

EN

EN

EN

ANNEX:
IPA 2008 – NATIONAL PROGRAMME - BOSNIA AND HERZEGOVINA Part II

1. IDENTIFICATION

Beneficiary	Bosnia and Herzegovina
Programme	National Programme 2008 under IPA Component I - Part II
CRIS number	2008/020-339
Year	2008
Cost	EUR 54,254,783 + an amount of approximately EUR 1,675,207 (SEK 17,000,000 using the average monthly exchange rate on 17/09/2009)
Implementing Authority	European Commission For project 13 (International Monitoring Operation): The Council of Europe by joint management with the European Commission
Final date for concluding the Financing Agreement	at the latest by 31 December 2009
Final date for contracting	2 years from the date of the conclusion of the Financing Agreement. No deadline for audit and evaluation projects covered by the Financing Agreement implementing this programme, as referred to in Article 166(2) of the Financial Regulation. These dates apply also to the national co-financing.
Final date for execution	2 years from the final date for contracting. These dates apply also to the national co-financing.
Sector Code	16010, 15130, 15140, 15150, 15250, 12110, 32130, 11110, 33110, 31110, 31195, 21010, 16062, 99810, 41010, 24010.
Budget lines	22.020200
Programming Task Manager	DG ELARG C1
Implementation Task Manager	European Commission Delegation to BiH – Operations Section

2. PRIORITY AXES / PROJECTS

2.1. Priority axes

Part II of the IPA Component I - 2008 National Programme for Bosnia and Herzegovina is in line with MIPD 2008-2010 and aims to further support:

2.1.1. Political requirements:

By supporting the rule of law (continuing the support to the High Judicial and Prosecutorial Council (HJPC)), contributing to the public administration reform (support to the DIS) and by supporting the social inclusion and the return (anti-mine actions and vulnerable groups, in particular children and Roma) and by support to the civil society dialogue.

2.1.2. Economic requirement:

By supporting Regional, SME and tourism development: the approach within this portfolio is to: a) support the Regional Development Agencies through the provision of grants and technical assistance to support their role in delivering assistance to SMEs and municipalities; b) support the State and entity ministries in policy development; c) provide grants to SME support organisations to support further growth of SMEs - including support to tourism organisations; d) support to the reform of social policies (health system reform, higher education, VET).

2.1.3. European Standards

By supporting the approximation to the *acquis*, and in particular the reform of sectoral policies (IBM, taxes, monetary policies, environment, transport, energy and agriculture) and by supporting the reform of regulatory bodies (quality infrastructure, statistics, cadastre and land registry)

2.1.4. Supporting Programmes

By supporting the participation of BiH in Community programmes.

2.2. Description of projects grouped per priority axis

No.	Political Requirements	EC contribution EUR	Project Description
1	Support for Vulnerable Groups (children and Roma) in BiH	1,900,000	<p><i>Project purpose:</i> To develop an integrated Social Protection and Inclusion Strategy which will be designed, piloted and replicated by national and sub-national government institutions.</p> <p><i>Implementation;</i> a grant contract without a call for proposals with UNICEF (for a maximum amount of EUR 1,400,000) and a call for proposals (for a maximum of EUR 500,000) for support to BiH Roma Strategy. The direct agreement with UNICEF is expected to be signed in the 1st quarter of 2009, and the call for proposals for the grant contract is expected to be launched in the 2nd quarter of 2009.</p> <p>The essential selection and award criteria of the call for proposals are laid down in the Practical Guide to contract procedures for EC external actions (see point 4.2 below).</p>

			The direct grant with UNICEF, will be concluded in view of its de facto monopoly in accordance with Article 168(1)(c) of the Implementing Rules to the FR.
2	Support to the HJPC – IT equipment for the Judicial Institutions in BiH	1,400,000	<p><i>Project purpose:</i> To provide courts and prosecutors' offices with the necessary ICT equipment, to ensure good use of the technology, to help increase efficiency, information exchange, improve quality of information and transparency to the public.</p> <p><i>Implementation:</i> 1 supply contract (for an indicative maximum amount of EUR 1,400,000) to be launched in the 1st quarter of 2009. The supply contract aims at providing the HJPC with workstation, printers, servers and back-up equipment and related licences to facilitate the work of the courts and prosecutors' offices and improve their efficiency and transparency.</p>
3	Further Support to the DIS System in BiH	1,500,000	<p><i>Project purpose:</i> To ensure the efficient and effective management and implementation of EU Funds under DIS.</p> <p><i>Implementation:</i> 1 service contract (for an indicative maximum amount of EUR 1,500,000) to be launched in the 1st quarter of 2009.</p>
4	Support to Civil Society in BiH	3,504,783	<p><i>Project purpose:</i> To encourage partnership and dialogue between governmental and non-governmental sectors, including local government and effective implementation of EU standards in environment and youth sectors as well as to identify strategic goals in civil society development.</p> <p><i>Implementation:</i> a grant contract without call for proposals with UNDP (for an indicative maximum total value of EUR 1,500,000), a call for proposals (for an indicative value of EUR 1,000,000), a service contract (for an indicative maximum amount of EUR 504,783) and call for proposal for NGOs active in the fight against corruption (for an indicative maximum amount of EUR 500,000) The direct agreement with UNDP is expected to be signed in the third quarter of 2009, while the call for tenders for the service contract and the call for proposals are expected to be launched in the second quarter of 2009. The essential selection and award criteria of the call for proposals are laid down in the Practical Guide to contract procedures for EC external actions (see point 4.2 below).</p> <p>The direct grant agreement with UNDP, will be concluded in view of its technical expertise, experience in this field and its special relations with the associations of cities and municipalities in BiH which constitute a de facto monopoly in accordance with Article 168(1)(c) of the Implementing Rules to the FR.</p>
5	Support to Mine Action Activities in BiH	2,200,000	<p><i>Project purpose:</i> Reduction of mine suspected area in BiH with aim to enable return of population to de-mined areas, improved protection of citizens against abandoned mines and UXO, reduction of mine casualties, creating preconditions for sustainable socio-economic development on demined areas.</p> <p><i>Implementation:</i> a call for proposals for humanitarian de-mining and mine risk education (for an indicative maximum amount of EUR 1,610,000), a supply contract (for an indicative maximum amount of EUR 540,000), for equipment for BiH Mine Action Centre and a service contract (for an indicative maximum amount of EUR 50,000) for training of BHMxAC. Both the call for proposals and the tender procedures are expected to be launched in the 1st quarter of 2009.</p>

			The essential selection and award criteria of the call for proposals are laid down in the Practical Guide to contract procedures for EC external actions (see point 4.2 below).
	Economic Requirements		
6	Support for the Development of the Health Care Systems in BiH	2,850,000	<p><i>Project Purpose:</i> To assist the BiH Pharmaceutical Agency in becoming a fully functioning institution in accordance with EU standards, implement a system of provider payments that would create incentives for cost containment and improve provider performance as well as to improve the quality of data collection and information flow related to the Public Health Institutes and to harmonize relevant legislation in accordance with EU Directives and international health law.</p> <p><i>Implementation:</i> 1 Twinning Contract for an indicative maximum value of EUR 500,000 to assist the BiH Pharmaceutical Agency; 2 service contracts, for an indicative maximum amount of EUR 1,100,000, and EUR 1,250,000 respectively. The first service contract will provide technical assistance, to implement a system of new provider payment mechanisms. The second service contract will provide technical assistance for Public Health services, including health threats preparedness and response, National Health Account and harmonization of health legislation. These contracts are expected to be launched in 1st quarter 2009. A third service contract on electronic health care is expected to be launched in 2nd quarter 2009.</p> <p>As regards the twinning contract, the essential selection and award criteria for the selection of the proposals are laid down in the twinning manual referred to in point 4.3 of this Financing Proposal.</p>
7	Support to competitive sectors (RED, SMEs and Tourism) in BiH	7,000,000	<p><i>Project purpose:</i> 1) Increased capacities of the five Regional Development Agencies (RDAs) to support SMEs and municipalities; 2) Capabilities of the BiH tourism support structures at the state, entity and Brcko District levels strengthened; 3) Competitive sectors in BiH supported to address obstacles in the sector supply-chain and the tourism sector reinforced for competitive tourism product development.</p> <p><i>Implementation:</i></p> <p>1) 5 grant contracts to 5 Regional RDAs without the publication of a call for proposals, for an indicative amount of EUR 1,125,000, to be awarded in the 1st quarter of 2009. The direct grant agreements with the RDAs will be concluded in view of their unique role in regional development in BiH which constitutes a de facto monopoly in accordance Article 168(1)(c) of the Implementing Rules to the FR. 2) A service contract for technical assistance to support strategy development and institutional strengthening, for an indicative value of EUR 2,000,000. 3) A call for proposals, for an indicative value of EUR 3,875,000 expected to be launched in the 2nd quarter of 2009. The essential selection and award criteria of the call for proposals are laid down in the Practical Guide to contract procedures for EC external actions (see point 4.2 below).</p>
8	Support to Education Reform in BiH	3,000,000	<p><i>Project purpose:</i> To enhance vocational education and training and higher education in BiH in line with the Copenhagen Declaration and Bergen Communiqué.</p> <p><i>Implementation:</i> 2 service contracts, each for an indicative amount of EUR 1,500,000. It is anticipated that both of them will be launched during the 2nd quarter of 2009.</p>

	<i>European Standards</i>		
9	Support to trade policy, capacity building and development of Infrastructure of Metrology system in BiH	4,000,000	<p><i>Project purpose:</i> 1) To support MoFTER, in developing its institutional capacity related to the implementation of IA/SAA, CEFTA obligations and support to the accession process to the WTO. Technical assistance in understanding and applying Trade Defence Instruments according to WTO rules; 2) To support the development of the distributed metrology system according to an existing model in some EU member states and in accordance with internationally recognized quality of metrology services within framework of national metrology infrastructure.</p> <p><i>Implementation:</i> a service contract, for an indicative amount of EUR 2,000,000; and a supply contract for an indicative maximum value of EUR 2,000,000; both contracts are expected to be tendered in the 1st quarter of 2009.</p>
10	Capacity building in agriculture and food safety policy and preparations for BiH's access to IPA Rural Development (IPA-RD) programme	4,000,000	<p><i>Project purpose:</i> 1) To support further harmonisation of the sectoral policies and measures for enhanced performance of agri-food sector and creation of structures and capacity for managing the future IPA Rural Development funds; 2) To assist establishment of the national integrated phyto-sanitary services capable to create and implement BiH plant health protection policy in line with <i>acquis</i> harmonised legislation and international obligations and standards in this area; 3) To support enforcement of BiH food safety, compositional and quality legislation through provision of the equipment for food control laboratories and development of public-private partnerships or other agreements to reinforce or supplement official laboratory controls.</p> <p><i>Implementation:</i> 2 service contracts for technical assistance to support BiH agricultural policy, in particular IPA rural development compliant structures and BiH plant administration, for an indicative maximum value of EUR 2,400,000 and EUR 800,000 respectively. The tender procedures for both contracts are expected to be launched in the 1st quarter of 2009.</p> <p>Also, a supply contract for IT equipment, for an indicative maximum value of EUR 100,000, is expected to be tendered in 2nd quarter 2010. Finally, a supply contract for laboratories equipment, for an indicative maximum amount of EUR 700,000, is expected to be tendered in 1st quarter 2009.</p>
11	Support for the Control and / or Eradication of animal diseases Rabies and Classical Swine Fever in BiH	1,500,000	<p><i>Project purpose:</i> To control/eradicate the Classical swine fever and Rabies in the target animal populations in Bosnia and Herzegovina, in order to reduce economical losses and enhance the economic and trade potential of Bosnia and Herzegovina, and in relation with rabies to reduce public health risk taking into consideration EU standards and requirements.</p> <p><i>Implementation:</i> 2 service contracts for technical assistance, for a maximum indicative value of EUR 191,000 and EUR 477,000 respectively, expected to be tendered in 1st quarter of 2009; and 1 supply contract, for maximum indicative value of EUR 832,000, also to be tendered in 1st quarter of 2009.</p>
12	Twinning Assistance in institutional building of BiH civil aviation	1,000,000	<p><i>Project purpose:</i> 1) Integration of the civil aviation sector in BiH into EU civil aviation functional structures; 2) Strengthening capacities of BiH civil aviation administration by through implementation of ECAA Agreement and related EU Directives.</p>

	authority related to European Common Aviation Area (ECAA)		<p><i>Implementation:</i> 1 Twinning contract, for an indicative maximum amount of EUR 1,000,000, to be launched in the 2nd quarter of 2009.</p> <p>The essential selection and award criteria for the selection of the proposals are laid down in the twinning manual referred to in point 4.3 of this Financing Proposal.</p>
13	Support to State and Entity Statistical Institutions in BiH	<p>2,000,000</p> <p>+ approximately 1,675,207 (SEK 17,000,000 using the average monthly exchange rate on 17/09/2009)</p>	<p><i>Project purpose:</i> The development of the institutional capacities for: 1) conducting and monitoring the population census, 2) the improvement of the business statistics production and establishing preconditions for the regular production of data according to the EU standards 3) for conducting the extended version of Household Budget Survey (HBS); and horizontal cooperation and coordination.</p> <p><i>Implementation:</i> 1 twinning contract for an indicative maximum amount of EUR 1,300,000 to be launched in the 3rd quarter of 2009; 1 service contract for an amount of approximately EUR 1,675,207 (SEK 17,000,000 using the average monthly exchange rate on 17/09/2009) funded by the Swedish International Development Cooperation Agency (Sida) to be implemented by the European Commission following the conclusion of a transfer agreement in the 4th quarter of 2009; 1 contribution agreement for an indicative maximum amount of EUR 700,000 to be concluded with the Council of Europe in the 4th quarter of 2009.</p> <p>As regards the twinning contract, the essential selection and award criteria for the selection of the proposals are laid down in the twinning manual referred to in point 4.3 of this Financing Proposal.</p>
14	Spatial information services for BiH - phase two Digital Orthophoto Maps	3,000,000	<p><i>Project purpose:</i> A standardized and harmonized basis of B&H geo-information system is available for:</p> <ul style="list-style-type: none"> - Agency for statistics for the purpose of the population census - Agricultural administration - Institutions dealing with land registration - Spatial planning institutions - Transport and communications - Ministry of Justice - Municipal administrations <p><i>Implementation:</i> 1 service contract, for indicative maximum amount of EUR 3,000,000, expected to be tendered in the 1st quarter of 2009.</p>
15	Assistance in Asylum Reception Centre Construction	1,500,000	<p><i>Project purpose:</i> to improve migration management capacities of the Ministry of Security, especially the Asylum Department, by assisting in the construction of an Asylum Reception Centre.</p> <p><i>Implementation:</i> a works contract, for an indicative maximum amount of EUR 1,300,000, and a service contract for the supervision of the works, for an indicative maximum amount of EUR 200,000. Both contracts are expected to be tendered in 2nd quarter 2009.</p>
16	Consolidation of Citizen Identification Protection System - CIPS registry in BiH	2,000,000	<p><i>Project purpose:</i> to equip the CIPS Directorate with additional software and hardware tools to fulfil its role in information management.</p> <p><i>Implementation:</i> 4 supply contracts for the provision of specialised equipment to the CIPS Directorate, for a maximum indicative value of EUR 600,000, EUR 400,000, EUR 100,000 and EUR 175,000 each; and 3 service contracts for a maximum</p>

			<p>indicative value of EUR 400,000, EUR 225,000 and EUR 100,000 each.</p> <p>All contracts are expected to be tendered in the 1st quarter of 2009.</p>
17	Strengthening of BiH Environmental Institutions, preparation for pre-accession funds and support to environmental infrastructure development	4,000,000	<p><i>Project purpose:</i> Strengthening technical, administrative and IPA-compliant programming capacities of the institutions involved in environmental management in BiH and to ensure the implementation of infrastructure measures to achieve EU environmental standards.</p> <p><i>Implementation:</i> 1 service contract for an indicative maximum value of EUR 2,000,000 for strengthening of Bosnia and Herzegovina's environmental institutions and 2 service contracts of EUR 1,000,000 and EUR 250,000 respectively for supervision of works, 1 works contract of EUR 750,000, all to be tendered in 4th quarter of 2009.</p>
18	Support to BiH in meeting the requirements of the Energy Community Treaty for South East Europe, and continuing energy sector reform and development	1,750,000	<p><i>Project Purpose:</i> Improved capacity in BiH for developing and implementing a comprehensive energy strategy and improved application of measures involving energy efficiency and renewable sources of energy with the perspective for introducing such approaches into management of public sector facilities.</p> <p><i>Implementation:</i> Two service contracts: EUR 1,000,000 for works supervision and EUR 750,000 for Development and Implementation of BiH Energy Strategy, to be tendered respectively in 1st and 2nd quarter of 2009.</p>
19	Support for the implementation of the BiH Integrated Border Management (IBM) Strategy and Action Plan, including support to further EU <i>acquis</i> alignment of the Indirect Taxation Authority of BiH (ITA)	3,800,000	<p><i>Project purpose:</i> To strengthen the capacity of IBM involved institutions and to assist with the implementation of the foreseen activities in the IBM strategy Paper and its Action Plan, part of which are the implementation of the ITA obligations deriving from the SAA and Multi/Bi-lateral agreements.</p> <p><i>Implementation:</i> two Twinning contracts for an indicative maximum value of EUR 1,425,000 and EUR 2,375,000 each are expected to be launched in the 1st quarter of 2009.</p> <p>The essential selection and award criteria for the selection of the proposals are laid down in the twinning manual referred to in point 4.3 of this Financing Proposal.</p>
20	Implementation of the ECB/Eurosystem Recommendations for the Central Bank of BiH	1,000,000	<p><i>Project purpose:</i> To align the CBBH standards with the central banking standards of the ESCB by drafting and implementing new rules and policies, changing practices and training staff in the following business areas: statistics, economic analysis and research, financial stability, monetary policy under the currency board arrangement (CBA), including legal framework, and IT area.</p> <p><i>Implementation:</i> a grant contract without a call for proposals with the European Central Bank, for an indicative maximum amount of EUR 1,000,000, is expected to be concluded in the 2nd quarter of 2009.</p> <p>The direct grant agreement with o the ECB, will be concluded in view of its de facto monopoly in accordance with Article 168(1)(c) of the Implementing Rules to the FR.</p>
	Supporting programmes		
21	Entry ticket for 7th Framework Programme (FP7)	1,350,000	<p><i>Project purpose:</i> To provide access to BiH institutions to participate in EU Programmes.</p> <p><i>Implementation:</i> Payment of Entry Tickets for both the FP7, for</p>

	and for Competitiveness and Innovation Programme (CIP)		an indicative maximum amount of EUR 990,000., and the CIP, for an indicative maximum amount of EUR 360,000.
	TOTAL	54,254,783 + approximately 1,675,207 (SEK 17,000,000 using the average monthly exchange rate on 17/09/2009)	

2.3. Overview of past and on going assistance (EC / IFI / Bilateral assistance) including lesson learned

As learned from CARDS implementation, there is an overall need in certain sectors to move from a more generalised to a more strategic approach targeting the final beneficiaries closely and carefully identifying the governmental or other institutions which can positively influence the situation.

In particular, it was recognised that there is an increasing need for dialogue with all partners at state or entity level as the number of actors needed to effect a change in any given sector in BiH is high and the lack of ex ante consultation can adversely effect project implementation at a later stage. This is particularly so in view of the increased requirement for co-financing from BiH side. It was also noted that lack of capacity in many state institutions continued to hamper implementation and, on a technical level, acted as a barrier to twinning projects in some cases.

In light of the above mentioned, particular attention was paid to assure that programme activities are concentrated on those areas where co-operation from the authorities could be anticipated while implementability was one of the main guidelines in project selection.

Donor coordination was ensured throughout the entire project management cycle from project design to implementation. In particular, the European Commission as a core donor, together with DFID, was involved in setting up Aid Coordination Committee together with the BiH Ministry of Finance, the Directorate for European Integration and the Directorate for Economic Planning

Monthly Coordination meetings continued to be held with the EU Member States on programming and implementation of assistance. The European Commission also participated, and provided regular updates on the IPA programming process to a Donor Coordination Forum, which comprises of the European Commission Delegation, the EBRD, the IMF, UNDP/UNRC and the World Bank and key bilateral donors.

Improved donor co-ordination has resulted in a division of labour in certain areas where member states or other donors are carrying out projects which would otherwise have been considered for financing.

Discussions with civil society organisations have proved positive in spheres of social development and education and these contacts should be widened in future years.

2.4. Horizontal issues

Equal opportunity for participation of men and women and the minority representation will be assured in all aspects of the programme implementation. Participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

One of the specific aims of the programme is to develop an integrated Social Protection and Inclusion Strategy which will be designed, piloted and replicated by national and sub-national government institutions.

It is also expected that the support to the vocational education and training and higher education reform will contribute to improving access to education and labour market for women, minorities and other disadvantaged groups.

In the health sector, programme activities will contribute to equal access to medical services all over the country by compiling all relevant data about health of the BiH population.

The activities aimed at strengthening development of the economic sectors and regional development will support appropriate actions to ensure gender mainstreaming through the implementation of regional and national development plans and to tackle other horizontal issues, including refugee return and resettlement, minority integration and environmental protection.

The aim of IBM related programme activities is to improve the efficiency and effectiveness of the institutions to counter cross border trafficking of human beings and attempts of illegal migration.

The Programme will also contribute to environmentally sustainable economic development by bringing the country closer to EU environmental standards, through strengthening administrative structures and fostering the approximation with *acquis* requirements.

2.5. Conditions

The programme includes the following conditionalities:

- The projects fiches are formally approved by exchange of letter between the Commission and the government of BiH.
- The government will ensure that the beneficiary institutions have adequate financial, material and human resources in that EC financial support is used in the most effective and sustainable manner possible.
- Beneficiary institutions will endorse the design and tender documents, including terms of reference.
- The government shall ensure the availability of land, free of ownership claims or disputes, provision of all necessary building permits and authorisations for the construction of the planned works. The Government shall ensure long-term sustainability of the actions by allocating the necessary resources, including running costs and maintenance costs.
- Beneficiary institutions organise, select and appoint members (including gender and ethnic balance) of working groups, steering and coordination committees, and seminars as required by the project activities.

Additional project specific conditions are described in the project fiches. In the event that these conditions are not met, suspension or cancellation of the project or specific activities will be considered.

2.6. Benchmarks

	N		N+1 (cumulative)		N+2 (cumulative)	
	EC	NF*	EC	NF*	EC	NF*
Number of tenders launched			43	11	43	
Number of direct grant agreements signed	5		8		8	
Number of contribution agreements signed	1		1		1	
Number of calls for proposals launched			5		5	
Contracting Rate (%)	0		75	75	100	100

"N" being the date of the conclusion of the Financing Agreement

* In case of parallel national co-financing

2.7. Roadmap for the decentralisation of the management of EU funds without ex ante controls by the Commission

The revised Strategy for the Implementation of the Decentralised Implementation System in BiH is still pending adoption by the Council of Ministers. The DIS Working Group under the chairmanship of the NIPAC/NAO, although not officially nominated, has already started convening regularly to discuss the implementation of the requirements for DIS. The National Fund and the Central Financial and Contracting Unit (CFCU) in the Ministry of Finance and Treasury have been staffed by half of the planned levels and further recruitment is encouraged. The staff is trained by the ongoing technical assistance project and the target date for submission of the accreditation package to the European Commission is set at February 2009.

3. BUDGET (AMOUNTS IN EUR MN)

3.1. Indicative budget table

Centralised management	Institution Building (IB)					Investment (INV)					Total		
	Total expenditure	IPA Community contribution		National contribution*		Total expenditure	IPA Community contribution		National contribution*		Total expenditure	Total IPA	
	EUR (a)=(b)+(c)	EUR (b)	(1)%	EUR (c)	(1)%	EUR (d)=(e)+(f)	EUR (e)	(1)%	EUR (f)	(1)%	EUR (g)=(a)+(d)	EUR (h)=(b)+(e)	(2)%
Priority axis 1 - Political Requirements	9,020,338	8,564,783	94.95	455,555	5.05	1,940,000	1,940,000	100.00	0		10,960,338	10,504,783	18.78
1. Support for vulnerable groups (children and Roma) in BiH	1,955,555	1,900,000	97.16	55,555	2.84	0	0		0		1,955,555	1,900,000	
2. Support to the HJPC – IT equipment for the Judicial Institutions in BiH	0	0		0		1,400,000	1,400,000	100.00	0		1,400,000	1,400,000	
3. Further Support to the DIS System in BiH	1,500,000	1,500,000	100.00	0		0	0		0		1,500,000	1,500,000	
4. Support to the Civil Society in BiH	3,904,783	3,504,783	89.76	400,000	10.24	0	0		0		3,904,783	3,504,783	
5. Support to Mine Action Activities in BiH	1,660,000	1,660,000	100.00	0		540,000	540,000	100.00	0		2,200,000	2,200,000	
Priority axis 2 - Economic Requirements	11,970,000	11,725,000	97.95	245,000	2.05	3,808,800	1,125,000	29.54	2,683,800	70.46	15,778,800	12,850,000	22.98
6. Support for the Development of the Health Care Systems in BiH	2,875,000	2,850,000	99.13	25,000	0.87	0	0		0		2,875,000	2,850,000	
7. Support to competitive sectors (RED, SMEs and Tourism) in BiH	6,095,000	5,875,000	96.39	220,000	3.61	3,808,800	1,125,000	29.54	2,683,800	70.46	9,903,800	7,000,000	
8. Support to Education Reform in BiH	3,000,000	3,000,000	100.00	0		0	0		0		3,000,000	3,000,000	
Priority axis 3 - European Standards	21,548,000 + approx. 1,675,207**	20,143,000 + approx. 1,675,207**	93.95	1,405,000	6.05	29,895,997	9,407,000	31.47	20,488,997	68.53	51,443,997 + approx. 1,675,207**	29,550,000 + approx. 1,675,207**	55.83

Centralised management	Institution Building (IB)					Investment (INV)					Total		
	Total expenditure	IPA Community contribution		National contribution*		Total expenditure	IPA Community contribution		National contribution*		Total expenditure	Total IPA	
	EUR (a)=(b)+(c)	EUR (b)	(1)%	EUR (c)	(1)%	EUR (d)=(e)+(f)	EUR (e)	(1)%	EUR (f)	(1)%	EUR (g)=(a)+(d)	EUR (h)=(b)+(e)	(2)%
9. Support to trade policy, capacity building and development of Infrastructure of Metrology system in BiH	2,000,000	2,000,000	100.00	0		2,335,000	2,000,000	85.65	335,000	14.35	4,335,000	4,000,000	
10. Capacity building in agriculture and food safety policy and preparations for BiH's access to IPA Rural Development (IPA-RD) programme	3,611,000	3,200,000	88.62	411,000	11.38	1,196,677	800,000	66.85	396,677	33.15	4,807,677	4,000,000	
11. Support for the Control and/or Eradication of animal diseases Rabies and Classical Swine Fever in BiH	668,000	668,000	100.00	0		1,189,320	832,000	69.96	357,320	30.04	1,857,320	1,500,000	
12. Twinning Assistance in institutional building of BiH civil aviation authority related to European Common Aviation Area (ECAA)	1,000,000	1,000,000	100.00	0		0	0		0		1,000,000	1,000,000	
13. Support to State and Entity Statistical Institutions in BiH	2,144,000 + approx. 1,675,207**	2,000,000 + approx. 1,675,207**	96.23	144,000	3.77	0	0		0		2,144,000 + approx. 1,675,207**	2,000,000 + approx. 1,675,207**	
14. Spatial information services for BiH - phase two Digital Orthophoto Maps	3,300,000	3,000,000	90.91	300,000	9.09	0	0		0		3,300,000	3,000,000	
15. Assistance in Asylum Reception Centre Construction	0	0		0		2,000,000	1,500,000	75.00	500,000	25.00	2,000,000	1,500,000	
16. Consolidation of Citizen Identification Protection System - CIPS	975,000	725,000	74.36	250,000	25.64	1,275,000	1,275,000	100.00	0		2,250,000	2,000,000	

Centralised management	Institution Building (IB)					Investment (INV)					Total		
	Total expenditure	IPA Community contribution		National contribution*		Total expenditure	IPA Community contribution		National contribution*		Total expenditure	Total IPA	
	EUR (a)=(b)+(c)	EUR (b)	(1)%	EUR (c)	(1)%	EUR (d)=(e)+(f)	EUR (e)	(1)%	EUR (f)	(1)%	EUR (g)=(a)+(d)	EUR (h)=(b)+(e)	(2)%
registry in BiH													
17. Strengthening of BiH Environmental Institutions, preparation for pre-accession funds and support to environmental infrastructure development	2,000,000	2,000,000	100.00	0		10,900,000	2,000,000	18.35	8,900,000	81.65	12,900,000	4,000,000	
18. Support to BiH in meeting the requirements of the Energy Community Treaty for South East Europe, and continuing energy sector reform and development	750,000	750,000	100.00	0		11,000,000	1,000,000	9.09	10,000,000	90.91	11,750,000	1,750,000	
19. Support for the implementation of the BiH Integrated Border Management (IBM) Strategy and Action Plan, including support to further EU <i>acquis</i> alignments of the Indirect Taxation Authority of BiH (ITA)	4,000,000	3,800,000	95.00	200,000	5.00	0	0		0		4,000,000	3,800,000	
20. Implementation of the ECB/Eurosystem Recommendations for the Central Bank of BiH	1,100,000	1,000,000	90.91	100,000	9.09	0	0		0		1,100,000	1,000,000	
Priority axis 4 - Supporting programmes	0	0		0		1,500,000	1,350,000	90.00	150,000	10.00	1,500,000	1,350,000	2.41
21. Entry ticket for 7 th Framework Programme (FP7) and for Competitiveness and Innovation Programme	0	0		0		1,500,000	1,350,000	90.00	150,000	10.00	1,500,000	1,350,000	

Centralised management	Institution Building (IB)					Investment (INV)					Total		
	Total expenditure	IPA Community contribution	(1)%	National contribution*	(1)%	Total expenditure	IPA Community contribution	(1)%	National contribution*	(1)%	Total expenditure	Total IPA	(2)%
	EUR (a)=(b)+(c)	EUR (b)		EUR (c)		EUR (d)=(e)+(f)	EUR (e)		EUR (f)		EUR (g)=(a)+(d)	EUR (h)=(b)+(e)	
(CIP)													
TOTAL	42,538,338 + approx. 1,675,207**	40,432,783 + approx. 1,675,207**	95.24	2,105,555	4.76	37,144,797	13,822,000	37.21	23,322,797	62.79	79,683,135 + approx. 1,675,207**	54,254,783 + approx. 1,675,207**	100

* contribution (public and private national and/or international contribution) provided by national counterparts

** contribution from Sida for an amount of approximately €1,675,207 (SEK 17,000,000 using the average monthly exchange rate on 17/09/2009)

(1) Expressed in % of the Total expenditure IB or INV (column (a) or (d)).

(2) Priority axis rows only. Expressed in % of the grand total of column (h). It indicates the relative weight of the priority with reference to the total IPA Community contribution of the entire FP.

3.2. Principle of Co-Financing applying to the projects funded under the programme

The Community contribution, which represents approximately 68.75% of the total budget allocated to this programme, has been calculated in relation to the eligible expenditure, which in the case of centralized management is based on the total expenditure. Parallel co-financing will be used.

The national co-financing is foreseen for 16 out of 21 projects and amounts to:

- Priority Axis 1 - 4.16%
- Priority Axis 2 - 18.56%
- Priority Axis 3 – 41.22%
- Priority Axis 4 - 10.00%

In the case of grants, final grant beneficiaries should contribute with a minimum of 10% of the eligible expenditure of the project, both for investment and institution building projects, and a minimum of 5% of the eligible expenditure in case of twinning.

Individual grant agreements implementing the projects as foreseen under the Programme will be financed in accordance with the rules of co-financing established in Article 231(1) (d) of the Implementing Rules.

The envisaged grant agreements will be implemented in accordance with Articles 120 (1) and 120 (3) of Financial Regulation and Article 184 of Implementing Rules to the Financial Regulation.

4. IMPLEMENTATION ARRANGEMENTS

4.1. Method of implementation

The programme will be implemented on a centralised basis by the European Commission, EC Delegation to Bosnia and Herzegovina, in accordance with Article 53a of the Financial Regulation¹ and the corresponding provisions of the Implementing Rules².

The part of this programme concerning the International Monitoring Operation for the census under project 13 will be implemented by the European Commission by joint management with the Council of Europe following Article 53d of the Financial Regulation³ and the corresponding provisions of the Implementing Rules⁴. To this end, the Commission and the Council of Europe will conclude a contribution agreement.

¹ OJ L 248, 16.9.2002, p.1. .

² OJ L 357, 31.12.2002, p. 1.

³ OJ L 248, 16.9.2002, p.1. .

⁴ OJ L 357, 31.12.2002, p. 1.

4.2. General rules for procurement and grant award procedures

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

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

The Commission shall also use the procedural guidelines and standard templates and models facilitating the application of the above rules provided for in the "Practical Guide to contract procedures for EC external actions" ("Practical Guide") as published on the EuropeAid website⁵ at the date of the initiation of the procurement or grant award procedure.

The general rules for procurement and grant award procedures shall be defined in the contribution agreement between the Commission and the International Organisation implementing such programme/activity.

4.3. Implementation Principles for Twinning Projects

Twinning projects shall be set up in the form of a grant agreement, whereby the selected Member State administrations agree to provide the requested public sector expertise against the reimbursement of the expenses thus incurred.

The contract may in particular provide for the long-term secondment of an official assigned to provide full-time advice to the administration of the beneficiary country as resident twinning advisor.

The twinning grant agreement shall be established in accordance with relevant provisions of Part One, Title VI of the Financial Regulation and Part One, Title VI of its Implementing Rules.

The twinning manual is available on the web site of the Directorate General for Enlargement of the European Commission at the following address:

http://ec.europa.eu/enlargement/financial_assistance/institution_building/twinning_en.htm

4.4. Environmental Impact Assessment and Nature Conservation

- All investment shall be carried out in compliance with relevant Community Environmental Legislation.
- The procedure for environmental impact assessment as set down in the EIA-Directive will fully apply to all investment projects and the application of the European Principles for the Environment will be ensured.

⁵ Current address: http://ec.europa.eu/europeaid/work/procedures/implementation/works/index_en.htm

5. MONITORING AND EVALUATION

5.1. Monitoring

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

5.2. Evaluation

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

The results of ex ante and interim evaluation shall be taken into account in the programming and implementation cycle.

The Commission may also carry out strategic evaluations.

6. AUDIT, FINANCIAL CONTROL AND ANTI-FRAUD MEASURES

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

In order to ensure the efficient protection of the financial interests of the Community, the Commission (including the European Anti-Fraud Office) may conduct on-the-spot checks and inspections in accordance with the procedures foreseen in Council Regulation (EC, Euratom) 2185/96⁶.

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

7. NON SUBSTANTIAL REALLOCATION OF FUNDS

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

⁶ OJ L 292, 15.11.1996, p. 2.

8. LIMITED ADJUSTMENTS IN THE IMPLEMENTATION OF THE PROGRAMME

Limited adjustments in the implementation of this programme affecting elements listed under Article 90 of the Implementing Rules to the Financial Regulation, which are of an indicative nature⁷, may be undertaken by the authorising officer by delegation (AOD), or by the authorising officer by sub-delegation (AOSD), in line with the delegation of powers conferred upon him by the AOD, in accordance with the principles of sound financial management without an amending financing decision being necessary.

⁷ These essential elements of an indicative nature are, for grants, the indicative amount of the call for proposals and, for procurement, the indicative number and type of contracts envisaged and the indicative time frame for launching the procurement procedures.