

Standard Summary Project Fiche – IPA centralised programmes

Project Number 03: Strengthening legislation, policy and coordination capacities at the central level

1. BASIC INFORMATION

- 1.1 CRIS Number:** 2011/022-585
- 1.2 Title:** Strengthening legislation, policy and coordination capacities at the central level
- 1.3 ELARG statcode:** 01. 36 Institutions and political criteria.
- 1.4 Location:** Republic of Serbia

Implementing arrangements:

- 1.5 Contracting Authority:** EU Delegation to the Republic of Serbia
- 1.6 Implementing Agency:** EU Delegation to the Republic of Serbia
- 1.7 Beneficiary (including details of project manager)**

This project consists of three components with a different beneficiary institution for each component.

Component 1 - Strengthening Capacities of the National Assembly in the EU integration Process

The main beneficiary institution will be the National Assembly of the Republic of Serbia (NARS)

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Steering committee: The Steering Committee will be composed by EU Delegation, NARS, and the Twinning Team. Where appropriate, it will also include representatives of the Independent Bodies involved in the project and representatives of the Secretariat for Legislation.

Component 2 - Reforming Policy Coordination and the Centre of the Government - Third Phase

Ministry: Government of Republic of Serbia

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Steering Committee: The Steering Committee will include representatives of Government bodies constituting the Centre of Government: Prime Minister's Office, General Secretariat, Ministry of Finance, Ministry of Public Administration and Local Self-Government, Serbian European Integration Office and Republic Legislative Secretariat, plus representatives of the EU Delegation. Other stakeholders will be included as appropriate.

Component 3 - Policy and Legal Advice Centre (PLAC)

Ministry: European Integration Office of the Republic of Serbia (SEIO)
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The other main beneficiaries of the project are the Secretariat for Legislation and line ministries.

Steering committee: The Project Steering Committee will consist of representatives of key stakeholders, including SEIO relevant departments, the Secretariat for Legislation, representatives of line ministries, and the EU Delegation.

Financing

1.8 Overall cost:	6.5 M€
1.9 EU contribution:	6.5 M€
1.10 Final date for contracting:	2 years after the signature of the Financing Agreement (FA)
1.11 Final date for execution of contracts:	4 years after the signature of the FA
1.12 Final date for disbursements:	5 years after the signature of the FA

2. OVERALL OBJECTIVE AND PROJECT PURPOSE

2.1 Overall Objective:

To improve policy and legislation processes at the central level in view of EU accession.

Project purpose:

Component 1 - Strengthening Capacities of the National Assembly in the EU integration Process

To increase the efficiency, liability and transparency of the Serbian National Assembly, particularly in the exercise of its representative role, its legislative function (especially in the process of harmonization of Serbian legislation with the EU *acquis* and in the implementation follow-up of the adopted legislation) and its oversight function towards the executive.

Component 2 - Reforming Policy Coordination and the Centre of the Government - Third Phase

To redesign the policy making process in the Government so that the policies are strategic, outcome focused, flexible, innovative and linked to strategic frames, and so that proper coordination from the Centre is ensured.

Component 3 - Policy and Legal Advice Centre (PLAC)

To improve the system of harmonization of Serbian legislation with the EU *acquis*

2.2 Link with PR / EP/ SAA/ NPI

Component 1 – Strengthening Capacities of the National Assembly in the EU integration Process

Link to the 2010 Progress report

In February 2010, parliament adopted the Law on the National Assembly, required by the Constitution. The law establishes parliamentary budgetary autonomy through a separate budget as opposed to the previous practice of government-decided allocations. It also provides for procedural innovations, in particular the establishment of a parliamentary collegium which formalises the earlier ad hoc practice of consultations between the Speaker and the heads of political groups in the parliament. New parliamentary rules of procedure were also adopted. The new rules of procedure consolidate the existing instruments of control over the executive and further clarify the legislative procedures. Overall, further steps were taken to improve the functioning of parliament through the adoption of a new Law on the National Assembly and new rules of procedure. However, efforts are necessary to further improve the quality of the

legislative output. The electoral framework legislation needs to be brought fully into line with European standards.

Link with European Partnership¹

One of the medium term political priorities for Serbia under the European Partnership is to "Continue efforts to implement the reform of the public administration, including the civil service pay system, to ensure transparent recruitment and promotion as well as professionalism and accountability, strengthen the European integration structures, improve coordination throughout the public administration and parliament and pay particular attention to policy coordination".

The implementation of the Project will assist in strengthening the capacities and the organization of the Parliament, in particular of the sectors dealing with European integration affairs.

Link with Stabilization and Association Agreement (SAA)

The preamble of the SAA, in Article 1, states that one of the goals of the accession is support to the efforts of Serbia in strengthening democracy and the rule of law. The SAA also envisages an important role of the Parliament in the Chapter on Political Dialogue (II, Article 12), and more particularly the importance of the Stabilization and Association Parliamentary Committee for rolling out of the political dialogue on parliamentary level. Article 125 of the SAA stipulates the composition of the SA Parliamentary Committee, and describes it as a forum for Members of the Parliament of Serbia and of the European Parliament to meet and exchange views.

Improving working practices of the Serbian Parliament in the adoption of legislation, in particular when related to harmonisation with the *acquis*, and enhancing the cooperation between the Parliament and the Government in law-making process are fundamental elements of a solid framework for the implementation of SAA and EU integration requirements.

Link with National Program for Integration in the European Union (NPI)

The NPI² dedicates the whole chapter 1.1.2 to the National Assembly and provides an important update on the role and priorities of the Parliament as related to the "European agenda". According to this chapter, further activities will be undertaken to continue the work on the Draft Declaration of the National Assembly and the Government of the Republic of Serbia on the joint action of the Republic of Serbia in the EU integration process. The aim of the draft Declaration is to oblige legislative and executive authority to give priority in their work to drafting and adopting the legal acts that are most important for the EU integration process. A specific Working Group will be established to draft the new document setting the rights and obligations of the Parliament and the Government and the procedures of the cooperation with regards to effective harmonizing of the legislation with the *acquis*.

Component 2 – Reforming Policy Coordination and the Centre of the Government - Third Phase

Link to the 2010 Progress report

¹ Official Journal of the European Union, L 80/46, 19 March 2008 - COUNCIL DECISION of 18 February 2008 on the principles, priorities and conditions contained in the European Partnership with Serbia including Kosovo as defined by United Nations Security Council Resolution 1244 of 10 June 1999 and repealing Decision 2006/56/EC.

² revised version from December 2009

The government lacks coherent rules and practices for public consultations. Effective implementation and monitoring of the adopted legislation still need to be improved. As regards local self-government, for example, decentralisation has continued and a number of competencies have been transferred to the local level. However, this was done without ensuring sufficient capacity and resources at local level. There has been insufficient consultation with local authorities in the decision-making process relating to the development of new legislation or amendments to existing laws that have implications at the local level.

Link with European Partnership

The European Partnership - short and medium term priorities, political criteria- emphasizes the importance of further implementing Public Administration Reform, including policy coordination:

"Continue efforts to implement the reform of the public administration, including the civil service pay system, to ensure transparent recruitment and promotion as well as professionalism and accountability, strengthen the European integration structures, improve coordination throughout the public administration and parliament and pay particular attention to policy coordination".

Medium term priorities - political criteria- indicate:

"Further strengthen European integration capacity within the public administration, embedding the necessary structures within line ministries and throughout government, and improve cooperation mechanisms with all departments dealing with European integration".

The project is consistent with this framework, as it aims at strengthening the policy-making and coordination capacity of the public administration at central and local levels and at reforming policy coordination within the Centre of the Government.

Link with Stabilization and Association Agreement (SAA)

The **SAA** under *Article 114*- Public administration- states:

"Cooperation shall aim at ensuring the development of an efficient and accountable public administration in Serbia, notably to support rule of law implementation, the proper functioning of the state institutions for the benefit of the entire population of Serbia as a whole and the smooth development of the relations between the EU and Serbia. Cooperation in this area shall mainly focus on institution building, including the development and implementation of transparent and impartial recruitment procedures, human resources management, and career development for the public service, continued training and the promotion of ethics within the public administration. Cooperation shall cover all levels of public administration, including local"

The project directly addresses the issue of developing an efficient, effective, accountable and transparent public administration, inspired by EU best practices.

Link with National Program for Integration in the European Union (NPI)

According to the NPI, public administration reform (Political criteria), listed both in the short and medium term priorities, will be tailored to gradually meet the requirements of EU accession. Besides, the NPI foresees further strengthening capacities for policy-making and coordination of administrations at the local level.

As Serbia heads towards EU membership, the connection between public administration reform and European integration is more and more evident. The capacity of national

administrations to undertake the obligations linked with EU membership shall be a key criterion of assessment of candidates' preparedness. In order to ensure the capacity of Serbian administrations to undertake the obligations related to EU membership, it is necessary to strengthen the existing institutions and to create new ones, but also to bring in innovative public administration structures and working patterns.

Component 3 – Policy and Legal Advice Centre (PLAC)

Link to the 2010 Progress report

The government adopted a Decision, in January 2010, activating the Coordinating Body for accession to the EU chaired by the Prime Minister. The Coordinating Body met once during the reporting period. The Serbian European Integration Office has continued to function well and was exempted from the overall cuts in numbers of employees. The government has been drafting a number of bills aimed at further alignment of national legislation with European standards. However, the quality of the legislation was uneven and continued to be affected by inadequate impact assessment of proposed acts.

Link with European Partnership

Under Short term priorities- Key priorities- the European Partnership states:

"Ensure compliance with the future obligations under the Stabilisation and Association Agreement (SAA) and in particular the Interim Agreement (IA)

Strengthen the European integration structures, improve coordination throughout the public administration and parliament and pay particular attention to policy coordination".

According to the EC 2010 Progress Report for Serbia, (Political criteria, section 2.1), "The government has been drafting a number of bills aimed at further alignment of national legislation with European standards. However, the quality of the legislation was uneven and continued to be affected by inadequate impact assessment of proposed acts. The government lacks coherent rules and practices for public consultations. Effective implementation and monitoring of the adopted legislation still need to be improved".

Beside, the conclusion of the section state: "Overall, the government continued to be stable, and the consensus on strategic priorities, including EU integration, was maintained. However, both the preparation and implementation of new legislation need to become more effective.

Link with Stabilization and Association Agreement (SAA)

The SAA, Title VI - Approximation of Laws, Laws enforcement and Competition Rules, Article 72 states the following:

1. The Parties recognize the importance of the approximation of the existing legislation in Serbia to that of the Community and of its effective implementation. Serbia shall endeavour to ensure that its existing laws and future legislation will be gradually made compatible with the Community *acquis*. Serbia shall ensure that existing and future legislation will be properly implemented and enforced.
2. This approximation shall start on the date of signing of this Agreement, and shall gradually extend to all the elements of the Community *acquis* referred to in this Agreement by the end of the transitional period defined in Article 8 of this Agreement.

3. Approximation will, at an early stage, focus on fundamental elements of the Internal Market *acquis*, Justice, Freedom and Security as well as on other trade-related areas. At a further stage, Serbia shall focus on the remaining parts of the *acquis*.

Link with National Program for Integration in the European Union (NPI)

The NPI pays particular attention to administrative capacities and budget resources that are needed to transfer *acquis* provisions into domestic legislation and to carry out consistently planned reforms, given that the crucial point in the following phases shall be the implementation of the assumed obligations.

"Ability to assume obligations that membership entails" is the central chapter of the NPI and it comprises 33 subchapters which correspond to *acquis* negotiating chapters. Each subchapter contains:

1. general assessment of the current state of affairs (which legal act regulates specific area, degree of approximation to the *acquis* or EU policy in this field, institution responsible for implementation and its capacities);
2. legislative part (explanation as to which part of the *acquis* a new or amended and appended act shall be approximated to, who is in charge of the drafting of the said act, and planned date/quarter of the year for adoption in short and medium term
3. institutional part (explains the needs for reorganisation of the existing or establishment of new institutions, the needs for employment and training in those institutions in short (up to 2 years) and medium terms (3-5 years)

2.3 Link with national / sectoral plans

Component 1 - Strengthening Capacities of the National Assembly in the EU integration Process

Public Administration Reform Strategy and Action Plan for 2009-2012, under "Main goals and principles of reform" indicate the main broad objectives of PAR in Serbia: building a democratic state, based on the rule of law, responsibility, transparency, and building a state administration oriented towards citizens and able to provide citizens with high quality services at reasonable cost..

The document also foresees that the relation of the state administration toward citizens should change substantially so as to achieve better efficiency, better legal certainty, more efficient application of laws and sanctioning of infringements, higher transparency and availability of information.

The **Needs of the Republic of Serbia for International Assistance for the period 2009-2011**, within the chapter on Basic Development Goals and Priorities, states that while acceding to the EU, Republic of Serbia should strive towards a stable democratic order, the rule of law, and high standards in the protection of human and minority rights. Moreover, the chapter on the Public Administration Reform reiterates the basic principles of modernization, professionalization, and accountability.

The **National Strategy for fight Against Corruption** recommends to increase transparency in the work of State bodies and to improve the exercise of the oversight function by the National Assembly.

Component 2 – Reforming Policy Coordination and the Centre of the Government - Third Phase

Public Administration Reform Strategy in the Republic of Serbia:

The policy coordination reform within the General Secretariat contributes to the implementation of the major principles outlined in the Public Administration Reform (PAR) Strategy: decentralization, de-politicisation, professionalisation, rationalisation and modernisation.

The reform of Government policy design and policy coordination cannot be carried out in one step. It needs to go through a number of subsequent stages, and should be closely linked to related reforms, first of all the reforms of the Budget Department and of the Department for Macroeconomic and Fiscal Analyses and Projections of the Ministry of Finance.

The reform is based on some pre-conditions like:

- political willingness and general consensus to carry out the reform;
- selection of priorities and gradual approach to implementation;
- “popularization” of the reform both with citizens and civil servants

The Action Plan for implementation of PAR Strategy 2009-2012 underlines the role of the General Secretariat, in particular under the objective Public Policy Coordination, and foresees the improvement of strategic and operational planning process and efficient public policy development in all Government bodies.

Needs of the Republic of Serbia for international assistance in the period 2009-2011:

In chapter 2.2, among the priority measures for implementation of medium - term goals in the area of public administration capacities building, a number of activities on policy coordination reform are identified: support to the introduction of new functions and working processes in the Government bodies, including planning and management processes; development of mechanisms for inter ministerial coordination in the planning process; improvement of efficiency of Government bodies through analyses and review of their functioning.

Component 3 – Policy and Legal Advice Centre (PLAC)

The link of the component is mainly with the NPI.

2.4 Link with Multi-Annual Indicative Planning Document (MIPD 2011-2013)

Strengthening legislation, policy and coordination at central level falls under the Public Administration sector and more specifically under its objective to improve the efficiency and effectiveness of the public administration at both central and local level.

The main goal is to support policy reforms for EU integration. Focus is on capacity building for policy reforms, and implementation of the existing legal and strategic framework. Particular attention will be paid to the administrative capacities in the European integration process. There is a need to strengthen capacities in all line Ministries dealing with EU *acquis*; to enhance policy coordination and enable the country to align and implement the EU *acquis* effectively, as well as to meet the requirements for the implementation of IPA assistance under the Decentralised Management System (DIS).

3. DESCRIPTION OF PROJECT

3.1 COMPONENT 1 – Strengthening Capacities of the National Assembly in the EU integration Process

3.1.1. Background and justification

The National Assembly of the Republic of Serbia is entrusted with representative, legislative, electoral and oversight functions, and is the supreme representative body and holder of legislative powers. The National Assembly consists of 250 deputies, who are elected on direct elections by secret ballot. Equality and representation of different genders and members of national minorities is guaranteed by the Law. The National Assembly adopts decisions by majority vote of deputies in sessions where the majority of deputies are present.

The framework regulating the functioning of the Parliament has undergone a number of changes during last year.

The Law on the National Assembly was adopted in February 2010³ as required by the Constitution.

The present organizational structure of the Parliament foresees 30 Parliamentary Committees, generally reflecting the corpus of executive sectors of the Government (see the table overview provided in the Annex III). Each Parliamentary Committee is composed by a different number of MPs and is technically supported by the competent staff of the Parliamentary Service.

The new parliamentary Rules of Procedure, adopted in July 2010, provide for a reduction of the number of Parliamentary Committees from 30 to 19,. However, this provision will be in force only from next legislature.

The New Act on Systematization of the National Assembly, currently under preparation, is supposed to reflect all changes introduced by the new Law on the National Assembly, and to outline a new structure, adapted to the obligations linked to Serbia pre-accession (and subsequently accession) to the EU.

The Uniform Rules for the elaboration of legal acts, adopted in March 2010, establish uniform guidelines for the elaboration of all pieces of legislation developed by the Parliament or subject to adoption by the Parliament.

Ensuring full-fledged implementation of the new regulatory framework will require time and resources. Moreover, the regulatory framework is likely to need further assessment and revision. In this framework, the Serbian Parliament would greatly benefit from external technical assistance and the expertise and experience of more developed EU democracies.

Besides technical assistance, the Serbian Parliament needs further international and European exposure. In particular, encouraging the presence of observers of the Serbian National Assembly at COSAC meetings would provide new valuable networking options and cooperation opportunities.

Legislative function

The primary legislative role of the Parliament becomes more complex as Serbia moves closer to the European Union. Harmonizing national legislation with EU *acquis* in a transparent and consistent manner is considered as a priority by the Parliament. This also requires structured coordination with the Government, which is in charge of drafting legislation and of certifying the compatibility of draft laws with the relevant *acquis*.

³ Official Gazette of the RS, no. 09/10

Once the legislative proposal enters into parliamentary legislative procedure, it is usually subject to amendments that can seriously alter the nature of the proposal and thus affect its compatibility with the *acquis*. Therefore, the National Assembly also holds responsibility for proper harmonization of national legislation with the *acquis*, and should be endowed with adequate capacities.

Serbia being in a pre-accession phase, some basic preconditions for the Parliament to fully exercise this function are not yet in place: the quality of the Parliament and of Committees work is quite uneven, and there is a general lack of expertise, of support staff, and of good practice. Moreover, the Parliament lacks a unique approach in consultations with the civil society, international organisations and other stakeholders.

The new Rules of Procedure give greater emphasis to the role of the Committees in the parliamentary activities and to the need of bringing deputies' activities closer to the citizens. The new general approach is to entrust substantial activities of the National Assembly to Parliamentary Committees, with the aim of completing the debate on amendments in the Committee sittings, rather than in plenary sessions. Accordingly, the secretarial services of the Committees should be strengthened and trained, particularly on topic related to harmonisation with EU legislation.

In this context, the International Affairs Sector, and particularly the European Integration Department, plays a crucial role in providing assistance to Parliamentary Committees. The Parliament internal organisation should be further adjusted, in order to make European affairs almost a cross-cutting competence for both the Parliament staff and MPs.

Oversight function

According to the Law on the National Assembly⁴, the Parliament oversees the work of: 1) the Government (and decides about its dissolution); 2) Security services; 3) Governor of the National Bank of Serbia; 4) Ombudsman; 5) other bodies and institutions stipulated by the Law.

In carrying out the oversight function over the Government⁵, the national deputies dispose of two types of entitlements: a) collecting information on the work of the Government (deputy's questions, fact-finding boards and commissions, public hearing, agendas and reports on the work of the Ministries and the Government) and b) performing the effective oversight over the work of the Government (by means of interpellation and voting on non confidence to the Government, or the members of the Government).

In practice, the use of these instruments, although regular, remains a rather formalistic exercise.

In the frame of the relations between the legislative and the executive, the Assembly's relations with Independent State Bodies are of particular complexity. Independent State Bodies were introduced in the Serbian institutional system in 2002 through specific sector laws. They are entrusted with different regulatory, executive or control functions, and must act independently from the executive and from any political influence. Institutions of that kind are: the State Audit Institution; the Commissioner for the Information of Public Importance and the Protection of the Personal Data; the Ombudsman; the Commissioner for the Protection of Equality; the Anti-Corruption Agency; the Broadcasting Council; the Public Procurement Office; the Commission for Protection of Competition. There are presently about 30 Independent State Bodies, and their number is constantly increasing. Many of the laws on

⁴ Chapter IV Competences of the NARS, article 15.

⁵ Chapter XI, article 56 of the Law on NARS

establishing Independent State Bodies entrust Parliamentary Committees with the competence to propose the composition of the Independent State Bodies and to review their reports. The majority of Independent State Bodies submit reports on their work to the National Assembly. So far, the relations between the Parliament and the Independent State Bodies have been characterised by a lack of mutual communication and of understanding of respective institutional roles and linkages. Independent State Bodies' reports have not always led to the convening of meetings by the relevant commissions/Parliamentary Committees, where these documents would be discussed and conclusions prepared and communicated to Parliament plenary sessions. In several cases, reports are not even submitted to the Parliament, as prescribed by legislation.

On the other hand, the Parliament's relations with other State Bodies, and in particular some provisions of the new Rules of Procedure, have been criticised by the Ombudsman and by the Commissioner for Free Access to Public Information as attempts to interfere on the functioning of the Independent Regulatory Bodies.

Overall, the general framework needs to be clarified and institutional relations to be integrated in all players' work.

The effective carrying out of oversight functions requires endowing the Assembly services with the necessary capacities, both in numbers and in expertise. In particular, capacities staff of the secretariats of Parliamentary working bodies dealing with Independent State Bodies should be upgraded to an adequate level.

Representative function

With regards to the representative role of the Parliament, some important lessons come out of recent public opinion polls results, showing that Serbian citizens do not see the Parliament as an efficient and transparent institution. Legally, a number of communication instruments between the Serbian Parliament and the citizens already exist: written complaints from citizens, direct contacts between deputies and citizens, meetings of Parliamentary Committees at local self-government units, submission of civic initiatives at the occasion of public hearings organised by the Parliamentary Committees, and the right of the citizens on free access to information of public importance. Representatives of the media have free access to the sessions of the National Assembly and of Parliamentary Committees.

However, the use of these instruments should be improved. In particular, the instrument of public hearings is a very useful tool to facilitate dialogue between deputies and civil society. The Law on the National Assembly and the Rules of Procedures provides for the possibility for Parliamentary Committees to hold public hearings, but this possibility is rarely used, and the Committees are not fully aware about the potential and opportunities of this instrument.

Transparency, accessibility, accountability, and citizens' participation mostly depend on the quality of information available to the media and the wider public, and on communication capacities of deputies and parliamentary administration. The use of information and communication technologies can have a positive impact, and can significantly enhance communication and public consultation in policies development. At the same time, it is necessary to ensure permanent education of media representatives, parliamentary groups and professional parliamentary staff.

3.1.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

The Twinning Project will bring technical knowledge, best practices, recommendations, organisation plans, training plans which will be translated in appropriate changes in the legal framework and incorporated the Parliament daily work and planning.

Novelties introduced through the project will be extensively communicated to MPs and staff through appropriate actions.

The project is likely to result in better performance of the Parliament in the fulfilment of its functions, and in better inter-institutional cooperation.

It is also likely to increase the citizens' trust in the Parliament and in its representative role.

Financial sustainability of project results after the implementation will be ensured by a forecast of costs of related actions and their inclusion in the Parliament financial plan.

Overall, exposure of the Serbian Parliament to international cooperation and to EU best practice will reinforce reform-oriented attitudes and contribute to cultural changes. The choice of a Twinning is a guarantee of the commitment of the beneficiary and a basis to ensure Project sustainability.

3.1.3 Results and measurable indicators

Result 1.1.: Cooperation between the National Assembly and the Government in the law-making process is enhanced so to ensure transparency, efficiency, and legislation quality, on the basis of best EU Member States' practices

Indicators:

- Steady or increasing number of approximated laws compared with average number of laws adopted in previous years and in line with NPI and EU integration requirements;
- Improved quality and compliance with the *acquis* of adopted legislation;
- Improvements in the legislative procedure including more substantial assessment on the impact of the legislation and extensive discussions with relevant stakeholders;
- Improved ex ante compatibility checks with the *acquis* before legislation is adopted;
- Improved follow-up on the implementation of the adopted legislation expressed e.g. in the increased number of the adopted pieces of secondary legislation when required by the law;
- Joint capacity building activities for the representatives of the Parliament and the Government, broadening the understanding of contents and implications of constitutional principle of separation of powers and mechanisms of “checks and balances”; participation in the activities (e.g. rate of attendance of training courses) and results of exemplary and exit tests

Result 1.2: Working practices of the National Assembly in the adoption of legislation are properly defined and implemented, so to lead to sound harmonization with the *acquis* and to improved compliance with the requirements of European integration process

Indicators:

- Time and effectiveness of legislative procedures;
- Quality of amendments and of adopted legislation;
- Quality of the expertise and technical support provided to Parliamentary Committees and to the Parliament;
- Recommendations/guidelines spread among Parliament staff and MPs;
- Adequate number of staff and MPs trained and training materials available for further use;
- Joint capacity building activities with the participation of representatives of Independent Bodies; participation in the activities and results

Result 1.3: Organizational structure, internal procedures and work practices are improved and Parliamentary working bodies are more efficient and professional

Indicators:

- Improved organizational structure of the Parliament;
- Improved Parliament and Committees' working processes;
- Improved communication flows in the Parliament;
- Capacity building activities for Parliament professional staff, MPs and members of Parliamentary Committees to implement recommendations on improved working processes and procedures; participation in the activities and results

Result 1.4: Exercise of the parliamentary oversight function over the Government is revised and improved; institutional relations with Regulatory/Independent State Bodies are revised and improved

Indicators:

- Improved procedural and institutional relations between the Assembly on one side and the Government and State Bodies on the other side;
- Improved and consolidated communication flow between the Assembly on one side and the Government and State Bodies on the other side;
- Independent Bodies' reports timely submitted and sufficiently accurate in the information provided;
- Relevant Conclusions and Recommendations developed during Parliamentary Committees' sittings, showing increased quality of debate on Independent Bodies Reports;

- Use of oversight instruments enhanced: e.g. increased number and substantial quality of oral and written deputies' questions; of general debates; of hearings; of meetings of Government representatives with Committees
- Joint capacity building activities for the Parliament and Independent Bodies' staff; participation in the activities and results;

Result 1.5: Participation of the civil society in the Parliament activities and in the law making process enhanced, and capacities of the Parliament to deal with citizens' appeals and requests improved.

Indicators:

- Increased number and substantive quality of public hearings held during the Parliament's sittings;
- Increased number of civil society representatives participating in public hearings;
- Sufficient number and relevance of requests and appeals submitted to the Parliament;
- Increased number of initiatives for amending legal acts submitted to the Parliament;
- Improved consideration of presented proposals and feedback by the Parliament;
- Increased number and impact of new communication initiatives and activities;
- Increased number/frequency of draft laws shared with the civil society (for instance through availability at the Parliament's web portal and through public consultation)
- Sufficient time (average number of days or weeks) allocated to public debate/public participation

3.1.4 Activities:

Activities related to Result 1.1.:

Enhancing cooperation between the National Assembly and the Government in the law-making process

1.1.1. Providing advice and recommendations on the implementation (and revision if appropriate) of the Rules of Procedure in order to assure appropriate cooperation between the Parliament and the Government;

1.1.2. Realization of joint workshops for the staff of the Parliament and the Government;

Activities related to Result 1.2:

Improving working practices the National Assembly in the adoption of legislation, in particular as related to harmonisation with the acquis

1.2.1 Analysing working methodologies and drafting recommendations on the necessary modifications to improve the Parliament work on approximation of legislation with the EU *acquis*

1.2.2. TNA for the Parliament staff;

1.2.3. Delivering trainings for Parliament staff;

1.2.4. Workshops for MPs;

1.2.5. Training materials for staff;

1.2.6. Training/informative materials for MPs;

1.2.7. Study visits for staff, as appropriate;

1.2.8 Joint workshops for the Parliament, the Government and Independent Bodies

Activities related to Result 1.3:

Improvement of organizational structure, internal procedures and work practices and upgrading the level of professionalism in the Parliament

1.3.1. Assessing the overall organizational structure, work practices and procedures of the Parliament;

1.3.2. Development of proposals for the improvement of the organization and functioning of Parliament

Activities related to Result 1.4:

Improving the exercise of the parliamentary oversight function and the related cooperation with the Government and with Independent State Bodies

1.4.1. Assessing the relations and communication flow between the Parliament, the Government and Independent Bodies;

1.4.2. Drafting recommendations for improved relations and communication flow and for their implementation;

1.4.3. Joint workshops for the Parliament and Independent Bodies' staff

Activities related to Result 1.5:

Increasing the transparency of the Parliament work and the participation of the civil society in the Parliament activities and in the law making process

1.5.1. Assessing the effectiveness of the existing information and visibility tools;

1.5.2. Assisting the preparation and holding of public hearings, attracting higher participation of the civil society representatives

1.5.3. Providing support with the operations of the Requests and Appeals Committee of the Parliament

1.5.4. Designing communication materials and elaborating handouts (brochures) on Parliament activities adapted to the civil society

1.5.5. Organizing appropriate activities (like workshops/presentations) for media representatives, with the aim of ensuring more active and comprehensive reporting on NARS activities, as well as of better understanding of the Parliamentary functioning

1.5.6 Assisting the initialization of communication options for wider public on the web site of Parliament

National Assembly of the Republic of Serbia as the main beneficiary of the Project will ensure necessary technical support for the everyday work of the twinning team during the project implementation.

3.1.5 Conditionality and sequencing:

The Constitution of the Republic of Serbia, as well as the Law on National Assembly, particular Laws on the establishment of Independent Bodies, Rules of Procedure of the National Assembly, are the main relevant legal documents in the context of the present Project. The new Act of Systematization and the other acts foreseen by the Law on the National assembly are planned to be adopted before the project starts.

However, the main challenge will be to ensure enforcement of this legal framework, bearing in mind that some organizational changes will have to be introduced, and new obligations and responsibilities assumed. EU assistance and best practice sharing is particularly important with regard to translation of the legal framework into practice and to its assessment and revision where necessary.

Precondition for the project is certainly the continuity of political support to EU integration process, and Serbian authorities' high level of commitment.

Another important condition for proper project implementation will be the availability of the employees of National Assembly to be trained and to collaborate with the Twinning team, and the commitment of the Assembly to dedicate resources (time, staff and operational costs) to project implementation.

All activities under the present project will be undertaken within the scope of one Twinning Contract and there will be no particular requirement regarding the sequencing of their implementation.

3.1.6 Linked activities

1. “Strengthening Accountability of the National Assembly of the Republic of Serbia”, is a project implemented in cooperation with UNDP as implementing agency and a donor partner, from March 2009 to March 2010. The aims of the project were: to strengthen the scrutiny capacity of the National Assembly with special attention to Independent State Bodies; to improve the Assembly opening towards the public, participation and transparency. Beneficiaries of the project are the relevant Parliamentary Committees. To some extent, the IPA 2011 Project can build upon the results of this project. Thus, it will be of important to clarify with the implementing partner (UNDP) the project outputs, and subsequently to provide the Twinning team with accurate information.
2. “Insight to the Public Finance – Strengthening of the NGO role in the monitoring of Budgetary Policies in Serbia”, in cooperation and with the support of British Council and the Pro-concept NGO. The three-year project started in April 2009 targeting Parliamentary Committees for Finance, for Gender Issues and for Health and Family as the main beneficiaries in the legislative branch of powers. The project aims at supporting the Parliament in achieving complete financial autonomy (budgetary planning, governing and reporting), in accordance with the newly adopted Law on the

National Assembly. There will be no overlapping with the IPA 2011 Project, since the outlined project is more specific and refers just to a very particular function of the Parliament pursuing to its complete financial autonomy. Necessary coordination with British Council and NGO Pro-concept will be ensured.

3. Project for “Opening of the MPs’ Offices in Serbia” started with the financial support of the National Democratic Institute in 2010, and is so far envisaged also for 2011. The Aim of the Project is to strengthen the representative role of the Parliament, by supporting the establishment of the so called MP’s Offices throughout Serbia. The idea is to take advantage of the fact that MPs often come from units of local self-government other than the capital of Serbia. Thus, they are in a position to establish a more direct contact with the citizens in the interior of the state, to better understand the problems in a familiar environment and to communicate those issues to the Assembly in the appropriate manner. Since this project is supposed to broaden the representative role of the Parliament through this specific exercise, it will result in valuable experiences that will be incorporated in IPA 2011 Project and particularly in result 1.5.
4. “The Programme of Parliamentary Support” was launched in 2010 as part of a broader project realised within the Memorandum of Cooperation between National Assembly and OSCE Mission in Serbia. It represents the continuation of a number of projects with the objective of strengthening of the overall role of the Parliament, to which the National Assembly was the beneficiary, and which were initiated and supported by OSCE Mission in Serbia. Focus of the ongoing project is to explore the possibilities of strengthening of the role of Parliamentary Committees, towards enhancing their decision-making capacity. The findings of this project will be integrated in IPA 2011 project as appropriate.
5. Project “Strengthening Democratization in the Security Sector” is likewise part of a broader Program within the scope of the Memorandum of Cooperation between National Assembly and OSCE Mission in Serbia. It builds on the previous experiences acquired in similar actions, with the aim to intensify parliamentary oversight over the executive branch of power, and especially regarding the security sector. The project will last throughout years 2010-2011, and all relevant information will be exchanged with the OSCE Mission and the Committee for Defence and Security in order to ensure appropriate inputs for the IPA 2011 Project.
6. “Program for the Separation of Powers in Serbia”, funded by USAID, started in November 2009, and is expected to be completed in September 2011. The objective of the project is to foster the separation of powers in the legal system of Serbia. This project likewise pretends to achieve coordinated action of the state bodies and civil society, with the Parliament taking a leading role, as well as the constructive inter-party cooperation in the overview of implementation of relevant legislation. Complementarities with IPA 2011 Project will be ensured also on the basis of the reports on project implementation, provided by USAID.

3.1.7 Lessons learned

In structuring the actions to be undertaken under the proposed Projects, experiences obtained through some of the linked undergone projects have been dully taken into consideration. To mention only some of them:

1. “Joint initiative of the Council of Europe and the European Union for the support of the Parliamentary Institutions”, funded under EU CARDS programme and implemented by the Office of the Council of Europe in Serbia, was implemented from 2006 to 2009.

The aim of the Project was to strengthen the capacity of National Assemblies of Serbia and Montenegro, especially in legislative functions. The beneficiaries of the Project were the MPs and Parliament employees. Project consisted of three sorts of activities – study visits to the EU MSs; round linked to the study visits devoted to a certain topic; and expertise on draft laws. Lessons learned on different legislative solutions and praxis in different countries have partially been incorporated in the functioning of the Assembly. Study visits together with the comparative analyses made at follow up round tables have influenced the work of the MPs and the professional staff, for example in the process of law motions and in adopting and amending draft laws. However, the project was not fully used by the beneficiaries, in particular the available expertise on draft legislation. The project activities were not sufficiently targeted, and follow-up and sustainability were not ensured.

2. Project "Support to the Establishing of the European Integration Unit in the National Parliament", from 2006 to 2009, was supported and funded by OSCE Mission in Serbia, Italian Government and Czech Parliament. The aim of the Project was to establish the new unit in the National Assembly to deal with the EU matters and harmonisation of the national legislation with the *acquis*. The result of the initiative is permanent employment of four young professionals, whereas the lesson learnt is that it is necessary to invest in well educated people capable to deal with the challenges of the EU integration process.
3. 3."Strengthening of the capacity of the National Assembly of the Republic of Serbia", supported by Slovakian Pontis Foundation, was implemented in 2006-2008. The aim of the project was to provide additional education to the staff of EU unit regarding the EU accession. For the target group – the employees of the EU unit, few study visits to Slovak Republic were organized. During those visits they acquired much necessary information regarding to EU accession, legal harmonization, structure and functioning of the Parliament in the European integration process cooperation. This project can be treated as the second part or sequence of the Project supported by OSCE Mission in Serbia, Italian Government and Czech Parliament. In the same manner, the IPA 2011 Project should provide for an uninterrupted course of education for the NARS staff and MPs.
4. Project “Strengthening of the capacity of the National Assembly of the Republic of Serbia” was supported and funded by Czech Government, in the period 2006-2008. The aim of the project was to give additional education to the members of the Committee for European Integration as well to the employees working in the EU unit regarding the EU accession.
5. Project “Strengthening of the capacity of the National Assembly of the Republic of Serbia” was supported and funded by Hungarian Government in 2009. The project is realized within the Memorandum on Cooperation between National Assembly and the Hungarian Parliament, signed by the Speakers of the two parliaments.

The majority of the projects realized previously were just ad –hoc activities, and it appears necessary for the National Assembly to have continuous support in the complex process of the accession to the European Union.

3.2 COMPONENT 2 - Reforming Policy Coordination and the Centre of the Government - Third Phase

3.2.1. Background and justification

Having a coherent strategic framework, structured along a long-term vision and clear priorities is the basis of good governance and Government effectiveness, accountability, transparency, and efficiency.

Until recently, Serbia suffered from the absence of a defined strategic framework for policy design and of a central institution in charge of policy coordination.

In the past few years, the Serbian Government has undertaken a number of reforms to develop and improve individual elements of the policy planning system.

The reforms have been directed towards the creation of a strong and modern “Centre of Government”, wherein the General Secretariat of the Government was recognized as the focal point of policymaking and co-ordination at central level.

One of the concrete steps taken towards enhancing of the role and functions of the General Secretariat has been the establishment of the Department for Planning, Monitoring and Policy Coordination. Competences of the newly established Department reflect the new functions of the General Secretariat - coordination of preparation and adoption of strategic priorities, coordination of the content of policy proposals, coordination of monitoring of Government performance, coordination of specific inter ministerial strategic priorities.

The establishment of this Department marks the beginning of a comprehensive reform. .

Shortly after establishing the Department, the Government solicited international donors funding to initiate the **first phase of the reform**, aimed at strengthening the capacities of GS to implement new functions and at consolidating the existing planning processes.

The DfID funded project "Support to strengthening policy coordination in the Government of Republic of Serbia", implemented from January to November 2010, supported the first phase of the reform.

Since a reform of this nature is quite complex, the changes have been introduced gradually, in phases and in cycles: *developing, translating into action, implementation the changes, monitoring and learning and testing and adapting*, the results of each phase feeding the next. This approach has ensured producing tangible results over shorter periods of time, and has allowed minimizing the risks through the introduction of feasible solutions.

In the First Phase, the reform focused on:

- Modernization and strengthening of the General Secretariat;
- Strengthening the bottom up approach through reinforcement of medium - term planning;
- Improving the process of planning and monitoring of the Annual Government Work Program/Annual Government Work Report based on medium - term planning methodology;
- Linking the first phase of development of strategic planning and monitoring model with the budget;

- Performing the audit of the current policy making practices and providing recommendations for the new policy making model.

The results of the First Phase:

- **The General Secretariat restructured to implement its new functions effectively** – This included the recruitment of 10 highly qualified staff to work in the Department for Planning, Monitoring and Policy Coordination, together with the Department civil servants, both on the Department daily functions and on the introduction of the necessary changes to improve policy making and promote strategic thinking. The General Secretariat plans to retain this staff as Government employees.
- **Annual Government Work Programme improved** - Based on the medium term planning methodology and supported by the software application for development of the Government Work Program. The methodology behind this process was developed through the "GOP project", which substantially worked on the introduction of the operational and medium term planning in the Serbian Government. The design of Annual Government Work Programme is supported by a specific IT application developed by the project
- **E-Government sessions introduced** - The document management system for submission of all items on the Government sessions agenda and for electronic voting was introduced in July 2009. The Modules for development of Annual Government Work Plan and Report are both to be linked to the E-Government system.
- **Analysis of Government strategies performed**- With the aim of assessing the current situation and providing recommendations for better streamlining the planning process and the development of a consolidated national strategic framework. This has concerned all 64 national strategies
- **Support to ongoing activities provided** – Producing a series of reports for the Prime Minister and senior Government officials on the implementation of the ministry plans and consistency of the Government agenda
- **Development of strategy planning and management framework linked with the budget started** – Focusing on strengthening of the top down approach together with the Ministry of Finance to ensure adequate linkages of strategic priorities and fiscal framework, through: strengthening medium term expenditure framework; developing straightforward procedures for evaluation of new policies with a view to Government priorities; and creating a link between the planned outputs and outcomes and allocation of resources for further implementation of the policy, allowing coherent financial decisions.
- **Monitoring and reporting improved**- With the aim of creating a merit based system in the public sector and introducing public accountability, by shifting the focus from monitoring inputs to monitoring outputs and outcomes.

Notwithstanding these important structural changes, the system is still fragmented and should be further institutionalised and developed.

The processes that started during the first phase and the achieved results constitute a sound basis for the **second phase of the reform** of policy coordination in the Government.

During the second phase, a new policy making and coordination model will be developed and piloted, and the roles of all players in the policy making process redesigned. The new policy

making model will aim at ensuring that policies are strategic, designed around outcomes, joined up (crossing the organizational boundaries), properly budgeted, inclusive, fair, targeted and evidence based.

The second phase of the project is planned to last 20 to 24 months, and should start in November 2010 immediately upon completion of the DfID funded project.

In this phase, the main focus will be on the following outputs:

- **Developing a new policy making model** – On the basis of the audit of the policy system introduced and implemented in the first phase of the reform.
- **Redesigning the policy development process-** This will entail: improving the quality of impact assessment; eliminating the weaknesses in the horizontal planning and management of human resources corresponding to identified priorities; increasing capacity to prepare policy proposals; separating policy development and the legal drafting phases; dealing with the absence of monitoring or the implementation monitoring; evaluating the assessment of cost effectiveness and policy objectives.
- **Changing the role of GS and ministries and other Government bodies in the policy making process-** This will be achieved through: Strengthening the lead role of ministries in the policy-making process, especially in terms of the policy content; training of ministerial staff in policy analysis and impact assessment across all sectors and in policy development techniques; introducing clearer procedures within ministries; reviewing and revision of their internal procedures for preparing policy items for the government; and through support provided by the GS to ministries in their assessment of policy proposals.
- **Revision of the Rules of Procedure** – For example: to prevent any proposal from being submitted to the government before full consultation with other ministries has been carried out, except in cases of genuine and immediate urgency; to require any proposal to be submitted to the meeting of the government or one of its committees to be sent beforehand to the Secretary General and to the Secretariat of Legislation five days before the government/committee meeting at which it is to be considered, so as to allow proper checking of the material.
- **Piloting of the strategic planning procedures in a selected number of ministries** – including the development of training for all ministries, in preparation of the full rollout of the new methodology in January 2012. Oversight over the process, monitoring and evaluation of the implementation of the changes and final assessment are planned to be incorporated in the model in late 2012, through the present IPA project (third phase).
- **Development of ICT solutions** - Clearly, the focus should not be and it is not on the technology *per se*, it is rather on the transformation and reorganization of functions and interactions that it allows. Information and Communication Technologies (ICT) provides increasingly powerful process tools that can be deployed to address traditional development problems in innovative ways and are instrumental in transforming government interactions with other parts of Government, citizens and businesses.

In this phase, the methodologies and processes will be developed and piloted, strategic framework further evaluated and aligned, ICT solutions developed and tested. However, it is

essential to get to the full rollout of the new mechanisms and instruments and ensure they are fine-tuned into a well functioning system in which all line Government bodies take part.

The needs for strengthening policy coordination are still important, as stated in the EC Serbia Progress Report 2010: "The capacity of the public administration in certain sectors is weak and coordination is not fully ensured. In view of an intensification of the EU integration process in the coming years, Serbia needs to further strengthen capacity on EU integration, in particular the central coordination between the General Secretariat, the Serbian EU Integration Office and in Ministry of Finance".

Therefore, a **third phase of the reform** is envisaged. The focus of this phase will mainly be on full implementation, mentoring, coaching, evaluation and upgrading of the system developed through phases 1 and 2, in order to get the new policy making and coordination model fully in place.

This will also require coaching of the Government bodies involved in the process, further fine tuning of the model, further adjustments of ICT solutions. Stronger emphasis will be put on appraisal and evaluation of policy options which will be redesigned and tested and incorporated into an upgraded planning and implementation system.

In parallel, with the full implementation at the central Government level, the General Secretariat will work with the relevant partners in designing and customizing of the policy process in order to tailor it to suit the needs of the local Government level. In particular, it is envisaged that a stronger partnership and a close cooperation with this regards will be established with the Standing Conference of Towns and Municipalities and with the Ministry for Public Administration and Local Self-government, thus maintaining the link with relevant projects targeting the development of local-level capacities for strategic planning, policy design and coordination, and programme budgeting..

Support to the third phase of the reform is the object of the present IPA project.

3.2.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

Though belonging to an overly ambitious agenda of "governance" reforms, this particular reform aims at establishing a structured strategic framework for better policy coordination, and monitoring, which will directly enhance the Government's effectiveness and accountability.

The systems and instruments developed throughout the three phases of the reform will facilitate the well-functioning of the General Secretariat as focal point for policy coordination endowed with sophisticated tools and adequate capacities to fulfil its guidance and coordination functions within the Government.

This process will significantly strengthen the General Secretariat's long term capacity to make certain that the Government's decision-making role is well-supported and that individual ministries and agencies work effectively to deliver policies in line with the Government's priorities.

The project is part of a wider reform, and its results will be incorporated in the legal framework and become mandatory for all Government bodies, so that the new procedures and functions are an integral part of the regular activities of the Government.

Over the long run, citizens will be able to benefit from improved sector policy planning. The introduction of strategic planning, policy development and coordination will enable better targeting of public policies and resources.

All participants in the planning process will receive a range of trainings, and adequate mentoring support, tailored to their specific needs, to create sufficient capacity to implement the new procedures without external help. A number of civil servants will be trained as trainers and new staff will be appropriately trained when hired. The training developed through the reform will be transferred to the Human Resource Management Services of the Serbian Government in charge of professional development of all Government employees. The focus on ongoing training and professional development will be strong, not only to equip the Government employees to assume new roles stemming from the redesigned processes, but also to create knowledge organizations in which people use systems and processes to generate, transform, manage, use, and transfer information.

New IT tools will be developed and the line ministries will use them in the course of the policy cycle. It will be maintained by using human and financial internal resources. The Decision support system will be designed in such a way to serve all Governments regardless of their agenda.

During and after the project, the outputs developed under this project will be used in actions targeting Local Government administrations capacities in policy planning, coordination and monitoring.

3.2.3 Results and measurable indicators

Result 2.1: New Strategic Planning and Strategy Management Model in use by all Ministries

Indicators:

- Strategic planning and strategy management model developed and ready for Government-wide implementation;
- System for monitoring performance of the Government in policy planning and implementation developed, tested and ready for Government-wide use

Result 2.2: New approach for development and submission of policy proposals evaluated and ready for roll out

Indicator:

- Regulatory changes establishing new procedures and outlining the mandate of the General Secretariat on policy design and coordination developed and submitted for further consideration and adoption;
- A document setting out the characteristics of a modernized policy making model developed - policies are linked to strategic framework, output based, properly budgeted.

Result 2.3: The role and the functions of the General Secretariat/CoG in the policy making process defined/changed.

Indicator:

- The General Secretariat staff trained and sufficient capacities developed to support the ministries in their assessment of policy proposals and to perform effective policy coordination;

- In analysing submitted policy proposals, the General Secretariat focuses on the quality of content of submitted plans rather than on compliance only.

Result 2.4: Strengthened capacities of the Line Ministries / General Secretariat for submission/analysis of policy proposals in line with new methodology

Indicator:

- A range of training programmes for policy makers on policy analysis and design and impact assessment developed;
- Training provided to staff of Government bodies

Result 2.5: Fostering the links between policy and budget planning, in close cooperation with the relevant departments of the Ministry of Finance

Indicators:

- Procedures for policy and budget planning modified in order to ensure consistency;
- Training programmes for the General Secretariat and the Ministry of Finance designed and conducted;
- Training programmes for Government bodies designed and conducted

Result 2.6: Strengthened capacities and enhanced role of external stakeholders in policy formulation and coordination (in particular local Governments, civil society and the Parliament)

Indicator:

- A range of training programmes for policy makers outside the central Government;
- Mechanisms for involvement for external stakeholders in policy formulation in place;
- Information activities on policy-making for civil society organisations conducted

Result 2.7: Integrated decision support system in place.

Indicator:

- Proprietary Centre of Government IT solutions supporting new processes set up;
- All Government bodies trained to use the new IT tools;
- Systems in other Government bodies (EI Office, MFIN) integrated with the GS application into a decision support system.

3.2.4 Activities

Activities related to Result 2.1

New Strategic Planning and Strategy Management Model in use by all Ministries:

- 2.1.1 Conduct an independent evaluation of the rollout of strategic planning
- 2.1.2 Develop amendments on the basis of the evaluation and recommendations for their incorporation in the existing strategic framework
- 2.1.3 Develop methodology for appraisal and evaluation of policy options
- 2.1.4 Perform Training of Trainers on the new appraisal and evaluation methodology
- 2.1.5 Provide mentoring support to line Ministries and other Government bodies in introduction of new processes.
- 2.1.6 Perform evaluation of monitoring process and development of recommendations for improving and upgrading
- 2.1.7 Upgrade the monitoring framework based on evaluation report.
- 2.1.8 Design the process of appraisal and evaluation.
- 2.1.9 Develop guidelines for appraisal and evaluation.
- 2.1.10 Develop training programmes for implementation of upgraded appraisal, monitoring and evaluation methodology.
- 2.1.11 Performing the training of Line Ministries for appraisal and evaluation process in cooperation with HRMS

Activities related to Result 2.2:

New approach for development and submission of policy proposals evaluated and ready for roll out

- 2.2.1 Evaluate the piloting of the new policy model introduced in the second phase and drawing recommendations for improvement
- 2.2.2 Prepare the full roll out of the new policy making model
- 2.2.3 Support the General Secretariat in overseeing of the process of roll out
- 2.2.4 Provide mentoring support to all Government bodies.
- 2.2.5 Evaluate the policy cycle and development of recommendations for further improvement.
- 2.2.6 Develop recommendations for amendments to the Rules of Procedure.

Activities related to Result 2.3:

The role and the functions of the General Secretariat/CoG in the policy making process defined/changed

- 2.3.1 Develop recommendations for changing the internal working procedures in the General Secretariat.
- 2.3.2 Manage change and oversee the change management process.
- 2.3.3 Perform a series of analyses in cooperation with Government bodies (Organizational analysis, Resource Analysis)

Activities related to Result 2.4:

Strengthened Capacities and capabilities of the Line Ministries / GS for submission/analysis of policy proposals in line with new methodology

- 2.4.1 Preparation of guidelines trainings of General Secretariat/LMs

- 2.4.2 Training of all line ministries in cooperation with HRMS.
- 2.4.3 Provision of mentoring assistance to Government bodies in implementation of new methodology.
- 2.4.4 Coach and oversee the process of implementation of new methodology.
- 2.4.5 Organization and attendance at seminars, conferences and workshops (coaching, best practice sharing and networking).

Activities related to Result 2.5:

Fostering the links between policy and budget planning, in close cooperation with the relevant departments of the Ministry of Finance

- 2.5.1 Assessment of existing linkages and interactions between policy coordination instruments and procedures in relevant phases of the budget cycle management
- 2.5.2 Delivering joint training activities on mutual causality of budget and policy planning and on possible improvements, for the staff of the General Secretariat and of relevant Departments of the Ministry of Finance;
- 2.5.3 Formulating recommendations for further consolidation of policy and budget planning
- 2.5.4 Conduct communication and training to familiarize all interested parties in the Government with the proposed modifications.

Activities related to Result 2.6:

Strengthened capacities among external stakeholders for policy formulation and coordination (in particular local Governments and the Parliament)

- 2.6.1 Problem analysis and training needs assessment of external stakeholders with special emphasis on budget preparation process.
- 2.6.2 Develop a common paper on training and educational needs of external stakeholders in the policy making process.
- 2.6.3 Develop training and educational programmes for external stakeholders.
- 2.6.4 Outsourcing the trainers, providing consultations in the process
- 2.6.5 Develop recommendations on mechanisms of inclusion of external stakeholders in policy formulation;

Activities related to Result 2.7:

Integrated decision support system in place

- 2.7.1 Analysis of the IT performances of the existing decision support system .
- 2.7.2 Development of system requirements for upgrading of the existing system.
- 2.7.3 Designing business processes.
- 2.7.4 Performing analysis of system features outside GS to identify requirements for integration.
- 2.7.5 Hire (renew contract) with software developer to program changes (upgrades) to the system.
- 2.7.6 Integrate with the existing systems in other CoG bodies.
- 2.7.7 Perform training of all Government bodies to use new IT solutions.

All activities will be implemented by one service contract.

3.2.5 Conditionality and sequencing:

The key conditionality will be to maintain the political consensus to reform Public Administration, and in particular to strengthen the role of Centre of Government. Continued support of the Prime Minister of Serbia is of vital importance. The project represents the third phase of a reform that should be carried out in continuity, so it is important to secure commitment to reform implementation.

In this framework, adequate capacity of the General Secretariat is of utmost importance. The General Secretariat recognises that its present capacities are not sufficient to cope with the reform and with its new functionalities. So far, donor-funded technical assistance projects have compensated this weakness with external consultants. However, at this stage the reform requires to ensure sustainability also through permanent capacities.

Therefore, conditionality for the start of the project will be the implementation of a new systemisation of the General Secretariat, including new staff adequately distributed to the new functions and ensuring the permanent integration of the capacities developed through previous technical assistance projects.

The General Secretariat is committed to work with other key line ministries and building inter-ministerial relations in order to create a modern centre of Government, in particular together with the Prime Minister's Office, the Ministry of Finance, the Ministry of Public Administration, the ,EU Integration Office, and the Legislative Secretariat.

Furthermore, one of the major prerequisites is the continuation of the reforms in the Ministry of Finance, especially those geared towards the introduction of a credible and reliable medium term expenditure framework and the introduction of programme budgeting. The Ministry of Finance is currently drafting a Fiscal Responsibility Law (to be merged with the Budget System Law), which will create a sound basis for strengthening the top down approach, comprehensive and binding fiscal ceilings and reflection of strategic and policy priorities in the Ministry budget submissions.

Government instability remains a possible risk that cannot be underestimated. However, the practice to date shows that the processes and procedures introduced by reforms are kept in place by subsequent Governments.

There are no issues of sequencing since all the activities required under this fiche can be delivered through one contract. The timing for the initiation of the tendering procedure is given in Section 5.

3.2.6 Linked activities

The Norwegian cooperation funded Project "Towards more effective implementation of the reforms - GOP Project" ended in December 2009, after having been fully institutionalized. The project created a good foundation for the improvement of the system of planning and monitoring. All of the intended project outputs were fully institutionalized and the tools and methodology is incorporated in the relevant legislation, and the currently improved procedures.

The DFID funded technical assistance project: "Support to Strengthening Policy Coordination in the Government of Republic of Serbia", which ended in November 2010, built further on the foundations set by the GOP project and aimed at strengthen the strategic planning and monitoring capacities across the Government of Serbia. It introduced both the methodology and the supporting IT solutions to support the implementation of the new procedures.

Second Phase – Reforming Policy Coordination which will be a direct continuation of the reform agenda started in October 2009, will aim at (as specified above in greater detail) developing a new policy model, a coherent strategic framework and building new capacity of the GS and Government bodies to assume the new roles and functions in the redesigned processes. The creation of a robust and consistent strategic framework is of paramount importance in the context of redesigning policy process since the national policies need to be developed within the framework of long term strategy specifying the goals and priorities of the Government and taking into account the practicalities of implementation. The outputs planned in this phase present a natural sequence of reform efforts designed to incrementally introduce the changes based on the evaluation of the baseline processes (on a rolling basis).

In this phase, the methodologies and processes will be developed and piloted, strategic framework further evaluated and further aligned, ICT solutions developed and tested. The effort to arrive at a well structured, coherent strategic framework, setting out the vision, priorities and goals of the Government will span over the second phase of the reform arriving thus at a coherent, aligned process and framework that will be fine tuned in the third, and final phase of the reform proposed in this document.

It is essential to see the full rollout of the new mechanisms and instruments and ensure they are further perfected into a well functioning system. This will be the scope of the third phase of the reform, and of IPA 2011 project. The focus will mainly be on full implementation, mentoring, coaching, evaluation and upgrading of the system developed through phases 1 and 2.

3.2.7 Lessons Learned

For the past decade of transition, Serbia has been undertaking a number of reforms on many different fronts. Therefore, the regulatory field often seems rather chaotic. This is not so much because the reformers do not have in mind a coherent or systemic reform models, but because they are exposed to a number of internal and external pressures. One of the reform projects aiming at introducing the structure and cohesion among multiple mutually competing priorities was the Norwegian funded project “Towards the more effective implementation of reforms – GOP Project”. Spanning over a period of five years, and with an ambitious agenda – which eventually resulted in a successful institutionalization of the outputs GOP constitutes a useful source of lessons to be taken into account in implementation of an even more ambitious reform.

GOP methodology, training modules and the process procedures are **adapted to the actual needs of the Serbian public administration**. All these outputs provide a number of analytical techniques, professional skills and procedures for an effective medium-term planning process, together with the basic methodological tools for policy analysis (ex-ante evaluation of the impact) and project cycle management.

Lesson learned: There is no off-the-shelf solution that can fit the needs of all Governments and stakeholders. Best practice examples, networking, information bases and expertise should extensively be used in redesigning and/or introduction of new processes, constantly having in mind the context, idiosyncracies, and needs of the particular environment – in this case, Republic of Serbia.

The GOP Project has helped line ministries **to clarify their roles, question their mandates, and overlaps** with other institutions and defines long-term and medium term objectives - it is one of the major outcomes achieved during the GOP process, including the improvements in coordination process among different sectoral departments within ministries.

Lesson learned: introduction of new functionalities in the present system will only be successful if the roles of all players are clearly defined and the change is carefully managed. It

is a lengthy process but if carried out properly will prove successful. GS will pay specific attention to analyzing the current position of organizations (including its own), determining the types of change required, identifying the future state, analyzing the change context and identifying the critical change features prior to designing the levers and mechanisms of change and their management and evaluation.

The project **developed a range of training modules, and compendium for trainers are being transferred to the Human Resource Management Services** (commonly referred to as SUK) and are thus being institutionalized. After the completion of the ToT component, a pool of trainers have become available to conduct the generic training in the future throughout the Serbian public administration.

Lesson learned: carefully designed training programs based on prior training needs assessment, tailored to suit the particular needs of a range of stakeholders (relative to their respective roles and levels) are one of critical success factors of change. Persistent training and education of Government employees not only in comprehension of new methodology and practical implementation of new procedures, but also in the change of working philosophy and organizational culture will be carried out throughout all phases of the reform implemented by GS.

GOP is **included in the Budget System Law** as a medium term planning document and has thus become mandatory in the budget development process. Owing to the processes stemming from the GOP methodology, some line ministries have **developed internal procedures for institutionalizing the** medium term planning process.

Lessons learned: embedding the new (tested, piloted and evaluated) procedures in national legislation and developing straightforward guidelines for practical implementation leaves no room for creative interpretation and optional use of new instruments. GS will systematically introduce the new system features into appropriate legislation and will monitor their implementation in order to ensure full compliance.

GOP proved useful in detecting the deficiencies of the planning system in Serbia: many elements of the strategic planning system are in place (pieces of the puzzle), but the system itself is absent (the complete picture is missing).

As a result of the perceived functional gaps at the centre of Government, the GOP methodology **was ambitious in trying to offer simultaneously procedures and tools for three relatively autonomous areas: strategic (medium term) and operational planning, policy analysis and project cycle management.**

Lesson learned: do not attempt to do too many diverse features all at once. An ambitious agenda calls for a careful planning and gradual implementation. The approach that the GS is taking, as already mentioned earlier, is incremental. The first phase will focus on taking stock of the existing system elements, their integration and alignment and addressing their deficiencies prior to moving on to the next and more complex levels.

The institutionalization of GOP was difficult in the context of a very fragmented Centre of Government in Serbia: too many central agencies dealing with coordination issues and with unclear and overlapping roles.

Although policy coordination was not one of the GOP project objectives, the GOP reform process highlighted that there is a crucial problem of lack of policy coordination at the Centre of Government. At the same time the public administration still has insufficient ownership of the GOP reform, so the implementation of the new system is still perceived as an “experiment”.

Lesson learned: Defining key partners in the early stages of the reform and reaching consensus with them will address these issues. Even before the official start of the reform, GS

has gathered its key partners in the Center of Government, presented its plans and reached an agreement on the desired outcomes thereof. Those partners are represented in the Steering Committee overseeing the implementation of the reform.

Ensuring and maintaining high level political commitment is another vitally important ingredient for the success of such complex process. GS had secured such support from the PM, who in his speech at the very onset of the process had endorsed and supported this endeavor. Furthermore, the reform of the policy system in Serbia has become one of the priority items on the agenda of Serbian diplomatic offices abroad. Constant communication and delivering tangible results will minimize the risks of confusion of ownership and commitment and mixed messages.

The weak cooperation among GOP management during the first two phases of GOP implementation, the General Secretariat and the Ministry of Finance proved an obstacle for the establishment of an effective system of policy-making, policy coordination and medium term planning. Some key stakeholders did not understand that GOP reform is an essential component of the reform of budgeting towards introduction of program budget and they are both important aspects of Public Administration Reform in Serbia.

Lesson learned: This was remedied later in the final phase of GOP implementation. Strong links were established among the Project management and the two central institutions and thus a seamless institutionalizations was made possible. MoF is a main partner of the GS in carrying out this reform agenda. GS and MoF work hand in hand in strengthening the top down approach and establishing links between strategic framework, policies and budgets through reinforcing the medium term component of the national fiscal framework.

There is a need to carefully design, plan and implement piloting processes in order for them to be conducive to reforms.

Lessons learned: Piloting must be very well focused on crucial aspects of a reform process, limited in time and with an exit strategy that ensures the sustainability of the piloted process. Each of the new system features introduced will be piloted, the process monitored, results of piloting evaluated and incorporated in the upgraded methodology and only then rolled out to all Government bodies.

3.3 COMPONENT 3 - Policy and Legal Advice Centre (PLAC)

3.3.1 Background and justification

The Stabilisation and Association Agreement (SAA) creates the basis for the overall improvement of political, economic and trade relations, enabling a progressive alignment of Serbian legislation with the EU *acquis*. It also sets out and supports cooperation in a number of policy areas between the contracting parties. Therefore, the SAA should not only be seen as a compilation of rights and obligations, but as an effective instrument of implementing, directing and speeding up reforms in the society. The successful implementation of the SAA will not only lead towards European Integration but will also affect the dynamics of reform in Serbia.

According to Article 72 of the Stabilization and Association Agreement, the contracting parties recognise the importance of the approximation of the existing and future legislation in Serbia with the EU legislation as well as of effective implementation and enforcement. In addition, Serbia is obliged to ensure that its existing and future legislation will be gradually made compatible with the EU *acquis*. Although this approximation should start on the date of signing of this Agreement, and shall gradually extend to all the elements of the EU *acquis*, the Republic of Serbia launched the process of approximation of its national legislation with the

EU *acquis* in June 2003, and adopted every year an Action Plan for legal approximation. In addition, since 2006, the Serbian Government adopts yearly Action Plans for capacity building for the process of Serbia European integration, envisaging administrative and institutional capacities needed for the implementation of harmonised laws and achievement of other priorities in the process of European integration.

In October 2008, instead of the annual Action plan, the Government of Serbia adopted a multiannual planning document called National program for integration with the European Union (NPI), which establishes the timetable and framework for the harmonization and approximation of national legislation with EU legislation in years to come. The NPI is one of the key documents of the Government of Serbia and serves not only as instrument of reforms coordination on the road towards the EU and a basis for drafting Government's annual work plans, but also as a transparent and well prepared information on planned reforms. The NPI is revised every year, taking into account the European Commission Progress Reports and possible updates of the EU *acquis*. According to the last version, adopted in December 2009, the number of laws and by-laws that should be adopted by the end of 2012 is 460.

In this framework, the Serbian Government need substantial support to improve the current system for legal harmonization and approximation and draft national legislation aligned with EU legislation. Bearing in mind that overall implementation of the NPI for the period July 2008 – March 2010 was 74% (343/467) and that implementation of the NPI for the first quarter of 2010 was 57% (70/123 planned)⁶, it is clear that responsible institutions should develop appropriate structures/mechanisms for identifying, planning and drafting necessary legislation. Otherwise, the lack of these capacities could cause serious delay of Serbia in the process of European integration.

Current system for legal harmonization and approximation

The experience of previous EU enlargements has shown that it is very important to approach the process of approximation and harmonisation with the *acquis* in a co-ordinated and systematic way in order to minimise demands on limited human and financial resources. In this regard, the Government of Serbia has created so far the a) legal and institutional framework and b) appropriate instruments to prepare line ministries for the complex process of harmonisation.

a) Legal and institutional framework for legal approximation

By adopting the Conclusions and the additional Information on the Need to Form New Coordination Bodies in the Process of Serbia's Accession to EU, as well as by adopting the Decision on Establishment of the Coordination Body for the Process of EU Accession, the Government has created a new coordination mechanism for the process of EU accession and implementation of obligations related to the EU accession process. The previously mentioned acts form the following bodies with the aim to realize necessary degree of coordination and control of the all process:

1. Coordination Body for EU Accession Process – body which reviews all issues related to European integrations and coordinates activities of the state administration bodies;⁷

⁶ The Government adopted one draft law out of five planned, 7 out of 25 planned regulations and strategies, ministries adopted 38 rulebooks out of 93 planned, while the National Assembly adopted 5 laws, which was all of the draft legislation communicated by the Government and set forth in the NPI.

⁷ Coordination Body for EU Accession Process consists of the vice president of the Government; the minister of foreign affairs; minister of internal affairs; minister of finance; minister of economy and regional development; minister of justice; minister of agriculture, forestry and water management; minister of trade and services and the director of the European Integration Office.

2. Expert Group of the Coordination Body – lead by the director of the European Integration Office and consisting of heads of working groups (subgroups of the Expert Group) for negotiations, making the main body for horizontal coordination of the accession process.
3. Expert Subgroups (35) – which will actually be working groups for negotiations as a key mechanism for coordination of various areas of the EU *acquis*, whose division, authority and composition basically, match the negotiation chapters. Each subgroup is responsible for harmonization with the EU *acquis* from individual chapters.
4. Units for European integrations/contact persons for European integrations in relevant ministries and state administration bodies, who are coordinators and contact persons for the European Integration Office in their bodies.

However, at the centre of the new coordination mechanism is the European Integration Office as the main coordination body. Among other things, the European Integration Office performs expert, administrative and operational tasks related to coordination, monitoring and reporting on the process of association and accession to the European Union; coordination of negotiations with the EU; coordination of implementation of the SAA and work of joint bodies established by this Agreement; coordination of preparation of strategic documents related to the process of accession to the EU; promotion and monitoring of harmonization of national regulations with the regulations and standards of the EU; assistance to ministries and special organizations in legal harmonization; monitoring of fulfilment of obligations of ministries and special organizations in association and accession to the EU..

b) Compatibility of the national legislation with the EU *acquis*

According to the Article 27 of the Law on ministries, line ministries within their scope of work ensure harmonisation of national legislation with the EU *acquis*. To this regard, the relevant line ministry prepares a first version of the law and according to the article 46 of the Government of Serbia Rules of procedure, acquires the opinions of Secretariat for Legislation⁸ which examines whether draft law and other legislation are consistent with the Constitution and current national legislation, the Ministry of Finance and the European Integration Office. Opinions shall also be acquired from the public administration bodies whose scope of work is related to the question that the act applies to. Taking into account the content of acquired opinions, the proponent could improve a first version of the law and submit it to the Government for adoption. If the ministry refuses to make changes in accordance with opinions, it should prepare written explanation.

In order to ensure alignment of national measures with the corresponding EU measures, in September 2003 the Government introduced a special legal instrument for checking of the level of compatibility of national legislation with the EU legislation called the Statement on compliance of draft laws with EU *acquis*. With this instrument the Government introduced the obligation for the line ministries to prepare and submit to the European Integration Office any new draft law and assessment on the compatibility of national legislation with the corresponding EU legislation. The Statement of compliance provides general assessment of harmonization, limited to three levels of harmonization of national measure with corresponding EU measure – *fully harmonized*, *partly harmonized* or *not harmonized*. Within

⁸ According to the Article 31 of the Law on ministries the Secretariat for Legislation ensures constitutionality and legality, the coherence of the legal system, the conformity with legal drafting rules applicable to laws and other regulations of the Republic of Serbia. It performs professional activities relating to: developing, monitoring and improving the legal system; ensuring harmonisation of regulations and by-laws in the legal system in the process of their adoption and providing for their normative-technical and linguistic validity; monitoring and ensuring promulgation of regulations and other acts of the Government, ministries and other agencies and organizations under law, as well as other activities provided by law.

this procedure, employees of the European Integration Office screen the Statement on compliance received by line ministries in order to identify, among others, to which extent the draft legislation fulfils the obligations related to SAA/Interim Agreement and the EU legislation.

Based on the commitment regarding approximation of domestic legislation but also taking into account the recommendation from the Progress Report 2009, in March 2010 the Government adopted the Conclusion on introduction of Tables of concordance of all domestic legislation with the EU legislation. The instrument has been introduced in two steps. Tables for draft laws were introduced from June and for bylaws from October 2010. This instrument should provide detailed comparison of specific articles of EU legislation with corresponding articles of national legal acts. This approach is much more demanding and time-consuming than the previous one considering that one EU act could be transposed in several national acts under the competence of different public authorities. Each of these authorities should prepare table of concordance, which requires substantial knowledge and capacity.

Future challenges

Accession to the European Union is an extremely complex process, involving practically all governmental bodies, and requiring continuous and efficient coordination/cooperation among key players. In this context, it should be mentioned that the attitude of the EU towards candidate and potential candidate countries is changing, and that much stricter monitoring of conditions fulfilment can be expected than in previous enlargements. The coordination/cooperation structures/mechanisms, including precise procedures and instruments that will enable timely and efficient harmonization and approximation of national legislation with the EU *acquis* is a must if Serbia is striving for a relatively smooth and fast integration to the EU.

The preconditions for this process already exist in the Serbian system, but they need to be reinforced and upgraded. Further improvement of the European integration structures, including key line ministries, strengthening corresponding structures/mechanisms for the verification of the compatibility of government policies and draft legislation with the *acquis* and EU standards, and enhancing cooperation among line institutions are key priorities.

In particular, the capacities of the Serbian European Integration Office (SEIO), of the Secretariat for Legislation and of the line ministries to deal with the harmonisation process should be strengthened.

3.3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact (where applicable)

The project will improve the current system for legal approximation process and the level of harmonisation of the national legislation with the EU legislation, thus contributing to a fundamental element of EU integration process.

The project will ensure sustainability both at institutional and administrative level by targeting the key stakeholders of the legislative process. These groups will be in charge of legal approximation even after the end of project activities, and will use the drafting abilities and coordination mechanisms established by the project.

3.3.3 Results and measurable indicators

Result 3.1 - Structures/mechanisms related to harmonisation and approximation of national legislation with EU legislation strengthened, including mechanisms for consultation of relevant external stakeholders

Indicators

- New procedures in place;
- New instruments in place;
- New mechanisms for regular consultation of external stakeholders (in particular the civil society) during the legislation process designed and in place;
- Sufficient number of institutions/bodies involved;
- Enhanced consultation of external stakeholders;
- Contribution of external stakeholders adequately taken into account

Result 3.2 - Compatibility of national legislation with the EU legislation improved

Indicators

- Increased number of draft laws and by-laws aligned with the EU legislation;
- Increased of EU legal acts transposed into draft laws and by-laws;
- Level of compatibility of new legislation with the EU *acquis*;
- Increased and more even quality of draft legislation;
- Increased number and quality of tables of concordance

Result 3.3 - Capacities of the relevant institutions (SEIO, the Secretariat for Legislation and line ministries) for harmonization and approximation of national legislation with the EU legislation developed

Indicators

- Quantity, quality and impact of capacity building activities (such as workshops, trainings, study visits if appropriate); participation in the activities and results;
- Relevant institutions involved in capacity building activities and ready for implementation of the new capacities;
- Increased number. of staff with sufficient capacities in law drafting and legal harmonisation with the *acquis*

3.3.4 Activities:

Activities related to Result 3.1: *Structures/mechanisms related to harmonisation and approximation of national legislation with EU legislation strengthened, including mechanisms for consultation of relevant external stakeholders*

3.1.1 Assess the current process of legislative drafting, of harmonisation of legislation with the *acquis*, and of institutional coordination in the process;

3.1.2 Make recommendations for improvement of this process with special emphasis on the role of relevant institutions and on the proper use of instruments such as statement of compliance, table of concordance etc;

3.1.3 Assess the existing mechanisms for consultation of external stakeholders, in particular of the civil society, and develop recommendations on their improvement and integration in the regular law-making process;

3.1.4 Prepare guidelines and methodology for development of national legislation aligned with the EU *acquis*

Activities related to Result 3.2: *Compatibility of national legislation with the EU legislation improved*

3.2.1 Assist the relevant institutions in the process of identification and planning of national measures aligned with the EU legislation

3.2.2 Assist the relevant institutions in the process of drafting of laws and by-laws, including statements of compliance and tables of concordance, in line with NPI priorities and EU requirements

Activities related to Result 3.3: *Capacities of the relevant institutions (the SEIO, the Secretariat for Legislation and line ministries) for harmonization and approximation of national legislation with the EU legislation developed*

3.3.1 Conduct Training Need Analysis

3.3.2 Design and conduct tailor-made training program, including on the job trainings and study visits as appropriate

3.3.3. Design specific training for the legislation-makers to get familiar with consultation and participatory techniques and to integrate them in the law-making process

This project will be implemented through one Twinning contract for the Component 1 and two service contracts for Component 2 and Component 3.

The essential selection and award criteria for the award of twinning contracts are laid down in the Twinning Manual and its annexes.
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3.3.5 Conditionality and sequencing:

The project implementation is based on the following conditions:

- Endorsement by all key stakeholders
- Appointment of counterpart personnel by beneficiaries
- Appointment of the relevant staff by the beneficiaries to participate in the activities envisaged in the project
- Allocation of working space and facilities for technical assistance by beneficiaries
- Organisation, selection and appointment of members of working groups, steering and coordination committees, etc. by beneficiaries

3.3.6 Linked activities

Previous projects in this field were mainly financed under the CARDS programme:

CARDS Programme 2001 for Serbia supported the setting up of the Policy and Legal Advisory Centre with the aim to provide relevant institutions in Serbia and Montenegro with technical assistance concerning SAp and macro economic/WTO issues;

CARDS Programme 2002 for Serbia supported the establishment of the State Union European Integration Office and of its Republican counterparts providing equipment and training of young professionals;

CARDS Programme 2004 for Serbia envisaged the continuation of previous activities through PLAC project which address solely the issues of legal harmonisation in some specific sectors such as: state aid, public procurement, financial services, banking, technical rules and standards, and personal data protection, as well as assistance to the National Assembly and the Constitutional Court and Twinning project which supported the institutions/bodies coordinating the European integration process and strengthened capacities of the stakeholders in the SAp through training and education.

This project will focus more on developing current legal framework and administrative capacities in areas which have not been yet properly covered by previous projects financed by EU or other donors.

3.3.7 Lessons Learned

Although progress has been made through the previous assistance, a number of challenges remain: Some of projects have been hampered by lack of appropriate capacities, including high turn over of staff. In this regard, the project will provide sufficient support in order to strengthen current capacities in the SEIO, the Secretariat for Legislation and line ministries both for coordination of legal approximation, drafting/implementation of current and future legislation.

4. INDICATIVE BUDGET (AMOUNTS IN M€)

Strengthening legislation, policy and coordination capacities at the central level			SOURCES OF FUNDING									
			TOTAL EXP.RE	IPA COMMUNITY CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB (1)	INV (1)	EUR (a)=(b)+(c)+(d)	EUR (b)	%(2)	Total EUR (c)= (x) + (y) + (z)	% (2)	Central EUR (x)	Regional/ Local EUR (y)	IFIs EUR (z)	EUR (d)	% (2)
Contract 1- Twinning	X		1.5	1.5	100%							
Contract 2 – Service, Component 2	X		2	2	100%							
Contract 3 – Service, Component 3	X		3.0	3.0	100%							
TOTAL IB			6.5	6.5	100%							
TOTAL INV												
TOTAL PROJECT			6.5	6.5	100%							

Amounts net of VAT

- (1) In the Activity row use "X" to identify whether IB or INV
(2) Expressed in % of the **Total** Expenditure (column (a))

5. INDICATIVE IMPLEMENTATION SCHEDULE

Contracts	Start of Tendering	Signature of contract	Project Completion
Contract 1- Twinning	T+1Q	T+5Q	T+12Q
Contract 2 – Service, Component 2	T+1Q	T+2Q	T+10Q
Contract 3 – Service, Component 3	T+1Q	T+3Q	T+11Q

6. CROSS CUTTING ISSUES

6.1. Equal Opportunity

Component 1

The Speaker of the National Assembly and the other three Vice-Speakers are female. The presidents and vice-presidents of different committees are female and the Gender Equality Committee has been formed in the National Assembly. The members of the committees are also representatives of different ethnic minorities.

As the project aims to improve the overall capacity of the Assembly, i.e. its representative, legislative and oversight function, we expect that it will provide an added value to equal opportunities and non-discrimination regarding gender as well as minorities rights at the implementation stage.

It is planned to include as many MPs and Parliament staff as possible in the project activities and to ensure that representatives of national minorities and vulnerable groups are included in the project.

Component 2

The project will provide equal opportunities for participation for the personnel of General Secretariat and of line Ministries. No discrimination will be made on the basis of gender and activities will be accessible for both men and women. GS is an equal rights employer. The current structure of the Department for Planning, Monitoring and Policy Coordination, in addition to being gender balanced, includes disabled people and minority groups.

Component 3

There will be no discrimination on grounds of health status, race, sex, sexual orientation, mother tongue, religion, political or other opinion, national or social origin, birth or other status. Equal opportunities for all will be ensured during implementation. EU and National laws and regulations will be followed strictly. Equal opportunity for men and women to participate in the project will be measured by recording the experts and consultants employed.

6.2. Environment

The project does not foresee activities which could have adverse effect on the environment. The implementing parties will take care of environmental safety in all planned activities.

Environmental considerations will be addressed throughout project implementation considering that the environmental policy is one of the most demanding in the EU and has an influence on the objectives and outcomes of other policies.

6.3. Minorities

Issues of minority rights constitute an integral part of this project. Access to information, opportunities and support for members of national minority groups through this project will be encouraged. Furthermore, the project will address a minority issue in a number of policies such as health policy, employment policy, social policy, education..

ANNEXES

- I. Log frame in Standard Format
- II. Indicative amounts contracted and Disbursed per Quarter over the full duration of Programme
- III. Description of Institutional Framework
- IV. Reference to laws, regulations and strategic documents:
 - Reference list of relevant laws and regulations
 - Reference to AP /NPAA / EP / SAA
 - Reference to MIPD
 - Reference to National Development Plan
 - Reference to national / sectoral investment plans
- V. Details per EU funded contract (where applicable)

ANNEX I: Logical framework matrix

LOGFRAME PLANNING MATRIX FOR Project Fiche			
Project title: Strengthening legislation, policy and coordination capacities at the central level		Contracting period expires four (4) years after signature of Financing Agreement	Disbursement period expires fives (5) years after signature of Financing Agreement
		Total budget : 6.5 M€	IPA budget: 6.5 M€
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
To improve policy and legislation processes at the central level in view of EU accession			
SPECIFIC PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions
<p>Component 1:</p> <p>To increase the efficiency, liability and transparency of the Serbian National Assembly, particularly in the exercise of its representative role, its legislative function (especially in the process of harmonization of Serbian legislation with the EU <i>acquis</i> and in the implementation follow-up of the adopted legislation) and its oversight function towards the executive.</p>	<ul style="list-style-type: none"> • Upcoming legislative initiatives communicated to the Parliament; • Independent bodies' reports transmitted as required by the Law to the NARS; • All the Reports of the Independent Bodies submitted to the Parliament are being considered in the Parliamentary Committees and in the plenary sessions where appropriate; • Positive EU assessments on Serbian legislation process and activities; • Improvements in the legislative procedure aiming at better compliance of the national legislation with EU <i>acquis</i>; • Improved ex ante compatibility checks with 	<ul style="list-style-type: none"> - EC Progress Report 2014; - Final Twinning Report; - list of the legislative initiatives transmitted to the NARS in the year after the end of the Twinning; - Quarterly and Annual Reports on the fulfilling the NPI during Twinning implementation; - Reports/minutes of the respective Parliamentary Committees; - Project documents/training reports; 	Stability of the NARS and in the Independent Bodies; Support from the Parties involved (even after the Project completion)

	<p>the <i>acquis</i> before legislation is adopted;</p> <ul style="list-style-type: none"> • Increased frequency of consultations within the Parliamentary Committees on content and impact of draft laws; • Number of trained Parliament's professional staff, MPs and members of Parliamentary Committees; impact of training activities. 		
<p>Component 2</p> <p>Policy making process in the Government is redesigned so that the policies are coherent, outcome focused, flexible and linked to developed strategic frames, and so that proper coordination from the Centre is ensured.</p>	<ul style="list-style-type: none"> • A document setting out the guidelines for policy making in line with new recommendations • Staff in Government bodies received appropriate trainings, technical and other support in implementation of new methodologies and procedures. • Ministry submissions developed in line with new methodologies and procedures 	Legislation, Reports and Government work plan and performance report.	<p>Strong commitment and political guidance from the top political officials continues</p> <p>Serbia maintains its commitment to EU accession</p>
<p>Component 3</p> <p>To improve the current system of legal harmonization and approximation with the EU legislation and develop national legislation aligned with EU in accordance with NPI priorities and the EU requirements</p>	<ul style="list-style-type: none"> • Level of compatibility of national legislation with the EU legislation improved 	Progress Report, NPI implementation reports, Official gazette	<p>The Government provides full support to the EU Integration and legal harmonisation process</p> <p>Inter-governmental procedures for legal harmonisation further improved and responsible institutions strengthened</p>
RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
<i>Component 1 - Strengthening Capacities of the National Assembly in the Accession Process to the EU</i>			
1.1 Cooperation between the National Assembly and the Government in the law-making process is enhanced so to ensure	<ul style="list-style-type: none"> • Steady or increasing number of approximated laws compared with average 	- Official Gazette in the year after the end of the Twinning;	Full commitment from the GoS towards an enhanced

<p>transparency, efficiency, and legislation quality, on the basis of best EU Member States' practices</p>	<p>number of laws adopted in previous years and in line with NPI and EU integration requirements;</p> <ul style="list-style-type: none"> • Improved quality and compliance with the <i>acquis</i> of adopted legislation; • Improvements in the legislative procedure including more substantial assessment on the impact of the legislation and extensive discussions with relevant stakeholders; • Improved ex ante compatibility checks with the <i>acquis</i> before legislation is adopted; • Improved follow-up on the implementation of the adopted legislation expressed e.g. in the increased number of the adopted pieces of secondary legislation when required by the law; • Joint capacity building activities for the representatives of the Parliament and the Government, broadening the understanding of contents and implications of constitutional principle of separation of powers and mechanisms of “checks and balances”; participation in the activities (e.g. rate of attendance of training courses) and results of exemplary and exit tests 	<ul style="list-style-type: none"> - Quarterly and Annual Reports on the fulfilling the NPI during Twinning implementation; - Project documents/training reports, encompassing quality assessment of elaborated tests. 	<p>cooperation with the NARS</p>
<p>1.2 Working practices of the National Assembly in the adoption of legislation are properly defined and implemented, so to lead to sound harmonization with the <i>acquis</i> and to improved compliance with</p>	<ul style="list-style-type: none"> • Time and effectiveness of legislative procedures; • Quality of amendments and of adopted 	<ul style="list-style-type: none"> - Twinning reports(Quarterly and final); - Training and workshops reports; - Reports on study visits 	<p>Commitment to the project from all MPs and Staff members; active participation in the training sessions</p>

<p>the requirements of European integration process</p>	<p>legislation;</p> <ul style="list-style-type: none"> • Quality of the expertise and technical support provided to Parliamentary Committees and to the Parliament; • Recommendations/guidelines spread among Parliament staff and MPs; • Adequate number of staff and MPs trained and training materials available for further use; • Joint capacity building activities with the participation of representatives of Independent Bodies; participation in the activities and results 		
<p>1.3 Organizational structure, internal procedures and work practices are improved and Parliamentary working bodies are more efficient and professional</p>	<ul style="list-style-type: none"> • Improved organizational structure of the Parliament; • Improved Parliament and Committees' working processes; • Improved communication flows in the Parliament; • Capacity building activities for Parliament professional staff, MPs and members of Parliamentary Committees to implement recommendations on improved working processes and procedures; participation in the activities and results 	<ul style="list-style-type: none"> - Twinning reports; - NARS internal regulation after the end of the Twinning; - Project documents/training reports; 	<p>Availability of the complete documentation on the organizational structure at the time of the implementation of the Project</p>

<p>1.4 Exercise of the parliamentary oversight function over the Government is revised and improved; institutional relations with Regulatory/Independent State Bodies are revised and improved</p>	<ul style="list-style-type: none"> • Improved procedural and institutional relations between the Assembly on one side and the Government and State Bodies on the other side; • Improved and consolidated communication flow between the Assembly on one side and the Government and State Bodies on the other side; • Independent Bodies' reports timely submitted and sufficiently accurate in the information provided; • Relevant Conclusions and Recommendations developed during Parliamentary Committees' sittings, showing increased quality of debate on Independent Bodies Reports; • Use of oversight instruments enhanced: e.g. increased number and substantial quality of oral and written deputies' questions; of general debates; of hearings; of meetings of Government representatives with Committees • Joint capacity building activities for the Parliament and Independent Bodies' staff; participation in the activities and results; 	<ul style="list-style-type: none"> - NARS Committees' reports after the end of the Twinning; - Minutes of Committee sittings including the Conclusions and Recommendations; - Project documents/reports on workshops 	<p>Full commitment from the Independent Bodies towards an enhanced cooperation with the NARS;</p> <p>Responsiveness of the Government to NARS's oversight instruments</p>
<p>1.5 Participation of the civil society in the Parliament activities and in the law making process enhanced, and capacities of the Parliament to deal with citizens'</p>	<ul style="list-style-type: none"> • Increased number and substantive quality of public hearings held during the Parliament's sittings; 	<p>-Reports on public hearings submitted by relevant committees outlining the feedback to the</p>	<p>Civil sector interest and motivation in law making procedures</p>

<p>appeals and requests improved.</p>	<ul style="list-style-type: none"> • Increased number of civil society representatives participating in public hearings; • Sufficient number and relevance of requests and appeals submitted to the Parliament; • Increased number of initiatives for amending legal acts submitted to the Parliament; • Improved consideration of presented proposals and feedback by the Parliament; • Increased number and impact of new communication initiatives and activities; • Increased number/frequency of draft laws shared with the civil society (for instance through availability at the Parliament's web portal and through public consultation) • Sufficient time (average number of days or weeks) allocated to public debate/public participation 	<p>presented proposals;</p> <ul style="list-style-type: none"> - Reports by the Requests and Appeals Committee on the number of settled issues. - Legal acts with citizens' initiatives incorporated (built in); - Compendium of communication materials designed for the civil society (brochures and handouts); - NARS website 	<p>Willingness of the Parliament to enhance the participation of the civil society</p>
<p><i>Component 2 - Reforming Policy Coordination and the Centre of the Government - Third Phase</i></p>			
<p>2.1 New Strategic Planning and Strategy Management Model in use by all Ministries</p>	<ul style="list-style-type: none"> • Strategic planning and strategy management model developed and ready for Government-wide implementation; • System for monitoring performance of the Government in policy planning and 	<p>Strategic Planning Manual. Strategic Planning And Monitoring Guidelines. Official Gazette Of Republic Of Serbia</p>	<p>Reform of Public Administration, particularly strengthening the role of Centre of Government acknowledged as a key priority continues to receive support of the Prime</p>

	implementation developed, tested and ready for Government-wide use	Policy Framework Policy Making Guidelines. Training Programs / HRMS Records	Minister of Serbia. Reform continues without interruptions, second phase is funded through bilateral sources and principles and methodology are designed and accepted during the second phase.
2.2 New approach for development and submission of policy proposals evaluated and ready for roll out	<ul style="list-style-type: none"> Regulatory changes establishing new procedures and outlining the mandate of the General Secretariat on policy design and coordination developed and submitted for further consideration and adoption; A document setting out the characteristics of a modernized policy making model developed - policies are linked to strategic framework, output based, properly budgeted. 	Internal Gs Procedures Specifying The Roles And Functions Internal Ministry Procedures Specifying The Roles And Functions Annual Government Work Program Annual Government Work Report System specifications	
2.3 The role and the functions of the General Secretariat/CoG in the policy making process defined/changed	<ul style="list-style-type: none"> The General Secretariat staff trained and sufficient capacities developed to support the ministries in their assessment of policy proposals and to perform effective policy coordination; In analysing submitted policy proposals, the General Secretariat focuses on the quality of content of submitted plans rather than on compliance only. 		
2.4 Strengthened capacities of the Line Ministries / General Secretariat for submission/analysis of policy proposals in line with new methodology	<ul style="list-style-type: none"> A range of training programmes for policy makers on policy analysis and design and impact assessment developed; 		

	<ul style="list-style-type: none"> • Training provided to staff of Government bodies 		
2.5 Fostering the links between policy and budget planning, in close cooperation with the relevant departments of the Ministry of Finance	<ul style="list-style-type: none"> • Procedures for policy and budget planning modified in order to ensure consistency; • Training programmes for the General Secretariat and the Ministry of Finance designed and conducted; • Training programmes for Government bodies designed and conducted 		
2.6 Strengthened capacities and enhanced role of external stakeholders in policy formulation and coordination (in particular local Governments, civil society and the Parliament)	<ul style="list-style-type: none"> • A range of training programmes for policy makers outside the central Government; • Mechanisms for involvement for external stakeholders in policy formulation in place; • Information activities on policy-making for civil society organisations conducted 		
2.7 Integrated decision support system in place.	<ul style="list-style-type: none"> • Proprietary Centre of Government IT solutions supporting new processes set up; • All Government bodies trained to use the new IT tools; • Systems in other Government bodies 		

	(EI Office, MFIN) integrated with the GS application into a decision support system.		
<i>Component 3 - Policy And Legal Advice Centre (PLAC)</i>			
3.1 Structures/mechanisms related to harmonisation and approximation of national legislation with EU legislation strengthened, including mechanisms for consultation of relevant external stakeholders	<ul style="list-style-type: none"> • New procedures in place; • New instruments in place; • New mechanisms for regular consultation of external stakeholders (in particular the civil society) during the legislation process designed and in place; • Sufficient number of institutions/bodies involved; • Enhanced consultation of external stakeholders; • Contribution of external stakeholders adequately taken into account 	Progress Report, NPI implementation reports, Rules of Procedure	Professional knowledge and experience of stakeholders Stakeholders readiness for cooperation Availability of appropriate number of ministries and other institutions' officials
3.2 Compatibility of national legislation with the EU legislation improved	<ul style="list-style-type: none"> • Increased number of draft laws and by-laws aligned with the EU legislation; • Increased of EU legal acts transposed into draft laws and by-laws; • Level of compatibility of new legislation with the EU <i>acquis</i>; • Increased and more even quality of draft legislation; 	Progress Report, National program for Integration implementation reports, Official gazette, Tables of Concordance, Statements of Compatibility, Laws, By-laws	

	<ul style="list-style-type: none"> • Increased number and quality of tables of concordance 		
<p>3.3. Capacities of the relevant institutions (SEIO, the Secretariat for Legislation and line ministries) for harmonization and approximation of national legislation with the EU legislation developed</p>	<ul style="list-style-type: none"> • Quantity, quality and impact of capacity building activities (such as workshops, trainings, study visits if appropriate); participation in the activities and results; • Relevant institutions involved in capacity building activities and ready for implementation of the new capacities; • Increased number of staff with sufficient capacities in law drafting and legal harmonisation with the <i>acquis</i> 	<p>TA Reports (quarterly and final); workshops' and training s' reports, list of participants</p>	

Activities - Component 1	Means & Costs	Assumptions
<p>1.1.1. Providing advise and recommendations on the implementation (and revision if appropriate) of the Rules of Procedure in order to assure appropriate cooperation between the Parliament and the Government;</p> <p>1.1.2. Realization of joint workshops for the staff of the Parliament and the Government;</p>	<p>One Twinning Contract - 1.5 million EUR</p>	<ul style="list-style-type: none"> - NARS staff available; - MPs and representatives of the Independent Bodies available and interested; - Staff of the NARS and of the GoS available for the analyses of the communication process in place; - Availability of the data on the organization, processes and procedures; - Willingness to implement the recommendations issued within the scope of the Project; - Willingness, availability and interest of the relevant media operators to participate in the Project activities
<p>1.2.1 Analysing working methodologies and drafting recommendations on the necessary modifications to improve the Parliament work on approximation of legislation with the EU <i>acquis</i></p> <p>1.2.2. TNA for the Parliament staff;</p> <p>1.2.3. Delivering trainings for Parliament staff;</p> <p>1.2.4. Workshops for MPs;</p> <p>1.2.5. Training materials for staff;</p> <p>1.2.6. Training/informative materials for MPs;</p> <p>1.2.7. Study visits for staff, as appropriate;</p> <p>1.2.8 Joint workshops for the Parliament, the Government and Independent Bodies</p>		
<p>1.3.1. Assessing the overall organizational structure, work practices and procedures of the Parliament;</p> <p>1.3.2. Development of proposals for the improvement of the organization and functioning of Parliament</p>		
<p>1.4.1. Assessing the relations and communication flow between the Parliament, the Government and Independent Bodies;</p> <p>1.4.2. Drafting recommendations for improved relations and communication flow and for their implementation;</p>		
<p>1.4.3. Joint workshops for the Parliament and Independent Bodies' staff</p>		

Activities - Component 1	Means & Costs	Assumptions
<p>1.5.1. Assessing the effectiveness of the existing information and visibility tools;</p> <p>1.5.2. Assisting the preparation and holding of public hearings, attracting higher participation of the civil society representatives</p> <p>1.5.3. Providing support with the operations of the Requests and Appeals Committee of the Parliament</p> <p>1.5.4. Designing communication materials and elaborating handouts (brochures) on Parliament activities adapted to the civil society</p> <p>1.5.5. Organizing appropriate activities (like workshops/presentations) for media representatives, with the aim of ensuring more active and comprehensive reporting on NARS activities, as well as of better understanding of the Parliamentary functioning</p> <p>1.5.6 Assisting the initialization of communication options for wider public on the web site of Parliament</p>		
Activities – Component 2	Means & Costs	Assumptions

Activities - Component 1	Means & Costs	Assumptions
<p>New Strategic Planning and Strategy Management Model in use by all Ministries:</p> <p>2.1.1 Conduct independent evaluation of the rollout of strategic planning</p> <p>2.1.2 Develop amendments on the basis of evaluation report and their incorporation in existing strategic framework model</p> <p>2.1.3 Develop methodology for appraisal and evaluation of policy options</p> <p>2.1.4 Perform ToT for new appraisal and evaluation methodology</p> <p>2.1.5 Provide mentoring support to Line Ministries and other Government bodies in introduction of new processes.</p> <p>2.1.6 Perform evaluation of monitoring process and development of recommendations for improving and upgrading</p> <p>2.1.7 Upgrade the monitoring framework based on evaluation report.</p> <p>2.1.8 Design the process of appraisal and evaluation.</p> <p>2.1.9 Develop guidelines for appraisal and evaluation.</p> <p>2.1.10 Develop training programs for implementation of upgraded appraisal, monitoring and evaluation methodology.</p> <p>2.1.11 Performing the training of LM for appraisal and evaluation process in cooperation with HRMS</p>	<p>1 Service Contract – 2 MEUR</p>	<p>Appropriate legislation adopted creating a legal foundation for the introduction and implementation of the new functions and procedures.</p> <p>Involvement of public services and civil servants in identifying constraints and in evaluating the simplification measures;</p> <p>Responsibilities shared by all ministries within their respective areas of competence;</p> <p>Strategic planning guidelines binding for all Government bodies.</p> <p>Government bodies' plans submitted in line with existing methodology.</p> <p>E Government implementation proceeds according to the plan.</p> <p>Module for submission of inputs for Government Work Program operational and linked to the Government Document System</p> <p>MoF continues its reforms.</p> <p>Funds are secured for uninterrupted continuation of the reform</p>

Activities - Component 1	Means & Costs	Assumptions
<p>New approach for development and submission of policy proposals evaluated and ready for roll out</p> <p>2.2.1 Evaluate the piloting of the new policy model introduced in the second phase and drawing recommendations for improvement</p> <p>2.2.2 Prepare the full roll out of the new policy making model</p> <p>2.2.3 Support GS in overseeing of the process of roll out</p> <p>2.2.4 Provide mentoring support to all Government bodies.</p> <p>2.2.5 Evaluate the policy cycle and development of recommendations for further improvement.</p> <p>2.2.6 Develop recommendations for amendments to the Rules of Procedure.</p>		
<p>The role and the functions of the General Secretariat/CoG in the policy making process defined/changed.</p> <p>2.3.1 Change the internal working procedures in the GS.</p> <p>2.3.2 Manage change and oversee the change management process.</p> <p>2.3.3 Perform a series of analyses in cooperation with Government bodies (Organizational analysis, Resource Analysis)</p>		
<p>Strengthened Capacities and capabilities of the Line Ministries / GS for submission/analysis of policy proposals in line with new methodology</p> <p>2.4.1 Preparation of guidelines trainings of GS/LMs</p> <p>2.4.2 Training of all line ministries in cooperation with HRMS.</p> <p>2.4.3 Provision of mentoring assistance to Government bodies in implementation of new methodology.</p> <p>2.4.4 Coaching and overseeing the process of implementation of new methodology.</p> <p>2.4.5 Organization and attendance at seminars, conferences and workshops (coaching, best practice sharing and networking).</p>		
<p>Fostering the links between policy and budget planning, in close cooperation with the relevant departments of the Ministry of Finance</p> <p>2.5.1 Assesment of existing linkages and interactions between policy coordination instruments and procedures in relevant phases of the budget cycle management</p> <p>2.5.2 Delivering joint training activites on mutual causality of budget and policy planning and on possible improvements therein, for the staff of the General Secretariat and of relevant Departments of the Ministry of Finance;</p> <p>2.5.3 Formulating recommendations for further consolidation of policy and budget planning, and familiarizing all interested parties in the Government with the proposed modifications.</p>		

Activities - Component 1	Means & Costs	Assumptions
<p>Strengthened capacities among external stakeholders for policy formulation and coordinaton (including local Governments, civil society, Budget preparation Department/Ministry of Finance, Parliament)</p> <p>2.6.1 Problem analysis and needs assessment of external stakeholders with special emphasis on compliance with budget preparation proces.</p> <p>2.6.2 Reaching consensus on training and educational needs among external stakeholders in the policy process.</p> <p>2.6.3 Development of training and educational programs for external stakeholders.</p> <p>2.6.4 Outsourcing the trainers, providing consultations in the process.</p>		
<p>Integrated decision support system in place.</p> <p>2.7.1 Analysis of the IT performances of the existing decision support system .</p> <p>2.7.2 Development of system requirements for upgrading of the existing system.</p> <p>2.7.3 Designing business processes.</p> <p>2.7.4 Performing analysis of system features outside GS to identify requirements for integration.</p> <p>2.7.5 Hire (renew contract) with software developer to program changes (upgrades) to the system.</p> <p>2.7.6 Integrate with the existing systems in other CoG bodies.</p> <p>2.7.7 Perform training of all Government bodies to use new IT solutions.</p>		
Activities – Component 3	Means & Costs	Assumptions
<p>3.1.1 Assess the current process of legislative drafting, of harmonisation of legislation with the <i>acquis</i>, and of institutional coordination in the process;</p> <p>3.1.2 Make recommendations for improvement of this process with special emphasis on the role of relevant institutions and on the proper use of instruments such as statement of compliance, table of concordance etc;</p> <p>3.1.3 Assess the existing mechanisms for consultation of external stakeholders, in particular of the civil society, and develop recommendations on their improvement and integration in the regular law-making process;</p> <p>3.1.4 Prepare guidelines and methodology for development of national legislation aligned with the EU <i>acquis</i></p>	<p>One TA contract 3 M€</p>	
<p>3.2.1 Assist the relevant institutions in the process of identification and planning of national measures aligned with the EU legislation</p> <p>3.2.2 Assist the relevant institutions in the process of drafting of laws and by-laws, including statements of compliance and tables of concordance, in line with NPI priorities and EU requirements</p>		

Activities - Component 1	Means & Costs	Assumptions
3.3.1 Conduct Training Need Analysis 3.3.2 Design and conduct tailor-made training program, including on the job trainings and study visits as appropriate 3.3.3. Design specific training for the legislation-makers to get familiar with consultation and participatory techniques and to integrate them in the law-making process		

Preconditions:

NARS staff available

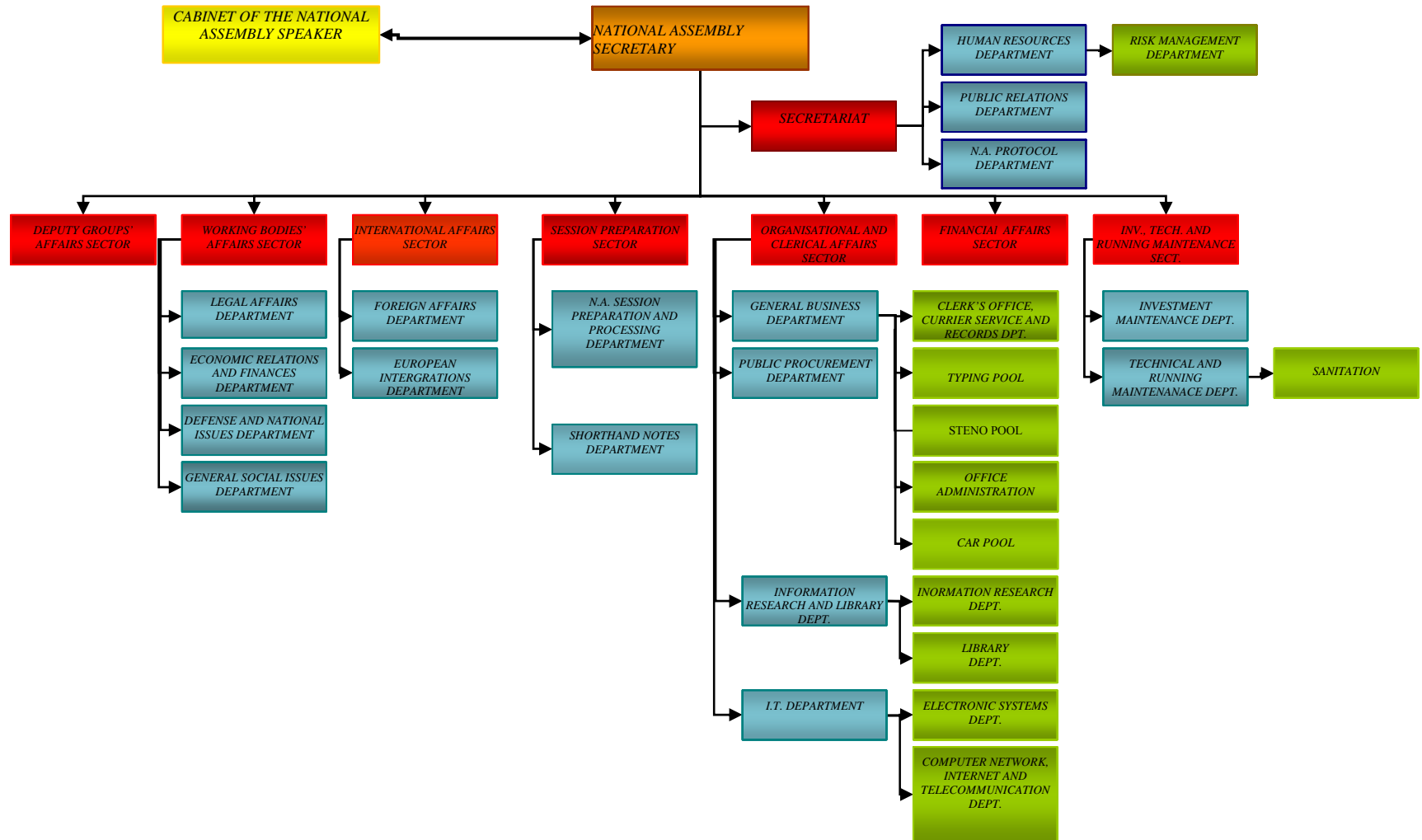
Independent bodies staff available

ANNEX II: Indicative amounts (in M€) Contracted and disbursed by quarter for the project (IPA contribution only)

Contracted	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Total
Contract 1					1.5								1.5
Contract 2		2.0											2.0
Contract 3			3.0										3.0
Cumulated		2.0	5.0		6.5								6.5
Disbursement	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Total
Contract 1					0.3	0.175	0.175	0.175	0.175	0.175	0.175	0.15	1.5
Contract 2		0.6		0.4		0.4		0.4		0.2			2.0
Contract 3			0.9		0.6		0.6		0.6		0.3		3.0
Cumulated		0.6	1.5	1.9	2.8	3.375	4.15	4.725	5.5	5.875	6.35	6.5	6.5

ANNEX III: Institutional Framework – legal responsibilities and statutes

National Assembly of the Republic of Serbia – Chart of Support Services



No.	COMMITTEE
1.	Constitutional Issues Committee
2.	Finance Committee
3.	Committee on Defense and Security
4.	Foreign Affairs Committee
5.	Justice and Administration Committee
6.	Education Committee
7.	Committee on Health and the Family
8.	Committee on Transportation and Communications
9.	Committee on Inter-Ethnic Relations
10.	Committee on Environmental Protection
11.	Committee on Science and Technological Development
12.	Youth and Sports Committee
13.	Committee on Labour, Ex-Servicemen's and Social Issues
14.	Committee on Urban Planning and Construction
15.	Administrative Committee
16.	Committee on Development and International Economic Relations
17.	Industry Committee
18.	Agriculture Committee
19.	Committee on Relations with Serbs Living Outside Serbia
20.	Committee on Trade and Tourism
21.	Culture and Information Committee
22.	Committee on Petitions and Proposals
23.	Legislative Committee
24.	Privatisation Committee
25.	Committee on Kosovo and Metohia
26.	Economic Reforms Committee
27.	European Integrations Committee
28.	Poverty Reduction Committee
29.	Gender Equality Committee
30.	Local Self-Government Committee

National Assembly of the Republic of Serbia is composed of 250 MPs who are organised in 30 Committees (listed in the table above).

According to the Law on National Assembly and currently valid Rules of Procedure of the NARS ("The Official Gazette of the RS," No.14/09) „working bodies of the Assembly – the Committees, are established for the purpose of considering and having relevant discussion about the issues falling under the competence of the National Assembly, proposing instruments, as well as the manner of pursuing policy, the enforcement of the laws and other regulations and general acts by the Government of the Republic of Serbia, in the sphere for which each of the Committees is tasked, and for the purpose of carrying out other affairs stipulated by the Rules of Order.”

There are 300 employees as Parliamentary Service. The Service secures working conditions for MPs providing technical support in the creation of motions they submit to the National Assembly and the Committees. The Service also assists in performing other tasks that were entrusted upon them by a Committee or the National Assembly, provides them with the “Official Gazette of the Republic of Serbia” along with the additional documentations for certain agenda items, provides technical explanations on certain problems they may occur in daily work, takes care of securing technical working conditions, performs office and other

tasks for their needs. The National Assembly services prepare texts of the Bills for the needs of competent Committees, in accordance with the Article 144 of the Rules of Procedure. According to the Rules of internal order and systematization of workplaces in the service of the National Assembly, adopted in July 2006, the service is divided into nine internal units - Sectors.

Within the International Relations Sector the following duties are performed: preparation of the acts and realization of the activities in the field with regard to the relations with other states and international organizations; the tasks regarding the participation of standing delegations of the National Assembly in the work of international and regional organizations; the tasks regarding study group visits to the representative bodies of other states and the reception of delegations, study groups or the members of representative bodies of other countries; preparation of the documentation for the visits of the National Assembly delegations and its Committees to the representative bodies of other countries, international and regional organizations, tasks relating to foreign policy relations, monitoring of the harmonization of the act motions and amendments to the Bills with the legal regulations of European organizations and associations and in particular with the EU legislation, translation service, along with other tasks for the needs of the National Assembly, its Committees, deputy groups and the deputies.

The legal framework for the functioning of the NARS is additionally explained and strengthened by the adoption of Law on the National Assembly (“The Official Gazette of the RS,” no. 09/10), as Constitution envisaged. Based on the principle of the separation of powers, Law specifies powers of the National Assembly according to which National Assembly carries out the representative, legislative, electoral and oversight functions. It also clarifies the status of the elected members, obligations and rights of NARS, including its powers in execution of the Assembly budget, within the state budget and state audits provisions.

Within its election rights, the National Assembly, according to the Constitution and Law on National Assembly, shall:

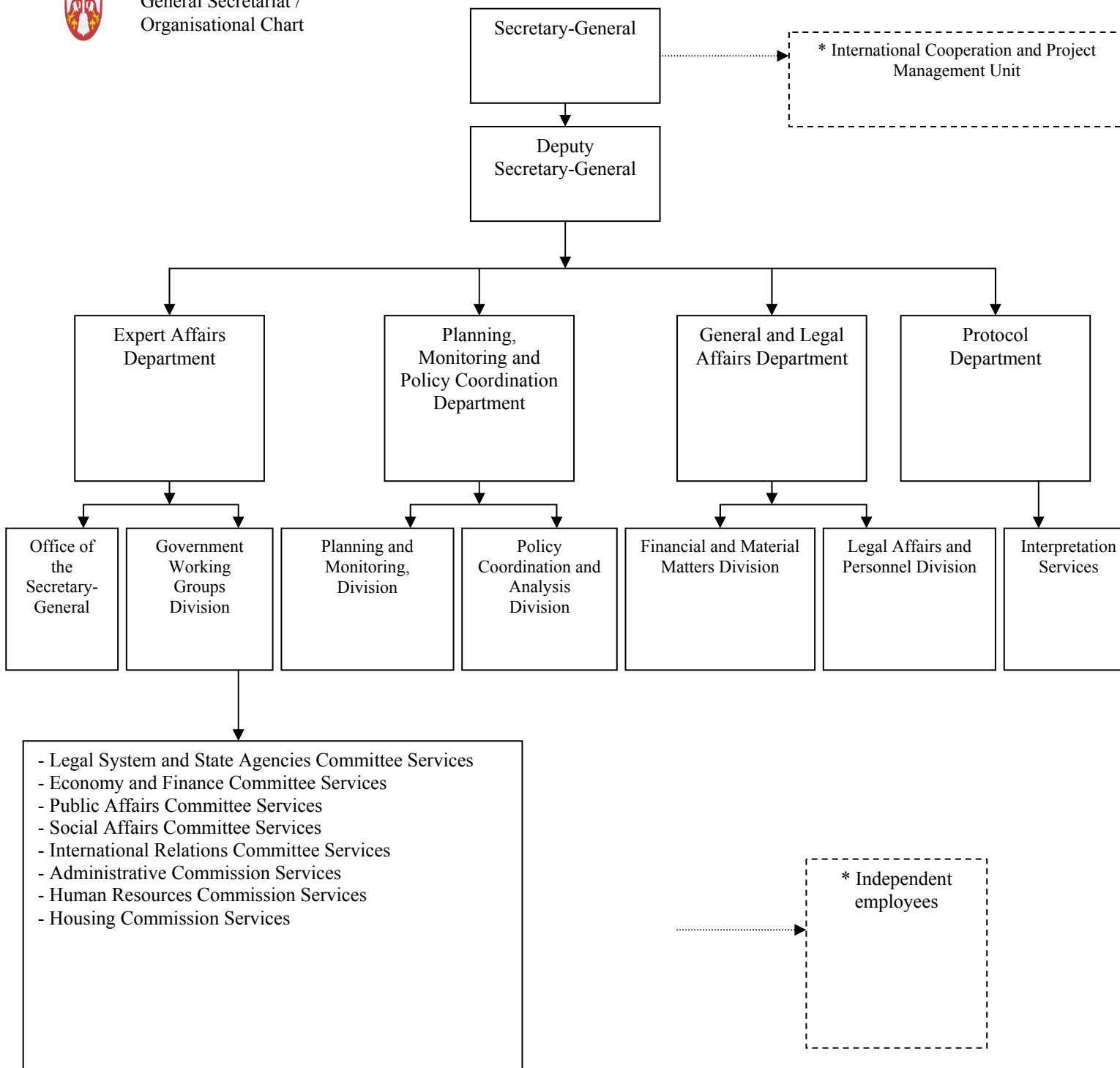
1. elect the Government, supervise its work and decide on expiry of the term of office of the Government and ministers,
2. appoint and dismiss judges of the Constitutional Court,
3. appoint the President of the Supreme Court of Cassation, presidents of courts, Republic Public Prosecutor, public prosecutors and decides on their dismiss
4. appoint judges and deputy public prosecutors, in accordance with the Constitution and law,
5. appoint and dismiss the Governor of the National Bank of Serbia and supervise his/her work,
6. appoint and dismiss Ombudsman,
7. appoint and dismiss other officials stipulated by the Law.

The right to propose laws, other regulations and general acts belongs to every deputy, the Government, assemblies of autonomous provinces or at least 30,000 voters. The (Protector of Citizens) Ombudsman and National Bank of Serbia have a right to propose laws falling within their competence. Laws and all other general acts are published prior to coming into force. The Constitution, laws and by-laws of the Republic of Serbia are published in the Official journal (Gazette) of the Republic of Serbia.

General Secretariat of the Government: scope of work, organization and other issues relevant for the operation of the General Secretariat of the Government of the Republic of Serbia are defined by the Decree on the General Secretariat of the Government (“Official Gazette of the Republic of Serbia, Nos. 75/05 and 71/08).

The General Secretariat of the Government is organized in four Departments, specifically:

1. Expert Affairs Department,
2. General and Legal Affairs Department,
3. Planning, Monitoring and Policy Coordination Department, and
4. Protocol Department.



The Serbian European Integration Office (SEIO) is a Government service and it is established pursuant to a regulation for performance of professional and technical operations of the Government. The activities carried out by the service are common for the ministries and special organizations. Consequently, the SEIO activities are frequently defined as coordinative. Beside the coordination activities between the ministries and special organizations in the European integration process, the SEIO also conducts professional activities for the Government envisaged by the Regulation on the SEIO establishment.

In this regard, the SEIO performs inter alia the following tasks:

- coordination, monitoring and promotion of European Union association and accession process;
- coordination of negotiations with European Union;
- coordination of implementation of the SAA and the work of joint bodies established by this agreement;
- coordination of the preparation of strategic documents regarding European Union association and accession process;
- coordination of cooperation of state administration with the EC and other bodies of the European Union, as well as vocational and technical cooperation in the association and accession process with the EU Member States, candidate and potential candidate countries, in cooperation with and by informing the Ministry of Foreign Affairs;
- promotion and monitoring the harmonization of Serbian legislation with regulations and standards of the European Union and public information thereupon;
- assistance to ministries and special organizations in legal harmonization with the European Union regulations;
- monitoring the realization of obligations of ministries and special organizations in the process of European Union association and accession;
- coordination of translation and preparation of national versions of the European Union regulations and coordination of translation of Serbian legislation into one of the official languages of the European Union;
- public information and promotion of activities in European Union association and accession; cooperation, through the Ministry of Foreign Affairs, with the Mission of the Republic of Serbia to the European Union in European Union association and accession
- organization of staff training on the European Union matters in cooperation with other government bodies and agencies.

The SEIO consists of five internal units:

- Department for accession coordination and key documents (14 employees)
- Department for accession coordination and SAA monitoring (6 employees)

- Section for communications, training and support in the European Union accession process (7 employees)
- Translation Coordination Department (8 employees)
- Department for legal and financial affairs (9 employees)

ANNEX IV: Reference to laws, regulations and strategic documents

Component 1 - Strengthening Capacities of the National Assembly in the Accession Process to the EU

Constitution of the Republic of Serbia, November 2006

Law on the National Assembly (“The Official Gazette of the RS,” No.14/09)

Rules of Procedure of the National Assembly, (“The Official Gazette of the RS,” No.14/09) are highly relevant in the context of the Project. Thus, their effective and efficient implementation should be the major expected outcome of the envisaged project activities. It is especially important that the contents of the new Rules of Procedure (currently being drafted) to be able to reflect the changes envisaged under the recently adopted **Law on the National Assembly**.

Decision on internal organization and work of the National Assembly of the Republic of Serbia, adopted in July 19th 2006

Act on internal order and systematization of work places, August 2006

Law on Ombudsman, (“The Official Gazette of the RS,” No.79/05 and 54/07), came into force in September 2005

Law on State Audit Institution, (“The Official Gazette of the RS,” No.101/05 and 54/07), came into force in November 2007

Law on Agency for fight against corruption, (“The Official Gazette of the RS,” No.97/08), came into force in October 2008, started with implementation from 1st January 2010. There is also the ***National Strategy for the fight Against Corruption*** that states in its recommendations, among other things, that it is necessary to build up the transparency of the work of the state bodies and increase the efficiency of the oversight function of the National Assembly.

Law on Radio-diffusion, (“The Official Gazette of the RS,” No. 42/02, 97/04, 76/05, 79/05, 62/06, 85/06 and 86/06)

Law on Securities Market and Other Financial Instruments, (“The Official Gazette of the RS,” No. 47/06)

Antitrust Law, (“The Official Gazette of the RS,” No. 51/09)

Law on Energy, (“The Official Gazette of the RS,” No. 84/04)

Law on Telecommunications, (“The Official Gazette of the RS,” No. 44/03 and 36/06)

Reference list of relevant strategic documents

Multi Annual Indicative Planning Document for the period 2009-2011, in Chapter on Political criteria (2.2.2. *Strategic Choices for IPA assistance over the period 2009-2011*)

strongly emphasizes the need for the improvement of the functioning of the Parliament, while 2.3.1.1. sub-chapter outlines the important objective of the: “improved overall functioning of the Parliament, its role as legislator and its oversight function over the executive” (point 1. of the quoted sub-chapter). Furthermore, next point of the same MIPD sub-chapter refers to the improvement of the performance of Serbia’s public administration at all levels: “in particular strengthen the European integration structures (including line ministries and the Parliament), and improve cooperation among them”.

Stabilization and Association Agreement for the Republic of Serbia, envisages an important role of the Parliament in the Chapter (III, Article 12 of the SAA) on Political Dialogue, and more particularly the importance of the Stabilization and Association Parliamentary Committee for rolling out of the political dialogue on the parliamentary level. Article 125 of the SAA stipulates the composition of the SA Parliamentary Committee, and describes it as a forum for Members of the Parliament of Serbia and of the European Parliament to meet and exchange views.

One of the conclusions on Serbia outlined in the ***European Union 2009-2010 Enlargement Strategy*** states that the Parliament does not use sufficiently its authorities related to the oversight over the work of the executive authority, as well as that the capacities of the parliamentary committees are poor. There are similar conclusions in the ***2010 Serbia’s Progress Report***, too, which state that the new rules of procedure provide for a reduction of the number of standing parliamentary committees from 30 to 19. However, this provision remains to enter into force for the next legislature. The functioning of the committees remains largely reactive and their effectiveness varies significantly. There is a lack of adequate expert and support staff to assist the committees.

Reference to national / sectoral investment plans

National Programme for the Integration of the Republic of Serbia in the European Union, (revised version from December 2009), dedicates completely the chapter 1.1.2. to the National Assembly and provides an important update on the role and priorities of the Parliament related to the “European agenda”. According to the text of the NPI the further activities will be undertaken to continue the work undertaken during the elaboration of the Draft Declaration of the National Assembly and the Government of the Republic of Serbia on the joint action of the Republic of Serbia EU integration process. The Draft of the Declaration designed in 2007 aimed at establishing of the political consensus on the issue of Serbian European commitment, which would open way to the efficient and adjusted performance in the negotiating process. It was envisaged that the Declaration would oblige legislative and executive powers to give priority in their work to drafting and adopting those legal acts that are the most important for the integration process, as well as the harmonization of the existing acts of the EU legislation. In the resuming of the prior activities, a particular Working Group will be established to draft the new document setting the rights and obligations of the Parliament and the GoS and the procedures of the cooperation with regards to effective harmonizing of the legislation with the *acquis*.

Public Administration Reform Strategy and Action Plan for 2009-2012, under main goals and principles of reform (page 2) states that Serbia aims to achieve main goals in the context of the public administration reform through building of a democratic state, based on the rule of law, responsibility, transparency, building of state administration oriented to citizens which is able to provide citizens and the private sector with high quality services at reasonable cost, etc.

Further on, it is stated that the relation of the state administration toward citizens and all those to whom the work of state administration is referred to, should be altered so as to achieve

better efficiency, better legal safety, more efficient application of laws and sanctioning of mistakes, higher transparency, availability of information on its work etc.

Needs of the Republic of Serbia for International Assistance for the period 2009-2011, within the chapter on Basic Development Goals and Priorities, states that while acceding to the EU, Republic of Serbia should strive towards a stable democratic order, the rule of law, high standards in the protection of human and minority rights, etc. Moreover, the chapter on the Public Administration Reform reiterates the basic principles of modernization, professionalization, accountability, etc., which the National Assembly is also trying to address within the scope of the proposed project.

National Strategy for the Fight Against Corruption states in its recommendations, among other things, that it is necessary to build up the transparency of the work of the state bodies and increase the efficiency of the oversight function of the National Assembly

Component 2 - Reforming Policy Coordination in the Government of the Republic of Serbia - Third Phase

1. The Law on Government
2. Decree on General Secretariat of the Government
3. Government Rules of Procedure
4. The Rulebook on Internal Organization and Classification of Positions in the General Secretariat of the Government
5. The Law on Ministries
6. Law on Public Administration and Local Government
7. Public Administration Reform Strategy
8. Budget System Law
9. Memorandum on Budget and Economic and Fiscal Policy
10. MIPD

Component 3 - Policy And Legal Advice Centre (PLAC)

- Law on Ministers
- Law on Public Administration
- Law on Civil Servants
- Rules of Procedures of the Government of Serbia
- Regulation on Establishment of the Serbian European Integration Office
- Decision on Establishment of the Coordination Body for the Process of EU Accession
- Information on the Need to Form New Coordination Bodies in the Process of Serbia's Accession to EU

Reference to AP /NPAA / EP / SAA

SAA - Title VI - Approximation of Laws, Laws enforcement and Competition Rules

Article 72

1. The Parties recognize the importance of the approximation of the existing legislation in Serbia to that of the Community and of its effective implementation. Serbia shall endeavor to ensure that its existing laws and future legislation will be gradually made compatible with the Community *acquis*. Serbia shall ensure that existing and future legislation will be properly implemented and enforced.

2. This approximation shall start on the date of signing of this Agreement, and shall gradually extend to all the elements of the Community *acquis* referred to in this Agreement by the end of the transitional period defined in Article 8 of this Agreement.

3. Approximation will, at an early stage, focus on fundamental elements of the Internal Market *acquis*, Justice, Freedom and Security as well as on other trade-related areas. At a further stage, Serbia shall focus on the remaining parts of the *acquis*.

European Partnership – priorities for Serbia

Short term priorities

Key priorities

Ensure compliance with the future obligations under the Stabilisation and Association Agreement (SAA) and in particular the Interim Agreement (IA)

Strengthen the European integration structures, improve coordination throughout the public administration and parliament and pay particular attention to policy coordination.

Reference to MIPD

2.3.1.1 Political Criteria

Objectives and choices

3. Strengthening the European integration structures (including key line ministries and the parliaments), as well as corresponding structures/mechanisms for the verification of the compatibility of government policies and draft legislation with the *acquis* and standards and improve cooperation among them.

Expected results by the end of the covered period and measurable indicators

3. The lead role of SEIO as government institution that will coordinate the European agenda within Serbia's institutions reinforced. Development of the SEIO's and line ministries' capacities to screen legislation and policies for EU compatibility.

ANNEX V: Details per EU-funded contract (where applicable):

Component 1 – One Twinning contract

The Member State **Project Leader** is usually a high-ranking civil servant or equivalent staff commensurate with the requirement for an operational dialogue and backing at political level. The main role of the Project Leader is that of directing the implementation of the project.

All along the project duration the project leader continues working in the administration he/she belongs to and devotes a portion of time to conceiving, supervising and co-ordinating the overall thrust of the project having a broad knowledge of all processes in the area of the project and good leadership skills.

The **RTA** is a civil servant or equivalent staff seconded to work and to be based in the Beneficiary Country for the whole project duration. RTA must have sound project management and communication skills representing and interfacing with the parent institution as well as managing the team in an efficient way.

The RTA also has knowledge of the project topic in order to handle the subjects in a suitable way, to identify required and needed expertise, to guide experts in delivery, to provide on the job assistance and finally, to ensure project follow up.

More specifically the RTA should have the following **profile**:

- Relevant University Degree (Law, Political Science or similar)
- Solid legal background and professional experience in advising public administrations and institutional bodies
- Sound knowledge of part of the *acquis* in relevant sectors for Serbia
- Sound knowledge of regulations and policies of the EU
- Experience in legal drafting and processes
- Experience in training and training organisation
- Strong written, oral and inter-personal communication skills
- Excellent oral and written English
- Experience in similar technical and legal assistance assignments in pre – candidate/ candidate Countries will be considered an asset

Short term experts are civil servants devoted to the implementation of the project activities that is to say:

- transfer EU related working methods and tools including methodology for legislation impact assessment
- support the amelioration and upgrading of law making procedures as well as increase coordination among responsible bodies
- provide guidelines and tools for staff re-organisation and internal working procedures and practices

- ameliorate and making more effective the communication flow with Independent bodies thus increasing Parliament oversight function
- support the process of increasing the transparency of NARS activities as well as improving awareness raising in citizens and media operators through recommendations and guidelines.

Profile of short term experts:

- Relevant University degree
- Sound knowledge of EU regulations and policies related to their specific tasks
- Relevant experience in at least one of the area and subjects covered under activities description
- Sound background in drafting and/or implementing policies and regulations
- Experience in providing assistance to Public Administrations and Public Institutions in general
- Experience in working with Parliamentary Committees
- Experience in providing training preferably for civil servants and/or parliamentarian
- Good written and oral command of English

Component 2 – One service contract

Activities will be carried out through one technical assistance service contract.

Contract # and Name	Description	Cost Estimates (EURm)
Service contract 1	One service contract to implement the following outputs : <ul style="list-style-type: none"> • Developed Strategy Management Framework • Introduced new approach for development and submission of policy proposals • Defined/changed the role and the functions of the General Secretariat/CoG in the policy making process. • Strengthened Capacities and capabilities of the Line Ministries / GS for submission/analysis of policy proposals in line with new methodology • Strengthened capacities among external stakeholders for policy formulation and coordination (incl local Governments, civil society, Parliament) • Integrated decision support system in place. 	2 million EUR

Component 3 – One service contract

All activities will be carried out through a single TA contract.

The contract will mobilise team leader and short and long term experts with specific job experience in the project area.

Therefore the contractor will be responsible of the following tasks:

- Assess the current status of legal approximation in relation to EU *acquis* (per sector and priorities)
- Assess the current structures/mechanisms and procedures related to legal harmonisation (key actors and documents, coordination, timing)
- Give recommendations and produce guidelines to improve such structures/mechanisms and procedures
- Upgrade the methodology to develop national legislation in line with EU *acquis*
- Improve the process of EU relevant laws making according to official documents (such as NPI, EU Progress reports and other)
- Support the law making planning process making it more realistic and feasible
- Support the drafting of the laws and by laws in identified sectors
- Upgrade a monitoring system regarding quality and quantity of legislative harmonisation
- Identify training needs per typology of target groups and legal sectors
- Design a training plan according to identified target groups and needs
- Provide training on the job as far as law approximation is concerned
- Provide other typologies of training