

Standard Summary Project Fiche – IPA centralised programmes

Project number 23: Support for Participation in EU Programmes

1. BASIC INFORMATION

1.1	CRIS Number	2011/022-585
1.2	Title	Support for participation in EU Programmes
1.3	ELARG statcode	04.65 Participation in EU programmes.
1.4	Location	Republic of Serbia

Implementing arrangements:

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

Ministry: Government of Serbia

The Project Manager for the EU Programmes is the National IPA Coordinator NIPAC Technical Secretariat, the main national coordinator for participation in EU Programmes.

For each programme, Ministries will be responsible for co-ordination of project activities as follows:

Programme: 7th Framework Programme – FP7

Ministry of Science and Technological Development

Programme: The Competitiveness and Innovation Framework Programme (CIP)

Ministry of Economy and Regional Development

Programme: Customs

Ministry of Finance

Programme: Fiscalis

Ministry of Finance

Programme: PROGRESS

Ministry of Labour and Social Affairs

Ministry of Economy and Regional Development

Programme: Culture

Ministry of Culture

Programme: ICT- PSP

Ministry of Telecommunications and Information Society

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Steering committee: N/A

Financing

- | | |
|--|---|
| 1.8 Overall cost (VAT Excluded): | EUR 6 million |
| 1.9 EU contribution: | EUR 4 million |
| 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 contribute to the preparation of Serbia's accession and increasing the understanding of Serbia and its citizens of European Union policies and underpinning values.

2.2 Project purpose:

To support Serbian participation to EU programmes by co-financing the costs of the "entry-tickets" which Serbia has to pay in areas such as education, health, science, culture, employment, entrepreneurship and innovation, taxation and custom systems..

2.3 Link with AP/NPAA / EP/ SAA

In line with Thessaloniki Agenda for Western Balkan countries, approved by the Council on 20th June 2003, EU Programmes may be opened to potential candidate countries in line with the approach followed for the candidate countries.

The Framework Agreements, establishing the general principles for the participation of the candidate countries and Western Balkan countries in EU Programmes provide that these countries shall contribute financially to the general budget of the European Union

corresponding to the specific programmes, in which they participate and may apply for EU external assistance.

The Republic of Serbia signed a Framework Agreement on participation in EU Programmes on 29th June 2005 and the agreement came into force on 27 July 2005.

2.4 Link with MIPD¹

The project will contribute to all sectors of the MIPD by facilitating the preparation of Serbia's accession to the EU, as well as by enhancing the better absorption of funds and the implementation of projects. Link with National Development Plan (where applicable)

2.5 Link with national / sectoral plans

N/A

3. DESCRIPTION OF PROJECT

3.1 Background and justification:

EU Programmes are a series of integrated measures accepted by the European Commission aimed at strengthening the co-operation among the Member States regarding EU policies for a period of time. EU Programmes are financed from the general budget of the European Union, covering different areas: from environmental protection, energy and transport to the development of entrepreneurship and competitiveness, and they represent significant instruments for defining and conducting internal EU policies. With the aim of successfully conducting common policies, multi-annual programmes and action plans are being established in order to fulfil the aims set out by the EU and its members in partial sectors. All acceding and candidate countries have the opportunity to participate in the programmes, although, as a main condition of participation, an annual fee has to be paid to the budget. This provides them with an opportunity to prepare for accession and also familiarize themselves with EU policies and working methods.

In its Communication "Agenda 2000" (July 1997), the European Commission proposed the progressive opening-up to the candidate countries of a broad range of EU Programmes, as one of the intermediate objectives of accession. The objective of participation in the programmes is to enable the countries to familiarise themselves with the methods and policies of the European Union.

The "*Thessaloniki Agenda for the Western Balkans: Moving towards European Integration*", endorsed at the European Council on 20 June 2003, "*Community programmes will be opened to SAP countries along the lines established for the participation of candidate countries*".

The Framework Agreements establishing the general principles for participation of the candidate countries and Western Balkan countries in EU Programmes provide that these countries shall contribute financially to the general budget of the European Union corresponding to the specific programmes in which they participate and may apply for EU external assistance.

In line with this, IPA National Programmes can be used as a complement to national funds to co-finance the financial contribution ("entry ticket") to be paid each year by the countries

¹ Multi-Annual Indicative Planning Document

to participate in the EU Programmes. IPA funds of a given year co-finance the financial contribution for the participation in the programmes in the following years. The part of the financial contribution which is financed from the national budget should increase progressively, and a gradual and selective approach to participation should be maintained in EU Programmes. In line with the Enlargement Strategy paper 2008, candidate countries and potential candidate countries can request co-financing through IPA up to 90% of the country contribution to an EU Programme in the first year of participation.

Due to Serbia's financial difficulties, it has become difficult to cover the costs of its participation in EU Programmes.

In order to further encourage Serbian participation, the European Commission increased its financing for EU Programmes under the IPA National Programme 2008 to the following percentage rates of Serbia's contributions (as indicated by letter of 16 December 2009 from EC to DPM Djelic (PM D (2009) 108040).

- 1st year of participation- 90%
- 2nd year of participation- 85%
- 3rd year of participation- 80%
- 4th year of participation- 75%
- 5th year of participation- 70%
- 6th year of participation- 65%
- 7th and following years of participation- 60%

In order to further facilitate Serbia's participation, **keeping these percentage rates of co-funding under this IPA National Programme remains crucial.**

The Republic of Serbia signed the Framework Agreement on participation in the EU Programmes on June 29th, 2005, which came into force on July 27th, 2005. However, full participation of each individual country in the EU Programmes implies setting up of a legal basis in the form of a Memorandum of Understanding with the European Commission for each programme and provision of financial contribution for participation in the above-mentioned programmes. The Memorandum of Understanding determines general principles of participation in the programme, including administrative capacities (e.g. financial control, satisfactory number of people dealing with their implementation etc.), financial resources for participation, mechanisms of participation in programme management etc.

So far, Serbia has signed MoU concerning the following EU Programmes: the Framework Programme for research (FP7), PROGRESS, Culture, CIP, Fiscalis and Customs. The Republic of Serbia has also expressed its interest in participating in the following programmes: Life+, Europe for Citizens and Marco Polo II, etc.

Through the participation in EU Programmes, Serbia will continue to build knowledge and capacities of different stakeholders dealing with European issues and projects; actively participate in the implementation of the EU policies; support different activities of institutions, small and medium enterprises and public companies by having access to EU funds; intensify international cooperation and initiate mobility in relation to EU countries; intensify its efforts to implement the Stabilisation and Association Agreement and thus become deeper involved into the European integration process.

On the other hand, the potential applicants lack enough knowledge on the possibilities of using the EU Programmes, application procedures foreseen, annual programmes, project proposals preparation, etc.

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

Impact:

For Serbia, participation in EU Programmes represents a major step forward in meeting the criteria towards EU accession in the field of science, culture, employment, entrepreneurship and innovation, taxation and custom systems. It represents an important step in familiarising the country and its citizens with the Union's policies and working methods. Above all, it will improve capacities of different stakeholders in managing EU projects and thus acquiring knowledge on EU rules and procedures.

Catalytic effect

Increased participation in EU Programmes is an important element in the EU integration process, as it implies participation in knowledge sharing, awareness raising and acquiring knowledge from member states of EU practices in various sectors. This knowledge can subsequently be utilised in the design and application of future projects and actions in Serbia. In particular, supporting Serbia's participation in the programmes and initiatives related to research and development encouraged under FP7 and/or CIP leads to the reduction of the negative impacts of the global economic crisis by creating new jobs in the knowledge sector. Universities can be sources of new knowledge, through research and development, highly skilled graduates, and other partnering activities with the Universities/research institutions from the neighbouring countries.

Sustainability:

Participation in EU Programmes will encourage the active involvement of public and private institutions, NGOs, civil society institutions and universities to benefit from the EU accession process. It is expected that the knowledge and skills developed through participation in EU Programmes will be retained within the participating institutions and within the responsible ministries. Established EU networks through EU Programme participation will be transformed into longer term formal and informal collaboration.

Cross-border impact

The participation in EU Programmes will enhance regional cooperation (in particular among Western Balkans countries) through the implementation of joint projects /partnering activities. Participation in the EU Programmes will also allow potential partners from the Western Balkans countries and the European Union to exchange information, know-how and build on each others' experiences.

3.3 Results and measurable indicators

1. Ensured reimbursement of part of Serbia financial contribution ("entry-tickets") for participation in EU Programmes for which a Memorandum of Understanding is in force (in particular FP7, Progress, Culture, CIP, Fiscalis and Customs)

Indicator:

Serbian line ministries receive reimbursement of entry-tickets in a timely manner.

2. Successful participation of Serbia in EU Programmes

Indicator:

Serbia receives a greater or equal amount than the entry ticket in co-financing of projects proposed in the framework of EU Programmes

3.4 Activities:

1. Provide IPA funds as reimbursement of a part of the entry ticket for participation in the EU Programmes for which a Memorandum of Understanding is in force.

The EU contribution to the entry ticket is decided between the beneficiary and the EC, normally before the MoU is signed. The participation of the beneficiary in EU Programmes shall follow the specific terms and conditions set out for each such programme in the MoU. Based on the Enlargement Strategy paper 2008 it is possible for the candidate countries and potential candidate countries to request co-financing through IPA up to 90% of the country contribution to an EU Programme in the first year of participation.

The Serbian Government has to provide not only the national co-financing but also the funds necessary for the payment of the total entry ticket, prior to receiving the partial reimbursement from IPA.

Contracting Arrangement:

The activity will be implemented as a reimbursement of a part of the payment for the entry ticket after the entry ticket has been paid, on the basis of a specific agreement with the EC. The reimbursement will be paid as a grant to the Serbian Government.

3.5 Conditionality and sequencing:

Conditionality:

The main conditionality is the signature of the Memoranda of Understanding on participation in selected EU Programmes between the European Commission and the Government of Serbia which is a precondition for participation.

The responsible central body also has to foresee and ensure that within the annual state budget timely payment of the total entry ticket is available, within the deadlines requested in the call for funds.

Sequencing:

The responsible line ministries must ensure the timely payment of the total entry ticket, within the deadlines requested in the call for funds, as well as timely and documented requests for reimbursement addressed to the EU Delegation. IPA funds will be transferred to the line Ministries as reimbursement of a part of the contribution paid, on the basis of a specific agreement, and request for funds by the beneficiary with a proof of payment.

3.6 Linked activities

Participation of Serbia in the EU Programmes is of primary importance to Serbia's European efforts. Therefore, the participation was encouraged by providing EU funding under National IPA Programmes for 2007 (EUR 2 million) and 2008 (EUR 5 million).

So far, Serbia has achieved considerable results in the **7th Framework Programme for Research**. Researchers from Serbia have achieved following results: Since the initiation of FP7 for Serbia around 95 institutions have been involved in 77 projects. According to the latest information provided by the Ministry of Science and Technological Development, the overall contribution of the EU for these projects has amounted to EUR 18,034,840. The Ministry for Science and Technological Development is providing support to different organizations who wish to participate in projects and document preparation. The Ministry is actively involved in organizing campaigns and info days with the aim of informing the public about the opportunities and benefits of this programme.

According to information provided by the Ministry of Labour and Social Policy, within the framework of the **PROGRESS** programme, out of 9 applications (project proposals), four projects have been approved with a total value of EUR 1 million. Serbian partner organizations participate in three projects with the other member state countries.

Within the **CIP** programme, Serbia was provided with the opportunity to take part in the special Entrepreneurship and Innovation Programme (EIP). The total budget of this programme is EUR 2.17 million for the period 2007-2013 within which support was granted for the "EURO-INFO-INNOVATION RELAY CENTRE OF SERBIA" project which has a budget of EUR 1.25 million over three years. Since 2009 Serbia has been able to take part in all CIP programme instruments, where more significant results from participation are expected in the coming years.

A large number of organizations have shown an interest in participating in the EU programme for **Culture**. Projects are intended to strengthen cultural identity, develop cultural cooperation between European cultural participants and to support exchange of art works.

The **Tempus Programme** has been implemented in Serbia since 2001. Approximately 26 million euro has been invested in higher education in Serbia through 101 projects. Implemented projects related to the reform and modernisation of study programmes, introduction of the European system of transfer credits, terms for studying, institutional reform, as well as different system reforms intended to improve higher education in Serbia as a whole. The budget of the Tempus programme for Serbia from 2001-2004 was 4 million euro. In recent years the budget was increased due to Serbia's improved absorption capacity and since 2007 the total budget for Tempus has been 7 million euro. Serbia is the only country that have received such an increase, primarily due to the quality of its projects and the need to create programmes for additional training, including new career training for university graduates who are having difficulties finding a job. In parallel, there is a need to start supporting the preparation of Serbian institutions' participation in the Life Long Learning programme.

Since 2007 Serbia has been invited to take part in the **Erasmus Mundus and Erasmus Mundus-External Cooperation Window** programmes, which relate to the development of higher education through cooperation between universities and increased student mobility. Statistics show that 98 students have received scholarships for attending master programmes at EU universities, including a smaller number of lecturers (in the frame of

Erasmus Mundus programme). As far as Erasmus Mundus - External Cooperation is concerned, according to initial unofficial information, around 66 students from Serbia received scholarships, and a higher number of students are expected to receive scholarships following the next round of applications. Given the support provided to the sector of education through these programmes, available resources should be used to their full potential in order to cover all systemic problems through reforms required, and at the same time to strengthen capacities in institutions of higher education for participating in continuing education programmes.

Multi-Beneficiary IPA (MB IPA) programme also encourages Serbia's preparation for participation in EU Programmes and Agencies of the Western Balkan countries and Turkey.

3.7 Lessons learned

The experience of neighbouring countries shows that participation in EU Programmes is an extremely important feature of a successful pre-accession strategy. Furthermore, it is extremely important Serbian citizens and institutions have the opportunity to acquaint themselves with EU values, with EU policies in different fields as well as legal regulations and their implementation, successful solutions and experiences from other countries within the EU, and the methods and rules by which the EU functions.

The participation of Serbia in EU Programmes has contributed to a deeper knowledge and capacity-building of different stakeholders when dealing with European issues and projects.

In particular, considerable results were achieved in terms of:

- Improving institutional capacities and coordination in and among central institutions in relation to the management of EU Programmes
- Activating different layers of stakeholders as participants in EU projects
- Establishing networks and partnerships with European institutions
- Providing additional resources for funding priorities in various areas
- Raising awareness among the public regarding EU policies

A number of positive results have been achieved and advantages provided through Serbia's participation in EU Programmes, both in terms of financial support, modernization of equipment, knowledge and experience, cooperation with similar institutions that allow for participation in the European research area, and cooperation with companies in Europe. However, there are still number of problems in relation to Serbia's participation to EU Programmes:

- Insufficient institutional capacities for adequate project management by beneficiaries
- Lack of staff training: persons responsible for coordination of EU Programmes in Serbia lack experience, particularly in respect of project evaluation and monitoring. Additional training should be organised in this area

- Lack of contacts between potential partners: Many projects which will receive or have received funding as part of the programme should – or could benefit from - applying as a consortium of partners from several programme member countries.
- Co-financing requirements are often the reason for weak interest among organisations to apply.

With a view to overcoming such problems, in the forthcoming period it will be necessary to provide appropriate technical assistance (for instance through TAIEX) in order to strengthen institutional capacities of both programme coordinators and potential beneficiaries. Also, it will be necessary to ensure and deliver better access to information for all potential applicants, as well as budget support for partial co-financing of these projects.

In order to mobilize more private and public organizations to participate in EU Programmes, it is absolutely necessary to continue to organize awareness-raising campaigns and to increase work on building their capacity. Only in this way will they be able to use the available EU funds effectively and gain further insight into EU procedures and mechanisms.

4. INDICATIVE BUDGET (AMOUNTS IN EUR MILLION)

Support for participation in EU Programmes			TOTAL EXP.RE	SOURCES OF FUNDING								
				IPA EU CONTRIBUTION		NATIONAL CONTRIBUTION					PRIVATE CONTRIBUTION	
ACTIVITIES	IB	INV	(a) = (b) + (c) + (d)	(b)	%*	Total (c) = (x) + (y) + (z)	%*	Central (x)	Regional / Local (y)	IFIs (z)	(d)	%*
Activity 1												
Entry ticket for EU Programmes			6.0	4.0	66.7%	2.0	33.3%					
Entry ticket for EU Programmes- first year of participation					90%		10%					
Entry ticket for EU Programmes- 2 nd year of participation					85%		15%					
Entry ticket for EU Programmes- 3 rd year of participation					80%		20%					
Entry ticket for EU Programmes- 4 th year of participation					75%		25%					
Entry ticket for EU Programmes- 5 th year of participation					70%		30%					
Entry ticket for EU Programmes- 6 th year of participation					65%		35%					
Entry ticket for EU					60%		40%					

Programmes- 7th and following 60years of participation												
TOTAL IB			6.0	4.0		2.0						
TOTAL INV			-	-								
TOTAL PROJECT			6.0	4.0	66.7%	2.0²	33.3%					

Amounts net of VAT

- (1) In the Activity row use “X” to indentify whether IB or INV
- (2) Expressed in % of sum of each line of the **Total** Expenditure (column (a))

The exact total financial contribution to be paid by Serbia for the participation in listed programmes is or will be specified in the Memorandum of understanding establishing the terms and conditions for participation in the EU Programme concerned. The contribution from the national budget covers the difference between the total financial contribution of Serbia to the programmes as indicated in the above mentioned Memorandum of Understanding and the IPA support.

² This figure is estimation. It is difficult to approximate the exact amount due to lack of information on the amounts due for payment in 2011.

5. INDICATIVE IMPLEMENTATION SCHEDULE

Contracts	Start of Tendering	Signature of contract	Project Completion
EU contribution to the entry ticket for the EU Programmes	NA	T+2Q	T+10Q

6. CROSS CUTTING ISSUES

6.1 Equal Opportunity

Participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

6.2 Environment

The project will have no negative environmental effects.

6.3 Minorities

Involvement of minorities through the participation in the EU Programmes will be encouraged.

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: Support for Participation in EU Programmes		Contracting period expires four (2) years after signature of Financing Agreement Contracting period expires 2 years after signature of the FA by the EC	Disbursement period expires fives (5) years after signature of Financing Agreement
		Total budget : EUR 6 million	IPA budget: EUR 4 million
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
to contribute to preparation of accession and better understanding of Serbia and its citizens on European Union policies and working methods	Serbia is continuously progressing in implementing EU policies	EC Annual Progress Report Government documents	
SPECIFIC PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions
to support Serbian participation in EU Programmes by co-financing the costs of the "entry-tickets" which Serbia has to pay in accordance with the relevant MoU establishing its participation in several EU Programmes	Number of institutions/organisations fully benefiting under EU Programmes and initiatives	-Reports from the beneficiary countries to NIPAK - Annual NIPAK Reports on IPA	Government supports implementation of EU policies

RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
1. The Serbia line Ministries timely receives the reimbursement of entry-tickets	The Serbia line Ministries timely receives the reimbursement of entry-tickets	<ul style="list-style-type: none"> ▪ EU Contribution Agreements 	<ul style="list-style-type: none"> ▪ The responsible line ministries ensure the timely payment of the total entry ticket, as well as timely and documented requests for reimbursement.
2. Successful participation of Serbia in EU Programmes	Serbia receives a greater or equal amount than the entry ticket in co-financing of projects proposed in the frame of EU Programmes	<ul style="list-style-type: none"> ▪ EC Reports 	<ul style="list-style-type: none"> ▪ Responsible ministries continuously facilitate the support to the applicants participation in the programmes- e.g. FP7, CIP, CULTURE, Fiscalis, Customs, PROGRESS
Activities		Means & Costs	Assumptions
Provide IPA funds as reimbursement of a part of the entry ticket for participation in the EU Programmes for which a Memorandum of Understanding is in force.		IPA contribution to the entry tickets reimbursed based on the MoUs Costs: 4.000.000 EUR	

Preconditions:

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

Due to the nature of the implementation of the EU Programmes it is not possible to fill in the table below.

Contracted	N+4Q	N+5Q	N+6Q	N+7Q	N+8Q	N+9Q	N+10Q	N+11Q	N+12Q	N+13Q	N+14Q	N+15Q	N+16Q	N+17Q	Total
EU Contribution to the entry ticket															
Disbursed															
Cumulated															

ANNEX III: Institutional Framework – legal responsibilities and statutes

NIPAK Technical Secretariat- Sector for EU Funds and Development Assistance (Ministry of Finance)

The Department within the Ministry of Finance responsible for the EU Funds and Development Assistance, based on the Government Decision 05 Number 119-2021/2007 from May 31, 2007 appointed as a National IPA Secretariat. Therefore, this unit plays a crucial role in the process of programming of IPA and also as regards to EU Programmes. In that regard, the Department, in close cooperation with the relevant institutions, supports the information provision and dissemination activities for the public and the relevant stakeholders.

Based on the annual Action Plans for the programming and reporting of international assistance and IPA, line ministries are obliged to report to NIPAK office on the process and progress achieved within their participation in the relevant programmes of EU.

Different line ministries are in charge for coordination in specific EU Programmes.

ANNEX IV: Reference to laws, regulations and strategic documents

- Framework Agreement on participation in the EU Programmes signed between EC and Government of Serbia on June 29th, 2005, which came into force on July 27th, 2005
- MoU between Government of Serbia and European Commissions signed for participation in different EU Programmes

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

N/A