



Italy & Serbia: Building Together

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Financial assistance of the European Union to Serbia

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Historical Overview

- **1999/2000:** Launching of the Stabilisation and Association Process (SAP)
- **2003:** "European perspective for the Western Balkans" (Thessaloniki Summit)
- **2008:** Signing of Stabilisation and Association Agreement (SAA)
- **2009:** Interim Agreement on Trade and Trade-related issues
Visa liberalisation for Serbian citizens travelling to the Schengen area
- **Dec 2009:** Serbia submits its application for EU membership
- **March 2012:** Serbia granted EU candidate status
- **Jan 2014:** The 1st Intergovernmental Conference (accession negotiations).
- **Dec 2015:** Opening of Chapters 32 "financial control" and 35 "other issues"
- **July 2016:** Opening of Chapters 23 "Judiciary and fundamental rights" and
24 "Justice, freedom and security"

The Accession process



Accession



Accession treaty ratified by all EU Member States and the Candidate country



35 chapters of negotiation – screening and benchmarks



After granting candidate status, Council decides on date of opening accession negotiations with candidate country



The Council requests an Opinion from the Commission and decides on the validity of the candidacy

Potential candidate country applies for EU membership



35 Negotiation Chapters

Chapter 1: Free movement of goods
Chapter 2: Freedom of movement for workers
Chapter 3: Right of establishment and freedom to provide services
Chapter 4: Free movement of capital
Chapter 5: Public procurement
Chapter 6: Company law
Chapter 7: Intellectual property law
Chapter 8: Competition policy
Chapter 9: Financial services
Chapter 10: Information society and media
Chapter 11: Agriculture and rural development
Chapter 12: Food safety, veterinary and phytosanitary policy
Chapter 13: Fisheries
Chapter 14: Transport policy
Chapter 15: Energy
Chapter 16: Taxation
Chapter 17: Economic and monetary policy

Chapter 18: Statistics
Chapter 19: Social policy and employment
Chapter 20: Enterprise and industrial policy
Chapter 21: Trans-European networks
Chapter 22: Regional policy/coordination of structural instruments

Chapter 23: Judiciary and fundamental rights

Chapter 24: Justice, freedom and security

Chapter 25: Science and research
Chapter 26: Education and culture
Chapter 27: Environment
Chapter 28: Consumer and health protection
Chapter 29: Customs union
Chapter 30: External relations
Chapter 31: Foreign, security and defence policy

Chapter 32: Financial control

Chapter 33: Financial and budgetary provisions
Chapter 34 - Institutions

Chapter 35 - Other issues



Instrument for Pre-accession Assistance - IPA

Objective:

The Instrument for Pre-accession Assistance for the period from 2014 to 2020 (IPA II) shall support the beneficiaries listed below in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries in order to comply with the Union's values and to progressively align to the Union's rules, standards, policies and practices, with a view to Union membership.

IPA Beneficiaries:

Western Balkans and Turkey

Indicative Strategy Paper

The ISP is an overarching strategic planning document that sets the priorities and objectives for a 7-year period.

Sectors supported:

- Democracy and governance
- Rule of law and fundamental rights
- Environment and climate action
- Transport
- Energy
- Competitiveness and innovation
- Education, employment and social policies
- Agriculture and rural development
- Territorial and regional cooperation

(Indicative) budget

CARDS (2000 – 2006) – 1,15 billion Euro

IPA I (2007 – 2013) – 1.17 billion Euro

IPA II (2014 – 2020) – 1.5 billion Euro

IPA Budgets 2014-2016

SECTOR	2014	2015	2016	Total
LOCAL DEVELOPMENT PROGRAMME	4,450,000		25,000,000	29,450,000
PUBLIC ADMINISTRATION REFORM	2,500,000	80,000,000		82,500,000
HOME AFFAIRS	27,512,000	8,500,000	28,000,000	64,012,000
JUSTICE		12,100,000	5,000,000	17,100,000
ENERGY	12,650,000			12,650,000
TRANSPORT		64,810,000		64,810,000
COMPETITIVENESS	5,000,000		23,700,000	28,700,000
HUMAN RESOURCE / SOCIAL DEVELOPMENT	15,540,000		27,400,000	42,940,000
CIVIL SOCIETY	2,000,000	4,500,000	3,000,000	9,500,000
EU PROGRAMMES	11,563,840	12,090,000	10,900,000	34,553,840
EU INTEGRATION FACILITY	35,874,160	19,100,000	46,400,000	101,374,160
ENVIRONMENT - FLOODS RECOVERY	62,000,000			62,000,000
AGRICULTURE - IPARD		15,000,000	20,000,000	35,000,000
Total	179,090,000	216,100,000	189,400,000	584,590,000

Environment and climate change

IPA 2013 € 12.65 million

- *Support to further alignment of Serbian legislation with the EU acquis*
- *Construction of industrial waste water treatment facility in Kostolac B*
- *Construction of WWTP in Raška municipality*

IPA 2014 € 72 million – total value of programme

- *Rehabilitated embankments channel drainage systems and pump stations – an IMDA to ADA for € 19 million*
- *Procurement of mobile walls, water treatment plants, mobile power transformer stations, and other equipment for reaction in emergency situations now tendered for a total of € 14.7 million*
- *Rehabilitation/construction of flood prevention infrastructure with cross-border impact in the Sava river basin – Serbian side tendered for € 10 million*

IPA 2016 € 2 million

- *Continued support to implementation of Chapter 27 in the area of nature protection (NATURA)*



Energy

IPA 2013 € 25.4 million

- *Support to further alignment of Serbian legislation with the Energy Community treaty*
- *Improve relevant infrastructure and reform energy policy*
- *Increase competition in the energy sector and strengthening regional cooperation*

IPA 2014 € 12.65 million

- *Improve regulatory policies, mechanisms and operational practices implemented in compliance with the Energy Community provisions*
- *Implementing the EU acquis in energy efficiency and renewable energy sources*
- *DeNOx TENT A4*

IPA 2015 € 1 million

- *TA to the administration for reserves of energy-generating products concerning optimal management of mandatory oil stocks*



Transport

IPA 2013 € 16 million to improve navigation conditions on the Danube (Pan-European Corridor VII)

- *River Training and Dredging Works on Critical Sectors on the Danube*
- *Supply and installation of equipment for navigation monitoring*
- *Supply of Road Weather Information System equipment, software and training*

IPA 2015 € 64.8 million

- *Completion of the Zezelj bridge*
- *Modernization of the railway section Nis - Brestovac*
- *Construction of the intermodal terminal*

IPA 2016 € 2.5 million

- *Improved road safety*

Human resources Development

IPA 2013 € 21.3 million

- Support to efficient and effective management of the labour market, advancing social inclusion
- Support to Roma strategy through the improvement of the Roma housing conditions and access to health services

IPA 2014 € 15.54 million

- Integrated youth services focused on entrepreneurial skills
- Enhanced socio-economic condition for the Roma – improved settlements
- Occupational Safety and Health legislation harmonized
- Integrated NQF system for Lifelong learning
- Preschool education reforms
- Refurbishment of children's playgrounds

IPA 2015 € 4 million

- Design and implementation of the Matura exam (secondary education)

IPA 2016 € 24 million

- Sector Budget Support to Education

Financial assistance cycle

- **Programming**
- **Procurement**
- **Implementation**
- **Monitoring**
- **Evaluation**

Implementation modalities

- Direct management

EC is in charge of all budget implementation tasks

- Indirect management

EC entrusts budget implementation tasks to:

- *partner countries (or to bodies designated by them) - CFCU*
- *international organisations*
- *development agencies of EU Member States*
- *other bodies*

- Shared management

EC delegates implementation tasks to the EU Member States (joint operational programmes on cross-border cooperation implemented by a joint managing authority).

Types of contracts

Procurement:

- *Service*
- *Works*
- *Supply*

Grants

Twinning

Sector Reform Contracts

The PRAG – Practical Guide: procurement procedures

SERVICE CONTRACTS	$\geq$ International restricted tender procedure	$<$ EUR 300 000 but $>$ EUR 20 000 Framework contract BENEF 2013 or Competitive negotiated procedure		$\leq$ EUR 20 000 Single tender A payment may be made against invoice without prior acceptance of a tender if the expenditure is $\leq$ EUR 2 500
SUPPLY CONTRACTS	$\geq$ EUR 300 000 International open tender procedure	$<$ EUR 300 000 but $\geq$ EUR 100 000 Local open tender procedure	$<$ EUR 100 000 but $>$ EUR 20 000 Competitive negotiated procedure	
WORKS CONTRACTS	$\geq$ EUR 5 000 000 International open tender procedure or International restricted tender procedure	$<$ EUR 5 000 000 but $\geq$ EUR 300 000 Local open tender procedure	$<$ EUR 300 000 but $>$ EUR 20 000 Competitive negotiated procedure	



Practical Guide to contract procedures for EC external actions

- http://ec.europa.eu/europeaid/funding/about-funding-and-procedures/procedures-and-practical-guide-prag_en
- Transparency of EU procurement procedures is key: all tender information is published in the OJ (<https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?ADSSChck=1452009752845&do=publi.welcome&userlanguage=en>) and the EU Delegation website (www.europa.rs)
- Rules of origin - only EUMS and IPA beneficiary country companies and goods are eligible in EU tenders.
- Experts may be of any nationality. Likewise, the nationality rule does not apply to international organisations participating in a procurement or grant award procedure.



More information at:

http://ec.europa.eu/enlargement/instruments/funding-by-country/serbia/index_en.htm

- ***IPA 2007-2013: Transition Assistance and Institution Building: [IPA 2013/023621 & 2013/024815 National programme for Serbia](#)***
- ***[Annual Country Action Programme for 2014](#)***
- ***[IPA 2014/037703-037788-037853/ BiH, Serbia, Multi-Country/Flood recovery and flood risk management](#)***
- ***[Annual Country Action Programme for 2015](#)***



THANK YOU