2030 Climate and Energy Framework and Energy Union Strategy increased; (2) Upgrades of domestic Greenhouse gas (GHG) monitoring and reporting practices supported by the Regional GHG inventory web portal maintained; (3) Strengthening the monitoring, reporting, accreditation and verification (MRAV) requirements targeted at operators, authorities and verifiers under the EU Emissions Trading System (ETS); (4) Regional and domestic adaptation actions strengthened through a shift from knowledge transfer to implementing action through on-hands training and close cooperation with European Environment Agency (EEA) and regional cooperation with Mayors Adapt promoted; (5) Compliance checks of selected legislative acts performed.

Key performance indicators:

- Number of workshops and/or high-level dialogues raising held between the IPA II beneficiaries and the EU;
- Number of civil servants in the workshops/high-level dialogues;
- GHG Inventory Reports for EEA /United Nations Framework Convention for Climate Change ([UNFCCC](#)) submitted;
- Number of guidelines for operators/authorities/verifiers on monitoring and reporting and accreditation and verification drafted.

(2) Assumptions and conditions

The IPA II beneficiaries have ratified the 2015 Paris Agreement. The Agreement entered into force on 4 November 2016, in accordance with article 21(1): The Agreement enters into force on the thirtieth day after the date on which at least 55 Parties to the Convention accounting in total for at least an estimated 55 per cent of the total global greenhouse gas emissions have deposited their instruments of ratification, acceptance, approval or accession. Currently the Agreement has 197 signatories and 133 parties. More information about the ratification and entry into force of the Agreement can be obtained on the [UNFCCC website](#).

(3) Implementation arrangements for the action: Direct management by DG CLIMA A1.

Procurement:

- a) the **global** budgetary envelope reserved for procurement: EUR 2 million.
- b) the indicative number and type of contracts: one service contract.
- c) indicative time frame for launching the procurement procedure: Q3 2017.

Action 14	<i>EU-World Bank/GFDRR Western Balkans Disaster Risk Management Program</i>	Direct Management	EUR 3 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: In the Western Balkans, a much-needed regional approach on flood risk management is not sufficiently addressed due to the lack of framework or institution dealing with this specific purpose. The proposed action will address a mix of IPA II policy areas to enhance the capacities of IPA II beneficiaries in the Western Balkans for disaster risk reduction (DRR) and will identify options for a regional framework for understanding and sharing disaster risk information as well as promoting Disaster Risk Management (DRM). By strengthening IPA II beneficiaries' capacities, establishing data collection and sharing systems, and institutionalising regional cooperation, the activities will support the development of climate-resilient economies.

Objective: To contribute to reduce existing disaster risks and avoid the creation of future disaster risks in the Western Balkans.

Expected results: (1) Increased regional cooperation for understanding and sharing risk information as well as promoting DRM; (2) Beneficiaries are supported and trained to conduct post-disaster assessments and formulate resilient recovery frameworks; and (3) Enhanced institutional capacity for DRM in selected Beneficiaries including on identification of no-regret measures and prioritised investments based on risk information.

Key performance indicators:

- Extent to which a concept of a regional framework for sharing risk information is developed;
- Number of post disaster needs assessment conducted and recovery frameworks formulated by beneficiaries.
- Number of proposals developed for the Western Balkans Investment Framework (WBIF).

(2) Assumptions and conditions

There are no prior requirements to the action as it will be directly implemented by the World Bank/Global Facility for Disaster Reduction and Recovery (GFDRR). The action aims at working directly with already existing central entities in order to put in place an efficient framework for DRM at regional level and in selected Beneficiaries. However, ensuring strong commitment from the central authorities on the DRM objectives supported by the action will be of the essence. As such, and as an illustration it will be important to ensure that the recommendations provided in the recent Post-disaster Needs Assessments-PDNAs (Serbia, Bosnia and Herzegovina, Albania and the former Yugoslav Republic of Macedonia) in particular in the area of early warning and disaster risk management are adhered to and implemented.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Grant - Direct grant award (implemented through an Administration Agreement concluded under direct management, with funds channelled through a Bank Executed Trust Fund) (*EU-World Bank/GFDRR Western Balkans Disaster Risk Management Program*)

- a) Objectives and foreseen results: See above.
- b) Justification for the use of an exception to calls for proposals: The direct grant to the World Bank is based on Article 190 (1) (f) of the Rules of Application on account of its technical competence, its high degree of specialisation or its administrative power. The World Bank is best placed to be awarded the grant due to their leading role in supporting Western Balkans' governments to address flood risk management at both regional and IPA II beneficiary level. The Bank's portfolio and expertise also extends to other disaster risks, like landslides, and earthquakes. In the wake of the 2014 floods, the cooperation deepened between the World Bank's GFDRR and the EU Delegations in Serbia and Bosnia and Herzegovina, as well as with the European Commission headquarters in Brussels. By operating through the World Bank, GFDRR is able to leverage the Bank's convening power, technical expertise and financing capacity which have yielded major results in scaling up DRM investments and enhancing DRM policy dialogue.
- c) Name of the beneficiary: World Bank's Global Facility for Disaster Reduction and Recovery (GFDRR).
- d) Indicative amount of the grant: EUR 3 000 000.
- e) Maximum rate of EU co-financing: The maximum possible rate of EU financing will be 100% of the total cost of the action. In accordance with Article 192 of the Financial Regulation, for EU visibility reasons, it is essential that the EU is the sole donor for the action.
- f) Indicative date for signing the grant agreement: Q3 2017.

Action 15	<i>Triple-P Tourism in SEE: Promotion, Policy, and Pilots</i>	Direct Management	EUR 5 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action aims to support South Eastern Europe's (SEE) tourism sector growth by developing and promoting internationally joint regional tourism offer for international travellers, whilst addressing the main barriers and challenges to sector development through targeted policy interventions, and assist implementation of pilot projects across the SEE economies that will work in support of the regional tourism products. These efforts and activities will be framed within the context of the SEE 2020 strategy and the Economic Reform Programmes (ERPs), and will strive to address the main needs detected both on the regional and central levels.

Objective: To increase employment and sustainability of SEE economies through regional tourism development.

Expected results: Joint regional tourism offers for international travellers prepared and promoted internationally, with pertaining branding and marketing action plans developed and implemented; Barriers and challenges to regional tourism development addressed through targeted policy interventions; Pilot projects implemented supporting regional tourism products.

Key performance indicators:

- Number of regional tourist routes/products developed;
- Number of reform proposals developed in accordance with the better regulation approach and implemented;
- Number of pilot projects implemented.

(2) Assumptions and conditions

Main condition for the timely and successful implementation of the action is the full commitment by the involved stakeholders to implement the concrete activities and policy reforms agreed on the regional level.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Grant - Direct grant award (*Triple-P Tourism in SEE: Promotion, Policy, and Pilots*):

- a) Objectives and foreseen results: see above.
- b) Justification for the use of an exception to calls for proposals: The action will be implemented following the award of a direct grant to the RCC Secretariat. The direct grant is based on Article 190 (1)(f) of the Rules of Application, on account of its administrative power. The RCC provides the only viable “administrative power” at the Western Balkans Six (WB6) regional level (which is also being reinforced as an EU policy objective), upon the mandate of the IPA II beneficiaries and of EU. The action – to compile a regional value chain in the WB6 tourism industry - is a WB6 regional-level action. Given lack of alternative structures for such actions, the RCC is the only option to manage such an action with public and private sector in the region, with access to all stakeholders, e.g. central tourism bodies, other tourism public bodies at various levels, municipalities and private operators. Given the nature of the action - to develop a new WB6 tourism policy to address constraints in developing and rolling-out the regional tourism products - it is not possible for any other outfit to combine these elements at WB6 regional level in an effective manner (“administrative power”). To develop pilot projects to support small-scale projects in the local community(ies) on the tourist routes through the region, aiming to improve tourist infrastructure and services – this is only possible by collaboration of all public sector levels (and notably local municipalities in often problematic areas), and cannot be achieved without the specific competence of the RCC, given the specific nature of WB6 situations.
- c) Name of the beneficiary: Regional Cooperation Council Secretariat.
- d) Indicative amount of the grant: EUR 5 000 000.

- e) Maximum rate of EU co-financing: The maximum possible rate of EU co-financing for this grant is 95 % of the eligible cost of the action. The action envisions mobilizing additional funding from the public sources/private sector dedicated to tourism development.
- f) Indicative date for signing the grant agreement: Q3 2017.

Action 16	<i>EU support to the Transport Community Treaty Secretariat</i>	Direct Management	EUR 1 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The Transport Community Treaty (TCT) with South East European parties is a key instrument that supports – through the establishment of a Secretariat – the accession process (acquis implementation), the Western Balkans Six (WB6) initiative, as well as the infrastructure (Trans-European Transport Network - TEN-T) implementation in the Western Balkans.

The TCT represents for the Western Balkans a "game changer" and the Secretariat the main tool to support the implementation of the connectivity reforms measures aiming at improving the efficiency of the overall Western Balkans transport system.

In accordance with Article 121(2)(d) of the Financial Regulation (FR), the Union may subscribe to bodies of which it is a member in the form of contributions which do not constitute grant with the meaning of the FR. Therefore, the Union may finance the Transport Community (TC) on the basis of EU annual contribution to its budget under the double conditionality of the Treaty having entered into force and the Union being a member of the TC. Based on Article 173 of the Rules of Application (RAP), subscriptions shall be paid in accordance with the budgetary decisions and the conditions of payment established by the body concerned. Therefore, there is no need to justify the retroactive coverage of costs/expenditure incurred before the implementation of the TC Treaty (TCT). The European Commission's subscription will cover the agreed budget without further conditions, as long as these costs are budgeted for by the TCT Secretariat.

Objective: To meet 2017 EU commitment as member of the Transport Community.

Expected results: Implementation of the EU *acquis* in transport; Identification and monitoring of infrastructure project priorities; Implementation of Connectivity Reforms Measures.

Key performance indicators:

- Degree of progress in integrating South East Europe into the European Transport market (reform and acquis implementation);
- Number of Directives/Regulation fully transposed and implemented;
- Number of Connectivity Reform Measures implemented;
- Number of new projects implemented.

(2) Assumptions and conditions

The action will be implemented when the TCT enters into force pursuant to its Article 41.

(3) Implementation arrangements for the action: Direct management by DG MOVE

EU subscription to the Transport Community for the year 2017:

- a) Objectives and foreseen results: See above.
- b) Name of the beneficiary: Permanent Secretariat of the Transport Community Treaty.
- c) Indicative amount of the contribution: EUR 1 000 000.
- d) Maximum rate of EU co-financing: 80% of the budget of the Permanent secretariat according to Annex V of the Transport Community Treaty.

Regional investment support

Action 17	<i>The Western Balkan Enterprise Development and Innovation Facility (WB EDIF) Competitiveness, Guarantees, Venture Capital Ecosystem</i>	Indirect Management	EUR 28 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The Western Balkans Enterprise Development and Innovation Facility (EDIF) was launched in December 2012 in response to the demand for enhanced private sector financing in the region, in particular for the innovative and high-potential Small and Medium Sized Enterprises (SMEs). Via EDIF's two equity funds, a newly created lending component, a guarantee facility and a technical assistance pillar, the current action will support the private sector development in the Western Balkans as an engine for growth, jobs creation and economic integration. This action has three components/activities: 1) EBRD Competitiveness Programme to operationalise the EDIF Lending Pillar; 2) Top up of the EDIF Guarantee Facility II by also introducing incentives for youth employment; and 3) Entrepreneurial Capacity Building Action.

Objective: To unleash the potential for SMEs development competitiveness and job creation in the Western Balkans by complying with EU and international standards.

Expected results: (1) Improved SME access to financing towards EU standards investments; (2) Improved SME Access to credit for job creation, with special focus on youth; (3) Increased regional investment readiness and entrepreneurial capacity through systematically delivered direct advisory assistance linked to access to finance measures.

Key performance indicators:

- Volume of EBRD lending to participating financial institutions for on-lending to SMEs;
- Number of sub-loans supporting the certification or upgrade of the SME to specific EU standards;
- Number of SMEs benefiting from the credit;
- Youth employment jobs, vocational training created;
- Number of entrepreneurs that improve their investment readiness scores.

(2) Assumptions and conditions

The main condition that has to be in place for an effective and timely implementation of the action is related to the need of building consensus among main stakeholders (e.g., governments officials, donors, entrepreneurs, investors, business services providers and multilateral organizations) that the proposed programmes are key priority in the region.

The absorption capacity in the region regarding the measures to be offered is very important. The partners will work together with the beneficiaries as to guarantee that the support provided is needed, corresponds to the actual needs and will be adapted accordingly if need be and within the scope of the actions.

(3) Implementation arrangements for the action:

(3)(a) Entity entrusted with budget implementation tasks

The three proposed activities under this programme are continuation or upgrading of successful ongoing programmes under EDIF, therefore the entrusted entities of the current EDIF-funded programmes will also ensure the respective follow-up activities proposed under this action document. The choice for entrusted entities lies in their comparative advantages for performing the specific tasks, presence in the region and expertise. The award criteria are relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action. The financial and the operational capacity of the entrusted entities were taken into account.

(3)(b) Short description of the tasks entrusted to the entity

The implementation of the Regional Competitiveness Programme (EUR 15 million) will be done through a financial instrument covered by a Delegation Agreement with the EBRD. The funding provided to EBRD under this action will cover the financial allocations to SMEs (through local intermediaries). Hence, EBRD will be delegated budget implementation tasks to disseminate the funding in accordance with their rules and procedures. A Framework Agreement was signed between EU and EBRD in 2015.

The Guarantee Facility is a financial instrument, hence in accordance with Title VIII of the Financial Regulation, for the new contribution of EUR 10 million with Youth component, the European Commission will either sign a new Delegation Agreement with EIF³, indirect management; or use the existing Delegation Agreement with EIF for the current Guarantee Facility. By the decision of the WBIF Steering Committee of December 2011, EIF was appointed the Manager of the Enterprise Development and Innovation Facility (EDIF), Guarantee Facility. Subsequently, the Fiduciary and Management Agreement was signed between ex-DG ELARG and EIF in December

³ And in accordance with the European Commission - EIF Financial and Administrative Framework Agreement

2012 EIF will continue to perform the implementation tasks delegated to it with the previous contracts.

For the contribution of EUR 3 million to the Entrepreneurial Capacity programme (a follow up of World Bank's Venture Capital Ecosystem Development), the European Commission and the World Bank Group (WBG) will sign an Administration Agreement (A Framework Agreement between EU and the WBG was signed in 2016). The WBG will be delegated budget implementation tasks to disseminate the funding in accordance with their rules and procedures. The World Bank will design and evaluate the program but will also select an agency to be responsible for implementing the new program: through an award of a service contract following the World Bank's procurement rules.

Action 18	<i>IFI Coordination Office (IFICO)</i>	Direct Management	EUR 6 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action will continue to finance technical, administrative, visibility and communication support provided by the IFI Coordination Office (IFICO) to the WBIF Secretariat, governing bodies, and the WBIF beneficiaries. The WBIF Secretariat has been effectively supported by the IFICO since February 2010. The action will ensure continuation of efficient coordination support to the day-to-day functioning of the WBIF Secretariat and coordination of communication and visibility among all WBIF stakeholders involved in the Western Balkans. The action will also provide flexible and relevant technical assistance to the NIPACs and line Ministries in the Western Balkans, in particular to support them in implementing the connectivity agenda.

Objective: Support the WBIF stakeholders (via IFICO) to achieve a coordinated approach towards investment policy in the IPA II beneficiaries.

Expected results: (1) Beneficiaries enabled to identify a pipeline of priority investments to be funded by IFIs, the European Commission and bilateral donors; (2) Strengthened cooperation, communication and policy coordination amongst WBIF stakeholders in developing and implementing priority investments in the Western Balkans; (3) Enhanced functioning of the WBIF throughout the entire project cycle from project identification to realisation of the investments supported by the WBIF; (4) Improved visibility and communication among all WBIF stakeholders. Greater public awareness of the assistance being provided by the WBIF financiers.

Key performance indicators:

- Number of fully operational "National Investment Committees" (or equivalent institution) established and operating, including updated Single Project Pipeline in all beneficiaries;
- Technical and administrative support provided to the WBIF Secretariat and Stakeholders;
- Number of calls for project proposal organised.

(2) Assumptions and conditions

No particular conditions to be signalled at this stage.

(3) Implementation arrangements for the action: Direct management by DG NEAR D5

Procurement:

- a) the global budgetary envelope reserved for procurement: EUR 6 000 000.
- b) the indicative number and type of contracts: One service contract.
- c) indicative time frame for launching the procurement procedure: Q1 2017.

Action 19	<i>Regional Housing Programme (RHP) (Sarajevo Process) Phase 2</i>	Direct management (EUR 0.2 million) / Indirect Management (EUR 44.8 million)	EUR 45 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: The action reflects a further step towards the delivery of the EU pledge to the Regional Housing Programme (RHP) made in 2012. It will support a new series of sub-projects in particular in Bosnia and Herzegovina and Serbia, through a contribution to the RHP Fund for housing grant subsidies, and through provisions for technical assistance and support to the operating costs of the present RHP implementing structures. It will also support continued regional dialogue among RHP stakeholders. Embedded in the context of the Sarajevo Process, the RHP aims to make a substantial contribution to the satisfactory resolution of the protracted problem of the remaining refugees and displaced persons in Bosnia and Herzegovina, Croatia, Montenegro and Serbia (partner countries). As per its original scope, it aims at providing durable housing solutions for about 27,000 households (74,000 individuals). The present contribution is expected to enable the provision of approximately 1470 housing units.

Objective: To enable the provision of a further batch of housing solutions for vulnerable refugees and displaced persons, primarily in Bosnia and Herzegovina and Serbia, and to enable a continued regional cooperation and confidence building.

Expected results: (1) Approximately 1000 housing solutions provided in Serbia and 470 in Bosnia and Herzegovina; (2) Increased capacity of partner countries RHP implementing structures to effectively manage and report on the RHP funds according to European standards, including managing beneficiary selection and sustainability; (3) Effective regional dialogue and participatory steering of the Regional Housing Programme is ensured; (4) Effective management of the RHP Fund ensured; (5) Stakeholders have access to an independent evaluation of the RHP performance and sustainability; and (6) RHP Stakeholders have developed an RHP exit strategy.

Key performance indicators:

- Number of housing solutions provided to vulnerable refugees and displaced persons in Serbia and in Bosnia and Herzegovina.

(2) Assumptions and conditions

It is assumed that the international community stays committed to help the region finding appropriate solutions to the protracted problem of the remaining refugees and displaced persons by honouring their pledges to the fund to the programme overall.

Furthermore, it is assumed that all partner countries stay committed to completing the Sarajevo Process and provide sufficient resources to run a coherent mechanism to steer, supervise and control the implementation of their country housing programmes.

A further assumption for the fulfilment of the RHP's objective of durable housing solutions is that partner countries ensure the long-term sustainability of the housing solutions, through integration of the end-beneficiaries into the local communities. This aspect is partly but not fully tackled by the action and remains a fundamental factor that will eventually condition its success.

(3) Implementation arrangements for the action:

(3)(a) Entity entrusted with budget implementation tasks

At the outset of the RHP, the management of the RHP Fund and the Technical Assistance to the partner countries was assigned to the Council of Europe Development Bank (CEB). Over the past 5 year the CEB has implemented the programme in a manner which is leading to the achievement of the expected results.

The CEB carries out several tasks in relation to the RHP:

- as Secretariat, it facilitates coordination between stakeholders and reports on operational activities
- as Fund Manager, it manages Donor contributions and reports on financial activities
- as Finance Institution, it assists Partner Countries in implementing the Programme, including overseeing Technical Assistance.

The RHP was set up in line with an agreed division of labour between the four involved partner countries and their institutions, the fund manager CEB, the key international agencies (UNHCR and OSCE) involved in monitoring the beneficiary selection, and the participating donors. In each country, several institutions are involved such as Ministries, Project implementation units and hundreds of municipalities.

International donations are paid into a designated RHP Fund, managed by the CEB. The Fund provides grants to the Partners Country Housing Programmes (CHPs) for implementation of sub-projects for provision of housing units

In parallel to its support to the RHP Fund, the European Commission has dedicated additional resources to support the effective implementation of the programme, via technical assistance, operating grants to the PIUs, and coverage of various administrative costs related to the programme.

The CEB fully complies with the tasks it has been given and continued implementation of the RHP under the current set-up is considered the most effective way to complete the

delivery of the EU pledge. This will allow maintaining the standard of delivery, further speed up implementation and effectively address the challenges of this programme.

(3)(b) Short description of the tasks entrusted to the entity

It is foreseen to sign one Delegation agreement under indirect management with the CEB, in Q4 2017, making a contribution to the RHP Fund for a total amount of EUR 30 million. Within this contribution, a management fee will be deducted. Two thirds of the remaining amount will be earmarked for Serbia and one third for Bosnia and Herzegovina. This contract will involve the following budget implementation tasks:

- Disbursement of investment grants; the CEB will commit and disburse these funds in the form of investment grants to the RHP participant Partner Countries. Each Grant will correspond to and will be financing a specific and well defined Country Housing Subproject. The Grant agreements will be signed between CEB and the Partner Country after the relevant decision by the RHP Assembly of Donors;
- Operation of the RHP Secretariat; and,
- Administration and management of the RHP Fund.

It is foreseen to sign one Delegation agreement under indirect management with the CEB, in Q4 2017 for a total amount of EUR 14.8 million. This contract will involve the following budget implementation tasks:

- Technical assistance and operating support for the effective implementation of the Country Housing Projects; and,
- Development of an exit strategy.

(3)(c) Essential elements of the action for direct management: Direct management by DG NEAR D5

Procurement: (independent evaluation of the programme)

- a) the global budgetary envelope reserved for procurement: EUR 200 000.
- b) the indicative number and type of contracts: One specific contract under a framework contract.
- c) indicative time frame for launching the procurement procedure: Q3 2018.

Territorial Cooperation

Action 20	<i>Cross-Border Institution Building (CBIB+) – Phase III</i>	Direct Management	EUR 2 million
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(1) Description of the action, objective, expected results and key performance indicators

Description of the action: CBIB+ is the regional technical assistance towards management structures of IPA II cross-border cooperation within the Western Balkans. Its goal is to enhance regional coordination and harmonisation of approaches and mechanisms in line with EU frameworks in the area of territorial cooperation. The expected outcome of Phase III of CBIB+ is more effective and efficient implementation

of CBC programmes as well as a stronger impact of CBC programmes at regional level. The main benefit for the IPA II beneficiaries will be socio-economic development of cross-border areas resulting in an increased quality of citizens' lives. It will also provide advantages at EU level; i.e. enhanced reconciliation and good neighbourly relations in the region, thereby contributing to peace and stability in a wider Europe.

Objective: To support the implementation of IPA II CBC programmes in an efficient, effective, harmonized, coordinated and results based way.

Expected results: (1) Enhanced networking and cross-border management capabilities between CBC stakeholders in the Western Balkans; (2) Best practice culture and sharing of experiences promoted; (3) Capacity of IPA II relevant authorities to programme, manage, implement, monitor and report IPA II programmes strengthened; (4) IPA II CBC programmes' monitoring enhanced through a streamlined performance measurement methodology; and (5) Visibility of IPA II CBC at intra-Western Balkan borders strengthened.

Key performance indicators:

- Duration of the evaluation of project proposals and contracting phase;
- % of CBC projects successfully implemented;
- Number of individual requests by the managing structures.

(2) Assumptions and conditions

The implementation of CBC programmes at intra Western Balkans level requires the following main conditions: (1) In July 2015, the 2015-2017 Action Programmes were adopted. Therefore, new Action Programmes need to be adopted in 2018 for the allocations 2018-2020; (2) The above is only partially valid for the Programmes Serbia - the former Yugoslav Republic of Macedonia which was adopted in 2016 only; thus, there is a need for programming alignment for all CBC Programmes; (3) In order to make the yearly allocation available for operations, the yearly tripartite Financing Agreements between the European Commission and the two relevant IPA II beneficiaries must be signed and ratified on time.

(3) Implementation arrangements for the action: Direct management by DG NEAR A4

Procurement:

- a) the global budgetary envelope reserved for procurement: EUR 2 000 000.
- b) the indicative number and type of contracts: One service contract.
- c) indicative time frame for launching the procurement procedure: Q1 2018.

Provision applying to all grants under section 2.2: The maximum possible rate of EU financing may be up to 100% of the total cost of the action in accordance with Article 192 of Financial Regulation if full funding is essential for the action to be carried out. The necessity for full EU funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

3 BUDGET

3.1 INDICATIVE BUDGET TABLE – MULTI COUNTRY ACTION PROGRAMME

CRIS/ABAC Decision number		Management Mode	Entrusted Entity	Max. EU Contribution (EUR)	Indicative Co-financing (EUR)	Entity providing co-financing	TOTALS (EUR)	Commission Implementing Unit
	Horizontal support			45 500 000	3 197 822		48 697 822	
039-402	Action 1 - Regional Training and Support Programme to improve Quality and Professionalism in Journalism	DM		2 000 000	222 000	grant beneficiaries	2 222 000	NEAR D5
SI2.757504	Action 2 - Western Balkans Youth Window under Erasmus +	DM		3 000 000	*600 000	grant beneficiaries	3 600 000	Co-delegation to EACEA
039-873	Action 3 - Statistics	DM		14 000 000	315 700	NSIs	14 315 700	Cross sub-delegation to ESTAT
039-402	Action 4 - Support for Improvement in Governance and Management (SIGMA) in the Western Balkans and Turkey	DM		15 000 000	306 122	OECD	15 306 122	NEAR A3
040-009	Action 5 - International assessment for mathematics and science testing in primary education (TIMSS)	DM		1 500 000	0		1 500 000	Cross sub-delegation to EAC
039-402	Action 6 – EU Integration Facility	DM/IM	British Council	5 000 000	1 577 000	TI/PSD/RICO	6 577 000	NEAR D5/NEAR A3
039-402	Action 7 - Regional support to protection-sensitive migration management systems	DM		5 000 000	177 000	IOM	5 177 000	NEAR D5

	in the Western Balkans and Turkey - PHASE II							
	Regional structures and networks			41 500 000	3 139 000		44 639 000	
039-402	Action 8 - EU Regional Action for Roma Education	DM		3 000 000	750 000	REF	3 750 000	NEAR D5
039-402	Action 9 - Support to the Western Balkan Integrative Internal Security Governance	DM/IM	GIZ	20 000 000	1 625 000	GIZ/UNODC	21 625 000	NEAR D5
039-402	Action 10 - Systematic Exchange of Electronic Data – SEED+	DM		4 800 000	0		4 800 000	NEAR A3
039-402	Action 11 - Support to CEFTA Secretariat	DM		200 000	254 000	CEFTA	454 000	NEAR A3
039-874	Action 12 - EU Environment Partnership Programme for Accession (EPPA)	DM		2 500 000	0		2 500 000	Cross sub-delegation to ENV
039-875	Action 13 - EU Support for Climate Action in IPA II beneficiaries – Transition towards the low emissions and climate-resilient economy	DM		2 000 000	0		2 000 000	Cross sub-delegation to CLIMA
039-402	Action 14 - EU-World Bank/GFDRR Western Balkans Disaster Risk Management Program	DM		3 000 000	0		3 000 000	NEAR D5
039-402	Action 15 - Triple-P Tourism in SEE: Promotion, Policy, and Pilots	DM		5 000 000	260 000	National sources/private sector	5 260 000	NEAR D5
040-405	Action 16 - EU support to the Transport Community Treaty Secretariat	DM		1 000 000	250 000	Other donors	1 250 000	Cross sub-delegation to MOVE
	Regional investment support			79 000 000	0		79 000 000	

039-402	Action 17 - The Western Balkan Enterprise Development and Innovation Facility (WB EDIF) Competitiveness, Guarantees, Venture Capital Ecosystem	IM	EBRD, EIF, WBG	28 000 000	0		28 000 000	NEAR D5
039-402	Action 18 – IFI Coordination Office (IFICO)	DM		6 000 000	0		6 000 000	NEAR D5
039-402	Action 19- Regional Housing Programme (RHP) (Sarajevo Process) 4th phase	DM/IM	CEB	45 000 000	0		45 000 000	NEAR D5
	Territorial Cooperation			2 000 000	0		2 000 000	
039-402	Action 20 - Cross-Border Institution Building (CBIB+) – Phase III	DM		2 000 000	0		2 000 000	NEAR A4
	TOTALS			168 000 000	6 336 822		174 336 822	

by CRIS/ABAC Decision	Max. EU Contribution	Indicative Co-financing	Total
039-402	144 000 000	5 171 122	149 171 122
039-873	14 000 000	315 700	14 315 700
039-874	2 500 000	0	2 500 000
039-875	2 000 000	0	2 000 000
040-009	1 500 000	0	1 500 000
040-405	1 000 000	250 000	1 250 000
SI2. 757504	3 000 000	600 000	3 600 000
Total programme	168 000 000	6 336 822	174 336 822

DM - Direct management; IM – Indirect management;

* The grant is a combination of unit costs and portion of eligible costs. The specific financial rules are outlined in the Erasmus+ Programme Guide

4 IMPLEMENTATION MODALITIES AND GENERAL RULES FOR PROCUREMENT AND GRANT AWARD PROCEDURES

DIRECT MANAGEMENT:

Part of this programme shall be implemented by direct management by the European Commission in accordance with article 58(1)(a) of the Financial Regulation and the corresponding provisions of its Rules of Application.

Procurement shall follow the provisions of Part Two, Title IV Chapter 3 of the Financial Regulation No 966/2012 and Part Two, Title II, Chapter 3 of its Rules of Application.

Grant award procedures shall follow the provisions of Part Two Title IV Chapter 4 of the Financial Regulation No 966/2012 and Part Two Title II Chapter 4 of its Rules of Application.

Under the Financial Regulation, Parts One and Three of the Financial Regulation and its Rules of Application shall apply to external actions except as otherwise provided in Part Two, Title IV.

The European Commission may also use services and supplies under its Framework Contracts concluded following Part One of the Financial Regulation.

INDIRECT MANAGEMENT:

Part of this programme shall be implemented by indirect management with entrusted entities other than the IPA II beneficiary in accordance with Article 58(1)(c) of the Financial Regulation and the corresponding provisions of its Rules of Application.

The general rules for procurement and grant award procedures shall be defined in the relevant delegation agreements between the Commission and the entrusted entity implementing such action.

5 PERFORMANCE MONITORING ARRANGEMENTS

As part of its performance measurement framework, the European Commission shall monitor and assess progress towards achievement of the specific objectives set out in the IPA II Regulation on the basis of pre-defined, clear, transparent measurable indicators. The progress reports referred to in Article 4 of the IPA II Regulation shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The European Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Multi- Country Indicative Strategy Paper.

In the specific context of indirect management by IPA II beneficiaries, National IPA Co-ordinators (NIPACs) will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources.

The overall progress will be monitored through the following means: a) Result Orientated Monitoring (ROM) system; b) IPA II Beneficiaries' own monitoring; c) self-monitoring performed by the EU Delegations; d) joint monitoring by DG Neighbourhood and Enlargement Negotiations and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by Sectoral Monitoring committees, which will ensure a monitoring process at sector level.