



IPA II Monitoring, Reporting and Performance Framework

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Table of Contents

Acronyms and Abbreviations	5
Executive Summary	7
INTRODUCTION	13
1. MONITORING, REPORTING AND PERFORMANCE FRAMEWORK (MRPF)	14
1.1 Key Findings	14
1.2 Assessment	17
1.3 Recommendations	23
1.3.1 General Recommendations	23
1.3.2 Specific recommendations on the MRPF architecture in each one of the IPA II beneficiaries	32
1.3.3 Multi-beneficiary Dimension of IPA II MRPF and Potential Role of ReSPA	35
2. EVALUABILITY OF IPA II MTR 2017	37
2.1 Key Findings & Conclusions	37
2.1.1 General Outline	37
2.1.2 How the specific requirements of the Regulations should be approached?	38
2.1.3 How the evaluation criteria should be approached/ used?	45
2.1.4 Are the indicators included in the Regulations, Programme Statement (PS) and Indicative (country & multi-country) Strategy Papers aligned and thus appropriate and sufficient for the implementation of the MTR 2017?	45
2.1.5 Which are the sources of information to be used for the MTR 2017 and how the required info/data should be collected and processed? Are intermediate evaluations (thematic, other) needed to be implemented, in order to contribute to specific subjects where direct info/data do not exist?	46
2.1.6 Which are the critical parameters for the data collection in view of the available time and the limited progress in the implementation of the IPA II actions?	47
2.1.7 How the required public consultation (general- for the wider public and specific- for the IPA II stakeholders) should be organized & implemented?	47
2.2 Assessment of the Evaluability of the MTR 2017	48
2.3 Recommendations	50
3. VISIBILITY OF IPA II PERFORMANCE	59
Introduction	59
3.1 Key Findings and Conclusions	59
3.1.1 Visibility	59
3.1.2 Transparency	60
3.2 Assessment	61
3.3 Recommendations	64
3.3.1 Communication Strategy of DG NEAR	64
3.3.2 Recommendations	64
4. PROPOSAL FOR IMMEDIATE FOLLOW-UP ACTION	68
ANNEXES	69
Annex 1 – Comprehensive Fieldwork Findings in IPA Beneficiaries	70
A 1.1 Recapitulated Fieldwork Findings from Albania	70
A 1.2 Recapitulated Fieldwork Findings from Bosnia & Herzegovina	75
A 1.3 Recapitulated Fieldwork Findings from the former Yugoslav Republic of Macedonia	84
A 1.5 Recapitulated Fieldwork Findings from Serbia	97
A 1.6 Recapitulated Fieldwork Findings from Montenegro	101
A 1.7 Recapitulated Fieldwork Findings from Kosovo	112
Annex 2 – Existing processes of reporting on implementation progress in IPA Beneficiaries	116
Annex 3 – IPA II MRPF Processes	131
Annex 4 – Main Findings of CS E-survey	144
Annex 5 – Terms of Reference	149

Acronyms and Abbreviations

AOSD	Authorizing Officer by Sub-delegation
APR	Annual Progress Report
AR	Annual Report
ATI	Aid Transparency Index
BR	Bi-annual Report
CA	Contracting Authority
CBC	Cross-Border Cooperation
CfP	Calls for Proposals
CIR	Common Implementation Rules
CS	Civil Society
CSO	Civil Society Organisation
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DB	Data Base
DER	Draft Evaluation Report
DG	Directorate General
DG ELARG	Directorate General for Enlargement
DG NEAR	Directorate General for European Neighbourhood Policy & Enlargement Negotiations
EC	European Commission
EEAS	European External Action Service
EM	Evaluation Matrix
En	English
ENI	European Neighbourhood Instrument
EQ	Evaluation Question
EU	European Union
EUD	European Union Delegation
EU MS	EU Member State
EUOK	European Union Office in Kosovo
EUR	Euro
EUROSTAT	Statistical office of the European Union
FER	Final Evaluation Report
FPI	Foreign Policy Instruments
FPR	Final Project Report
Fr	French
FR	Final Report
FWC	Framework Contract
HIPs	Humanitarian Implementation Plans
HQ	Headquarter
IATI	International Aid Transparency Initiative
IL	Intervention Logic
IMC	IPA Monitoring Committee
IPA	Instrument for Pre-Accession Assistance
IPARD	Instrument for Pre-Accession Assistance in Rural Development.
IR	Inception Report

IT	Information Technology
IQ	Interview Questionnaire
JC	Judgement criteria
MB	Multi-beneficiary
MC	Monitoring Committee
M&E	Monitoring and Evaluation
MoU	Memorandum of Understanding
MIPD	Multi-annual Indicative Planning Document
MR	Monitoring Report
MRPF	Monitoring, Reporting and Performance Framework
MRS	Monitoring & Reporting System
MTR	Mid-term Review
NAD	National Priorities for International Assistance
NIPAC	National IPA Coordinator
NAO	National Authorising Officer
NGO	Non-Governmental Organisation
NSA	Non-State Actors
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
DAC	Development Assistance Committee
OM	Operational Manager
OO	Overall objective
OVI	Objectively Verifiable Indicator
PCM	Project Cycle Management
PMRF	Performance Monitoring & Reporting Framework
PS	Programme Statement
QA	Quality Assurance
QC	Quality Control
ReSPA	Regional School of Public Administration
ROM	Results-Oriented Monitoring
SBS	Sector Budget Support
SECO	Sectoral Civil Society Organisations
S-H	Stakeholder
SLA	Sector Lead Authority
SMART	Specific, Measurable, Achievable, Relevant and Time-bound
SMC	Sector Monitoring Committee
SME	Small and Medium Sized Enterprise
SO(s)	Specific Objective(s)
SOI	Source of Information
S/W	Software
SWOT	Strengths Weaknesses Opportunities Threats
TA	Technical Assistance
TACSO	Technical Assistance for Civil Society Organisations
TL	Team Leader
ToR	Terms of Reference
WBIF	Western Balkans Investment Framework
WBT	Western Balkans and Turkey

Executive Summary

Introduction

The assignment for IPA II Monitoring, Reporting and Performance Framework (MRPF) has lasted over roughly one year, from December 2014 to December 2015, and its three successive Specific Objectives or components have been the following:

- | | |
|-----------------------------|---|
| Specific Objective 1 | Help design and streamline the monitoring and reporting system (hereafter MRPF) in the context of IPA II assistance by assessing the state of play and legal requirements and by providing recommendations in a view of improving the relevance, quality and consistency of the monitoring and reporting framework |
| Specific Objective 2 | Assess the limits of the evaluability and the scope of the Mid-Term Review of the IPA and ENI (instruments) to be carried out in 2017 , having regard to the regulatory requirements, the institutional setting of the new financial instrument(s) and the monitoring of the degree of realisation of activities and results by that time and the monitoring and reporting system put in place |
| Specific Objective 3 | Provide recommendations on how to ensure sufficient visibility of the IPA II performance , including ways to enhance transparency and improve compliance with the International Aid Transparency Standards, as well as ways to strengthen the relevance, quality and impact of the related information and communication activities |

The key findings and recommendations related to each of these Specific Objectives or components are recapitulated below.

Component 1: Monitoring, Reporting Performance Framework (MRPF)

MRPF Structure – Findings

Existing roles and relations among IPA stakeholders are not sufficient for the new period (NIPAC, Sector Lead Institutions, other national bodies, EC-EUDs/HQ). All NIPAC offices in all IPA II beneficiaries¹ have considerable weaknesses with respect to their new role under IPA II and their capacity (systems).

MRPF Structure – Recommendations

The IPA II MRPF should be developed in a staged way, on the basis of an analytically defined overall design and a realistic plan of actions per country. The successful introduction in each country of the (same for all countries) MRPF will depend on the existence of the necessary relevant structures and capacity; thus it is proposed that a special analysis of the needs for improvements is implemented in each country and a specific time-plan for the implementation of the required activities/ measures is elaborated and promoted for implementation.

Due to the foreseen pivotal role of the NIPAC it is important that they are vested with the proper power and develop their capacity at both the managerial/ coordination and technical levels. The status and role of the Sector Lead Institutions (SLI) should also be supported; the SLIs should have ownership of “their” sector and coordinate the implementation of all relevant IPA actions by all involved implementing authorities.

¹ IPA II beneficiaries are those listed in Annex I of the Regulation (EU) N° 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II).

MRPF Processes – Findings

There is heterogeneity in the implemented processes in the IPA recipient countries (mainly under the indirect management mode). An important feature in all countries is the setting up and functioning of the Monitoring Committees (at overall IPA level and at sector level).

MRPF Processes – Recommendations

Regardless of the extent to which the indirect management mode is implemented in each country (from 0% to 100%) the MRPF should be incorporated in the processes of the competent National authorities, under the coordination of the NIPAC; in the countries where pure direct management mode is implemented, the EUD should support the NIPAC office to all stages of IPA implementation. Considering that many times restructuring of the public administration and changes in its personnel takes place, it is important that the entrusted capacity of the authorities is periodically assessed through audits implemented by the EC and the competent National bodies (NAO/ NIPAC/IMC), on the basis of a relevant risk management system.

The IPA II Monitoring Committee (IMC) and the Sectoral Monitoring Committees (SMCs) in all countries should be supported by the NIPAC office (the IMC) and the corresponding Sector Lead Institutions (the SMCs) so that they are able to operate effectively. The IPA I and IPA II Monitoring Committees should be merged in one, or at least should coordinate their meetings and decisions; correspondingly the two sets of reports produced by them should be combined under one report or at least their structure and time-line should be streamlined.

MRPF Monitoring and Reporting – Findings

Under the direct management mode (in Kosovo and in Bosnia-Herzegovina) the monitoring and reporting is implemented by the EUDs, while the competent national authorities operate a parallel own system for following up the implementation of the IPA actions. Under the indirect management mode the national authorities undertake the responsibility of operating a credible monitoring and reporting (M&R) system; therefore they have to set up the processes and the necessary means (IT tools, templates and instructions) for the flow of credible implementation information and data from the implementing authorities up to the NIPAC office, so that the latter can provide specific information/ data to the EC (DG NEAR and EUD).

The credibility of the M&R system is very much supported by the “entrustment” (ex. accreditation) of the involved authorities, while its operation will be periodically checked and assessed by the Management Committees, the NAO (for the financial data) and the NIPAC office. The timeline of reporting is an important dimension of the M&R system in all IPA II beneficiaries. A complete set of processes for checking the quality of the collected/ produced information/ data at all levels of the M&R system is missing, at least at the national level.

The parallel existence and operation of two IMCs, i.e. one for the IPA I and another for the IPA II in each country, and the production of two separate corresponding reports, do not result in a good coordination of the actions financed by the two instruments or in the elaboration of informed decisions by both the Monitoring Committees.

MRPF Monitoring and Reporting – Recommendations

A Guidance document on the MRPF should be drafted and provided to all IPA II stakeholders; this should be accompanied by the implementation of relevant training modules. A help-desk should also be created in each EUD to provide instructions, clarifications and support to the national authorities, in coordination with the competent Unit of DG NEAR and the NIPAC office.

The roles of the IPA stakeholders (especially at national level) who are involved in the MRPF flow of information should be very clear in order to avoid task duplication, information gaps and delays. The IPA II M&R systems used under the different management modes should be streamlined: in all cases the aim should be to have an effective monitoring system and corresponding information flow under

the NIPAC; in the countries where the national structures (NIPAC office, SLIs, IAs) are not strong and only the direct management mode is implemented (BiH, Kosovo), the EUDs should continue playing the role they have had under IPA I.

The reporting templates at all levels should be simple and include only the necessary information; all templates should be compatible and properly inter-related. Sector Budget Support programmes (SBS) need a specific reporting approach and template. Close collaboration & coordination of the M&R activities of both the national authorities and the EC should be developed.

The reporting on multi-beneficiary/ regional programmes should be examined to be compatible with the reporting on the national programmes. Furthermore the reporting of DG AGRI, DG EMPL and DG REGIO on their programmes implemented with IPA II funds should be streamlined in all respects. Proper information to be used for the wider communication of the achievements of IPA II should be provided through the M&R system; this information should have special content and specifications (success stories, in simple understandable presentation, etc.).

The time-line of the six-monthly but mainly of the yearly reports has to be re-visited, as it is not easy to be implemented. A solution to this problem could be the shifting of the NIPAC report reference period to end September of the previous year, i.e. one quarter earlier than today.

A quality assurance system, supported by a risk management tool should be used at DG NEAR level (through the MIS); but this has to be complemented with a unified – i.e. going through all levels of information/data reporting – quality assurance process as well as the development and operation of a risk management tool at the level of the NIPAC office; additional systematic QA/QC functions should be developed and implemented by the EUDs; additional proposed measures: (i) the use of an effective quality management system by an IPA II stakeholder should be a pre-requisite for receiving the relevant entrustment; (ii) the use of this quality management system should be audited periodically (e.g. on a yearly basis) by both national and EU auditing services; (iii) a relevant structure of reward/ punishment should be set up and put in practice; (iv) information/data quality should be a permanent subject of the agenda in the SMC and IMC meetings.

The IMC reports for IPA I and IPA II should be streamlined (time-wise and content-wise) and (if possible) combined under one report; this could go together with the common meetings of the two IMCs or with the merging of the two IMC under one (monitoring both IPA I and IPA II implementation, separately, but in a coordinated manner).

The ROM function should be coordinated with the MRPF; ex post monitoring should be implemented, as already foreseen under the WB ROM assignment. For the “ROM Turkey”, it should be decided whether it will be kept as an aid to the CFCU/ NIPAC (as it is now) or will be converted to a standard ROM system.

MRPF Indicators – Findings

The performance indicators required by the MRPF on the strategic level are common for all IPA II beneficiaries; the indicators on the Operational level are designed in the context of programming. The Strategic level indicators have been included in the Country (and Multi-country) Strategy Papers; the Operational level indicators are directly related to the IPA II sectors and implemented actions; all IPA II beneficiaries have defined and introduced operational indicators in their action documents or their multi-annual action programmes; however, defining the proper Operational indicators and setting baseline and targeted values and effective processes for the assessment of the progress in a given sector is still a difficult exercise for many countries.

MRPF Indicators – Recommendations

The use of the strategic indicators is not expected to present problems. The operational indicators should be defined through the cooperation of the competent Sector Lead Institution (SLI) with the NIPAC office and the National Statistical Institution/ Agency (NSA). The National Statistical Agency

(NSA) should be actively involved in the programming and implementation of the IPA (mainly but not only on the operational indicators). The full-fledged involvement of the NSA in the MRPF should be promoted by both the NIPAC and NAO; a relevant analysis of the requirements should be undertaken by the NIPAC. In parallel the NSA should be supported to strengthen its capacity and fully align its methods and operations to the instructions of the Eurostat.

An inventory of well working (SMART) operational indicators should be gradually developed under the coordination of the NIPAC office; these indicators should be standardised and commonly used in the national programmes. A network for the exchange of information on good (SMART) indicators should be developed among the NIPAC Offices in the region.

The tracking of the operational indicators should be implemented through the MRPF, under standardised relevant procedures; these have to be developed under the coordination of the EC (DG NEAR). Guidance and training should be provided to the national officials who are involved in the setting and tracking of the operational indicators

MRPF means and tools – Findings

Significant differences exist in the IPA II beneficiaries, in relation to the means and tools used under IPA I, which in general are not sufficient for the needs of the new period and the tools intended to be (developed and) used for IPA II. None of the IPA II beneficiaries has yet a complete and reliable IT supported national system for the monitoring and reporting on IPA II actions; all of them have un-complete systems operating as isolated islands.

MRPF means and tools – Recommendations

In each IPA II beneficiary a single IT-based data communication point (system) should exist (logically in the NIPAC office) to be connected with the MIS of DG NEAR; this single national data communication point should be connected with all other IT systems (of the Ministries and other authorities) which are used by the national monitoring and reporting system for IPA.

The NIPAC offices (at least in the IPA II beneficiaries where the indirect management mode is partly or totally implemented) should be provided with access to the DG NEAR MIS so that they: (i) encode the information/data of the NIPAC Report; and (ii) retrieve information/data from the MIS for its own information and use. In all countries it is important to increase the reporting capacity of the national authorities; a pre-requisite for this is the existence of relevant data processing capacity (IT systems); thus, at least the NIPAC office should develop its relevant capacity in order to be able to timely and qualitatively respond to the requirements of the MRPF.

The countries where such systems do not exist are advised to gradually proceed in the development of simple, effective relevant IT tools, based on the lessons learnt in the other IPA II beneficiaries (taking examples from the countries having a public sector of similar size and structure).

Component 2: Evaluability of the Mid-term Review 2017

Evaluability of MTR 2017 – Findings

For the preparation and implementation of the IPA II MTR 2017 a number of operational proposals (e.g. on procedures, methodologies, evaluation questions, indicators etc.) have been elaborated, focused on subjects included in the following questions, which broadly cover all the requirements of the Regulations on MTR:

How the specific requirements of the Regulations should be approached?: Specific approaches and a number of evaluation questions have been elaborated on the basis of the analysis of the following requirements of the Regulations on the features and the implementation of the Instrument (IPA II): the continued relevance of all objectives of the Instrument; its coherence; the level of achievement of its objectives (results delivered and efficiency); its added value; its contribution to a consistent European Union external action and, where relevant, to its priorities for smart, sustainable and inclusive growth;

its long-term outcomes & impacts; the leverage effect achieved by its funds; the sustainability of its effects; the scope for simplification of the existing approach/processes/functions/means for the Instrument implementation.

How the evaluation criteria should be approached/used?: The standard evaluation criteria which are used in all monitoring and evaluation exercises but also under Better Regulation by the EC, have a standard analysis in sub-criteria, which are then formulated in (quasi-) standardised questions; the MTR should answer to each and all these questions and elaborate their synthesis at the levels of sub-criteria and criteria. The required information/data should come from existing reports as well as from specific targeted surveys. The reference basis should be the Instrument's Intervention Logic.

Are the indicators included in the Regulations, Programme Statement and Indicative (country and multi-country) Strategy Papers aligned and thus appropriate and sufficient for the implementation of the MTR 2017?: The comparative analysis of the indicators has shown that the CSP indicators are in general aligned to the Programme Statement indicators and to the Regulations' indicators; for many sectors they include more indicators, which provide a better follow up of the achieved progress; thus they are appropriate to be used in the MTR.

Which are the sources of information to be used for the MTR 2017 and how the required info/data should be collected and processed; are intermediate evaluations (thematic, other) needed to be implemented, in order to contribute to specific subjects where direct info/data do not exist?: A detailed list of sources has been elaborated, including the EC/HQ, EUDs, National Authorities and third parties; the collection of information/data should be organised by a set of coordinated actions of the MTR contractor, assisted by the EC; the determination of the potentially needed interim evaluations should be decided in cooperation with the competent EC Services and on the basis of the info/data gaps.

Which are the critical parameters for the data collection in view of the limited available time and the limited progress in the implementation of the IPA II actions?: The collection of information/data should be organised by a set of coordinated actions leading to the collection and storing in a data base of high quality information/data in a very short period of time.

How the required public consultation (general- for the wider public and specific- for the IPA II stakeholders) should be organized & implemented?: The relevant procedure should follow the well-known process followed in general for the organisation and implementation of any poll or survey or publicity campaign. The approach and method of communication and consultation should be examined and decided for each target group separately, aiming at making them as relevant and efficient as possible. Immediate validation and encoding (in the data base) of the collected information/data should be done and decision on potentially required additional actions should be made and implemented. The whole exercise of these consultations should be very well designed and planned; an analytical time-schedule should be prepared for the daily management of the implementation of the relevant activities.

Evaluability of MTR 2017 – Main Recommendations

Although relevant actions have already been taken it is important to determine as soon as possible: the proper organisation scheme to manage the whole task and coordinate it with the other EC Instruments' competent authorities; the specifications and tendering/awarding details for the MTR contract; the links for the timely mobilisation of the main data providers for the MTR; the needed intermediate evaluations (thematic, etc.) and/or surveys to complement the available information/data required for the MTR; the organisation and implementation of the consultations on the draft MTR.

The potential proposals for the modification of the existing legal documents (but also of the planning and programming documents of IPA II or of any systems/ practices which have been developed for IPA II implementation) should be checked in depth for their real (related to IPA II implementation), political and legal impacts. For every field of analysis of the MTR 2017 requirements as specified in the IPA II legal documents (IPA regulation and CIR), presented under Findings above, a number of evaluation questions are presented in the main report for potential consideration.

Component 3: Visibility of IPA II Performance and Transparency

Visibility of IPA II Performance and Transparency – Findings

It is generally admitted that the EU's external action planning, programming and reporting documents do not pay sufficient attention to the need of channeling appropriately edited information in order to feed communication and to ensure adequate visibility. This weakness exists also for IPA. The information and data in these documents are necessarily structured and formatted to serve the management needs of the EU system, using a particular technical vocabulary impervious to any external user – target audience.

Another weakness is the obligation for the stakeholders of EU-funded grant schemes (recipients in charge of reporting) to use English and not their local language. In addition, the observed weaknesses and the corresponding requirements necessarily take a particular dimension and weight considering respectively: (i) the overall objective of IPA II, (ii) the current (geo-) political context in IPA region and (iii) the specific constraints related to key national stakeholders of IPA II.

As concerns transparency², DG ELARG (now DG NEAR) has been classified in the “On track” category (60-79% – good performance) and is also among the top performers on added-value information concerning the Sub-National Location. It is among the leaders in performance on frequency and timeliness by publishing information at least monthly and within one month. However, its Results Information has been scored low.

Visibility of IPA II Performance and Transparency – Recommendations

Three key recommendations, placed within the overall frame of the DG NEAR's communication strategy, are proposed:

1. Enhance the communication within the IPA MRPF *stricto sensu*, in IPA II reporting by operating structures (line ministries etc.) and NIPAC on the one hand and by replicating SECO Civil Society consultation mechanism, reinforced with a cross-cutting Communication and Transparency element, on the other hand;
2. Introduce and apply specific visibility guidelines in all IPA II grant schemes, including the possibility for the grant recipients to formally communicate in local languages;
3. Make use of the potential leverage of EU-funded regional (multi-beneficiary) projects in order to encourage regional cooperation towards more effective visibility and better transparency, with a privileged focus on ReSPA (core target Public Administration) and on TACSO (target group: CS community in IPA region).

Each of these Recommendations is further translated in several corresponding implementation activities, completed with a brief account of the priority follow-up actions.

² The appraisal is based on the IATI data available for DG ELARG (2014 Aid Transparency Index)

INTRODUCTION

The present Final Report is the last output of the assignment for IPA II Monitoring, Reporting and Performance Framework (MRPF).

The assignment has lasted over roughly one year, a calendar period within which the team has successively completed the inception, the deskwork, the fieldwork and the synthesis phases, a global sequence which has been marked by several milestones – workshops, working meetings, fieldwork stages, presentation and discussion of interim outputs, etc.

More particularly, the team has introduced and the DG NEAR has accepted several actions which have not been specifically requested in the ToR and the purposes of which have been to enhance the visibility of the assignment, to support optimization of the MRPF's introduction and implementation and to carry out a specific insight into the views and opinions of the civil society organizations (CSOs) currently involved in IPA consultation spheres.

The assignment's three successive Specific Objectives or components are recalled below:

Specific Objective 1	Help design and streamline the monitoring and reporting system in the context of IPA II assistance by assessing the state of play and legal requirements and by providing recommendations in a view of improving the relevance, quality and consistency of the monitoring and reporting framework
Specific Objective 2	Assess the limits of the evaluability and the scope of the Mid-Term Review of the IPA and ENI (instruments) to be carried out in 2017 , having regard to the regulatory requirements, the institutional setting of the new financial instrument(s) and the monitoring of the degree of realisation of activities and results by that time and the monitoring and reporting system put in place
Specific Objective 3	Provide recommendations on how to ensure sufficient visibility of the IPA II performance , including ways to enhance transparency and improve compliance with the International Aid Transparency Standards, as well as ways to strengthen the relevance, quality and impact of the related information and communication activities

For each of the above components the Final Report comprises under corresponding three sections the following chapters:

- 1) Key findings and conclusions
- 2) Assessment (responses to Evaluation Questions)
- 3) Recommendations

An additional Section 4 highlights the priority actions which the assignment team would recommend for immediate implementation.

The Report is completed by the following Annexes:

Annex 1	Comprehensive Fieldwork Findings in IPA Beneficiaries
Annex 2	Existing processes of reporting on implementation progress in IPA Beneficiaries
Annex 3	IPA II MRPF Processes
Annex 4	Main findings of the CS e-survey
Annex 5	Terms of Reference of the assignment

1. MONITORING, REPORTING AND PERFORMANCE FRAMEWORK (MRPF)

1.1 Key Findings

The main findings related to the new (under completion today) MRPF are structured below with regard to a series of key issues: structures, processes, monitoring and reporting, indicators, and means and tools. They summarize both the contents of the responses to the Evaluation Questions (EQ) and all more detailed findings presented in particular in the Interim Report 1.

- 1) *Structure*: Existing roles and relations among IPA stakeholders are not sufficient for the new period (NIPAC, Sector Lead Institutions, other national bodies, EC-EUDs/HQ). All NIPAC offices have considerable weaknesses at various levels: in Albania, part of its role has been undertaken and exercised by the Prime Minister's Office, while there are also some weaknesses in its capacity (systems); in Bosnia-Herzegovina and in Kosovo they have not been given the power/authority to implement their role; due also to the direct management mode, the NIPAC offices in these countries play a passive role of follow-up of some of the relevant activities of the involved local authorities; in Montenegro and in Serbia which have not yet taken over and experienced indirect management in practice, or have done so only very partially, the NIPAC office has not so far been strong; in the former Yugoslav Republic of Macedonia and in Turkey (where full indirect management is implemented already from the period of IPA I) the NIPAC office has not so far been strong either, as it should be: the strong authority has been the NAO, while a number of "strong" Ministries (i.e. those implementing the IPA I components 3, 4 and 5) should be gently persuaded to accept the coordination of the NIPAC office, without losing their commitment to the IPA.
- 2) *Processes*: There is heterogeneity in the implemented processes in the IPA II Beneficiaries (mainly under the indirect management mode). Turkey and the former Yugoslav Republic of Macedonia have already operated the indirect management mode for many years; Serbia, Montenegro and Albania have recently been engaged in this mode; the other two IPA II Beneficiaries (Bosnia-Herzegovina and Kosovo) appear to lag behind and to be still quite far from the point at which the indirect management mode could be activated. An important feature in all countries is the setting up and functioning of the Management Committees (at overall IPA level and at sector level).

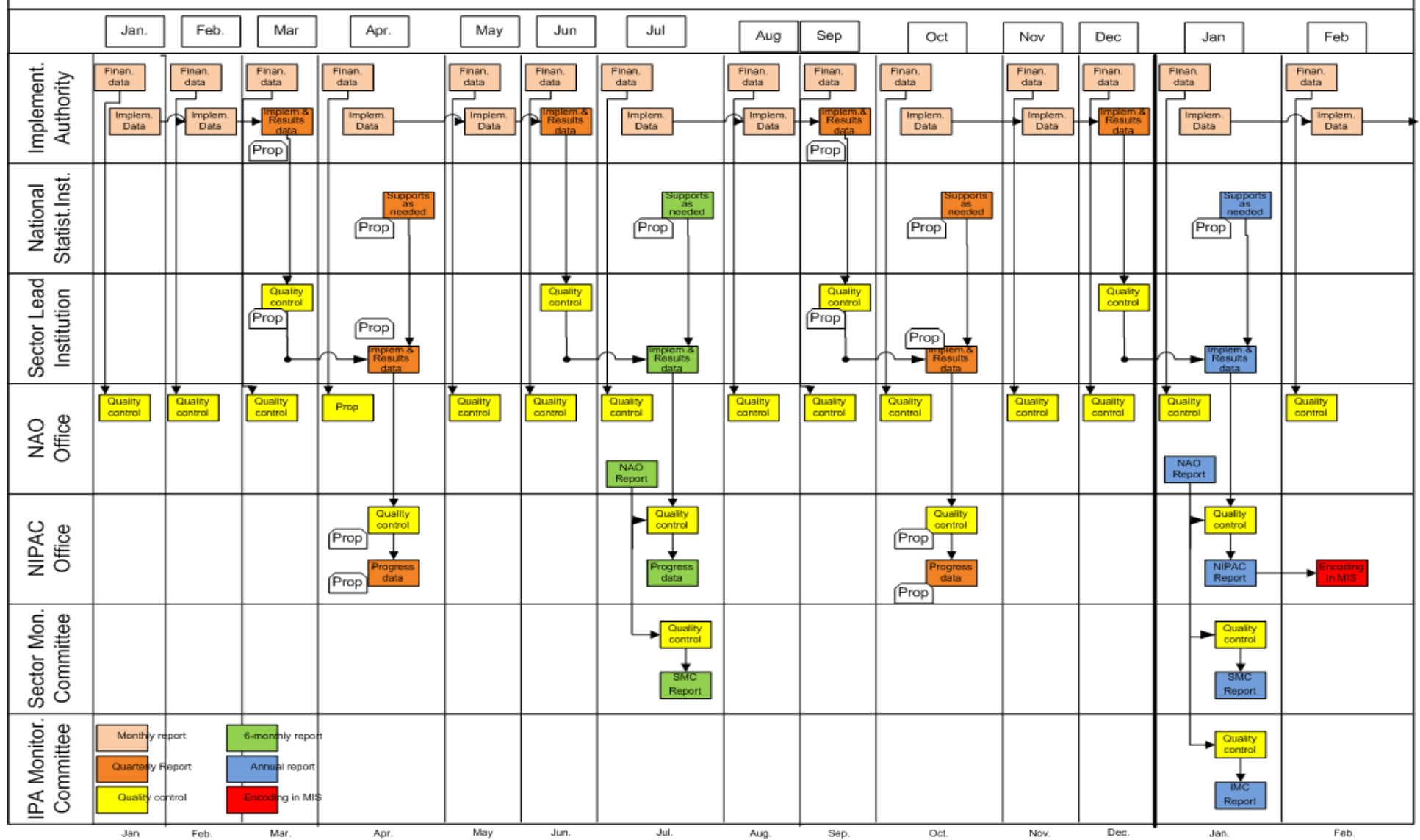
Monitoring and Reporting (M&R): Under the direct management mode (in Kosovo and in Bosnia-Herzegovina) the monitoring and reporting is implemented by the EUDs, while the competent national authorities operate a parallel own system for following up the implementation of the IPA actions. Under the indirect management mode the national authorities undertake the responsibility of operating a credible M&R system; therefore they have to set up the processes and the necessary means (IT tools, templates and instructions) for the flow of credible implementation information and data from the implementing authorities up to the NIPAC office, so that the latter can provide specific information/data to the EC (DG NEAR and EUD). The credibility of the M&R system is very much supported by the "entrustment" (ex. accreditation) of the involved authorities, while its operation will be checked and assessed by the Management Committees, the NAO (for the financial data) and the NIPAC Office. The timeline of reporting is an important dimension of the M&R system in all IPA II beneficiaries, since the provided yearly data are used by DG NEAR for its own reporting and to other important recipients (e.g. annual report on financial assistance to the Council and Parliament). A complete set of processes for checking the quality of the collected/produced information/data at all levels of the M&R system is missing, at least at the national level.

Other existing relevant functions in the countries (such as the ROM and the ROM Turkey) should be coordinated with the needs of the MRPF and used accordingly, in order to maximise their value for money.

Finally it seems that the parallel existence and operation of two IMCs, i.e. one for the IPA I and another for the IPA II in each country and the production of two separate corresponding reports, do not result in a good coordination of the actions financed by the two instruments or in the elaboration of informed decisions by both the Monitoring Committees; thus the possibility of combining the operations and the reports of the two IMCs in each country should be examined.

The chart on the next page presents the standard flow of information in the IPA II beneficiaries with the corresponding time dimension; more details are provided in Annex 2.

IPA II implementation reporting – Information flow at national level



Prop

- 3) Indicators: The performance indicators required by the MRPF on the Strategic level (context/corporate/country/sector) have been designed by DG NEAR and are common for all IPA II beneficiaries; the indicators on the Operational level (sector/programmes/action) are designed by the beneficiaries (and discussed by the EUDs/NEAR HQ) in the context of programming. The Strategic level indicators have been included in the Country (and Multi-country) Strategy Papers; most of them are indicators providing the developments in each country (and region) not directly related to the specific actions to be implemented. On the contrary, the Operational level indicators are directly related to the IPA II sectors and implemented actions; all IPA II beneficiaries have defined and introduced operational indicators in their action documents or their multi-annual action programmes, mainly in those referring to Environment and Climate Change, Transport, Competitiveness and Employment, Education and Social Policies; however, defining the proper Operational indicators and setting baseline and targeted values and effective processes for the assessment of the progress in a given sector is still a difficult exercise for many countries.
- 4) Means and tools: Significant differences exist between the means and tools used under IPA II and IPA I – the latter in general, are not sufficient for the needs of the new period. Albania is about to tender the development of an IT system which will connect all existing systems and provide all necessary data/information for the management of IPA, but also of all other Donors' and IFIs contributions and of the National Budget projects. The name of this new system is IPSIS. The means for the monitoring and reporting on IPA implementation are not yet ready. In Turkey there exist different tools and means which have been in use by different Ministries and other competent authorities for the implementation of IPA I Components III, IV and V; this situation is far from setting a homogenous basis for further development. In the former Yugoslav Republic of Macedonia, a Management Information System is operational at NIPAC level while the NAO/National Fund manages another MIS. In Serbia the NIPAC is proceeding in the development of a MIS, which is going to unify the existing system under the CFCU with the functions of the NIPAC office; a tender for the development of this IT tool is going to be launched soon. In Montenegro and in Bosnia-Herzegovina there are no IT tools used in the system, while in Kosovo, the Aid Management Platform has developed a tool for the Government and donors to track and share information related to aid-funded activities; a specific system for IPA II does not exist.

1.2 Assessment

The responses to the EQs related to IPA II MRPF and listed in the ToR provide an additional insight in the corresponding overall findings.

EQ 1.1	Are the monitoring arrangements in terms of structures involved, roles and procedures relevant to and designed for the needs of stakeholders (s-h) at different levels (e.g. NIPACs, EUDs, HQ management)? Are they still adapted in view of the IPA II requirements (in terms of implementing the sector approach and ensuring result tracking)?
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There is a number of new arrangements that have been introduced which will cover the needs of all IPA II stakeholders. The most important new structures are the new Sector Monitoring Committees (SMC) and (the re-organised) IPA Monitoring Committee (IMC), which have very important mandates since they comprise members from all competent/interested IPA stakeholders and are the fora where all issues of IPA implementation are discussed and existing/foreseen problems are examined and solved, as possible. The SMC and IMC have a greater role in the IPA recipient countries operating under the indirect management mode (either partially, like Albania, Serbia and Montenegro, or fully, like Turkey and the former Yugoslav Republic of Macedonia). Both these Committees should have a secretariat with the responsibility to prepare their meetings (6-monthly for the SMCs and annually for the IMC) and follow up the decisions and recommendations; most importantly for every meeting the secretariat should: prepare the informative dossier with all relevant progress and results info/data, keep the minutes and draft the conclusions and decisions of the Committee (to be approved by its members). These secretariats should administratively be under the competent Authority, which receives constantly the needed info/data to be reported for the works of the Committees.

In addition, under IPA II new sectoral approach a new role was introduced for a number of Ministries: the Lead Institution (authority) for a sector (SLI); this role comprises a monitoring and coordination mandate for all subjects and on all involved implementing authorities within a sector; among other the SLI should care for the supply of correct and reliable information on the implementation of all IPA actions/projects in the sector, as well as for the “operation” of the results indicators at sector level. The NIPAC, the Monitoring Committees and the SLIs, on top of the classic monitoring of the implementation progress of IPA actions (financial and physical implementation) should closely monitor (based on the relevant system of indicators) the achievement of the intended results at sector level.

Since the quality and effectiveness of monitoring at all IPA II management levels are based on the existence of reliable, relevant information made available through the reporting process, the national authorities should put in place the proper structures and processes to secure the quality of reported information/data. Under the new system this task is foreseen to be implemented by all involved stakeholders at the various levels of information flow; the relevant capacity of the involved stakeholders is gradually developing in all countries; the existence of the minimum requirements is secured and monitored under the “entrustment” process, but should also be checked periodically during IPA II implementation.

EQ 1.2	To what extent do the procedures set up for data collection, consolidation and analysis, ensure smooth monitoring and reporting of the assistance? Is the methodology for monitoring IPA II programmes coherent with the EC/DG internal requirements on reporting, including the Assurance Strategy? Are the monitoring mechanisms sufficiently robust to ensure timely delivery of data?
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Although a full picture of the new MRPF has not been yet provided to its stakeholders by DG NEAR, most of its features are known to them through intermediate instructions provided and introduced already in both the national and the EU (DG NEAR and EUDs) environments. This new system with its new structures, processes and reporting templates looks to be a robust system which can provide the wanted info/data to serve all requirements at both the EU and national levels. It should be noted that the new system refers mainly (but not only) to the case of indirect management mode, under which the responsibility of the implementation of the IPA funded projects and of the corresponding reporting is assigned to the IPA II beneficiaries (its public administration); in order to ensure that this responsibility will be fully and correctly undertaken, the involved authorities are obligatorily passing through a process of proving that they have set up and acquired the required capacity to implement their new roles by respecting all EC and national relevant regulations (this is the process of “entrustment” to the requirements of IPA II).

The monitoring of the achievement of the targeted results at both the strategy and operational levels during the implementation of IPA II is based on corresponding sets of results indicators. At the strategy level the indicators (most of which are indicators of international organisations, like the World Bank, Eurostat, et al) will be followed-up by DG NEAR; therefore at this level the monitoring of IPA should be considered as secured. At the Operational level (sectors) the indicators are set, together with the necessary baseline and target values for each of them by the competent national authorities (but discussed/agreed with the EUD and DG NEAR); the same national authorities (i.e. the SLIs and NIPAC) are responsible for tracking the values of the indicators during implementation; this system of indicators should be adequate for assessing the progress towards the achievement of the expected results and should be commonly used by both the national and EC competent authorities (MCs, NIPAC and DG NEAR).

Following all above and through the agreement on the flow of information from the implementing authorities up to the NIPAC and NAO offices and on the timeline of the supply of information to the IMC/SMCs and to the EUDs/DG NEAR, the overall M&R system can be considered suitable for providing the information for smooth monitoring of the assistance and for the monitoring requirements of DG NEAR. The robustness of this new system depends very much on: the “entrustment” of the involved national authorities, which should be renewed periodically through audits by both the EC and the national authorities (including the IMC); the real capacity of the M&R system at national level to provide timely high quality information/data; and the SMARTness of the indicators set at operational level.

EQ 1.3	How is the monitoring information collected, processed and displayed under the different management modes? Are the levels of details and standards for data collection and processing appropriate/ relevant to the legal (and other) requirements?
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Regardless of the management mode, monitoring information is collected through the project Steering Committees, Sector Lead Institutions and Sector Monitoring Committees, IPA Monitoring Committee, NIPAC and NAO offices and EUDs (through reports from beneficiaries; on site visits, etc.). ROM³ reports are also produced (by an independent contractor) for the projects implemented under the direct management mode (i.e. projects managed by the EUDs or the EC), but recently also for the projects managed by the national authorities (indirect management mode). The level of details and the standards for data collection and processing are both appropriate and relevant to the legal and other requirements (e.g. for the supply of information, required for communication and visibility actions).

EQ 1.4	What is the level of correlation between monitoring and reporting inputs and outputs (coherent sequencing of reporting milestones and reports)? Are the issues covered in the monitoring sufficient to the reporting needs?
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The issues covered in the monitoring under the MRPF are sufficient to the reporting needs. Specifically, the IPA monitoring committee reviews the overall effectiveness, efficiency, quality, coherence, coordination and compliance of the implementation of all actions towards meeting the objectives set out in the Financing Agreements and the Country Strategy Papers. Sector Monitoring Committees review the effectiveness, efficiency and quality of the implementation of the actions in the sector/policy area and their consistency with the relevant national and, whenever relevant, regional sector strategies. They measure progress in relation to achieving the objectives of the actions and their expected outputs, results and impact by means of indicators related to a baseline situation, as well as progress towards meeting the targets and with regard to financial execution. The quality (SMART) of the set indicators at the operational level and the quality and timeliness of the collected and used information/data are critical parameters for the actual satisfaction of the reporting needs. A special issue is the content and structuring of the information used for the communication needs of the EC, which needs special care.

EQ 1.5	To what extent is there complementarity between different monitoring arrangements and mechanisms (ROM, internal, etc.)?
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The part of the monitoring and reporting system implemented by the National Authorities collects information on the projects implemented under both the indirect and the direct management modes (in the countries where both exist); at the high level (NIPAC, NAO) they sometimes receive also information on financial execution by the EUDs.

The internal monitoring system of the EUDs is mainly collecting information on the implementation of the projects managed by them (the EUDs); this information is complemented by the information provided by the national authorities (NIPAC) to the EUDs on the implementation of the projects managed by the National authorities (indirect management mode).

ROM reports are also produced (by an external contractor) for a number of projects, implemented under both the direct and indirect management modes in all IPA II beneficiaries, except for Turkey; the projects to be monitored are determined by the EC on the basis of a set of criteria; these reports are submitted to the competent managing EC authority (but the NIPAC is also copied), serving both as additional in-depth input on the implementation of the monitored projects and as an independent reference to the achievement of the ROM criteria (relevance, efficiency, effectiveness and sustainability). In Turkey a different results-oriented monitoring system is implemented; this system does not have the same specifications with the ROM, and practically is contributing to the standard monitoring of implemented projects under IPA financing at CFCU level. The development of the own capacity of the national stakeholders under the NIPAC office to monitor the implementation of IPA

³ Results Oriented Monitoring

actions, could lead to the introduction of the real ROM system also in Turkey. Through all of the above systems the high-level national authorities (NIPAC and NAO) and the competent EC Services (in EUDs and DG NEAR) can receive the needed information for their specific roles in the management of IPA implementation.

EQ 1.6	What are the drawbacks and bottlenecks in the current structure of the IPA II monitoring and reporting system and information flows amongst IPA II beneficiaries, EU Delegations and EC headquarters?
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The main (temporary) drawbacks of the structure are the lack of clarity on roles and responsibilities at the country level, and the not yet concluded procedures for data collection and consolidation mechanisms and means. The main bottleneck is the very tight sequencing of reporting milestones, in particular the connection in terms of timelines between the annual NIPAC report and the DG NEAR reports. Specifically, in order to be possible for DG NEAR to prepare its own annual reports within February (each year) it is necessary to have the NIPAC, NAO (expenditures verification report) and EUD EAMR annual reports at the latest until mid-February; this means that both NIPAC and NAO should receive the last monthly and quarterly reports with reference to the reporting year from the IPA implementing bodies by mid-January.

This is very tight, unless the information from the implementing bodies is directly (e.g. automatically) entered in a central national IPA IT system accessible by the NAO and NIPAC; otherwise, i.e. if the relevant information/data is elaborated separately by the NAO and the NIPAC through their own systems, the NIPAC should also receive the report from NAO in order to be able to complete its own report. An important factor contributing to the timely preparation of the needed information at NIPAC level is the degree of compatibility of the M&R sub-systems existing in the implementing authorities (Ministries) and of their inter-connection with the NIPAC office structures (IT tools). The existence of an integrated M&R system encompassing all involved stakeholders is certainly contributing also to the timely production of the NIPAC reports.

It is noted also that, on top of the collection and collation of the needed information/data, both the NAO and the NIPAC should implement quality control checks to ensure the correctness of the information/data they have received which in turn they will submit to the EC through their own reports.

EQ 1.7	How could the monitoring and reporting system be streamlined to better address the regulatory setting and to fit to the purpose? What are foreseeable innovations in the present monitoring mechanisms to make monitoring more relevant in the perspective of IPA II?
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The new MRPF with the introduction of the new structures (mentioned above under EQ 1.1), the extended reporting responsibilities of the NIPAC and the new yearly reporting template for the NIPAC reporting to DG NEAR, is expected to be streamlined and effective and better address the regulatory setting. A number of additional innovations have been proposed, which could further enhance the relevance of the system to its purpose, such as: (i) the inputting of the annual implementation data to the MIS of DG NEAR by the NIPAC office instead of by the EUD; (ii) the parallel enhancement of the role of the EUDs to cover quality control of the information/data provided by the NIPAC; (iii) the introduction of the typical ROM system also in Turkey. An important aspect for the improvement of the M&R system is the development of the means used (i.e. the IT systems) which will contribute to both the quality and timeliness of the system's outputs and outcomes.

EQ 1.8	How could monitoring data coming from the IPA II beneficiaries/EU Delegations be better streamlined for the reporting purposes? How could monitoring and reporting data coming from the IPA II beneficiaries/EC Delegations be better aggregated/consolidated at the EC headquarters level?
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The key issues related to the streamlining and aggregation/consolidation of data provided by the IPA II beneficiaries and EUDs are mainly three: (i) timeliness of reporting, (ii) standardisation and quality of provided data and (iii) codification and encoding of the data in the MIS. The timely submission of the National and EUD annual reports is difficult especially for the National Authorities because: (i) the requirement from DG NEAR is to receive the data before the 15th of February each year; (ii) the report reference period ends on 31st of December of the previous year; and (iii) in early January there is the conclusion of the festive (holiday) period in the IPA II beneficiaries when the public services under-function. A solution to this problem could be the shifting of the report reference period to end September of the previous year, i.e. one quarter earlier than today.

The standardisation of the provided information is obtained by the introduction of the new yearly NIPAC report; the quality of the information is taken care of by the various QC processes existing at various levels (among other: the SLIs, the (IPA and Sectoral) Management Committees, the NAO and NIPAC offices and the proposed QA/QC new function of the EUDs). The codification of the information should be possible in the modified MIS of DG NEAR and the encoding of the data should be done at the level of the NIPAC office.

EQ 1.9	How could the connection between IPA II specific and internal EC/DG NEAR reports be strengthened, in terms of timelines, data collected and analysed?
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The reporting process at the level of the national authorities, especially the timeline of the produced reports presents considerable risks; the templates of the reports (mainly at the lower reporting levels) need to be re-examined in view of the new conditions and requirements under IPA II; this has already started to be effected (starting from the most important report, i.e. the NIPAC Annual Report). The production of the DG NEAR Reports (“upstream reports”) is based on information/data supplied through a number of standardised regular and ad hoc reports (“downstream reports”) produced by various national, EU and third party organisations. Nevertheless, the core of the information used by DG NEAR comes mainly from two (types of) reports: the NIPAC Annual Report, and the competent DG NEAR’s internal reports.

The reporting timeline is a very important parameter; the situation is marginally adequate and bares high risks; unless the downstream reporting process will become “automated” (i.e. highly supported by effective interrelated IT tools) it is very probable that either delays will occur or the quality of provided information/data will be threatened. The templates of the “downstream reports” should be compared to each other; this is necessary in order to ensure that the flow of information covers all requirements at the various levels of reporting (SMCs, IMC, NIPAC, etc.) and at the same time that the minimum of the required information is processed, without overlapping.

Furthermore, the quality of the information/data produced under the national M&R system at all levels should be secured through the development and implementation of a unified – i.e. going through all levels of information/data reporting – quality assurance process as well as by the development and operation of a risk management tool at the level of the NIPAC office. Special care should be placed by the NIPAC (and the MCs) on the quality and completeness of the data on the agreed results indicators at operational level (sector); the achieved values of the indicators should be examined against their baseline and targeted values in time and constitute the basic subject of the monitoring of the implemented programmes/actions by the MCs and the NIPAC; the timely and on cost implementation of the foreseen actions as per their agreed specifications and in accordance with the existing legal and regulatory framework should not be considered as successful implementation of IPA II, if the expected results/impacts have not been achieved.

The MIS of DG NEAR should provide the means for the elaboration of the information/data coming from the IPA II beneficiaries (and from the HQ services managing the Multi-Beneficiary programmes) especially on the indicators at both strategic and operational levels; the produced relevant information should be communicated to the national authorities (NIPAC), so that both sides share the same view of the effected progress and achievement of results. In turn, the NIPAC should communicate this information/data to the Monitoring Committees and to the competent national authorities (SLIs, other Ministries/authorities), pointing out existing delays, implementation weaknesses and deviations from the expected results and requesting from them specific further improvement of their performance.

EQ 1.10	How could the reporting system be enhanced to avoid task duplication and ensure coherent data and reporting milestones? Are there any monitoring/reporting procedures and processes which are excessive, duplicating, bringing about an unreasonable burden, and which might be lightened? Are there any opportunities for simplification of the monitoring and reporting framework?
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Under the old system there was a risk that the EUD AOSD Report, due in January, might include different data compared to those which would be covered by the NIPAC Annual Report, due in February; there was little coordination between EUD and NIPAC Offices in relation to the preparation of the two reports; thus, neither side was aware of the detailed content and data provided by the other. Under the new system the main source of information is expected to be the NIPAC report, while the EUD reports will be used only for the internal EU management information. This will clear out any risk of duplication and confusion and will provide a single point to manage for the timeliness of the provided information/data. The exact definition of the roles of the various stakeholders in the M&R process at national level and the design and implementation of a clear flow of information with a specific and realistic reporting timeline and use of simple straightforward templates will eliminate the risk of task duplication and of delays or missing data in the system.

EQ 1.11	How could current IT systems for monitoring and reporting in DG NEAR be improved? If appropriate, what could be other complementary tools designed?
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The DG NEAR MIS is operational, and IPA related information/data are encoded in the system by the EUDs and the EC/HQ Services; therefore a basic system is in place to be used for the IPA II MRPF. Nevertheless, this MIS needs to be modified and enriched in order to be able to accommodate all requirements of the IPA II MRPF (multiple tagging of primary/secondary sectors to IPA implementation information/data, results' indicators at various levels etc.), but also – if possible – to provide (controlled) access to the NIPAC offices for data encoding but also for receiving information from the system. In parallel to the modification of the existing MIS as presented above, due consideration should be paid to the potential incorporation of required additional modifications serving the consolidation of the IPA MIS with the ENI system (MIS).

EQ 1.12	Which are the key features and differences/ similarities of the National Monitoring and Reporting systems in the countries working under different management mode?
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In the countries working under the direct management system their M&R systems have been very weak, since the management of the projects has been done by the EUD (although Steering Committees comprising national authorities' officials have been closely monitoring the progress of the projects). On the contrary in the case of indirect management the national M&R system should by default be strong because this is a requirement of the management mode ("entrustment") but also because the national authorities need to have the information/data enabling them to manage their projects/operations. Under the IPA II the national authorities should develop their capacity to monitor all implemented projects of IPA regardless of the management mode(s) used. Therefore, it is expected that all IPA II beneficiaries will develop their own M&R systems under the coordination of the NIPAC.

EQ 1.13	How will/have national authorities set up their systems to respond to the new requirements?
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The national authorities of the IPA IPA II beneficiaries, under the instructions of the EC have tried already to set up their systems in order to deal with the requirements of the implementation of IPA II, under the management mode(s) applicable in each of them (mainly under the indirect management

mode); nevertheless they still have clear weaknesses which have to be minimized through coordinated action supported by the EC. The main weaknesses refer to:

- the capacity of the Public Administration (which in most cases is weak at all phases of programming/planning/management-monitoring of implementation/reporting/performance assessment) in terms of: knowledgeable/ experienced adequate staff, proper/modern means and effective/simple processes, overall organisation with clear-cut responsibilities with no overlapping/gaps); there are many capacity building programmes financed by the EU (and other donors), which could be used to improve the situation, but they have to be co-ordinated centrally on the basis of a public administration wide needs analysis;
- the implementation of the new sectoral approach (although it is closer to the existing State organisation/processes); this is due to the limited number of sectors (9), which imposes coordination among Ministries/Institutions; this is exactly the role of the SLIs), introduced under the IPA II;
- the “technical” capacity of the competent authorities to implement the IPA II actions (timely preparation, tendering and management of the implementation of the contracts, on the basis of the agreed legal and regulatory provisions for open, transparent, non-discriminative tenders and effective/efficient implementation management minimizing outputs’/outcomes’ delivery delays, quality defects and cost increases); the relevant capacity building should be part of the wider capacity building mentioned under the first bullet above; their internal and cross-ministerial monitoring/auditing/evaluation processes, which are expected to create a transparent and effective audit trail, imposing penalties (at least financial corrections) in cases of violation of the agreed legal and regulatory framework; the “entrustment” process is very much contributing to this but it has to be complemented with additional measures (including anti-corruption measures) and frequent audits (by national and EU bodies);
- the development of the proper structure to programme/(implement)/(manage)/monitor/report on the IPA II interventions as well as of the capacity of the SLIs (to become able to coordinate the relevant activities of the implementing authorities), the IMC and SMCs (to properly implement their mandate) and the NIPAC office (to acquire full capacity to coordinate and control all the national authorities involved in IPA implementation).

Most of the above weaknesses should be gradually (but quickly) addressed by the national authorities under the coordination of the NIPAC, with the financial support of the EU; a big part of them are obligatorily addressed through the “entrustment” process of the involved stakeholders, but more work is certainly needed in order to finally have, in all countries, a reliable and powerful M&R system which is able to timely provide correct and useful information covering the needs of both the involved national and the EU authorities; in this direction it will be necessary for the EC to support the relevant capacity enhancement of the National authorities.

1.3 Recommendations

1.3.1 General Recommendations

A number of recommendations have been elaborated on the basis of the findings from both the desk reviews and field visits implemented under the assignment. The most important of them, are presented in the following Table, classified by the subject of the findings presented in section 1.1 above.

Main Findings and Recommendations

Findings	Recommendations
<p>Structure: Existing roles and relations among IPA stakeholders are not sufficient for the new period (NIPAC, Sector Lead Institutions, other national bodies, EC-EUDs/HQ). All NIPAC offices have considerable weaknesses at various levels: in Albania, part of its role has been undertaken and exercised by the Prime Minister's Office, while there are also some weaknesses in its capacity (systems); in Bosnia-Herzegovina and in Kosovo they have not been given the power/authority to implement their role; due also to the direct management mode, the NIPAC offices in these countries play a passive role of follow-up of some of the relevant activities of the involved local authorities; in Montenegro and in Serbia which have not yet taken over and experienced indirect management in practice, or have done so only very partially, the NIPAC office has not so far been strong; in the former Yugoslav Republic of Macedonia and in Turkey (where full indirect management is implemented already from the period of IPA I) the NIPAC office has not so far been strong either, as it should be: the strong authority has been the NAO, while a number of "strong" Ministries (i.e. those implementing the IPA I components 3, 4 and 5) should be gently persuaded to accept the coordination of the</p>	<ul style="list-style-type: none"> • The IPA II MRPF should be developed in a staged way, on the basis of an analytically defined overall design and a realistic plan of actions per country. This staged development of the MRPF is proposed considering that: (i) the system has not yet been completed (in all its details); (ii) most of the countries have organisational/capacity problems to respond immediately to the requirements of the new Framework; and (iii) the implementation of IPA II programmes has not yet reached a significant speed (measures are needed to be taken also for the acceleration of their implementation, but this definitely depends on the actual status of IPA I implementation and, overall, on the absorption capacity of IPA beneficiaries). • The successful introduction in each country of the (same for all countries) MRPF will depend on the existence of the necessary relevant structures and capacity; thus it is proposed that a special analysis of the needs for improvements is implemented in each country and a specific time-plan for the implementation of the required activities/measures is elaborated and promoted for implementation. • Due to the foreseen pivotal role of the NIPAC (and his/her office) it is important that they are vested with the proper power and develop their capacity at both the managerial/coordination and technical levels; a strong NIPAC office is a key factor for the successful implementation of IPA (especially in the countries with extended indirect management mode) and of the MRPF. Their existing weaknesses (different in each country) should be addressed and removed the soonest possible. • The status and role of the Sector Lead Institutions (SLI) should also be supported; the SLIs should have ownership of "their" sector and coordinate the implementation of all relevant IPA actions by all involved implementing authorities, for the achievement of the expected sectoral results (they should follow-up the sectoral indicators).

NIPAC office, without losing their commitment to the IPA.	
<p>Processes: There is heterogeneity in the implemented processes in the IPA Beneficiaries (mainly under the indirect management mode). Turkey and the former Yugoslav Republic of Macedonia have already operated the indirect management mode for many years; Serbia, Montenegro and Albania have recently been engaged in this mode; the other two IPA Beneficiaries (Bosnia-Herzegovina and Kosovo) appear to lag behind and to be still quite far from the point at which the indirect management mode could be activated. An important feature in all countries is the setting up and functioning of the Monitoring Committees (at overall IPA level and at sector level).</p>	<ul style="list-style-type: none"> • Regardless of the extent to which the indirect management mode is implemented in each country (from 0% to 100%) the MRPF should be incorporated in the processes of the competent National authorities, under the coordination of the NIPAC; in the countries where pure direct management mode is implemented, the EUD should support the NIPAC office to all stages of IPA implementation. • The Entrustment of the national authorities involved in the implementation of IPA II is the corner stone of the IPA II successful implementation, especially under the indirect management mode; considering that many times restructuring of the public administration and changes in its personnel take place, it is important that the entrusted capacity of the authorities is periodically assessed through audits implemented by the EC and the competent National bodies (NAO/NIPAC/IMC), on the basis of a relevant risk management system. • The IPA II Monitoring Committee (IMC) and the Sectoral Monitoring Committees (SMCs) in all countries should be supported by the NIPAC office (IMC) and the corresponding Sector Lead Institutions (SLIs) so that they are able to operate effectively. • The IPA I and IPA II Monitoring Committees should be merged into one, or at least should coordinate their meetings and decisions; correspondingly the two sets of reports produced by them should be combined under one report or at least their structure and time-line should be streamlined.
<p>Monitoring and Reporting: Under the direct management mode (in Kosovo and in Bosnia-Herzegovina) the monitoring and reporting is implemented by the EUDs, while the competent national authorities operate a parallel own system for following up the implementation of the IPA actions. Under the indirect management mode the national authorities undertake the responsibility of</p>	<ul style="list-style-type: none"> • A Guidance document on the MRPF should be drafted and provided to all IPA II stakeholders, especially to the involved National authorities; this should be escorted by the implementation of relevant training modules. • For the support of the correct introduction and implementation of the MRPF in the IPA II beneficiaries, a help-desk should be created in each EUD to provide instructions, clarifications and support to the national authorities, in coordination with the competent Unit of DG NEAR (HQ) and the NIPAC office. • The roles of the IPA stakeholders (especially at national level) who are involved in the

<p>operating a credible M&R system; therefore they have to set up the processes and the necessary means (IT tools, templates and instructions) for the flow of credible implementation information and data from the implementing authorities up to the NIPAC office, so that the latter can provide specific information/ data to the EC (DG NEAR and EUD).</p> <p>The credibility of the M&R system is very much supported by the “entrustment” (ex. accreditation) of the involved authorities, while its operation will be periodically checked and assessed by the Management Committees, the NAO (for the financial data) and the NIPAC Office. The timeline of reporting is an important dimension of the M&R system in all IPA II beneficiaries, since the provided yearly data are used by DG NEAR for its own reporting and to other important recipients (e.g. annual report on financial assistance to the Council and Parliament). A complete set of processes for checking the quality of the collected/ produced information/ data at all levels of the M&R system is missing, at least at the national level.</p> <p>Other existing relevant functions in the countries (such as the ROM and the ROM Turkey) should be coordinated with the needs of the MRPF and used accordingly, in order to maximise their value for money.</p>	<p>MRPF flow of information should be very clear in order to avoid task duplication, information gaps and delays; there should be two streams of information on: (i) the financial execution (on a monthly basis, from Implementing Authorities (IAs) to the NAO/NF and SLIs, MCs and NIPAC); and (ii) the physical progress and achievement of results (on a quarterly basis, from IAs to SLIs, MCs and NIPAC).</p> <ul style="list-style-type: none"> • The IPA II M&R systems used under the different management modes should be streamlined: In all cases the aim should be to have an effective monitoring system and corresponding information flow under the NIPAC, so that the NIPAC would be the overall responsible and the single contact and information supply point of the country vis-à-vis the DG NEAR; even for the actions/projects managed by the EUDs (direct management mode) the NIPAC office should receive all relevant information, monitor progress and results and report to DG NEAR. In the countries where the indirect management mode has already been introduced and operated this should be firmly applied; in the countries where the national structures (NIPAC Office, ILs, IAs) are not strong and only the direct management mode is implemented (BiH, Kosovo), the EUDs should continue playing the role they had under IPA I, until the national capacity to take over will have been put in place; in parallel the competent national authorities should be supported to develop the missing capacity (where this is not due to political weaknesses). • The reporting templates at all levels should be simple and include only the necessary information; all templates should be compatible and properly inter-related. At the end of the flow of information at the national level is the annual NIPAC Report the content of which has been defined by DG NEAR; obviously the flow of information in the national M&R system should aim at filling in completely all the sections of the NIPAC report. • Sector Budget Support programmes (SBS) need a specific reporting approach and template since they are quite different from the other actions (projects/programmes) financed by IPA; relevant care should be devoted soon to it, since the first SBS have already been agreed in the region; the most important issue in the SBS M&R is the close collaboration and coordination of the M&R activities of both the national authorities and the EC due to the specific nature of SBS and the lack of relevant experience. • The reporting on Multi-beneficiary/regional programmes should be examined to be
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<p>Finally it seems that the parallel existence and operation of two IMCs, i.e. one for the IPA I and another for the IPA II in each country and the production of two separate corresponding reports, do not result in a good coordination of the actions financed by the two instruments or in the elaboration of informed decisions by both the Monitoring Committees; thus the possibility of combining the operations and the reports of the two IMCs in each country should be examined.</p>	<p>compatible with the reporting on the national programmes. Furthermore the reporting of DG AGRI and DG REGIO on their programmes implemented with IPA II funds should be streamlined in all respects.</p> <ul style="list-style-type: none"> • In parallel to the information/data on the progress of IPA implementation it is important that proper information to be used for the wider communication of the achievements of IPA II should be provided through the M&R system; this info should have special content and specifications (success stories, in simple understandable presentation, etc.). • A critical issue, which has created difficulties, is the time-line of the six-monthly but mainly of the yearly reports because: (i) the requirement from DG NEAR is to receive the data from the NIPACs before the 15th of February each year; (ii) the reporting reference period ends on 31st of December of the previous year; and (iii) in early January there is the conclusion of the festive (holiday) period in the IPA II beneficiaries when the public services under-function. A solution to this problem could be the shifting of the NIPAC report reference period to end September of the previous year, i.e. one quarter earlier than today. • The quality of the information is a key factor for the MRPF; a quality assurance system, supported by a risk management tool should be used at DG NEAR level (through the MIS); but this has to be complemented with additional QA/QC measures in the region (IPA II beneficiaries); the quality of the information/data produced under the national M&R system at all levels should be secured through the development and implementation of a unified – i.e. going through all levels of info/data reporting – quality assurance process as well as by the development and operation of a risk management tool at the level of the NIPAC office; additional systematic QA/QC functions should be developed and implemented by the EUDs (checking the values of indicators, declared progress, success stories etc.); the foreseen audits of the IPA implementation processes will also contribute to the quality of the M&R system; the implementation of the following administrative measures could contribute to the overall quality of the MRPF: (i) the use of an effective quality management system by an IPA II stakeholder should be a pre-requisite for receiving the relevant entrustment; (ii) the use of this quality management system should be audited periodically (e.g. on a yearly basis) by both national and EU auditing services; (iii) a relevant structure of reward/punishment
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	<p>should be set up and put in practice; (iv) information/data quality should be a permanent subject of the agenda in the SMC and IMC meetings (where the results of audits and other relevant issues should be discussed).</p> <ul style="list-style-type: none"> • The IMC reports for IPA I and IPA II should be streamlined (time-wise and content-wise) and (if possible) combined under one report; this could go together with the common meetings of the two IMCs or with the merging of the two IMC under one (monitoring both IPA I and IPA II implementation, separately, but in a coordinated manner). • The ROM function should be coordinated with the MRPF; it should be implemented on projects under both direct and indirect management, to be selected on the basis of a set of criteria considering also the outputs of the MRPF (and the risk management system of DG NEAR); ex post monitoring should be implemented (as foreseen under the WB ROM contract). For the “ROM Turkey”, which is operating under a completely different specification than the ROM, it should be decided (by the completion of the current contract in 2016) whether it will be kept as an aid to the CFCU/NIPAC (as it is now) or will be converted to a standard ROM system.
<p>Indicators: The performance indicators required by the MRPF on the Strategic level (context/corporate/country/sector) have been designed by DG NEAR and are common for all IPA II beneficiaries; the indicators on the Operational level (sector/programmes/action) are designed by the beneficiaries (and discussed by the EUDs/NEAR HQ) in the context of programming. The Strategic level indicators have been included in the Country (and Multi-country) Strategy Papers; most of them are indicators providing the developments in each country (and region) not directly related to the specific actions to be implemented. On the contrary, the Operational level indicators are directly related to the IPA</p>	<ul style="list-style-type: none"> • The use of the strategic indicators is not expected to present problems; however the competent Unit of DG NEAR who will manage their tracking should examine ways to deal with the delayed publication of the values of some indicators by some international organisations. • The operational indicators should be defined through the cooperation of the competent Sector Lead Institution (SLI) with the NIPAC office and the National Statistical Institution/Agency (NSA), so that the sectoral knowledge of the SLI is combined with the IPA II in-depth knowledge of the NIPAC office and the statistical knowledge/experience of the NSA; these three authorities should also work together to determine the baseline values and the targeted values at specific points in the course of the respective programme implementation. • The NSA of each IPA II beneficiary should be actively involved in the programming and implementation of the IPA for the: (i) determination of appropriate indicators and their proper values according to the relevance of the sector specifications; (ii) assurance of the existing methodologies and data availability (national/international) within the

<p>II sectors and implemented actions; all IPA II beneficiaries have defined and introduced operational indicators in their action documents or their multi-annual action programmes, mainly in those referring to Environment and Climate Change, Transport, Competitiveness and Employment, Education and Social Policies; however, defining the proper Operational indicators and setting baseline and targeted values and effective processes for the assessment of the progress in a given sector is still a difficult exercise for many countries.</p>	<p>country and/or the elaboration of the standardised methodology for the calculation of the values of the indicators; (iii) provision of “technical support” to the SLIs to develop/implement a representative set of indicators for their sector; (iv) collection of necessary information and the calculation of the values of indicators periodically; (v) programming and development of national statistics supporting directly or indirectly the set indicators; (vi) provision of the necessary info/data to the Eurostat and other international organisations in order to be able to maintain their own statistics on the country features (economic, social, employment, political, etc.) which have been selected to be used in the frame of the MRPF (e.g. indicators at the Country Strategy Paper level). The full-fledged involvement of the NSA in the MRPF should be promoted by both the NIPAC and NAO (although in many cases there are legal and technical restrictions for this involvement); a relevant analysis of the requirements should be undertaken by the NIPAC (in cooperation with the EC, which may use the technical support of the Eurostat). In parallel the NSA should be supported (by the State and through EC funded projects) to strengthen its capacity (mainly experts and IT capacity) and fully align its methods and operations to the instructions of the Eurostat (not only for the sake of the MRPF but for the strengthening of good governance in the country).</p> <ul style="list-style-type: none"> • An inventory of well working (SMART) operational indicators should be gradually developed under the coordination of the NIPAC office; these indicators should be standardised and commonly used in the national programmes; A network for the exchange of information on good (SMART) indicators should be developed among the NIPAC offices in the region; the goal is to assign in each programme a small number of commonly used SMART indicators, able to provide the required information/evidence on the achieved results. • The tracking of the operational indicators should be implemented through (i.e. by the use of) the MRPF, under standardised relevant procedures; these have to be developed under the coordination of the EC (DG NEAR). • Guidance and training should be provided to the national officials who are involved in the setting and tracking of the operational indicators.
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<p>Means and tools: Significant differences exist in the IPA II beneficiaries, in relation to the means and tools used under IPA I, which in general are not sufficient for the needs of the new period and the tools intended to be (developed and) used for IPA II. Albania is about to tender the development of an IT system (“IPSIS”) which will inter-connect all existing systems and provide all necessary data/ info for the management of IPA, all other Donors’ and IFIs contributions and the National Budget projects; however, the means for the monitoring and reporting on IPA implementation are not yet ready. In Turkey, except for the IT system used by CFCU, many other tools and means exist which have been in use by the competent Ministries and other authorities for the implementation of IPA I Components III, IV and V; this situation is far from setting a homogenous M&R basis for further development. In the former Yugoslav Republic of Macedonia, a Management Information System is operational at NIPAC level while the NAO/National Fund manages another MIS. In Serbia the NIPAC is proceeding in the development of a MIS, which is going to unify the existing system under the CFCU with the functions of the NIPAC office; a tender for the development of this IT tool is going to be launched soon. In Montenegro and in Bosnia-Herzegovina there are no IT tools used in the system, while in Kosovo, the Aid Management Platform has developed a tool for the Government and</p>	<ul style="list-style-type: none"> • In relation to the IT systems (databases and software) which are necessary for the operation of the IPA II MRPF: in each IPA II beneficiaries a single IT-based data communication point (system) should exist (logically in the NIPAC office) to be connected with the MIS of DG NEAR; this single national data communication point should be connected with all other IT systems (of the Ministries and other authorities) which are used by the national monitoring and reporting system for IPA. • The NIPAC offices (at least of the countries where the indirect management mode is partly or totally implemented) should be provided with access to the DG NEAR MIS so that they: (i) encode the information/data of the NIPAC Report to the system, thus minimising the possibility of delays or wrong encoding by the EC Services; and (ii) retrieve info/data from the MIS for its own information and use. • The new IT system “IPSIS” in Albania is an ambitious attempt to develop an integrated system for managing and monitoring all development activities and projects in the country, regardless their source of funding. It is an interesting project which, if successfully implemented, could be considered as a model for other IPA II beneficiaries. • In all countries it is important to increase the reporting capacity of the national authorities; a pre-requisite for this is the existence of relevant data processing capacity (IT systems); thus, at least the NIPAC office should develop its relevant capacity in order to be able to timely and qualitatively respond to the requirements of the MRPF. • The countries where such systems do not exist are advised to gradually proceed in the development of simple, effective relevant IT tools, based on the lessons learnt in the other IPA II beneficiaries (taking examples from the countries having a public sector of similar size and structure).
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donors to track and share information related to aid-funded activities; a specific system for IPA II does not exist.	
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Further to these, the following recommendations on general/“horizontal” subjects are provided:

DG NEAR should implement a number of coordination/support activities which would enhance the effectiveness of the new MRPF and would speed up its introduction and smooth operation in the IPA II beneficiaries:

- Elaboration and dissemination to all competent National authorities of a complete Guide on the features, processes and requirements of the new MRPF.
- Implementation of a series of training modules in each IPA II beneficiaries on the MRPF and of repetitive similar actions for further clarifications/ improvements as necessary.
- Development of a help-desk in each EUD to provide answers to the National authorities in relation to the implementation of the MRPF, in coordination with the DG NEAR competent Unit and the NIPAC; these help-desks could be linked for coordination purposes and for disseminating best practices across the IPA “region”.
- Coordination of the IPA II MRPF with the EUDs’ internal Monitoring & Reporting systems.
- Coordination of the ROM project operation and outputs to the requirements of the MRPF.
- Coordination of the IPA related Evaluations with the MRPF.
- Coordination of the IPA Mid-Term Reviews (MTR) and Final or Ex-post Evaluations with the MRPF.

DG NEAR is invited to investigate mechanisms to improve the frequency and content information on IPA implementation progress and results’ achievement to be provided to all IPA stakeholders. At country level relevant discussions should be made among the IPA II key stakeholders (i.e. EC Services, NIPAC offices and EU Delegations) in order to clarify the information needs and agree on responsibilities and reporting formats and frequency.

Specific recommendations on: (i) the potential role of ReSPA for the capacity development in the public administrations of the IPA II beneficiaries; (ii) the improvement of information flow for the Multi-beneficiary programmes; (iii) the support to be provided by the MRPF for the implementation of the Mid-term Review 2017 of the IPA II; and the improvement of the information flow for a better communication of the achievements of the IPA II are provided in the following parts of the report.

1.3.2 Specific recommendations on the MRPF architecture in each one of the IPA II beneficiaries

Further to the general recommendations provided in the previous section, additional specific recommendations on the architecture of the MRPF in each one of the IPA II beneficiaries are provided in the following. Our recommendations are based on the concept that a permanent, effective national structure/capacity should be developed, able to support the proper implementation of IPA II actions but also the operation of the IPA II MRPF. The logic is to base the operation of the MRPF on the operation of national structures/systems which are functioning in a reliable/effective and problems-free way, independent of political changes in the countries.

Albania

- The promoted architecture to integrate all donors’ and IFIs’ programmes/ finances under the National Development Strategy is excellent but it is very ambitious, as it requires intense coordination of the donors/IFIs (at all stages of their projects’/programmes’ cycle) and sound/ realistic national strategies; therefore it is necessary in parallel to the implementation of this centralised coordinated approach to care for the development of the relevant capacity of the competent units of the Public Administration (and its officials who will implement it in practice) as well as the development of a permanent structure, legally enforced so that it is as little as possible vulnerable to political changes.
- The involvement of PM Office as the overall coordinating body, although

important for the development and start of operation of the system, is also very risk prone to political changes. The Ministry of Finance (MoF) or the NIPAC office should be finally assigned the overall responsibility of the system, when it will have been developed and put in operation⁴.

- The new MIS (IPSIS) should be legally enforced and transferred to be managed by the MoF or the NIPAC.
- The PM decision setting up the new architecture for IPA management should enforce the role of the NIPAC's office, introduce the sector approach (through Sector Lead Institutions) and involve the National Statistical Agency (INSTAT) in the system (under a multi-task mandate); It should also solve the capacity issue of the Ministry for Public Administration (a Minister without a full Ministry structure below him).

The development of the new MIS (IPSIS) should be tendered the soonest. The relevant architecture should foresee full exploitation of the existing reliable IT systems in the Ministries and other involved IPA stakeholders.

- Introducing the new IPA II sector approach in Bosnia-Herzegovina should be accompanied by clarification and agreement on the overall coordination in the sectors and more precisely on the roles and responsibilities of the stakeholders at various levels (entities and national authorities). The gradual introduction of the sector approach will equally serve the needs of both the more advanced (PAR, Justice) and the less mature sectors (Environment, Transport).
- Since the management mode used is only the direct one, the existing coordination difficulties can be mitigated by the management activity of the EUD. Nevertheless, provided that the positive political will has been expressed by the new Government, effort should be made to set up at national and correspondingly at the entities' levels of a structure that could deal with the monitoring and reporting on the progress and results of the IPA interventions; this could provide the information/data on the real results of the existing structure. External support will be required for setting any MRPF related structure in this country.

⁴ The officials of the PM office who are involved in the development of the new system could also be transferred to the NIPAC office to ensure the continuing implementation of the approach and the maintenance and further development of the IPSIS as it will be needed in the future.

**The former
Yugoslav
Republic of
Macedonia**

- The existing structure for the implementation of the IPA I interventions under the indirect management mode should be modified to serve the new sector approach of the IPA II.
- The role of the NIPAC should be enhanced (by PM decision); the capacity of the NIPAC office (in terms of staff and systems) should also be enhanced the soonest.
- The new roles of Sector Lead Institutions (SLIs) should be legally empowered and enforced with more capable staff and new IT supported systems;
- The staff of the key actors of the new period (NIPAC office, SLIs, IMC and SMCs) should be trained on the IPA II sector approach and the concept of the MRPF and outputs' results' and impacts' indicators; they should also be provided with practical guidance on how to implement and use them.
- The administrative capacity of the competent national authorities (mainly, but not only, of the Implementing Authorities) should be improved in order to become more effective. Specific training modules should be addressed to specific officials and necessary systems/tools should be developed and used. Best practices from other countries (e.g. Croatia and Turkey) should be examined to be introduced (properly modified as appropriate).
- The National Statistical Office should be actively involved in setting and measuring operational indicators; its role in the IPA II MRPF should be detailed and legally strengthened.

Kosovo

- Due to the direct management mode, the NIPAC office in Kosovo plays a passive role on programming, implementation, monitoring and reporting. External support will be required for setting any MRPF related structure in the country. Also, the administrative capacity of the NIPAC Office should be improved in order to become more proactive and effective. Specific training modules should be addressed to specific officials and necessary systems/tools should be developed and used.
- Sector Lead Institutions responsibility assigned within IPA II should be established. These institutions should be assigned the official mandate to coordinate the relevant activities at all stages of IPA implementation (programming, implementation, monitoring and reporting).

Montenegro

- The NIPAC office should develop its own M&R system; this system should be connected to the systems of all Sector Lead Institutions, the CFCU and the NAO (National Fund); the role of ROM exercise cannot serve the requirements of the IPA II MRPF (ROM system by design, it focuses on the projects under the direct management mode which means that shortly the bulk of the IPA projects will be out of the scope of ROM and therefore an extension of the scope of ROM is needed to include review of the projects under the indirect management mode).
- The National Statistical Office should be actively involved in setting and measuring operational indicators; its role in the IPA II MRPF should be detailed and legally strengthened.

Serbia

- The staff of the key actors of the new period (NIPAC office, Sector Lead Institutions, IMC and SMCs) should be trained on the IPA II sector approach and the concept of the MRPF and outputs' results' and impacts' indicators; they should also be provided with practical guidance on how to implement and use them.
- The administrative capacity of the competent national authorities (mainly, CFCU) should be improved in order to become more effective. Specific training

Turkey

modules should be addressed to specific officials and necessary systems/tools should be developed and used. Best practices from other countries (e.g. Croatia and Turkey) should be examined to be introduced (properly modified as appropriate).

- The development of the new MIS should be tendered the soonest. The relevant architecture should foresee integrated system consisting of interrelated modules, so that the existing IT systems can be used;
- The Prime Minister's Circular on the structure/roles under the IPA II management system should enhance the coordinating role of the NIPAC office and re-define the relations and responsibilities/roles of all actors at all levels (Implementing Authorities, Sector Lead Institutions, CFCU, NAO, NIPAC); the new relation of the NIPAC with the Ministries should be completely clear.
- The NIPAC office (Ministry of EU affairs) should develop its own M&R system; this system should be connected to the systems of: all Sector Lead Institutions, the Ministry of Development (due to its national role), the CFCU and the NAO (National Fund); the role of ROM contractor as it is specified cannot really serve the requirements of the IPA II MRPF (nevertheless it can serve the M&R of the IPA I interventions). If the NIPAC office considers that it will still (during the IPA II implementation period) be required to receive the support of an external contractor (like the ROM contractor) then a new project (with new specifications) should be tendered; furthermore if it will be decided that the PMR system (operated by the CFCU) should be used at the NIPAC level, then it should be modified to be able to serve the requirements of IPA II.
- The M&R systems used by a big number of Line Ministries (those which were implementing the IPA I Modules 3 & 4) should be modified to serve the needs of IPA II; nevertheless they could serve as good examples for the development of relevant systems in the Ministries that do not have (i.e. the Ministries whose projects were tendered and managed by the CFCU in the IPA I period).
- The capacity building part of the IPA II interventions in the Ministry of Food, Agriculture and Livestock should be under a new M&R system to be developed by the Ministry; the other part of the IPA funded interventions under the IPARD programmes should be left to be reported on out of the MRPF by DG AGRI (receiving the relevant information/data from the already existing and well-functioning Ministry's structure (ARDSI etc.).
- In the frame of the development of the new IPA II structure, it is important to enhance the effectiveness of the IPA I interventions' implementing structures so that the presently existing huge backlog is cleared out the soonest (thus minimizing the risk of losing IPA I funds due to the eligibility rule related to tendering and implementation time)

1.3.3 Multi-beneficiary Dimension of IPA II MRPF and Potential Role of ReSPA

The overall multi-country component of IPA I has been significant and carried over into IPA II within its specific strategic framework (Multi-country strategy paper and programmes). It is therefore certain that a tighter coordination between this component and its various actions, and the country components will call for tighter coordination, in order to optimize complementarities and seek synergies. This can be achieved by enhancing the cooperation with and consultation of the concerned national stakeholders, beyond the strict operational sphere of each programme and in particular NIPACs.

This need of enhancing coordination may also be felt on the level(s) of cooperation between the EU stakeholders, whether upstream in DG NEAR Headquarters or downstream in EUDs, in particular in this preliminary IPA II MRPF building phase⁵.

A potential role and involvement of ReSPA in the preparation and introduction of the IPA II MRPF has been proposed in the Interim Report 1; this has been on principle endorsed by the DG NEAR and accepted with interest by the ReSPA. The team have therefore pursued a preliminary investigation of the ways and means by which the ReSPA could seek to accomplish such a role, and a privileged opportunity for that was offered by a recent ReSPA event (Fourth meeting of the EI Programming Committee, 17-18 September 2015). ReSPA's communication on this event has in particular underlined that "ReSPA is going to complete implementation of the on-going EU Grant by the end of November 2015, and that initial discussion and exchange with EU (DG NEAR, A3 - Thematic Support) has been introduced earlier this year in order to ensure preparation of the new Grant is timely.

At the last Governing board meeting at the level of senior official representatives (July, 2015), EC partners have informed (through a letter) the ReSPA Board on the progress in development of the Action document and on the consultations conducted with EU Members and National IPA Coordinators, and further proposed the participation of Project Team member(s) in order to:

- present preliminary findings and recommendations of the Project related to IPA II – Monitoring, Reporting and Programming Framework,
- facilitate exchange and discussion of the Project team and NIPACs and
- explore potential ReSPA role in training delivery for IPA II Monitoring and Reporting once the methodologies have been endorsed.

The document also underlined that preliminary contacts and discussion between ReSPA and the Project team have identified a potential ReSPA role in the delivery of the training programmes related to methodologies on programming, monitoring and reporting on IPA II. Further discussion and feedback from NIPACs in this respect is required.

The Project Team's brief intervention in this event is recapitulated in the box below, and it has been agreed with ReSPA's management to pursue this dialogue in the perspective of EU's acceptance to consider integration in ReSPA's upcoming activity plans and programmes of a number of agreed actions directly related to preparation and introduction of IPA II MRPF.

The ongoing assignment of providing technical support to the DG NEAR and other IPA II stakeholders in designing and developing a shared tool (MRPF) for IPA II implementation has identified several challenges that will need to be addressed in order to make sure that the MRPF will be effective and taken on board by all the IPA II beneficiaries without major problems resulting from their uneven level. These are, among others:

- Monitoring and reporting systems in each country;
- IT Tools used
- Indicators
- Multi-beneficiary dimension of IPA II
- Communication and visibility
- Involvement of CS in IPA II
- Issue of MTR 2017

All these elements make an integral part of the IPA II MRPF and in all of them ReSPA may have a role to play within its overall mandate and scope of different activities. They may be the following:

- i) Peer to peer discussion of best practices and lessons learnt;
- ii) Thematic studies and surveys;
- iii) Specific training programmes
- iv) Conferences and workshops
- v) Communication and visibility?
- vi) Involvement of CS in IPA II – dialogue between Authorities and CS
- vii) Evaluations and MTR 2017

Source: working outline presented in the 18/09/15 ReSPA Event

⁵ As an example, several service contracts are either already tendered or about to be so for technical support to IPA II preparation and/or programming (essentially capacity building for national stakeholders), in several IPA Beneficiaries. One could consider their direct contribution to introduction and consolidation of the future IPA MRPF.

2. EVALUABILITY OF IPA II MTR 2017

Introduction

This chapter contains the following:

- i) the key findings and conclusions from the studying of the requirements, existing conditions and prospects for the implementation of the Mid-Term Review (MTR) of IPA II in the year 2017, as per the requirements of the existing legal framework of the Instrument;
- ii) the answers to the Evaluation Questions (EQs) on the Evaluability of the IPA II MTR 2017, included in the project ToR, and
- iii) practical recommendations on a number of subjects to be considered for the organisation of the content and implementation of the MTR 2017. These recommendations have been greatly based on the findings of the field missions implemented in the IPA II beneficiaries and on relevant discussions with the DG NEAR officials.

2.1 Key Findings & Conclusions

2.1.1 General Outline

The Regulations⁶ defining the scope and governing the implementation of all Instruments⁷ that are used by the EU for its External Cooperation actions all over the world in the period 2014-2020, include specific provisions for the implementation of two mid-term reviews (MTR) of the Instruments: one in the year 2017 and one in the year 2020. The same regulations specify the desired content of these MTRs but in a very broad manner; details on the approach and the methodology(ies) to be used are left to be decided by the competent EC Services (DG NEAR, DG DEVCO, FPI) in cooperation with the EEAS.

DG NEAR, in cooperation with the other competent DGs of the EC and the EEAS, has already worked on: (i) the content of the MTR 2017 for both Instruments managed by DG NEAR, namely IPA II and ENI; (ii) the identification of the common requirements in relation to the MTR of all EU Instruments so that integrated conclusions and results can be finally prepared at overall EU External Cooperation level; (iii) the common approach (and methodologies) to be followed by all the DGs in their Instruments' MTR; (iv) the inter-Service organisation for the coordination of the relevant actions; and (v) a common roadmap for the implementation of the MTR 2017 in a coordinated way providing the capability to elaborate overall findings, conclusions and recommendations for all the External Cooperation Instruments.

In this frame, for the preparation and implementation of the IPA II MTR 2017 and as per the DG NEAR instructions, the Consultant has elaborated a number of operational proposals (e.g. on procedures, methodologies, evaluation questions, indicators etc.), focused on subjects included in the following questions, which broadly cover all the requirements of the Regulations on MTR:

- How the specific requirements of the Regulations should be approached; e.g. internal coherence (consistency, common approach methodologies and means among IPA II beneficiaries, sectors, programmes) and external coherence (complementarity and synergies with other Instruments active in the same region); added value, leverage (financial, political)?
- How the evaluation criteria should be approached/used?

⁶ Mainly the Common Implementing Regulation (CIR): Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action

⁷ These are: -Development Cooperation Instrument (DCI); - European Instrument for Democracy and Human Rights Worldwide (EIDHR); - European Neighbourhood Instrument (ENI); - Instrument contributing to Stability and Peace (IcSP); and- Partnership Instrument for cooperation with third countries (PI)

- Are the indicators included in the Regulations, Programme Statement and Indicative (country & multi-country) Strategy Papers aligned and thus appropriate and sufficient for the implementation of the MTR 2017?
- Which are the sources of information to be used for the MTR 2017 and how the required information/data should be collected and processed; are intermediate evaluations (thematic, other) needed to be implemented, in order to contribute to specific subjects where direct info/data do not exist?
- Which are the critical parameters for the data collection in view of the limited available time and the limited progress in the implementation of the IPA II actions?
- How the required public consultation (general- for the wider public and specific- for the IPA II stakeholders) should be organized and implemented?

In order to elaborate adding value proposals, the contents of the above issues are analysed below, with a non-exhaustive list of possible evaluation (MTR) questions:

2.1.2 How the specific requirements of the Regulations should be approached?

The IPA II Regulation and (mainly) the Common Implementation Regulation (CIR) define the features and achievements of the IPA II (as an Instrument having specific goals and implementation design) to be assessed by the MTR; these features/ achievements are the following:

- The continued relevance of all objectives of the Instrument;
- The coherence of the Instrument [including complementarity and synergies between the Instruments used in the same region – WBT];
- The level of achievement of the objectives of the Instrument (IPA II) by means of indicators measuring the results delivered and the efficiency of the Instrument;
- The added value of the Instrument;
- The contribution of the Instrument's measures to a consistent Union external action and, where relevant, to the Union priorities for smart, sustainable and inclusive growth;
- The long-term outcomes & impacts of the Instrument;
- The leverage effect achieved by the funds of the Instrument;
- The sustainability of the effects of the Instrument;
- The scope for simplification of the existing approach/ processes/ functions/ means for the Instrument implementation.

Most of the above requirements are sourcing from the CIR and thus they are common for all EU Instruments acting in third countries (outside the EU). The analysis of these requirements in the frame of the existing implementation environment and IPA II implementation developments so far, has made evident that they cannot all of them be fulfilled in the MTR 2017 with the same level of analysis and assessment; this is mainly due to the facts that:

- (i) some of them refer to long-term achievements which are too early (in 2017) to be realistically assessed; such achievements can be evident and “measurable” practically only after the end of the implementation period of the Instrument – i.e. after 2020; in the mid-term points of implementation (like 2017) only the trends can be analysed and the probability of the later achievements estimated;
- (ii) the implementation of the actions of the IPA II started with a considerable delay (due to the required introduction of new programming and implementation systems, stemming from the new requirements of the IPA II Regulation); therefore very small implementation progress will

have been achieved by the time the MTR information/data will have to be collected and elaborated (end of 2016).

Furthermore a number of the above features/achievements are more difficult to be assessed in a concrete/undisputable way than other; the first are those which can be approached only by non-quantifiable or/and indirect indicators/values, such as: the added value of the instrument or its internal and external coherence. In addition it is important to be mentioned that at the high level (i.e. at the level of the overall Instrument or at the level of a country or sector/policy area) it is impossible to measure the results/impacts produced by the implementation of the Instrument actions alone, because there are many other similar projects implemented out of the financing of IPA II; therefore the assessment cannot refer to results/impacts attributed to the IPA II but to results/impacts to the achievement of which the IPA II has contributed (and then an assessment is required of the level of contribution of IPA II to the achievement of the found achievements).

The following specific findings have resulted from the analysis:

1. Continued relevance of all the objectives of the Instrument;

This could be assessed by answering to questions like:

- Are the Instrument's objectives related to and addressing existing real needs?
- Which EU and national policies are addressed by the Instrument? Are these policies opportune and valid in the Instrument's implementation period? How closely are the objectives of the Instrument related to the addressed policies?
- Do the stakeholders of the Instrument have the competences/ capacity to implement the Instrument's actions and accept/ absorb their results/benefits?
- Do the Instrument's recipients/ beneficiaries demonstrate effective commitment (ownership)?
- Are there proper national and EC systems/ processes able to involve local and EC stakeholders respectively in the implementation or/and use of the Instrument's actions?
- Are the programmed and implemented actions of the Instrument able to lead to the achievement of the Instrument's objectives?
- Does the Instrument's legal framework allow the modification of its Intervention Logic (IL) to adapt to changing circumstances in the Region, in the EU and internationally? How flexible is the IL of the Instrument?
- Has the IL been adapted since the start of the IPA II? Which were the introduced changes and why they were necessary to be implemented?
- How realistic is the achievement of the Instrument's objectives, within a logical time-frame?
- Which are the similar objectives of IPA II and IPA I? Have these objectives of IPA I been achieved or are these objectives expected soundly to be achieved? Are there differences between IPA II and IPA I designs that can change the prospects of achievement of IPA II objectives in relation to the achievement of the IPA I objectives?

This assessment can be done by using information/data collected through one or more relevant surveys.

2. The coherence of the Instrument, [including complementarity and synergies between the Instruments used in the same region – WBT].

The coherence of the IPA II is a complex issue since it should be examined under all its dimensions: Internal, vertical, external and horizontal as well as intra-policy coherence.

The *internal coherence* (i.e. between different areas of IPA II intervention) can be assessed on the basis of: (i) an analysis of the constituents of the Instrument at various levels (country, sector/policy area, total IPA II) and stages of implementation (planning, programming, tendering, implementation, start of operation), and (ii) the assessment of the level of succeeded integration

and of the probability of achieving the overall objectives of the Instrument, as they are set up and as the IPA II constituents are being implemented. Specific questions to be answered for this assessment should refer to:

- The determination of the main categories of constituents of the Instrument and of their “relations”/ “connections”;
- The identification and assessment of the level of integration of all these constituents in the frame of the overall design of the Instrument and its detailing as foreseen in the planning and programming documents.
- The investigation and assessment of whether, during implementation, modifications are foreseen or have been required in the Intervention logic or in the setting up of the programmes/ actions, for maintaining the internal coherence at various levels (IPA II, country, and sector).
- The determination of who should elaborate/ propose/ decide/ introduce/ implement the required modifications.

Vertical coherence (between the IPA II beneficiaries and the Commission, i.e. between the national development objectives and priorities and those of the IPA II), should be assessed, since strategic and policy related differences can be critical for the successful implementation of the IPA II and the achievement of its intended results and objectives; the issue becomes complex because the relevant agendas of the IPA II beneficiaries (and their real capacities) are differing among them (in addition in certain cases there is a risk that may be changed, by political decisions); since IPA II is a common Instrument for all these countries it is expected that at the highest level (Instrument) the provisions are logically common for all, with an in-built flexibility to be detailed and adapted to the conditions of each country in the frame of the Country Strategy Papers and the sectoral programming. Questions which should be answered for this assessment could be the following:

- Which are the priorities of the National Development Strategy for the period 2014-2020 of each one of the IPA II beneficiaries? Which are the common and the different priorities among them?
- Which are the (direct- i.e. under the straight-forward provisions and indirect- i.e. in the “spirit”) differences of the national strategic Development priorities in relation to those included in the IPA II planning and programming documents?
- Are the National priorities which are not covered by the IPA II critical for the development of the IPA II beneficiaries? Are these priorities under another (non-IPA II) financing scheme (national or EU or other donors’)? Is the overall required funding covered?
- Are there (other than those covered by the IPA II) national priorities under implementation or programmed to be implemented which contradict those of the IPA II or overlap with them?
- Is there in place an effective (national/EC) mechanism for the coordination of the above? Has such a mechanism been used during the preparation of the IPA II CSPs and sectoral programmes across the countries? What about the multi-country/ regional aspects of IPA II?

External coherence, focuses on the functioning of IPA II in the wider multilateral framework existing in the WBT countries (including *complementarity* and *synergies* between IPA II and the other external cooperation Instruments); these other EU Instruments include those having actions in the same region (WBT) as well as certain EU Funds which support IPA programmes (CBC, IPARD, etc.); furthermore there are many other International Organisations and Financing Institutions that are active in the region.

The following questions could, among other, assist in the assessment of the external coherence of the IPA II:

- Are there other EU Instruments or other donors active in the same region (WBT)? Which are the policy areas/sectors of their interventions? How important is their presence in the region (amounts of subsidies provided in the same programming period with IPA II)?

- Are there projects/actions, developed by other EU Instruments and/or other donors in the region (WBT), complementary to those of IPA II? Are there risks of duplication or inconsistencies? Are there synergies or cooperation between the IPA II and those other projects/ actions?
- Are there projects/actions/programmes co-funded by the IPA II and other funding Instruments/Funds? What are the forms of co-funding/cooperation implemented (including management/ monitoring responsibilities)?
- Are there credible national (e.g. the IPA Monitoring Committees) or EC (in EUDs or at the EC/HQ) systems providing for the coordination of the activities of the IPA II and the other EU Instruments and other donors in the region?
- Is there a list (with analysis) by sector/policy area, of all the projects/actions financed by all external sources of funding (EU and other donors) in the region (per country)?
- Are there complementarities, synergies or duplications and inconsistencies between the actions of IPA I and those of IPA II?
- Which are the comparative advantages or strengths of IPA II that should be maintained or enhanced in comparison to the other donors' practices? To what extent has IPA II drawn upon the experience, expertise and depth of other donors' systems/ organisation?
- What should be the positioning and future focus of IPA II in the region, within the context of recent international and regional developments and future prospects, and what are the issues that should be addressed? Should it wind-down, sustain or transform?
- To what extent the design of the IPA II supports actions to be effective as compared to comparable other donor-funded (or similar) projects/ programs?

Horizontal coherence (i.e. between the national, at country level, and the regional, at multi-country level, endeavours of the Instrument) should be assessed, regardless the fact that many multi-country actions/programmes are not regional, i.e. not involving all IPA II beneficiaries. The answers to the following questions could assist this assessment:

- How do the country and multi-country IPA II actions interact/impact each other and which are the positive and negative influences they may create to each-other?
- How are the IPA II actions at national and multi-national level coordinated?
- Which are the existing weaknesses in the implemented processes for the programming and implementation which may create inconsistencies/overlapping/implementation conflicts between these two categories of actions?

Intra-policy coherence is mainly referring to negative coherence, i.e. differences among the strategic policies of the EU which are promoted in the WBT region through the implementation of IPA II and other EU activities in the region. What should be assessed here are potential differences in the policies and in the approaches for their promotion/implementation, which create or can create contradictions in the implementation of the Instrument's actions. Relevant questions could be:

- Are there contradicting policies or approaches to policies within the EU which are present in the regions (through the IPA II or/and the EU activities in the region)? Which are these cases?
- What is the impact of these contradictions on the IPA II (its implementation, its environment, etc.)?
- What are the reasons of these contradictions? Who should take the lead for coordination?

Obviously at the end of the assessment of each of the above dimensions of coherence two common questions should be answered:

- Which is the impact of the found level of coherence on the achievement of the objectives and expected results of the IPA II?
 - What should be done in order to improve the situation and the prospects of better outcomes at the end of IPA II implementation?
3. *Level of achievement of the Instrument (IPA II) objectives by means of indicators measuring the results delivered and the efficiency of the Instrument;*
- The indicators measuring the results are those included in the Regulation, the Programme Statement and in the Country and multi-country Strategy Papers; most of the indicators included in the yearly/sectoral programmes cannot be used, because they are very much adapted to measure the results produced by their actions and only a very small number of them can be aggregated to country or total Instrument level.
 - The efficiency of the Instrument cannot be assessed by the use of the above mentioned indicators; therefore new indicators should be developed in the frame of the MTR; these indicators could be common for all EU external cooperation Instruments.
 - The assessment of the above can be facilitated by/based on the answers to a series of questions, like the following:
 - Are the IPA II objectives adequately defined? Which are the results which (when realised) can lead to these objectives?
 - Are the results measured by the existing (in the Country and multi-country Strategy Papers) indicators able to lead to the achievement of the objectives of the Instrument?
 - Are the existing indicators able to measure the achievement of the results? Are the values of the indicators verifiable?
 - Are there indicators which measure directly the achievement of IPA II objectives?
 - Are there results of IPA II which can be forecasted on the basis of the results achieved through the implementation of the IPA I interventions in the same sector/policy area?
 - How the implementation of the relevant IPA II programmes and Actions has progressed? Which are the reasons for their implementation delays (if existing)? Are these delays resulting from the requirements set by the relevant regulations or from capacity problems of the involved stakeholders? Which provisions of the regulations could be simpler and thus easier to be quickly implemented? Are there paradigms to present potential simplifications?
 - Are there any unintended positive or negative consequences of the IPA II actions? What are they?
 - Is an adequate strategic approach (i.e. one that emphasises outreach, scale, leverage, innovation, other) being used when identifying and selecting an action for funding that can help deliver the desired outputs and outcomes?
 - To what extent have lessons been learnt and applied from the implementation of IPA I, both successful and unsuccessful, to IPA II? To what extent does IPA II tailor its approach to the context?
 - What is the quality of the outputs produced by the actions funded by IPA II? How is this compared with the corresponding for IPA I (as assessed by other evaluations and ROM)? Have IPA II resources been used in the most efficient way compared to similar alternative approaches (or approaches used under the IPA I)?

It is estimated that by the end of 2016 it will be possible to have information/data answering to most if not to all above questions. The fact that only a limited number of the IPA II actions will have been implemented by the time of the MTR will not finally be a major constraint: the assessment will present low achievements in a number of Instrument objectives which will be

true and will be possible to be explained by the delays in the start of actions' implementation (which in turn will be discussed and explained).

4. *Produced added value by the Instrument;*

This could be assessed on the basis of: (a) what is foreseen in the programming documents (expected results per sector/action), i.e. at the theoretical level; (b) what has been achieved through the implementation of IPA II actions; and (c) what has been achieved through the implementation of the IPA I interventions, considering that IPA II actions are (in a way) a continuation of the interventions of IPA I – although the strategy and approach in IPA II have been changed.

Relevant questions should firstly try to identify which is the added value of IPA II as conceived by the EC (DG NEAR and EUDs separately), by the competent national authorities (Government and implementing authorities/ bodies), by the Civil Society Organisations and the general public in the recipient/IPA II beneficiaries, by the EU member-states and by the other donors active in the region. Expecting to have different perceptions by each of the above stakeholders, the questions should be developed to investigate the potential (likelihood) in achieving (or the level of achievement of) all these different expected added values.

5. *Achieved contribution of the Instrument's measures to a consistent Union external action and, where relevant, to the Union priorities for smart, sustainable and inclusive growth;*

The objectives and expected results of IPA II are more specific than those of the other External Assistance Instruments; in addition, the IPA II beneficiaries of IPA II are rather similar (with the exception of Turkey and Bosnia-Herzegovina), while the other External Cooperation Instruments have to deal with very different countries and relevant contexts; nevertheless it could be assessed whether the IPA II is in line with the EU's external targets, under certain assumptions. Furthermore, the EU's priorities for smart, sustainable and inclusive growth are intended to be pursued in the WBT region through the IPA II actions; the level of achievement of these goals could be assessed in the same way with the other objectives of the Instrument (see also point 3 above), if existing indicators could be used for this (otherwise these objectives should be assessed on an ad hoc basis).

6. *Achieved Long-term outcomes & impacts of the Instrument;*

This is too early to be assessed, more so due to the late start of the implementation of the Instrument. The long-term impact of the IPA I interventions can give an idea of what should be expected from the actions of IPA II, but the success of IPA II implementation will not be quite evident by 2017. Therefore here the assessment can only be indirect and should be escorted by a risk analysis on the conclusions.

7. *Leverage effect achieved by the funds of the Instrument;*

Both the financial and political leverage should be assessed.

The achieved *financial leverage* is difficult to be assessed in the MTR 2017 when: (i) only a small part of the IPA II actions will have been implemented until the implementation of the MTR 2017; and (ii) the 2014, 2015 yearly programmes in general have included a limited number of projects which would result to leverage of funds [e.g. no SBS has been implemented so far, and no big infrastructural/other interventions]. Nevertheless the assessment can be based on the evaluation of the realism of the foreseen (in the CSPs) leverage, also by using the analysis and expectations of the Western Balkans Investment Framework (WBIF) and of the other international donors (concerning the general investment environment in the IPA II beneficiaries). Obviously all other existing relevant information should be searched and used (like relevant thematic evaluations, etc.).

The *political leverage* should be assessed at both the level of the EU (DG NEAR, higher EU bodies⁸ and member-states) and at the level of the national governments, political parties and public administration. The recent upgrading of a number of IPA II beneficiaries from the status of "potential candidate" to "candidate", but mainly the gradual transfer of the responsibility for the

⁸ The EU parliament, the Council, the IPA Committee, the Commissioner (responsible for the Enlargement)

management of the IPA funded actions to the National authorities will have certainly contributed to an increased political leverage in the relevant countries; in addition, the process of “entrustment” of the implementing authorities and the foreseen increased coordinating role of the NIPACs will contribute to a political leverage at the level of the competent Ministries and other implementing organisations/bodies.

For the collection of relevant information specific surveys should be designed and implemented.

8. *Sustainability of the effects of the Instrument;*

This will be difficult to be assessed on the basis of the real progress of the implementation of IPA II, due to the expected small progress by the year 2017. Nevertheless the prospects of sustainability can be assessed on the basis of the provisions of the planning and programming documents, but mainly on the basis of the realism and completeness of the new MRPF which is complementing the management of the implementation of the actions.

In the frame of this assessment the replicability of successful practices within IPA II implementation should be searched and highlighted.

An important dimension which can be assessed is the change of the capacity of the national stakeholders in relation to programming, organising, implementing, monitoring and evaluating programmes and projects in all sectors/policy areas, which has resulted both indirectly, through the obligation to be entrusted, and directly through the implementation of capacity building actions within the IPA II (including the relevant activities of ReSPA). The development of capable national authorities is a basic constituent of the wanted sustainability of the effects of the Instrument.

In addition to this, a number of other parallel results should be assessed, like: level of control/reduction of corruption, effectiveness of the judicial system, level of substantial respecting of the EU procedures in public procurement; level of involvement in the planning/programming and implementation of the CSOs, et.al.

Under the aspect of sustainability the results of the design, programming and implementation of the IPA II actions related to the environment and the gender issues should be assessed; the relevant questions should refer to both levels: of the national economy and of the citizens, since in many cases the decisions about the actions to be implemented are taken considering the development of the national economy (or other considerations like financial feasibility or level of maturity, etc.) neglecting the real needs at the level of the citizens in the current period. The long-term versus the short-term considerations during the IPA II programming should also be assessed.

9. *Scope for simplification of the existing approach/ processes/ functions/ means for the Instrument implementation.*

This assessment (and the resulting proposals for simplification) should address the already spotted weaknesses by the National authorities, the EUDs and DG NEAR competent services and those which will be found through a relevant survey of the MTR contractor. In general this is a complex issue since it will require an analysis of the existing or met difficulties and problems in order to find the real sources and assess whether they have resulted from the provisions of the IPA regulations or the other provisions of the EC.

If such weaknesses will be found then relevant proposals for modifications to the IPA legal frame or existing practices should be elaborated. Nevertheless maybe by the year 2017 there will not be important findings which could result to proposals for modifications. On the other hand, if such modifications are even suspected to be required they should be analysed and be proposed, accompanied by a risk assessment), because the next MTR will be in 2020 and at that time it may be rather late to introduce effective modifications.

The set of criteria to be used for the assessment of the appropriateness of a proposal for modification of the IPA II Regulation should include the following:

- What exactly it aims to succeed? Which weaknesses/ problems are addressed? How important are these weaknesses/ problems for the achievement of the policy goals of the Regulation? How necessary is the proposed modification?

- Are there any likely negative impacts from the implementation of the proposed modification?
- Is the proposed modification proportionate to the objectives of the regulation?
- Does the proposed modification lead to increased effectiveness and coherence?
- Is the proposed modification easy to be implemented?
- Are the proposed legal provisions simple and clear? Are there any contradictions with other provisions of the regulation (or other relevant legal documents)?
- Does it have any impact on the wider EU objectives (14 wider objectives)

2.1.3 How the evaluation criteria should be approached/ used?

The standard evaluation criteria which are used in all monitoring and evaluation exercises for all kinds of programmes/projects (by all international Organisations, including the EC) but also the criteria used under Better Regulation by the EC, have a standard analysis in sub-criteria, which are then formulated in (quasi-) standardised questions; the MTR should answer to each and all these questions and elaborate their synthesis at the levels of sub-criteria and criteria. The information/data required for answering these questions should come from existing progress, monitoring and evaluation reports (at all levels of management of the Instrument), as well as from specific targeted surveys to be timely implemented by the MTR contractor⁹.

The reference basis is the Instrument's Intervention Logic (IL); if an IL does not exist the MTR contractor should elaborate it (in cooperation with the competent EC Service); the key components to be determined are the indicators (together with their baseline and target values), against which the progress towards the achievement of the Instrument's objectives, results and outputs can be assessed under all Evaluation criteria (mainly under efficiency and effectiveness); if such indicators do not exist or are not covering all requirements of the MTR, the MTR contractor should propose additional proper indicators; and then since no baseline and target data will exist for them the MTR contractor should try to determine their present (2017) values and their change in relation to the start of IPA II (2014) as this will be possible.

2.1.4 Are the indicators included in the Regulations, Programme Statement (PS) and Indicative (country & multi-country) Strategy Papers aligned and thus appropriate and sufficient for the implementation of the MTR 2017?

The comparative analysis of the indicators has shown that the CSP indicators are in general aligned to the Programme Statement Indicators and to the Regulations' indicators (for many sectors they include more indicators, which provide a better follow up of the achieved progress) and thus they are appropriate to be all used in the MTR.

Nevertheless, the CSP indicators do not cover all the indicators of the Programme Statement, specifically the following: "Percentage of accession-related policy-making and reform processes where civil society is consulted effectively" and "Increase of exports per capita (fixed prices)"; these indicators could provide very useful information on the involvement of the CSOs in IPA II and the proper development of the national economies of the IPA II beneficiaries. In addition, for measuring the territorial and regional cooperation the indicator used in the CSP is "Number of involved municipalities" while in the Programme Statement the relevant indicator is "Number of cross border co-operation programmes concluded between IPA/EU countries and IPA/IPA countries"; these two indicators provide differently focused information of the same subject/objective. In addition to the above, the overall assessment of the sufficiency of the CSP indicators should come out a specific analysis to be implemented by the MTR contractor in relation to the overall requirements of the MTR.

⁹ i.e. the company which will support the competent EC Authority to implement the MTR2017

2.1.5 Which are the sources of information to be used for the MTR 2017 and how the required info/data should be collected and processed? Are intermediate evaluations (thematic, other) needed to be implemented, in order to contribute to specific subjects where direct info/data do not exist?

The main sources of information to be used for the elaboration of the MTR 2017 of IPA II are the following:

- The yearly reports of the DG NEAR (addressed to all hierarchically superior bodies in the EC and EU, as well those prepared and used for the information of the public and of specific other target groups in EU, the IPA II beneficiaries and internationally;
- The yearly reports of the EUDs on the implementation of IPA II (AOSD reports and any other);
- The yearly reports of the NIPACs and the NAOs addressed to the EC (EUDs and DG NEAR) and to their Governments (if available);
- The six-monthly reports produced to be used by the IPA Monitoring Committees and the Sectoral Monitoring Committees;
- The annual reports produced by the DG NEAR Services on the IPA II Multi-country programmes/projects;
- The reports produced by all other EC Services which are using IPA II funds for specific programmes/projects they manage (e.g. CBC programmes);
- The reports produced by the International Organisations which are implementing programmes/projects with the co-financing of the IPA II;
- The reports of any other EC Services which are active and finance/implement projects in the same region (WBT) on relevant subjects to those covered by the IPA II;
- The reports of any national authority or Civil Society Organisation in the IPA II beneficiaries and EU member-states on IPA II;
- The reports of any other International Organisation active in the region (WBT) financing/implementing projects/programmes relevant to those implemented by the IPA II;
- The reports of the ROM contractor, on IPA II projects; the reports of the ROM contractor active in Turkey (other than the ROM WBT contractor);
- The reports of any evaluation of the IPA II (its organisation, structures, content, programmes, implementation, etc.);
- The reports of any evaluations of any other activities of all active donors and financing institutions (like the WBIF, the international Banks, etc.) in the WBT region;
- The visibility and communication texts published in the European, local/regional and international press on the IPA II;
- Independent studies, opinions and other publications by academic and research institutions on IPA II;
- References on IPA II in the EU Parliament and Council as well as in the parliaments of EU member-states;
- Reports on the results of surveys implemented by the MTR contractor and by any other institution/body in the IPA II beneficiaries on IPA II;
- Relevant as above reports & publications referring to IPA I (especially recent evaluation reports).

The collection of the above information/data documents should be organised by a set of coordinated actions of the MTR contractor, including: (i) organisation of their own research (on the basis of analysis of which are the required information etc.); (ii) development of a data base and of a data management tool to be used for the management of the collected information/data; (iii) discussions with the competent EC authorities to receive their reports but also instructions on where/how to find the relevant documents/texts; what is their relative value for the MTR; what kind of information/data should be expected to be found in these documents etc.; (iv) collection of the available documents; (v) delineation of the included information according to the needs of the MTR and encoding of this info/data in the data base; (vi) implementation of own (MTR contractor's) research (surveys); (vii) quality control of all the collected info/data; (viii) implementation of small scale assessments/evaluations, as may be required; encoding all this extra information/data in the data base; (ix) processing of the collected info/data so that they can be used for the elaboration of answers on the specific evaluation questions of the MTR; and (x) validation of the results (answers and their supporting evidence information/data) produced by the use of the collected information/data.

The determination of the potentially needed interim evaluations should be decided in cooperation with the competent EC Services (who have a good idea on the existing relevant information/data) and on the basis of the information/data gaps which will be identified when all available information/data will have been collected; the first assessment of such needed evaluations (i.e. with the help of the EC) is extremely important to be done the earliest possible, since the available time is limited and the implementation of such evaluations will need to go through relevant tendering/awarding procedures.

2.1.6 Which are the critical parameters for the data collection in view of the available time and the limited progress in the implementation of the IPA II actions?

The most critical parameters for the implementation of all activities under the MTR 2017 are: (i) the soonest possible tendering and awarding of the MTR contract (which in turn imposes the soonest possible determination of the requirements/specifications of the work as well as of the tendering/awarding features - including a realistic estimation of the budget); (ii) the capacity of the MTR contractor to organise and implement properly and quickly its job; (iii) the unrestricted cooperation and support of the competent EU services with the MTR contractor and the assignment of the MTR contractor's contract management to a capable and available Operational Manager; (iii) the tendering, awarding and implementation of the MTR contract on the basis of very specific, realistic and complete specifications/requirements; (iv) the contractual provision (to the possible extent) for enough flexibility in the implementation of the MTR; (v) the very strict project management; (vi) the setting up of a MTR Committee (or Working Group) within the EC to take care of all related matters, including the coordination of the IPA II MTR with the corresponding MTRs of the other external cooperation Instruments.

For the specific task of data collection, except for the above mentioned general requirements, the MTR contractor will have to implement the activities presented above under para. 2.1.5.

2.1.7 How the required public consultation (general- for the wider public and specific- for the IPA II stakeholders) should be organized & implemented?

The relevant procedure should follow the well-known process followed in general for the organisation and implementation of any poll or survey or publicity campaign. Firstly, the objectives of this consultation should be defined in detail; on the basis of these objectives the targeted groups of people should be determined and their specific features (including their specific interests and level of engagement in the IPA II); then the subjects to be communicated to and consulted with them should be defined in detail; on the basis of these subjects specific questions should be formulated to be used in the consultations (obviously these questions should be professionally drafted so that they are clear, unambiguous, concise and easy to be answered, considering that they have to be relevant to the subjects which should be addressed to each target group); then specific questionnaires should be prepared for each target group.

The approach and method of communication and consultation should be examined and decided for each target group separately, aiming at making them as relevant and efficient as possible. The implementation of the communications/consultations should be organised under a time-schedule which should have taken into consideration the time restrictions of the MTR, the required intermediate milestones and the features and availabilities of the target groups; Care should be taken to the programming of a second (even a third) round of communication/consultations with a number of target groups for additional information/data or due to problems of availability during the implementation of the first round; of course the approach and methodologies to be used in the second/third rounds may be decided to be different than those of the first round (for many reasons).

A previously well-built capacity of the MTR contractor to immediately validate and encode (in the data base) the collected information/data and to decide on potentially required additional actions is extremely important due to the limited available time for these consultations (maximum three months in total).

The implementation of the consultation will be organised and implemented (practically) by the MTR contractor but in most of the cases of the target groups it will be the Commission which will be officially presented to request and be doing it. Therefore a strong relevant management of this subject will be required to be inputted also by the EC (the competent Unit, responsible for the Communication should also be involved to consult the MTR Working Group for the organisation and implementation of this task).

Obviously, the whole exercise of these consultations should be very well designed and planned; an analytical time-schedule should be prepared for the daily-management of the implementation of the relevant activities.

2.2 Assessment of the Evaluability of the MTR 2017

A general view of the situation of the IPA II by the time of MTR implementation, the availability of the required information/data and the level of preparedness for the implementation of the MTR, which as a whole present the Evaluability of the IPA II through the MTR 2017 can be taken through the responses to the following 10 Evaluation Questions, requested by the ToR of the present assignment:

EQ 2.1	To what extent do the planning and programming documents provide an appropriate basis for evaluation in the view of the IPA II Mid-term review?
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The information included in the planning and programming documents of IPA II can provide the information to be used as the basis for the evaluation of the Instrument in the frame of the MTR: The relevance can be assessed directly by the included information/data (objectives, expected results, indicators, etc.); for the other evaluation criteria (efficiency, effectiveness and sustainability) the planning/programming documents provide the required baselines/targets against which the implementation will be compared/assessed; specific subjects like the (financial/political) leverage or the added value of the instrument are also covered through specific references in these documents.

EQ 2.2	To what extent are the objectives, actions, results (outputs, outcomes, impacts) defined in the planning and programming adequately defined to be measured in the IPA II Mid-term review?
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The objectives and expected results and the main categories of actions to be implemented in each IPA II beneficiaries are defined in the Country Strategy Papers; The actual outputs and detailed results per sector are detailed in the Sectoral strategy papers and the Annual action programmes which are complementing the overall planning and programming documents, but are prepared in the course of implementation of the IPA II. The level of definition of the objectives and results is in general adequate for their assessment. The strategic indicators defined in the CSPs are in general aligned to those included in the Programme Statement (see also section 2.1.4 above)

EQ 2.3	To what extent are the IPA II results and indicators verifiable and, enable a smooth assessment in the IPA II Mid-term review?
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The indicators presenting the results of the IPA II at the level of the Instrument and of each IPA II beneficiaries(or multi-country programmes), i.e. the strategic indicators, can be classified under three categories: (a) those that refer to the achievement of the EU accession requirements (“*acquis*”, etc.); (b) those that take their values from statistics of international organisations (EUROSTAT, OECD, UN, etc.); and (c) those that are taking their values from the National Statistics. All three categories can be considered as verifiable and thus enable the assessment in the MTR.

EQ 2.4	To what extent are there adequate resources for the implementation of the IPA II Mid-term
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	review in terms of data, budget and interest in involving stakeholders?
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The biggest part of the information/data required for the implementation of the MTR is available either from the planning/programming documents, or through the statistics of international, EU and National statistical services, or through the records of DG NEAR (concerning the achievements towards accession). All other information/data, which the MTR would require, can be collected in the region or/and in the EC Services. The timely start of the identification of the latter information/data and of their proper collection activities is a key parameter for the timely availability of all necessary info/data for the MTR. In general all involved stakeholders are very interested in and committed to having IPA II implemented in the best way and the soonest possible.

EQ 2.5	What are the data gaps (in terms of nature and quality of the information) in the context of the IPA II Mid-term review?
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It is most probable that the data which will be missing in the MTR implementation is the rich and representative data of IPA II implementation; due to late start of the implementation of the IPA II actions it is expected that very few actions will have been completed until the end of 2016 (when the all information/data for the MTR should be available) and thus little information on implementation (and its difficulties/problems) will be known/available. It is not expected that data gaps will exist due to unwillingness of the stakeholders to provide it.

EQ 2.6	What could realistically be assessed in 2017?
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Most of the dimensions of the Instrument can be assessed in the MTR (with more or less difficulty and with more or less accuracy); only the mid-term and long-term objectives will not be possible to be directly assessed, due to the expected little progress in IPA II actions' implementation; nevertheless, even for these objectives some estimates could be elaborated indirectly (i.e. through other features/parameters).

EQ 2.7	To what extent do IPA II results and indicators provide an appropriate basis to evaluate achievements relevant to "horizontal" (cross-cutting) issues like the environment, employment, gender equality and attainment of the "acquis"?
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The existing (in the planning/programming documents) set of strategic indicators includes indicators covering adequately most of the mentioned "horizontal" (cross-cutting) issues: the attainment of the "acquis" which is a major objective of the IPA II as well as a number of dimensions of the environment and gender equality. However, it should be noted that there are no specific strategic indicators about e.g. biodiversity, or climatic change, or other dimensions of the broader "environment" sector (e.g. development of sustainable energy sources, etc.). Such specific indicators are expected to be defined in the IPA annual programmes if relevant actions are included in them. The MTR contractor should search the existing IPA II annual programmes of the IPA II beneficiaries to find any such indicators.

EQ 2.8	What are the recommendations on the overall evaluability of the programme actions, results and indicators, having regard to the time constraints?
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The MTR 2017 is going to be implemented at a time when the progress of implementation of IPA II is still limited. Little can be done to reverse this situation; therefore the solutions should be searched in the indirect assessment of the parameters depending on implementation progress, for example through the assessment of the corresponding parameters for IPA I, through projections followed by risk analyses, through comparisons on the already implemented parts of the overall implementation process (i.e. the planning, programming, indirect versus direct management, enforcement/capacity of the National Authorities, organisation of SBS, etc.).

EQ 2.9	What are the recommendations on the monitoring and reporting mechanisms in a view of the IPA II Mid-term review/report?
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The monitoring and reporting mechanisms are set up to provide almost all programming and (mainly) implementation information/data. For any extra information/data which might be required for the MTR the M&R mechanisms have to be mobilized quickly through specific requests with detailed specifications. The NIPAC Offices are able to mobilize their systems and provide timely any (logical) information/data required.

EQ 2.10	Have the IPA II interventions and sector/policy area Programmes been agreed and started to be implemented? What is the estimated progress of their implementation up to the time the MTR will be implemented?
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The programmes/actions of the IPA II are progressively elaborated, discussed and agreed with the EC Services and put in implementation in most of the IPA II beneficiaries; nevertheless the number of actions/projects already awarded is small and most of them will not have been completed by the end of 2016. Therefore the progress of the implementation of the IPA II up to the time the MTR will be undertaken will be small (not allowing conclusions on the efficiency or effectiveness of implementation).

2.3 Recommendations

Considering the analysis presented in the chapters 2.1 “Key Findings and Conclusions” and 2.2 “Assessment of the Evaluability of the MTR 2017” the following recommendations can be provided for the organisation and implementation of the MTR 2017:

- Although relevant actions have already been taken in these directions by the competent DG NEAR Unit (A3), in view of the specific available time for the implementation and completion of the MTR it is vital to highlight the importance of timely set-up: the proper organisation scheme to manage the whole task and coordinate it with the other EC Instruments’ competent authorities; the specifications and tendering/awarding details for the MTR contract; and the links for the timely mobilisation of the main data providers for the MTR.
- One of the issues that is to be worked out rapidly is the determination of the needed intermediate evaluations (thematic, etc.) and/or surveys to complement the available information/data required for the MTR. Some of these have already been launched, such as Support to Public Administration Reform and Support to Economic Governance for both IPA and ENI, or IPA CBC.
- The organisation and implementation of the consultations on the draft MTR, is a highly specialised work which, under the existing time limits, should be dealt with very professionally. The support of the competent EC Service (DG NEAR A2) is required to be provided to both the OM and the MTR contractor.
- The EC management of the MTR preparation should ensure both the covering of all provisions of the Instrument related Regulations, but mainly the completeness and quality of the MTR findings, conclusions and recommendations;
- The potential proposals for the modification of the existing legal documents (but also of the planning and programming documents of IPA II or of any systems/practices which have been developed for IPA II implementation) should be checked in depth for their real (related to IPA II implementation), political and legal impacts; this assessment (of the impacts) should not be left to be elaborated only by the MTR contractor. The EC should involve its own officials (including its legal department) to check the proposals in all their dimensions before the MTR report is finalised.

In the following Table some “technical” details of the suggested approach to the MTR 2017 are provided, classified per evaluation criterion.

Proposed Approach to MTR 2017

MTR criterion	What are the main problems/difficulties in the assessment	How to do the assessment in order to address the difficulties	Sources of information	Comments	Suggested EQs to address the MTR criterion
Relevance	There are no important problems/difficulties in the assessment of relevance.	The assessment of the relevance can be done on the basis of a set of EQs to be developed for this purpose.	Ad hoc survey(s) and EC Documents	Relevance is relatively easy to be assessed (if proper information is collected)	For Relevance: Are the Instrument's objectives related to and addressing existing real needs? Which EU and national policies are addressed by the Instrument? Are these policies opportune and valid in the Instrument's implementation period? How closely are the objectives of the Instrument related to the addressed policies? Do the stakeholders of the Instrument have the competences/capacity to implement the Instrument's actions and accept/absorb their results/benefits? Do the Instrument's recipients/beneficiaries demonstrate effective commitment (ownership)? Are there proper national and EC systems/processes able to involve local and EC stakeholders respectively in the implementation or/and use of the Instrument's actions? Are the programmed and implemented actions of the Instrument able to lead to the achievement of the Instrument's objectives? Does the Instrument's legal framework allow the modification of its Intervention Logic (IL) to adapt to changing circumstances in the Region, in the EU and internationally? How flexible is the IL of the Instrument? Has the IL been adapted since the start of the IPA II? Which were the introduced changes and why they were necessary to be implemented? How realistic is the achievement of the Instrument's objectives, within a logical time-frame? Which are the similar objectives of IPA II and IPA I? Have these objectives of IPA I been achieved or are these objectives expected soundly to be achieved? Are there differences between IPA II and IPA I designs that can change the prospects of achievement of IPA II objectives in relation to the achievement of the IPA I objectives?
Coherence, Consistency, complementarity, synergy	The coherence of the IPA II is a complex issue since it should be examined under all its dimensions: Internal, vertical, external	The assessment can be done on the basis of a set of EQs to be developed for this purpose, by considering the following. The internal coherence (i.e. between different areas of IPA II intervention) can be assessed on the basis of: (i) an analysis of the constituents of the Instrument at various levels	Almost all sources of information mentioned in para. 2.1.4	Very complex and difficult assessment due to many dimensions of coherence and a lot of requirements	For the internal coherence the specific questions to be answered for this assessment should refer to: The determination of the main categories of constituents of the Instrument and of their "relations"/"connections"; The identification and assessment of the level of integration of all these constituents in the frame of the overall design of the Instrument and its detailing as foreseen in the planning and programming documents. The investigation and assessment of whether, during implementation, modifications are foreseen or have been required in the Intervention logic or in the setting up of the programmes/actions, for maintaining the internal

	<p>and horizontal as well as intra-policy coherence. These require many methodologies, different information/ data, etc.</p>	<p>(country, sector/ policy area, total IPA II) and stages of implementation (planning, programming, tendering, implementation, start of operation), and (ii) the assessment of the level of succeeded integration and of the probability of achieving the overall objectives of the Instrument, as they are set up and as the IPA II constituents are being implemented. The vertical coherence (between the IPA II beneficiaries and the Commission, i.e. between the national development objectives and priorities and those of the IPA II), should be assessed, since strategic and policy related differences can be critical for the successful implementation of the IPA II and the achievement of its intended results and objectives; the issue becomes complex because the relevant agendas of the IPA II beneficiaries (and their real capacities) are differing among them (in addition in certain cases there is a risk that may be changed, by political decisions); since IPA II is a common Instrument for all these countries it is expected that at the highest level (Instrument) the provisions are logically common for all, with an in-built flexibility to be detailed and adapted to the conditions of each country in the frame of the Country Strategy Papers and the sectoral programming. The external coherence, focuses on the functioning of IPA II in the wider multilateral framework existing in the WBT countries (including <i>complementarity</i> and <i>synergies</i> between IPA II and the other</p>		<p>coherence at various levels (IPA II, country, and sector). The determination of who should elaborate/ propose/ decide/ introduce/ implement the required modifications.</p> <p>For the vertical coherence: Which are the priorities of the National Development Strategy for the period 2014-2020 of each IPA II beneficiaries? Which are the common and the different priorities among them? Which are the (direct- i.e. under the straight-forward provisions and indirect- i.e. in the “spirit”) differences of the national strategic Development priorities in relation to those included in the IPA II planning and programming documents? Are the National priorities which are not covered by the IPA II critical for the development of each of the IPA II beneficiaries? Are these priorities under another (non–IPA II) financing scheme (national or EU or other donors’)? Is the overall required funding covered? Are there (other than those covered by the IPA II) national priorities under implementation or programmed to be implemented which contradict those of the IPA II or overlap with them? Is there in place an effective (national/EC) mechanism for the coordination of the above? Has such a mechanism been used during the preparation of the IPA II CSPs and sectoral programmes across the countries? What about the multi-country/regional aspects of IPA II?</p> <p>For the external coherence: Are there other EU Instruments or other donors active in the same region (WBT)? Which are the policy areas/sectors of their interventions? How important is their presence in the region (amounts of subsidies provided in the same programming period with IPA II)? Are there projects/actions, developed by other EU Instruments and/or other donors in the region (WBT), complementary to those of IPA II? Are there risks of duplication or inconsistencies? Are there synergies or cooperation between the IPA II and those other projects/actions? Are there projects/actions/programmes co-funded by the IPA II and other funding Instruments/Funds? What are the forms of co-funding/cooperation implemented (including management/monitoring responsibilities)? Are there credible national (e.g. the IPA Monitoring Committees) or EC (in EUDs or at the EC/HQ) systems providing for the coordination of the activities of the IPA II and the other EU Instruments and other donors in the region? Is there a list (with analysis) by sector/policy area, of all the projects/ actions financed by all external sources of funding (EU and other donors) in the region (per country)? Are there complementarities, synergies or duplications and inconsistencies between the actions of IPA I and those of IPA II? Which are the comparative advantages or strengths of IPA II that should be maintained or enhanced in comparison to the other donors’ practices? To what extent has IPA II drawn upon the experience, expertise and depth of other donors’ systems/organisation? What should be the positioning and future focus of IPA II in the region, within the context of recent international and regional developments and future prospects, and what are the issues that should be</p>
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		<p>external cooperation Instruments); these other EU Instruments include those having actions in the same region (WBT) as well as certain EU Funds which support IPA programmes (CBC, IPARD, etc.); furthermore there are many other International Organisations and Financing Institutions that are active in the region. Horizontal coherence (i.e. between the national, at country level, and the regional, at multi-country level, endeavours of the Instrument) should be assessed, regardless the fact that many multi-country actions/ programmes are not regional, i.e. not involving all IPA II beneficiaries. Intra-policy coherence is mainly referring to negative coherence, i.e. differences among the strategic policies of the EU which are promoted in the WBT region through the implementation of IPA II and other EU activities in the region. What should be assessed here are potential differences in the policies and in the approaches for their promotion/implementation, which create or can create contradictions in the implementation of the Instrument's actions.</p>			<p>addressed? Should it wind-down, sustain or transform? To what extent the design of the IPA II supports actions to be effective as compared to comparable other donor-funded (or similar) projects/ programmes?</p> <p>For the horizontal coherence: How do the country and multi-country IPA II actions interact/impact each other and which are the positive and negative influences they may create to each other? How are the IPA II actions at national and multi-national level coordinated? Which are the existing weaknesses in the implemented processes for the programming and implementation which may create inconsistencies/overlapping/ implementation conflicts between these two categories of actions?</p> <p>For the intra-policy coherence: Are there contradicting policies or approaches to policies within the EU which are present in the regions (through the IPA II or/and the EU activities in the region)? Which are these cases? What is the impact of these contradictions on the IPA II (its implementation, its environment, etc.)? What are the reasons of these contradictions? Who should take the lead for coordination?</p> <p>At the end of the assessment of each of the above dimensions of coherence two common questions should be answered: Which is the impact of the found level of coherence on the achievement of the objectives and expected results of the IPA II? What should be done in order to improve the situation and the prospects of better outcomes at the end of IPA II implementation?</p>
Added Value		<p>The added value of the Instrument could be assessed on the basis of: (a) what is foreseen in the programming documents (expected results per sector/action), i.e. at the theoretical level; (b) what has been achieved through the implementation of IPA II actions; and (c) what has been achieved through the implementation of the IPA I interventions, considering that IPA II actions are (in a way) a continuation</p>	<p>Programming and implementation reports for the IPA II actions; same for IPA I interventions</p>	<p>The expected added value can be assessed in terms of realism; the achieved added value is difficult to be assessed due to the</p>	<p>Relevant questions should firstly try to identify which is the added value of IPA II as conceived by the EC (DG NEAR and EUDs separately), by the competent national authorities (Government and implementing authorities/bodies), by the Civil Society Organisations and the general public in the recipient/IPA II beneficiaries, by the EU member-states and by the other donors active in the region. Expecting to have different perceptions by each of the above stakeholders, the questions should be developed to investigate the potential (likelihood) in achieving (or the level of achievement of) all these different expected added values.</p>

		of the interventions of IPA I – although the strategy and approach in IPA II have been changed. Relevant EQs should be developed to provide the basis of the assessment.		little progress of IPA II implementation	
Efficiency & effectiveness	<p>The efficiency and effectiveness of the Instrument cannot be assessed by the use of the existing results indicators.</p> <p>The IPA II implementation progress will not have been big by the end of 2016</p>	<p>New indicators could be developed to be used in the frame of the MTR; these indicators could be common for all EU external cooperation Instruments. Furthermore a set of EQs should be developed to provide the basis of the assessment. It is estimated that by the end of 2016 it will be possible to have information and data answering to most if not to all proposed EQs (see adjacent column). The fact that only a limited number of the IPA II actions will have been implemented by the time of the MTR will not finally be a major constraint: the assessment will present low achievements in a number of Instrument objectives which will be true and will be possible to be explained by the delays in the start of actions' implementation (which in turn will be discussed and explained).</p>	IPA II programming documents and Annual implementation reports	<p>The efficiency is difficult to be measured because many of the results of the IPS II are qualitatively measured only; there is no measure to cost effectiveness.</p> <p>The effectiveness could more easily be assessed if IPA II implementation would have progressed considerably (which is not the case)</p>	<p>The assessment of the efficiency and effectiveness can be facilitated by/ based on the answers to a series of questions, like the following: Are the IPA II objectives adequately defined? Which are the results which (when realised) can lead to these objectives? Are the results measured by the existing (in the Country and multi-country Strategy Papers) indicators able to lead to the achievement of the objectives of the Instrument? Are the existing indicators able to measure the achievement of the results? Are the values of the indicators verifiable? Are there indicators which measure directly the achievement of IPA II objectives? Are there results of IPA II which can be forecasted on the basis of the results achieved through the implementation of the IPA I interventions in the same sector/ policy area? How the implementation of the relevant IPA II programmes and Actions has progressed? Which are the reasons for their implementation delays (if existing)? Are these delays resulting from the requirements set by the relevant regulations or from capacity problems of the involved stakeholders? Which provisions of the regulations could be simpler and thus easier to be quickly implemented? Are there paradigms to present potential simplifications? Are there any unintended positive or negative consequences of the IPA II actions? What are they? Is an adequate strategic approach (i.e. one that emphasises outreach, scale, leverage, innovation, other) being used when identifying and selecting an action for funding that can help deliver the desired outputs and outcomes? To what extent have lessons been learnt and applied from the implementation of IPA I, both successful and unsuccessful, to IPA II? To what extent does IPA II tailor its approach to the context? What is the quality of the outputs produced by the actions funded by IPA II? How is this compared with the corresponding for IPA I (as assessed by other evaluations and ROM)? Have IPA II resources been used in the most efficient way compared to similar alternative approaches (or approaches used under the IPA I)?</p>
Sustainability	Sustainability will be difficult to be assessed on the basis of the real progress of the	The prospects of sustainability can be assessed on the basis of the provisions of the planning and programming documents, but mainly on the basis of the realism and completeness of the new MRPF	Almost all sources of information mentioned in para. 2.1.4	This is difficult to be assessed due to the small progress of	The questions to be used for the assessment of the sustainability should refer to both levels: (i) of the national economy and (ii) of the citizens, since in many cases the decisions about the actions to be implemented are taken considering the development of the national economy (or other considerations like financial feasibility or level of maturity, etc.) neglecting the real needs at the level of the citizens in the current period.

	<p>implementation of IPA II, due to the expected small progress by the end of 2016.</p>	<p>which is complementing the management of the implementation of the actions. In the frame of this assessment the replicability of successful practices within IPA II implementation should be searched and highlighted. An important dimension which can be assessed is the change of the capacity of the national stakeholders in relation to programming, organising, implementing, monitoring and evaluating programmes and projects in all sectors/policy areas, which has resulted both indirectly, through the obligation to be entrusted, and directly through the implementation of capacity building actions within the IPA II (including the relevant activities of ReSPA). The development of capable national authorities is a basic constituent of the wanted sustainability of the effects of the Instrument. In addition to this, a number of other parallel results should be assessed, like: level of control/reduction of corruption, effectiveness of the judicial system, level of substantial respecting of the EU procedures in public procurement; level of involvement in the planning/programming and implementation of the CSOs, et.al. Under the aspect of sustainability the results of the design, programming and implementation of the IPA II actions related to the environment and the gender issues should be assessed. The long-term versus the short-term considerations during the IPA II programming should also be assessed.</p>		<p>implementation of IPA II so far.</p>	
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Leverage	<p>The achieved <i>financial leverage</i> is difficult to be assessed in the MTR 2017 when: (i) only a small part of the IPA II actions will have been implemented until the end of 2016 and (ii) the 2014, 2015 yearly programmes in general have included a limited number of projects which would result to leverage of funds [e.g. no SBS has been implemented so far, and no big infrastructural/ other interventions].</p>	<p>Both the financial and political leverage should be assessed. The assessment of the <i>financial leverage</i> can be based on the evaluation of the realism of the foreseen (in the CSPs) leverage, also by using the analysis and expectations of the Western Balkans Investment Framework (WBIF) and of the other international donors (concerning the general investment environment in the IPA II beneficiaries). Obviously all other existing relevant information should be searched and used (like relevant thematic evaluations, etc.).</p> <p>The <i>political leverage</i> should be assessed at both the level of the EU (DG NEAR, higher EU bodies¹⁰ and member-states) and at the level of the national governments, political parties and public administration in the IPA II beneficiaries. The recent upgrading of a number of IPA II beneficiaries from the status of “potential candidate” to “candidate”, but mainly the gradual transfer of the responsibility for the management of the IPA funded actions to the National Authorities will have certainly contributed to an increased political leverage in the relevant countries; in addition, the process of “entrustment” of the implementing authorities and the foreseen increased coordinating role of the NIPACs will contribute to a political leverage at the level of the competent Ministries and other implementing organisations/ bodies.</p>	<p>In specific reports of IFIs and in the programming documents.</p>	<p>It comprises the financial and the political leverage; Due to limited IPA II implementation progress the financial leverage is not possible to be clearly assessed.</p>	<p>Evaluation questions should be formed on the basis of the proposed approach (please see adjacent column), separately for the financial and political leverage.</p>
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¹⁰ The EU parliament, the Council, the IPA Committee, the Commissioner (responsible for the Enlargement)

Scope of simplification	In general this is a complex issue since it will require an analysis of the existing or met difficulties and problems in order to find the real sources and assess whether they have resulted from the provisions of the IPA regulations or the other provisions of the EC.	This assessment (and the resulting proposals for simplification) should address the already spotted weaknesses by the National Authorities, the EUDs and DG NEAR competent services and those which will be found through a relevant survey of the MTR contractor. These weaknesses should be analysed and relevant proposals for modifications to the IPA legal frame or existing practices should be elaborated. Every such proposal should be assessed by the use of the questions presented in the adjacent column	Almost all sources of information mentioned in para. 2.1.4	Complex and difficult assessment having many technical, political, legal and other dimensions	The set of questions to be used for the assessment of the appropriateness of a proposal for modification of the IPA II Regulation, should include the following: What exactly it aims to succeed? Which weaknesses/problems are addressed? How important are these weaknesses/problems for the achievement of the policy goals of the Regulation? How necessary is the proposed modification? Are there any likely negative impacts from the implementation of the proposed modification? Is the proposed modification proportionate to the objectives of the regulation? Does the proposed modification lead to increased effectiveness and coherence? Is the proposed modification easy to be implemented? Are the proposed legal provisions simple and clear? Are there any contradictions with other provisions of the regulation (or other relevant legal documents)? Does it have any impact on the wider EU objectives (14 wider objectives)
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3. VISIBILITY OF IPA II PERFORMANCE

Introduction

The ToR of this assignment underlines¹¹ that “improved communication on the results achieved through better readability and user-friendliness of final reporting outputs is yet another aspect to be considered as part of this exercise. Well-structured and clearly presented information is requested by the stakeholders (EU Member States, IPA II beneficiaries, EU institutions), while the Commission is held accountable for providing it. In the light of this challenge, the present study contributes to increasing the knowledge and understanding of the enlargement policy and strategy amongst EU Member States and a wider public through developing a robust IPA II monitoring, reporting and performance framework. The study will support also the realisation of the EC/DG NEAR commitment to provide accessible, usable and understandable data in compliance with the International Aid Transparency Initiative standards”.

This has led to formulate the 3rd Specific Objective of the assignment, which is “to provide recommendations on how to ensure sufficient visibility of the IPA II performance, including ways to enhance transparency and improve compliance with the International Aid Transparency Standards, as well as ways to strengthen the relevance, quality and impact of the related information and communication activities. This objective refers therefore to needed improvements in visibility and transparency, as well as in information and communication activities presenting IPA II and the related performance framework (results, impacts, etc.) to the stakeholders and to a wider public”.

3.1 Key Findings and Conclusions

As in the previous sections, the findings and conclusions formulated below are directly related to and result from the responses to the EQs placed by the ToR under this component of the assignment, presented in Chapter 3.2.

3.1.1 Visibility

It is generally admitted that the EU’s external action planning and programming documents do not pay sufficient attention to the need of channeling appropriately edited information in order to feed communication and to ensure adequate visibility. Within such a general context, this weakness and shortcoming can be considered as even more acute for IPA, given its particular strategic partnership and “road to EU accession” dimension.

The information and data in the documents are necessarily structured and formatted in order to serve the reporting purposes and needs within the overall EU system, with a particular technical vocabulary which is generally used by all these documents and which has grown into a sort of new lingua franca, impervious to any external user – target audience. Consequently, any effort of enhancing the information contained in these documents in order to render it more and better accessible to the relevant communication target groups cannot therefore address its each and every element and as proposed in our recommendations, needs to be solved by insertion of a highly visible and aggregated information element or component (chapter, etc.), placed in all key elements of the reporting chain.

Another weakness of and obstacle to a more effective communication on EU external action in general has been the obligation, in observed situations (IPA and ENI), for the stakeholders of EU-funded grant schemes (recipients in charge of reporting) to use English and not their local language. This definitely limits the outreach of the communication and reinforces the above mentioned counter-productive semantic impact.

¹¹ Chapter 1.2 « Background », page 5

If it is assumed that a very large number of different projects funded in this frame by the EU could indeed constitute a full-fledged “capillary” network of communication and visibility, it can be feared that such a target could not be reached without allowing for the utilization of local languages.

In addition, the observed weaknesses and the corresponding requirements necessarily take a particular dimension and weight considering respectively (i) the overall objective of IPA II¹², (ii) the current (geo-) political context in IPA region and (iii) the specific constraints related to key national stakeholders of IPA II:

- i) The overall objective of IPA II has a significant weight in terms of related engagements and obligations from both the EU and the IPA Beneficiaries;
- ii) The current political context in IPA region has evolved into a diversified array of country-specific situations which are different one from another but which share the observed fluctuation of the public opinion over the question of EU accession;
- iii) Key IPA II national stakeholders (governmental authorities on various levels) have all their own communication and visibility goals and agendas which are not necessarily and always linked to the EU ones;

The communication and visibility recommendations presented below in chapter 3.3 directly address the need to ensure better the information on achieved policy developments and results of IPA II. The essential point in the proposed approach would be to assign a pivotal role to NIPACs for coordination of national stakeholders in the overall MRPF, and to enlarge the overall array of communication and visibility strategy partners, beyond these formally retained in the strategy.

Moreover, it is also important to further contribute to the needed empowerment of the civil society organizations in all IPA II IPA II beneficiaries. Their participation in IPA II consultation process is now recognized as an important need, which can also be directly related to visibility and transparency, since civil society organizations can provide a powerful leverage for communication on IPA II objectives and achievements, as built on in one of the recommendations below.

For that purpose and in order to have a better insight in the actual opinions of the civil society partners involved in IPA II consultation spheres in the region, an ad hoc survey has been carried out with the technical support of the Balkans Civil Society Development Network¹³ (www.balkancsd.net), in order to learn about these organizations’ views on IPA, as presented in Annex 3.

3.1.2 Transparency

At the Busan High-Level Forum on Aid Effectiveness in 2011, the world’s largest aid providers committed to publishing their data to the International Aid Transparency Initiative (IATI) by the end of 2015. IATI is the only international open data standard for publishing aid information that ensures data is timely, comprehensive, comparable and accessible.

“Publish What You Fund” has been tracking the progress of donors with making their aid transparent since 2011, via the annual Aid Transparency Index. The 2016 Index is expected to be particularly relevant as it will coincide with the Busan deadline, and will assess which donors have delivered on their commitment and are publishing good quality and timely data to IATI.

DG Enlargement began publishing to IATI in July 2013 and the IATI files are updated by DG NEAR on a monthly basis. DG NEAR has an ambitious common standard implementation schedule, with plans

¹² « IPA II shall support the beneficiaries listed in Annex I in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries in order to comply with the Union’s values and to progressively align to the Union’s rules, standards, policies and practices, with a view to Union membership. Through such support, IPA II shall contribute to stability, security and prosperity in its beneficiaries”

¹³ BCSDN is a network of 15 civil society organisations from 10 countries and territories in South East Europe

to publish 77% of the assessed IATI fields by the end of 2015. The 2015 EU Aid Transparency Review, published in June 2015, has tracked progress on implementation of IATI standards by the EU.

Of the 16 agencies assessed as part of this Review, DG NEAR has been classified in the “On track” category (60-79% – Good performance). DG NEAR is also among the top performers on added-value information concerning the Sub-National Location. It is among the leaders in performance on frequency and timeliness by publishing information at least monthly and within one month. However, its results information has been scored low. Results information is vital to enable the impact of development activities to be measured, outcomes to be evaluated, and for facilitating accountability between different stakeholders. In spite of donor efforts in recent years to adopt institutional results frameworks, the 2015 EU Aid Transparency Review data shows that there has been minimal progress in the consistent publication of results.

DG NEAR does not publish this information consistently or the information is aggregated at the programme or country level, meaning that expected or actual outcomes for individual projects cannot be found. This corresponds to the results of the 2014 Aid Transparency Index for DG ELARG (see below); there is very brief results information available in case of study documents. Some results information is also available in evaluations, but this information could not be found consistently for all the projects.

Activity Level Information	32.95 out of 65.00	<p>For these 28 indicators DG ELARG's score is variable, depending on the areas: all OECD/DAC related information (DAC form) has been fully implemented according to the standards. However, there are still some weak areas in the EC publication, notably in related documents (MoU, objectives, budget documents), financial information (budget per activity, budget ID) and performance (results, impact appraisals, conditions).</p> <p>The main obstacle to improvement of the score in this section of the assessment is that it is not at contract level, or that the relevant information is not available at all, e.g. results and evaluations (not foreseen for each activity unit).</p>
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3.2 Assessment

This chapter is solely devoted to the responses to the Evaluation Questions (EQ) formulated in the ToR. Since certain EQs are related to recommendations¹⁴, their responses recapitulate these recommendations and refer to their more detailed presentation in the subsequent chapter 3.3.

EQ 3.1	To what extent do the planning and programming documents take into account visibility requirements and the need for information and communication activities? To what extent are information and communication activities adequately defined in the current documents? To what extent are adequate resources allocated for the implementation of visibility requirements and information and communication activities?
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In all EU external action planning and programming documents, including IPA II, visibility requirements and, more particularly, the need of appropriate editing for the purpose of feeding into information and

¹⁴ This is here the case for EQ 3.3, 3.4 and 3.5

communication activities are not taken into account appropriately, and more often remain on a formal level of an “a minima” input.

The technical vocabulary generalized in all these documents and, overall, in the communication among the direct stakeholders, has grown into a sort of new lingua franca, used by and reserved for these stakeholders. In this context, PCM and other EU-related methodological training (PRAG, Guidelines for grant contracts, etc.) have brought their semantic contribution to a certain alienation of the language and its deviation towards fairly hermetic spheres reserved for the “happy Eurocratic few”. Consequently, this phenomenon affects both the EU stakeholders (in Headquarters and EUDs) and their national counterparts, including direct recipients or beneficiaries of the EU’s financial support on the other hand¹⁵.

The question of availability of adequate resources allocated in order to meet these requirements is not necessarily related to financial means but rather and above all to the appropriateness of related guidelines and procedures. It is nevertheless borne in mind that the new communication strategy of DG NEAR defines not only all its main intervention logic constituents but also earmarks significant financial resources for its implementation. However, one can fear that if, in the specific partnership context of IPA, this strategy would not reach out to cover national stakeholders, and that its effectiveness might remain below expectations.

EQ 3.2	To what extent do the IPA II reporting documents (IPA II beneficiaries' reports, IPA reports, DG's internal reports, etc.) address the visibility requirements and the implemented information and communication activities? How could the information on the achieved results and policy developments be better presented in a structured and aggregated way?
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The response to the EQ 3.1 also cover this issue; however, if the situation is not different from the overall context of EU's external action communication and visibility, the issues and the requirements necessarily take a particular weight considering respectively (i) the overall objective of IPA II¹⁶, (ii) the current (geo-) political context in IPA region and (iii) specific constraints related to key national stakeholders of IPA II:

- iv) This objective has a significant weight in terms of related engagements and obligations from both the EU and the IPA Beneficiaries, tied up in IPA II within a full set of sector-wide targets and related performance and achievement indicators. This partnership framework calls for enhanced and shared communication on policy developments and results achieved.
- v) The current political context in IPA region has evolved into a wide array of country-specific situations which are different one from another but which share the observed fluctuation of the public opinion over the question of EU accession. This context is further characterized by a relatively weak leverage of national media, where the most important ones do not have the necessary autonomy and independence in order to communicate more objectively on effective role and achievements of the EU. Moreover and in addition to a risk, observed in the Strategy, of “geo-political influences and media activities of other regional powers threaten the credibility of the EU and its positive influence”¹⁷, certain major and more or less unforeseeable events such as the actual and sudden migrants' pressure on the region may have lasting negative effects on the overall effectiveness of the EU-IPA beneficiaries cooperation, and pave the ground for counterproductive mediatization of this phenomenon (let alone the brewing risk of

¹⁵ This is further reinforced by introduction of English terms in the local language: “implementacija aplikacije” which stands in Serbian/Bosnian/Croatian/Montenegrin for “implementation of the application”...

¹⁶ IPA II shall support the beneficiaries listed in Annex I in adopting and implementing the political, institutional, legal, administrative, social and economic reforms required by those beneficiaries in order to comply with the Union's values and to progressively align to the Union's rules, standards, policies and practices, with a view to Union membership. Through such support, IPA II shall contribute to stability, security and prosperity in its beneficiaries”

¹⁷ SWOT Analysis in the Strategy document

dramatic deterioration of neighbourhood relations among certain IPA beneficiaries and EU Member States).

- vi) Key IPA II national stakeholders (governmental authorities on various levels) have all their own communication and visibility goals and agendas which are not necessarily and always linked to the EU ones. If the new communication strategy of DG NEAR in the underlined particular strategic context of IPA II would be limited to the EU stakeholders only, this communication could not be effective enough and would be exposed to collateral effects of the national institutional communication. This clearly calls for a strategy that would reach out to these key national stakeholders in order to share the implementation of its activities with them, in full respect of the partnership spirit of IPA II; this would mean that the Strategy would not retain them as target audiences and/or multipliers only but also as implementation partners.

The communication and visibility recommendations presented below (chapter 3.2) directly address the need to present better the information on achieved policy developments and results, in a structured and aggregated way (see in particular the recommendation on “Communication Summaries” in IPA II reporting).

EQ 3.3	How could the visibility of IPA II performance framework be improved having regard to the legal provisions, current practice and the different delivery methods, including the use of the sector budget support?
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Since the general requirement is placed within the IPA II framework (only), our recommendations for (i) special “communication and visibility” chapters in all relevant IPA II reporting (both downstream at national level and upstream at EU level) and for (ii) assigning a central role for the national reporting to NIPACs are expected to respond to this need too, by covering all introduced delivery methods, including the SBS.¹⁸

EQ 3.4	How could the information and communication activities be further strengthened to promote IPA II performance results?
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The recommendations formulated in this report are aimed at responding to these two EQs 3.3 and 3.4, being stated that all proposed actions would remain within the wider sphere of the DG NEAR’s overall communication strategy (i.e. covering both Neighbourhood and Enlargement). On the level of national IPA II reporting, the essential point in the proposed approach would be to assign a pivotal role to NIPACs as the keystones of the overall MRPF, which would allow to cover all different delivery methods and, as expected, to transcend current practice by new and more innovative approaches.

This does not imply at all to assign the overall reporting and communication role to NIPACs only but to make sure that NIPACs would play their role of coordinator of all reporting on the level of national IPA II stakeholders, with a particular focus on visibility and communication, in order to make sure that the reporting information submitted to the EU would comprise appropriate narrative elements that can (also) be directly used by the EU for communication and visibility purposes.

EQ 3.5	How could information on the results of the assistance be better structured in order to fit to the Aid Transparency initiative?
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As underlined above, the main reason for a weak DG NEAR’s score in the Activity Level Information is the observed absence of appropriate information and data (whether in substance or/and in format). It

¹⁸ There is reportedly a project to develop visibility guidelines for SBS by DG DEVCO and DG NEAR.

is therefore expected that if DG NEAR would ensure that such needed data and information are available and can be consulted and harvested for the purpose of IATI appraisals, there would be no reason whatsoever not to significantly increase the corresponding score and rapidly bring it to a level comparable to the other two scores, which are indeed very high indeed. In addition to that, it is expected that some of the combined general impacts of the recommended communication and visibility actions would result in enhancing the overall transparency of IPA II results, in particular at this downstream “Activity level”.

More specifically, DG NEAR should provide results information in documents linked to specific activities within their IATI files by publishing either free-text descriptions or information on the indicators used for measuring results, along with targets and actual outcomes.

3.3 Recommendations

3.3.1 Communication Strategy of DG NEAR

The objectives and related actions of DG NEAR’s communication have been defined and framed by its “Action Plan on the Visibility of EU Funds in the Enlargement and the Neighbourhood Region”¹⁹ (hereafter Action Plan) on the one hand, and by the “Communication Strategy for the European Neighbourhood Policy and Enlargement Negotiations” (hereafter Strategy)²⁰, on the other hand.

The Communication Strategy document stresses in its introduction that it provides the overall framework and the basis for the annual planning of communication and information activities of DG NEAR and the EUDs in the countries covered by the policies, and that this Strategy complements and draws on the Visibility Action Plan for EU Actions in the Neighbourhood and Enlargement Regions, on the Eastern Partnership Visibility Strategy, and on the IPA Communication Strategy. This strategy framework has therefore been taken into consideration in order to formulate the recommendations for the enhancement of IPA II communication, as shown in the next chapter.

3.3.2 Recommendations

The communication strategy of DG NEAR is expected to be translated in a series of action programmes focusing on retained orientations and target groups²¹. Consequently, the recommendations below address the question of **how to enhance IPA II visibility and transparency within the frame of the strategy**, and are therefore focused on the following main orientations:

- i) Introduce and develop an ad hoc functional “system” and procedures within the overall IPA II MRPF in order to enhance the communication and visibility;
- ii) Set up specific IPA II guidelines for communication and visibility in all relevant EU-funded grant schemes targeted on IPA civil society organizations and non-state actors) and local/regional authorities, in order to contribute to this enhancement and thereby improve the overall IPA II transparency, including the possibility to use local languages in all related project preparation and management reporting by the national recipients (main grant applicants in particular). These specific IPA II guidelines would be additional to and in compliance with the general EU visibility guidelines that are to be applied in all instruments of EU’s external action;
- iii) Make maximum possible use of the leverage of IPA multi-beneficiary programmes in order to encourage and support their contribution to enhancement of communication and visibility.

On this basis, the intervention logic of the recommended actions is outlined below, in which its overall and specific objectives stem directly from the specific objective 3 of this assignment.

¹⁹ Ref. Ares(2015)802393 - 25/02/2015, February 2015

²⁰ Version September 2015

²¹ The strategy document provides a comprehensive coverage ranging from priorities, target audiences & messages, and all relevant implementation facets (branding, methods and tools, roles and responsibilities, as well as earmarked financial resources).

Overall objective	Ensure sufficient visibility of the IPA II performance, including ways to enhance transparency and improve compliance with the International Aid Transparency Standards.
Specific objective	Achieve needed improvements of information and communication activities presenting IPA II and the related performance framework (results, impacts, etc.) to the stakeholders and to a wider public.
Expected Result 1	Enhance the communication within the IPA MRPF stricto sensu, in IPA II reporting by operating structures (line ministries etc.) and NIPAC on the one hand and by replicating SECO Civil Society consultation mechanism (see the box below), reinforced with a cross-cutting Communication and Transparency element, on the other hand.
Expected Result 2	Introduce and apply specific visibility guidelines in all IPA II grant schemes (cross-border cooperation, local and regional development, governance and human rights, etc.) in order to reinforce effectiveness of this “capillary communication” which is delivered locally and deep into the territorial and social tissues of the targeted recipients/beneficiaries, including the possibility for the grant recipients to formally communicate in local languages.
Expected Result 3	Make use of the potential leverage of EU-funded regional (multi-beneficiary) projects in order to encourage regional cooperation towards more effective visibility and better transparency, with a privileged focus on ReSPA (core target Public Administration) and on TACSO (target group: Civil Society community in IPA region);

This overall framework is translated in a list of recommendations and their corresponding tentative implementation actions, in the table next page.

SECO
<p>SECO has been developed in Serbia; this Civil Society consultation mechanism and platform cover all internal development aid to the country, and has already been used under IPA I. SECO is a mechanism of civil society-public sector cooperation in the planning and utilization of international development assistance funds in Serbia. It is not intended for negotiations with the EU. The SECO mechanism was created in 2011, at the initiative of the European Integration Office.</p> <p>In the SECO mechanism, civil society organizations are divided according to areas into 10 sectoral SECOs. Each SECO has between 3 and 5 organizations, one of which is leading and coordinating activities. The Serbia EU Integration Office (SEIO) coordinates cooperation between the civil society and the public sector. The SECO mechanism has thus enabled cooperation between civil society organizations and the public administration in 10 different areas. The topics have been defined in the 2014-2017/2020 National Priorities for International Assistance (NAD), on the basis of which 9 sectors and 1 thematic area (culture, media and civil society) have been established.</p>
<p>Source: “Introducing SECO”: http://www.seio.gov.rs/upload/documents/publikacije/introducing_seco.pdf</p>

Proposed Recommendations and their Implementation Actions

Weakness or shortcoming	Recommendation		Tentative Activities to Implement Recommendations	
Current EU IPA reporting is not adapted to the requirements of communication and visibility	1	Enhance the communication within the IPA MRPf stricto sensu (IPA II reporting)	1.1	Introduce and develop the insertion of appropriate Communication summaries in all relevant IPA II reporting: although in the proposed approach the pivotal role would be given to NIPAC and its annual report, it will be essential that appropriate Communication inputs can be prepared on all the downstream levels of reporting.
			1.2	Ensure the central role of NIPACs, on the level of national IPA II stakeholders , in ensuring the preparation of quality Communication inputs in all relevant IPA II reporting, and in coordinating all other national institutional (government) stakeholders directly involved in IPA II MRPf reporting chain.
			1.3	Support the needed training & capacity building of communication staff in operating structures (line ministries etc.) and their structuring in a network coordinated by NIPAC , replicating the good practice already introduced in Montenegro.
			1.4	Support replication of SECO mechanisms , if possible, in all IPA II beneficiaries and introduction in SECOs of a cross-cutting “Communication and Transparency” thematic component (represented by media and communication CSOs).
No use of the potential leverage of enhancing communication and visibility in EU-funded grant schemes in support of CS (NSAs) and LAs	2	Introduce and apply specific visibility guidelines in all IPA II grant schemes in the wider frame of general EU visibility guidelines	2.1	Prepare the specific guidelines aimed at enhancing communication and visibility (outreach and impact) in the grant schemes funded under IPA II, with a particular focus on IPA II achievements and results. These should include the possibility to use local languages.
			2.2	Launch pilot applications of these specific guidelines in one or several Calls for Proposals (CfPs) , test their effectiveness and ensure their fine-tuning if/where needed.

IPA regional (multi-beneficiary) programmes do not bring their due contribution to enhanced communication and visibility	3	Make use of the potential leverage of EU-funded regional (multi-beneficiary) projects which already have a horizontal or cross-cutting dimension (ReSPA & TACSO)	3.1	In the potential frame of an active involvement of ReSPA in IPA II MRPF, mobilize its intervention as a platform for regional cooperation and consultation on communication and transparency.
			3.2	Reinforce the role of TACSO to support regional cooperation of CSOs in IPA II communication, with a particular focus on Transparency.

4. PROPOSAL FOR IMMEDIATE FOLLOW-UP ACTION

Under the assumption that the above recommendations would be generally taken, certain priority follow-up actions are proposed to be considered for immediate implementation; it is assumed that among the most important priorities would be the following:

MRPF

Prepare and disseminate a “Guide to introduction and implementation of new IPA MRPF”, now that its design is at its final stage;

Organise and implement in selected IPA Beneficiaries a series of workshops and seminars on MRPF, in order to develop a more thorough consultation process and develop needed visibility;

Carry out a more specific needs assessment in each IPA II IPA II beneficiaries in order to reach a more detailed insight in existing concrete weaknesses and shortcomings that would call for additional support;

MTR 2017

The proposals in chapter 3.3 could be prioritised in order to consider their integration in this frame;

Communication

Pilot replication of the SECO mechanism in Montenegro, and introduction of a cross-cutting “CVT” component (communication – visibility – transparency) in Serbia and Montenegro;

Reinforcement in Montenegro of the concept of the network of line ministries’ communication officers coordinated by NIPAC, to serve as basis and example for further replication in other IPA countries.

ANNEXES

Annex 1 – Comprehensive Fieldwork Findings in IPA Beneficiaries

A 1.1 Recapitulated Fieldwork Findings from Albania

AL - Prime Minister office

Roles

- Since 2005 the PM's is coordinating the external aid to Albania. The PM's office is preparing the Strategic Development Planning which is the basis for both (a) the external assistance programming/ implementation and (b) the National Budgeting.
- Yearly progress reports (including also financial data) are produced per sector; the latest report was issued in late 2013/ early 2014.
- At National strategic level, a Monitoring System exists, which was developed in the period 2005-2007. This system provides reports on the National Strategy for Development & Integration (NSDI) implementation on a bi-annual basis. The latest report issued by this system refers to year 2012.

Programming-Indicators

- The new National Strategy for Development & Integration (NSDI) document has not yet been completed. It is expected that it will be completed in June 2015. For a number of sectors the programming is done; for some other (like infrastructures, Justice, et.al) it is still under consideration.
- The indicators included in the IPA II Country Strategy Paper but also in the specific Sector strategic Documents (programmes) are elaborated in cooperation with the competent National Authorities (competent Ministries), so that they are aligned with the National targets/ indicators...
- For the PAR, analytical indicators have been prepared (international organisations' indicators) presenting public service delivery (results), not only to the citizens but also to the businesses.
- For the Social sector, there are national indicators based on the National Strategy ((e.g. employment)
- In total ~150 indicators (for outcomes) have been prepared/ proposed for all sectors (including those of the CSP). For all these indicators the methodology of calculation and the baseline and target values have been defined.
- The determination of sector strategy indicators began in 2010; the indicators determined at that time were implemented until 2012; new indicators have now been prepared/ proposed based on the requirements of IPA II: these are up to 10 indicators per sector.
- INSTAT has been requested to contribute to the definition and functioning of the indicators.

Tools

- Now they are about to tender the development of a new IT system which will connect all existing systems and provide all necessary data/ info for the management of IPA, but also of all other Donors' & IFIs contributions and of the National Budget projects. The name of this new system is IPSIS It will connect the existing: External Assistance MIS (EAMIS), the Human Resources MIS (HRMIS), the AGFIS/AFMIS, et al.

AL - Ministry for European Integration (MEI), NIPAC Office

- The Dept. has been formed just one year ago. The monitoring system has not been fully organized yet. The competent SPOs have not yet started to submit data on a regular basis. In general the impression was that they still do not have a coordinated office in operation. It seems that they do not yet know what they should do under the IPA II new framework. Under IPA I they had and operated a monitoring system at project level. Under the IPA II (and the required budget-related approach) they have not yet developed the proper monitoring system. All the projects/ actions will be monitored as of their very start. 6-monthly reports are foreseen to be produced. The specific programming of IPA is carried out by the NIPAC (MEI), in a way ensuring streamlining of the IPA actions with the National strategies and priorities.

Tools

- No IT tools are in place.

AL - Ministry of Finance (NAO)

Roles

- Their key challenge in the new period (IPA II) is the “building” of the new system (practically going from IPA I to IPA II, i.e. aligning IPA I to IPA II monitoring). Among other they have the problems of the lack of personnel (they are much lesser than the NIPAC Office)
- Control of the execution of funds: The required system exists, not only for IPA money but for all money used in the country. A good accreditation system exists (for those who are given the competence to use public funds).
- A monitoring system exists already. This system needs to be improved and simplified. They need external assistance in order to develop the M&R system (manuals, etc.).
- There is an accreditation system for the implementing authorities.
- Their monitoring system covers both budgeting and implementation (accounts). It is estimated that 2 years will be needed for the full development of the new M&R system. Today, the budgeting system is co-related with the treasury. In a following step the system will be interrelated with the sectors (IPA II).
- One sector has been agreed so far (Public Finance Management - PFM); another is under assessment for approval (PAR) and 4 more under development (programming under the 2016 allotment of IPA II).
- There is a special provision under the PFM Sector Budget Support (SBS) for Visibility & Communication.

AL - Central Finance and Contracting Unit (CFCU)

Roles

- CFCU operates in close cooperation with the Senior Programme Officer (SPO) in the Line Ministries and Governmental Bodies which are the final beneficiaries of the projects. The CFCU is also the specialised Unit for the administrative and financial management of twinning projects. The CFCU, under the direction of the PAO, appointed by the National Authorising Officer (NAO in the MoF) and the National IPA Coordinator (NIPAC), is responsible for:
- Operating as an appropriate administrative structure, including: premises, sufficient qualified staff, suitable filing system and full transparency in procurement and contracting, financial transactions, management and reporting
- Effective, timely and accountable implementation of contracts, economic and cost-effective use of funds and the observation of the principles of sound financial management,
- Provision of assistance to SPOs in the design, implementation and monitoring of

programmes/projects, in accordance with the relevant Project Fiche(s),

- Supervision of tendering and contracting procedures, ensuring the application of the PRAG and the World Bank rules for contract award and implementation,
- Contract signature and payment approval,
- Mediation between individual contractors and SPOs/project beneficiaries in the case of difficulties or non-performance during contract implementation,
- Requesting the transfer of funds from the National Fund (NF)/ NAO, on the basis of forecast needs from the financial reporting system and handling bank accounts and maintaining an accounting system under accepted international standards.
- As for monitoring: manage within the scope of the CFCU the preparation and participation of/in Monitoring Committees, review / comment as relevant Monitoring reports received, represent the CFCU in Monitoring Committees, follow-up any action assigned to the CFCU by any of the Monitoring Committees.

AL - MEI's SPO responsible for the "EU Facility" (Action 3)

Roles

- They will prepare their activities within by Jan. 2016
- A technical facility project will be tendered to assist them in the preparation of ToR (in general of the tender documents) of the projects of the EU Facility. The TF project is ready (ToR ready) and is going to be tendered immediately.
- In March 2015, the Ministries (Ministry of Economy, Ministry of Energy, Parliament et al) will submit the content (ToR) of the projects which they want to be financed through the EU Facility. These will be examined by the CFCU and will be submitted to the EC to be (ex ante evaluated and) endorsed.
- Time-line: Preparation, tendering & awarding of the projects up to January 2016. Implementation within the eligible period.
- For each Component of the EU Facility there will be a Steering Committee, which will be monitoring its progress. Soon they will elaborate a set of indicators for each Component (this has not been done yet).
- Concerning the activities referring to the CSOs: They cooperate with the competent structure (service) of the Ministry in order to define exactly what they will do. There is a National Council of Civil Society which is involved in this. They also expect to have the support of an external consultant...
- The implementing units are implementing the projects and submit monthly progress information to the SPO, who is preparing monitoring reports for the MEI (NIPAC). MEI prepares and sends monthly reports to EUD and - on a yearly basis - relevant reports to the IPA Monitoring Committee. Finally NIPAC submits yearly reports (prepared by the MEI) to DG NEAR.
- Concerning IPA I: They monitor the implementation of their projects and prepare monthly reports.

AL - Institute of Statistics (INSTAT)

Programming-Indicators

- They have received (and still receive) a lot of requests from the Ministries participating in IPA for the development of statistics (indicators).
- They participated in the procedures for the development of the indicators to be proposed by each Ministry for IPA II.
- A number of good indicators cannot be produced right now; Time and effort is needed for this.
- The State should provide to INSTAT the required resources for the development of good

indicators.

- INSTAT proposed to the Government to develop “Statistical Agencies” in the Ministries, which will provide the needed sectoral statistics (indicators); the idea is these SAs to operate on the basis of standard specifications (under the principles of Eurostat) and being under the supervision/ control of INSTAT and Eurostat. The Government is assessing this proposal (has not reacted yet).

AL - Ministry of Public Administration, Ministry of Innovation & PA (DoPA & MIAP)

Programming-Indicators

- The Action Plan Document for 2014 (IPA II) is completed. The focus is on: PFM, PAR, Employment.
- The Action Plan Document for 2105 is under preparation. Its drafting has been completed (received positive feedback by the Commission. Now they are discussing on the way it will be implemented.
- There is no support structure for the SPO. Therefore the capacity for the monitoring of the implementation of the Programme is very weak.
- NAO has provided accreditation only for the ICT part, not for DoPA (which is responsible for the biggest part of the Programme (4 out of 6 mn €). This is a serious issue (problem). The key issue here is that DoPA is not a permanent structure (Ministry) but a Minister-centred structure (A Minister exists without a Ministry).
- DoPA cooperated in the recent past with ENA (FR) and an Italian Organisation on the development of the Public Administration
- For the identification of the proper Indicators they receive support through SIGMA. The collaboration is excellent, with good results.

AL - Ministry of Social Welfare & Youth

Programming-Indicators

- The sectoral Strategy has been approved by the Parliament, after having received positive views by the EUD and DG NEAR.
- The targets for each year will be negotiated every year.
- The National Employment Office will implement part (~30%) of the Programme (soft actions). The rest of the Programme is investments (facilities, Computers etc.); for this part they are now preparing feasibility studies and tender documents.
- The Ministry has developed good relations with DG Employment and receives support for Capacity Building & Transfer of Knowledge.
- The programme is expected to start implementation in 2016.
- They are using a Technical Assistance project (with UNDP) for the implementation of two IPA II preparation Programmes.
- In general the Ministry would like to develop the cooperation of EU Funding (IPA II) with UN Modalities for the implementation, because the latter are very experienced and effective (using the best experts).
- They developed their Indicators (which are included in the “Employment” sectoral strategic document) in cooperation with INSTAT. These indicators are general indicators, not specific for only IPA II.
- IPA II actions will be monitored/ evaluated on a yearly basis through the a.m. indicators. In higher frequency (monthly/ quarterly/ 6-monthly) they will assess progress through a set of output indicators (since the values for the outcome/ results indicators need much time to be elaborated). Ad hoc 6-monthly reports are prepared on the sector.
- They will participate in the IPSIS (the system of the PM Office).
- There will be elections in 2017; therefore it is politically important in 2016 all the programmes to have started (at least).
- They need extra people to work in the sector –they lack good employees; but they do not know

how they could receive financing for the employment of extra employees for the Ministry. For example they need some experts for the Communication. In general, the personnel of the Ministry are very limited: on average they have one (1) employee for every 700 unemployed persons (in the cities this index is even worse).

AL - EU Delegation

- Programming & implementation of IPA actions are not effected independently, but under the National programmes, together with all other Donors' and IFIs contributions
- The overall management of all foreign contributions, including IPA, plus all Donors' coordination activities are effected by the Prime Minister's Office (a special team).
- The Ministry of Finance (NAO) has the overall responsibility for all financing activities (donors + loans)
- The Ministry of European Integration (NIPAC) has the responsibility for planning, implementation and monitoring of the IPA funded actions/ projects.
- The implementation of Sector Budget Support is (will be) under Direct Management (by the EC). Under IPA II it is foreseen that most of the actions will be implemented under Indirect Management (i.e. managed by the Albanian National Authorities), provided that they will present that they have the capacity to do so.
 - The general feeling is that the Albanian National Authorities try hard to coordinate and control all external financial interventions, by incorporating all of them under a National Development Plan...
 - The methods and means for the monitoring and reporting on IPA implementation are not yet ready. There are ambitious plans for this, which are still in design phase.

A 1.2 Recapitulated Fieldwork Findings from Bosnia & Herzegovina

BA - Directorate of European Integration (DEI)

Roles

- The Director of DEI was assigned the role of the National IPA Coordinator (NIPAC) for IPA I in 2010. NIPAC is supposed to be responsible for cooperation with the main state institutions on Component I (Tech. assistance and institution building) - assistance beneficiaries, through their internal structure (SPOs) and with the state institution responsible for coordination of EU funds. However, the NIPAC's role in practice is undermined: the regulatory framework is not complete (lack of progress in DIS), Operating structure (besides NIPAC, CFCU and NF that are in place, there is no Audit authority and no progress towards forming that institution. Some ministries nominated SPOs, but the list/appointments of SPOs were not adopted by Council of Ministers, under IPA I the structure of SPOs is operating, but only for programming, not for the implementation. There is a lack of IPA coordination mechanism among different levels of administration in the country the consequence of which is that the NIPAC is not recognised as the main coordinating body for IPA programming.
- The IPA Component II (CBC) coordinator is the Assistant Director for Coordination of EU Assistance in the DEI. DEI is the main coordinative body for all EU integration issues, including coordination of EU assistance programmes (NIPAC) and as there is no line ministry responsible for management and implementation of the Component II of IPA yet, DEI is carrying out this task as well.
- DEI conducts general trainings for IPA programming (IPA project fiche/action document preparation, LFM, PCM) open to civil servants, but trainings are held occasionally.
- Within IPA I, the NIPAC office never commented on the project proposals, only secured education for programming and TA (comments on project were coming from the EUD).
- DEI has its own Monitoring and Evaluation unit; however, it is still limited and does not carry out its own quality assurance tasks but rather comments on and makes recommendations based on EC reporting, such as the Results Oriented Monitoring (ROM) reports. The Department for Monitoring and Evaluation unit is obliged to prepare and submit to the European Commission Report on progress made in the implementation of the selected IPA projects fifteen days prior the IPA Monitoring Committee. The Unit is not engaged in evaluations. All the evaluation visits are conducted upon the initiative of the EC by the EC and are communicated via EUD to the NIPAC office little bit in advance.
- NIPAC is involved in IPA I Monitoring Committee (IPA MC) meetings, which are held twice a year. Only IPA I Component projects with problems, which are in the process of implementation, are being discussed at the IPA MC. The EC (EUD) prepares the draft agenda, including the request for the information they would like to discuss, together with other topics. Projects' problems are discussed and recommendations on how to improve their status and how to eliminate their difficulties are presented. In the meetings of the IPA I MC are also participating the SPOs and the Coordinators from Local Authorities. Sector monitoring committees were never established due to lack of progress in introducing the DIS.
- NIPAC prepares on the regular basis (two months on average after IPA Monitoring Committee meeting is held) reports for the Council of Ministries. These reports cover IPA programming exercise, IPA Annual national package, Multi beneficiary IPA and conclusions from the IPA MC.

IPA Programming - Indicators

- The role of the NIPAC to guide the IPA II process is weak due to disagreements within the Council of Ministers on the EU coordination mechanism.
- NIPAC office sees a great need for profound technical assistance for building of its capacities and capacities of its network of partners in IPA II programming.

- The “IPA II 2014 Programme” has been prepared, based on applications for specific projects – not on sectoral strategies); The “IPA II 2015 Programme” is under preparation and will refer to three sectors/ sub-sectors: Justice, PAR and Rule of Law; Projects of the economic sectors/ sub-sectors are expected to be included in the “IPA II 2016 Programme”.
- The development of Sectoral Strategy Papers cannot yet be done for most of the sectors; they are not mature yet; additionally, they (in DEI and Ministries) do not have the capacity (knowledge/ means) to develop comprehensive sectoral strategies (on top of the difficulties existing due to the unwillingness of the Entities to cooperate).
- The Indicators included in the Indicative Country Strategy Paper are not relevant to IPA II because they are very general and it is not clear what they are measuring against; furthermore, the National Authorities cannot measure these indicators since they do not have the means to do it. DEI prepared a number of comments on these indicators and sent to EUD but has not received a reply.
- The Institutions do not understand the meaning of these indicators (although they tried to contribute); they cannot understand how their work under the IPA II could be assessed by these indicators; this is a big issue which has to be cleared out; The EC should reply to DEI and provide clarifications and instructions about the use of the indicators; then DEI will communicate and explain to the Institutions (Ministries etc.); Currently DEI is in a difficult situation (and “looses face”) by not being able to respond to the Institutions...=> they urgently need help.
- For the development of the IPA II M&R system, the DEI Monitoring Unit proposes: (1) A Monitoring System of their own should be developed (what they have now is only a communication not a monitoring system); the necessary info. can be developed in the frame of the Steering Committee meetings, but the work of these Committees should be standardised (with manuals/ processes/ templates); If would be implemented, the once proposed “Increased Monitoring System” would enable SPOs and other actors to discuss on project progress and on results at various levels.

Tools

- No IT tools are in place.

BA - Ministry of Finance and Treasury (NAO)

Roles

- The CFCU and NF are in place. The CFCU performs the first level control of three programmes (IPA Adriatic CBC Programme; South-East European Space; Mediterranean trans-national programme). NF performs audits (second level control) for the above-motioed three programmes (since there is no any Audit Authority set-up).
- Having in mind that Bosnia & Herzegovina is still under the Centralized implementation (management) regime, the CFCU and NF are not performing any of the activities foreseen by the IPA implementation Regulation. The EUD does all.
- There is no Audit Authority and progress towards forming that institution is not evident.
- The 2011/2012 Council of Ministers’ document on the coordination mechanism for the European integration process has not been agreed upon (by the Parliament); A relevant approved document is prerequisite for the implementation of IPA II.

BA - Ministry of Foreign Trade and Economic Relations (MOFTER)-Sector for Environment

Roles

- MOFTER is responsible for coordination of strategic planning at the country level and act as SPO. Currently the role of SPO is weak due to the different interpretations of state level coordination role on strategic planning.
- MOFTER have attempted unsuccessfully to set-up a structure within IPA I Component III due to

the political reasons and as a result they were not able to use any funds.

- PMUs exist at the Entity level within responsible ministries. In general, the capacity for the supervision of the technical support projects is sufficient, but is lagging behind for the supervision of the infrastructure projects; In general they do not have enough employees mastering the EU regulations for budgeting, tendering (PRAG), financing etc. => more employees and more training are required
- Concerning the Monitoring and Reporting, there exist no cooperation between the SPO and the Entity Republic of Srpska.
- The coordination working groups in the sector are related to preparations of the package of strategic documents. There are donor coordination meetings in the sector, but they are organised by the donors themselves. Apart from EUD, SIDA has a leading role for the environment sector. The main donors participating include: EIB, WB, SIDA, KfW, UNDP and EU. There is a need for a stronger role for Bosnia & Herzegovina authorities in coordinating donors. There are individual donor pipelines of projects, which are currently not coordinated.

IPA Programming - Indicators

- MOFTER do not have the framework to implement IPA II actions and do not have the necessary structures.
- Currently, there is no countrywide environment strategy in Bosnia & Herzegovina. The environmental Approximation Strategy has been prepared and MOFTER hopes that a new Minister will promote and eventually will be adopted.
- The sub-strategies are fragmented and outdated. In relation to the entities, the entities level strategies are also fragmented and were not prepared in a harmonised way to present the situation and objectives for the sub-sector on a country level in a harmonised way.

Tools

- No IT tools are in place.

BA - Ministry of Foreign Trade & Economic Relations (MOFTER)- Sector for Agriculture, Food, Forestry and Rural Development

Roles

- MOFTER is responsible for coordination of strategic planning at the country level and act as SPO. Currently the role of SPO is weak due to the different interpretations of state level coordination role on strategic planning.
- No adequate monitoring/ reporting system exists. Nevertheless, MoFTER produces a report on the sector on an annual basis, by collecting relevant info on an ad hoc basis. This report is submitted to the Council of Ministers, which then forwards it to the Parliament for approval but the Report for 2013 has not yet been adopted by the Parliament, since it has been politically questioned, although this had no real base. The Ministry also produces a Yearly Report on Donors' activity in the sector.
- The reporting system is weak for the following reasons: (a) the Republic of Srpska although has the info, they does not want to provide it to the Ministry; (b) the Federation of Bosnia & Herzegovina is extremely weak and cannot take the information from the Federation Components (Cantons). Thus the Ministry is trying to get the required info by itself on an ad hoc basis; the first report was prepared with the assistance of the EU 9 years ago, since then the MOFTER is every year straggling to prepare the reports by itself.
- MOFTER has well-established relations with DG AGRI (IPARD) through a Long Standing Committee (regional Framework, based at Skopje) which is coordinating the relevant activities and information flow at country and regional level. Regional projects are also financed through DG AGRI, through this regional platform.

IPA Programming - Indicators

- The Council of Ministers could not reach agreement for the preparation of a countrywide strategy on Agriculture. Thus, crucial investment sectors such as the agriculture and rural development have not been included in the country strategy paper 2014-2017 and in IPA II programming document for 2014. Furthermore, the lack of agreement between the State and the Entities has led to the cancellation of rural development projects needed for future preparation for IPARD funds and resulted in loss of substantial EU assistance to farmers.
- Strategic plans for rural development exist at the Entity level. Nevertheless, the Entities' strategies and action plans remain uneven and IPA assistance is needed in this respect.
- It is true that the country badly needs the funds of the EC. Due to the existing national debt, there are no national funds for the financing of the sector.

Tools

- No IT tools are in place.

BA - Agency of Statistics

Roles

- Cooperation between the Agency of Statistics of Bosnia and Herzegovina and the Entity institutes for statistics has improved in the last years, but Republic of Srpska does not send all the required data: they provide only aggregate data, declaring that they have used the principles of Eurostat for their elaboration; nevertheless, they do not provide the micro-data, by which the Agency could check the quality of the provided aggregate info. Under this situation the Agency cannot guarantee the quality of the State statistics.
- The Agency maintains excellent relations with Eurostat (it develops its services under the instructions of Eurostat on the basis of multi-annual programmes) and with the EUD. It participated in projects financed by IPA I
- According to the law the Agency has –among other- the responsibility to develop/ maintain the cooperation: (a) with Eurostat; and (b) with international organisations (for the supply of country-related data).
- The Agency has been called by DEI to comment on the Indicators included in the Country Strategy Paper. They provided their comments only concerning those referring to the sub-sector of statistics; in general they agree with these indicators. More generally, they consider that the indicators referring to the acquis (a list of them exists) are important and should be followed.
- The Indirect Taxation Authority has started to provide data to the Agency, but the data exchange between the Indirect Taxation Authority and the statistical offices as well as the content which is necessary to produce statistics and update the statistical business register still needs to be defined.
- Agency is involved in Multi-beneficiary projects.

IPA Programming - Indicators

- The Agency has developed its own strategy in order to secure its financing by the IPA II.
- It is important that the Agency is involved from the beginning in the development of the strategy papers of the other sectors of the country, in order to be able to contribute to the development of functional indicators; it is not wise to be called when the strategies have already been developed.
- Cooperation between the Agency of Statistics of Bosnia and Herzegovina and the Entity institutes for statistics has improved in the last years, but Republic of Srpska does not send all the required data: they provide only aggregate data, declaring that they have used the principles of Eurostat for their elaboration; nevertheless, they do not provide the micro-data, by which the Agency could check the quality of the provided aggregate info. Under this situation the Agency cannot guarantee the quality of the State statistics.

- The Agency adopted Statistical Programme of Bosnia & Herzegovina 2013-2016 which includes statistical areas: demography and social statistics (gender, culture and art, education, social welfare, population, labour market); economic statistics (prices, National accounts, trade); Business statistics (construction, industry, investments, distributed tread, statistical business register, structural business statistics, tourism); agriculture environment, forestry, energy, transport and communication.

BA - High Judicial and Prosecutorial Council (HJPC)

Roles

- The main coordination institution is the Ministry of Justice and the HJPC is the Lead Institution for the judiciary in the entire country.
- The competences of the HJPC include: Actions for improvement of the effectiveness of the courts and prosecutors' offices (through support in their organisation and other measures), the appointment of judges and budgeting. HJPC consists of eight (8) Depts. with 100 employees in total. They implement various projects financed mainly by Norwegian, Swedish and EU funds. In total they have implemented projects of a total value of 72.9 mn €.
- HJPC has been provided the responsibility to implement EU financed (and other donors') projects by itself (indirect management); the projects are managed by the Financial Department of HJPC, which reports on progress/ results to the National Fund and to the DEI. The effectiveness of HJPC in this respect has been recognised by all especially for its overwhelming effective and timely absorption of IPA funds, built on a new management system introduced within its institutions. Regarding the Judiciary sector, multiple reports show that the capacities of HJPC for planning and absorption are at a high level.
- An internal monitoring system has been developed and used. They have strong visibility mechanism in place.

IPA Programming - Indicators

- HJPC has already drafted the Sector Planning Document (SPD) for IPA II programming exercise. The biggest part of it (>70%) refers to Judiciary (therefore they do not expect to have problems in its approval); they have identified SMART indicators easy to use; most of them are quantitative indicators (which are much easier and clearer than the narrative indicators).

Tools

- Monitoring IT tool is certified and capable of providing reliable data.

BA - Ministry of Justice (MoJ) – Sector for Strategic Planning, aid coordination and European Integration

Roles

- The main coordination institution is the Ministry of Justice and the HJPC is the lead institution for the judiciary in the entire country.
- The MoJ has the responsibility of the formulation and monitoring of implementation of the Justice policy.
- For the monitoring of the Justice sector a well-functioning monitoring ("traffic light") system has been developed. Nevertheless the problem of the coordination of the Entities has not been solved yet. All as the Lead Institution for this sector sees the MoJ, but officially this has not been approved; relevant communications are taking place since July 2014.
- The existing monitoring and reporting system is not sufficient for the new period; it should be

improved and for this they have the support of international donors, but the relevant proposal has not been discussed until now and therefore no relevant decision has been taken so far. A new, well designed monitoring and reporting system would give the MoJ the capacity to coordinate the Entities' activities;

- The ToR and tender documents for procuring such a system have already been prepared; they expect to be able to tender the relevant project (to be funded by IPA) including the IT tool, until the end of the year 2015, considering that maybe the sector strategy will be endorsed by April 2015.
- The Justice Sector Reform Strategy 2009-2013 (adopted in 2008) has expired, thus there is a need to develop a new one together with a corresponding Action Plan. The old strategy provided also for its implementation management structure: Five (5) Working Groups (one for each pillar of the strategy), meeting on a quarterly basis and a higher (ministerial) level structure (with a monitoring secretariat) meeting annually.

IPA Programming - Indicators

- Strategic Sector Planning Document (SPD) for IPA II programming exercise has been prepared. MoJ have identified SMART indicators easy to use; most of them are quantitative indicators (which are much easier and clearer than the narrative indicators).

Tools

- In 2009 MoJ developed IT system (financed by the US Aid), which is still functioning (data provided and inputted). At present, IT system is not used due to the expired Justice Sector Reform Strategy 2009-2013.

BA - Public Administration Reform Coordinators' Office (PARCO)

Roles

- The main coordination institution for Democracy and Governance Sector should be PARCO although they do not have any official approval for it. Without this authorisation and the exact definition of the sector it will not be possible to prepare a comprehensive Sectoral Strategy Paper.
- PARCO runs the PAR Fund, which is multi-donor fund. PARCO is using less than 0.5 mn EUR for all its projects – for which it is the Contracting Authority. In general the money used for PAR comes from donors (Denmark, Norway, SIDA). The EU funds are used for technical assistance to PARCO.
- The Public Administration Reform Strategy and its Revised Action Plan (RAP) 1 (2011 – 2014) are the main strategic documents adopted as countrywide strategies. This PAR strategy was consistent with the EU accession strategy. PARCO updated a new PAR Strategy, which was submitted to the Council of Ministers, but until now it has not been assessed/ endorsed.
- The main problem with current IPA II programming is the definition of the Sectors. For instance, PAR is placed under the Democracy and Governance and includes many sub sectors. Guidance is needed in this respect. Also guidance is needed for the preparation of the Action documents. It is not clear whether the proposed projects are sector oriented or otherwise. The language problem for drafting and commenting IPA II documents is substantial, because the staff at the lower level of governments (Entities) cannot speak English.

IPA Programming - Indicators

- Using a SIGMA facility, they have started to prepare some data for their SPD indicators; this has to be ready until the end of April (together with the text of the SPD).

Tools

- For IPA I they have a fairly functioning monitoring system with standard templates. Reports (6-monthly) are produced for the Council of Ministers, while they also produce a special report for DEI. This system for IPA II (sectoral approach) will need modifications. PARCO is currently in the process of developing a new database.

BA - Ministry of Transport (MoT)

Roles

- MoT is responsible only for International Transport issues and intra-Entities' Transport issues. All other issues are under the responsibility of the corresponding structures in the Entities. Concerning infrastructural issues they have responsibility only over very few types of infrastructures: bridges, some parts of the international roads; there are rail organisations, road organisations etc. per Entity. The coordination among them is difficult and weak.
- MoT has a Dept. for Infrastructures and projects, which has some experience from the implementation of a number of projects under IPA I, referring to the preparation of tender docs for road/ rail projects and to the implementation of small infrastructural projects, such as a level crossing.
- MoT does not have any Monitoring and Reporting system;
- The funding of the big infrastructural projects is done with loans from EBRD at State level => thus in all big Transport projects the Ministries of Transport and Finance are always involved.
- In the Transport sector, a State-level transport policy has never been adopted; that is why Transport has not been financed under IPA. The only existing sub-sector strategy refers to Road Safety. Following the acceleration of support under IPA funds, a working group to advance on these issues, consisting of both government officials and parliamentarians, was established. It is expected that the Transport policy should be adopted in 2015.
- For the moment, the Transport sector has (logically) been excluded from IPA II.

Regional Cooperation Council (RCC)

- The RCC Secretariat is currently working on a preparation of a Baseline Report for the SEE 2020 Strategy.
- The OECD has been tasked by the European Commission to conduct a comprehensive monitoring of the implementation of SEE2020 through 2014 and 2015. The 11 targets of the SEE 2020 will be the basis for its monitoring; about 300 qualitative and 200 quantitative indicators have been developed in cooperation with the Statistical Agency; By the end of March the guidelines for monitoring will be finalised (+ for the collection of the required data); the information will be used for yearly reports' production as well as for communication purposes; For the data collection the Balkan Barometer will be used + public business perception info; It is planned that SEE2020 will be monitored through two parallel processes, one annual and the other one biannual. Every year an annual report, based on quantitative indicators and prepared by the Regional Cooperation Council (RCC) will be released. Every two years, a Competitiveness Outlook report is to be published. The Competitiveness Outlook includes both quantitative and qualitative indicators. Qualitative indicators aim to measure elements that cannot be captured by quantitative indicators, such as policy settings, policy processes and institutional conditions that drive policy reforms at national and regional levels. The first Competitiveness Outlook will be published in 2015.
- The relationship of the RCC with IPA II will refer to both its bilateral projects and to Multi-Beneficiary programmes. They have set up a Programming Committee consisting of RCC executives and NIPAC officials aiming at programming the participation of the countries in regional projects/ programmes;
- The RCC activity is not sector based, but themes-based (like connectivity, mobility etc.); Nevertheless RCC expects its programmes to be financed by IPA II funds.
- It took the about one year to develop their indicators they have also selected indicators managed by the Eurostat, the OECD the WB; in this frame they have succeeded to have coherence with the

regional projects of Eurostat concerning the acquis. The OECD was involved in the development of indicators concerning the “competitive outputs”, i.e. for the assessment at sectoral level.

- RCC does not have bilateral relations with the SEE countries.
- Monitoring guidelines: they refer to 7 countries and 16 “dimensions”; they were developed in a centralised manner, by the use of special tools/ secretariats by sector (depending on the focus in each country); They have set up a structure with Regional Coordinators by dimension; These Coordinators will collect data from the countries and they will send them to RCC where they will be stored in a database and then processed for the production of reports.
- The RCC is currently changing the targets which they had set for 2020, since they were not realistic; The regional targets results from the corresponding country-level targets.
- At the beginning of May they will have uploaded all the relevant info/data on their web-site.
- Concerning the Communication, at the end of the year they will implement an analysis of the results and will develop and implement a promotional action-plan to be broadcasted through the national media (in all recipient countries). They have started already to think about this action-plan.

BA - EU Delegation

- Bosnia & Herzegovina is a special case due to its constitutional structure and the attitudes of the entities.
- The SAA which has been approved so far were not put into force
- There is pressure to develop the necessary structures and develop progress towards the accession, but the political will is not there.
- There are not many things that the EC (HQ or EUD) can do to change the situation. We have found the way to operate at a very low level (technical level) and implement the projects. But whatever leads to the creation or further development of any structure at central (national) level immediately results to objections.
- IPA II is not a revolution for Bosnia & Herzegovina. It is just an evolution. Under the current circumstances the implementation of IPA II actions will not considerably differ from IPA I (since the sectoral structures are not set up at national level).
- The constitutional reform which was supposed to change the current situation has been stuck as well. Therefore no big changes should be expected.
- The entities would not accept a central (national) body to decide instead of them. They want complete freedom to decide as they want; they want freedom to manage their issues only by themselves. They do not object to report to the EC or to a “coordinating Ministry” on the progress of their operations (unless they will receive control and criticism by them). => The wanted reporting on implementation can be provided, but NOT to DEI or to NAO since these are structures at central/ national level.
- The idea of Lead Institutions which will be responsible for a sector or policy area is completely unacceptable (the entities do not want to hear about such roles).
- The idea of strengthening the capacity of the central bodies (DEI, NAO) is meaningless if they will not be operating (since they will not be accepted by the entities). It has firstly been accepted by the Government that these organisations have specific roles which are respected by all national stakeholders (which is –today- rather improbable to have it).

BA - Overall conclusions:

For majority of sectors the Lead coordination institutions are appointed at the state level and entities level. In the case of Bosnia and Herzegovina the “leadership” cannot be clearly defined. The state level institutions have coordination responsibilities and the Entities usually are responsible for implementation and have budget allocations. The role of the State level institutions as coordinators of strategic planning is not commonly understood and it is interpreted in a number of ways. In majority of cases the relevant ministries do not have specific strategic planning units. Strategic planning is considered as team work with many staff members involved.

According to the state level authorities their role is clearly defined in the articles of the Law on Ministries and from these articles the leadership role for implementing the sector wide approach is visible. Overall institutional capacity can be assessed between average to limited. There is high number of staff experienced in the sector but not necessarily in the strategic planning.

The most advanced sectors (Justice and PAR) have the reporting mechanisms well developed; the reports are usually prepared annually and biannually. The PAR and Justice have the manual for implementation. For other sectors, as there are no active strategies (or under planning/ preparation) the actual implementation cannot be assessed. In majority of cases t there is a lack of strategic planning activities and budgeting process of the relevant implementing institutions.

A 1.3 Recapitulated Fieldwork Findings from the former Yugoslav Republic of Macedonia

MK - Secretariat for European Affairs, NIPAC Office

Roles

- NIPAC is responsible for overall coordination of assistance under the IPA, annual programming for Component I at national level and coordinating the process of programming for Components III and IV. NIPAC jointly with EC chair, IPA Monitoring Committee for all IPA components that meets once a year. It is responsible for Sectoral Monitoring Committee for Component I that meets two times per annum. NIPAC prepares annual and final implementation report (NIPAC Report), which is submitted, to the EC (Brussels) and NAO.

IPA Programming - Indicators

- Former Yugoslav Republic of Macedonia adopted 2014 National Programme for the sectors: Democracy and Governance, Rule of Law and Fundamental Rights, Competitiveness and Innovation. Also, the 2014 – 2016 Multi-annual action programme has been adopted for Environment and Climate Action as well as Transport. The sectoral programmes are prepared by Line Ministries and then SPOs and IPA Coordinators²² (check this text and the final check is done by PAO/HOS²³). NIPAC submits to the EC. Former Yugoslav Republic of Macedonia does not use external support for drafting the text. This process serves both National Strategy and Development Plan of the country and the requirements of IPA. Indicators at sectoral level i.e. for the Environment and Transport have been set up. The specific context of indirect management by IPA II beneficiaries, NIPAC will collect information on the performance of the actions and programmes (process, output and outcome indicators) and coordinate the collection and production of indicators coming from national sources. This is yet to be done, as NIPAC needs further assistance from the EC.

Tools

- No IT tools are in place.

MK - National Authorising Officer (NAO)

Roles

- NAO manages the operations of the National Fund, provide assurance about the regularity and legality of underlying transactions, draw up and submit to the Commission certified statements of expenditure and payment, bear overall responsibility for the accuracy of the payment application and for the transfer of funds to the Operating Structures (CFCD) and/or final beneficiaries, verify the existence and correctness of the co-financing elements, ensure the identification and immediate communication of any irregularity, make the financial adjustments (de-commitments) required in connection with irregularities detected. NAO is the contact point for financial information sent between the Commission and the Former Yugoslav Republic of Macedonia.
- NAO de-committed funds in all Components. The biggest amount of de-commitment was made in Component III (Environment) as well as Component IV (Social). The main reasons were

²² IPA Coordinator appointed within the Line Ministry or the Beneficiary Institution under Component III (Ministry of Transport and Communication and the Ministry of Environment and Physical Planning) and IV (Ministry of Labour and Social Policy and the Ministry of Education and Science).

²³ Programme Authorising Officer (PAO)/ Head of Operating Structure (HOS). The Head of CFCD is designated as PAO for Component I and at the same time as HOS for Components III and IV.

“conditionality rules” which had not been met by beneficiary institutions.

- National Fund (NF) is the central treasury body. Head of NF, being directly responsible to NAO, is in charge of organizing the bank accounts, requesting funds from the Commission, authorising the transfer of funds received from the Commission to the operating structures or to the final beneficiaries, and is responsible for the financial reporting to the Commission.

Tools

- NAO manages the Management Information System (MIS) and i-Perseus. The MIS provides information on annual sheets, progress reports submitted by the Line Ministries/ Beneficiary Institutions. The i-Perseus provides info on tendering, contracting and paid amounts, bank reconciliations, status on contracts, bank balances.

MK - Central Financing and Contracting Department (CFCD)

- CFCD is in charge since 2009 of tendering, contracting and payments as well as it performs the role of a Contracting Authority, being responsible for the financial and administrative side of the procurement of services, supplies, works, grants and twinning of all programmes/projects and timely implementation and execution of EU funded projects/ programmes. In this process the European Commission (EC) exercise systematic ex-ante control over the processes in the Operating Structure. CFCD is part of the Ministry of Finance.
- Upon an order by the PAO/ HOS, have the right to carry out on-the-spot checks and, should it detects weaknesses in the performance, it may undertake measures aimed at eliminating any obstacles and weaknesses to the effective and timely implementation of the projects. For Sectoral Monitoring Committee for Component III and IV perform the function of Secretariat of the Committee and is in charge of preparing and submitting all materials to be discussed and reviewed by the Committee.
- The Annual reports from Line Ministries/ Beneficiary Institutions are sent to CFCD who then transfer all compiled files to the NIPAC who prepares the Annual NIPAC Report.
- CFCD is currently tendering IPA 2011 projects they have. They expect to clear out this backlog by 2016 and start with tendering first projects of IPA II in 2016, as well.

MK - Ministry of Interior

Roles

- The Ministry of Interior has been also formally appointed in 2009 as a chief responsible for the working group for Chapter 24. Staff from different sectors in the Ministry of Interior is involved in planning, but no clear department only dedicated to strategic planning and programming could be identified. There is still lack of capacities related to strategic planning in the ministry and the coordination bodies. In addition, there is no clear separation of functions between programming, implementation and monitoring and evaluation tasks. It is not clear who oversees the “big picture” in the sector. In general there is a lack of knowledge and skills for efficient Result Oriented Monitoring system. Structures in the ministry, which are involved in EU matters, have manuals, procedures, check lists, templates, etc. in place. The other sectors and committees which bear the responsibility for implementation of the sub-sector strategies differ in terms of existence of written manual of procedures on monitoring/ reporting.

IPA Programming - Indicators

- The most relevant sector strategy is the Police Reforms Strategy 2003 – 2005 which has never been updated. Although obsolete, it is still valid and given also as a reference strategy in the IPA Sector Fiche Justice and Home Affairs 2012 - 2013. The action plan contains most of the necessary information, but the financial budgets as well as result/impact indicators are missing.

Output indicators are, in principle, well defined but are not fully SMART. Monitoring of the strategies is done based on the number of activities implemented and/or the number of implemented recommendations from various reports by international organisations.

- Interior is not part of IPA 2014 planning document.

Tools

- SPO has access to MIS system where they upload reporting templates on projects (content/ budget) and overall implementation on annual basis.

MK - Ministry of Environment and Physical Planning

Roles

- Ministry has clear planning department. There are several monitoring instruments on different levels (SAA, National Programme for Adoption of the Acquis, IPA, and at the level of the sub-sector strategies). In general, monitoring and reporting procedures are in place. The tasks related to monitoring of projects are delegated to IPA Coordinator. The Line Ministries/ Beneficiary Institutions report to IPA Coordinator on monthly, quarterly and annual basis on implementation of project activities. IPA Coordinator prepares Annual and Sectoral Reports based on inputs from Line Ministries/ Beneficiary Institutions (Annual reports). IPA Coordinator sends Annual and Sectoral Reports to CFCD who then transfer all compiled files to the NIPAC who then prepares the Annual NIPAC Report.

IPA Programming - Indicators

- The main sector document is actually a six-year action plan. On the basis of this document, 2014-2020 Sector Operational Programme for Environment and Climate Action was prepared by the Ministry and subsequently adopted by the EC. The portfolio of needed investments in the field of Environment is clearly defined, and the mechanisms for implementation are defined. There are set targets and indicators, which make the monitoring feasible.

Tools

- SPO has access to MIS system where they upload reporting templates on projects (content/ budget) and overall implementation on annual basis.

MK - Ministry of Transport

Roles

- The Ministry of Transport has the leading role in the sector. In general, monitoring and reporting procedures are in place. The tasks related to monitoring of projects are delegated to IPA Coordinator. The Line Ministries/ Beneficiary Institutions report to IPA Coordinator on monthly, quarterly and annual basis on implementation of project activities. IPA Coordinator prepares Annual and Sectoral Reports based on inputs from Line Ministries/ Beneficiary Institutions (Annual reports). IPA Coordinator sends Annual and Sectoral Reports to CFCD who then transfer all compiled files to the NIPAC who then prepares the Annual NIPAC Report.

IPA Programming - Indicators

- The main sector document National Transport Strategy 2007 - 2017 is main sector strategy which represents good basis for development; Main sub-sectors/ priorities are well covered by several

individual sub-sector strategies and the most of them complemented by action; the Ministry has developed a mature pipeline of projects.

- In the transport sector until 2021 which was requested by EU during the IPA 2007 - 2013; On the basis of Pipeline of transport sector projects, 2014-2020 Sector Operational Programme for Transport was prepared by the Ministry and subsequently adopted by the EC. The portfolio of needed investments in the field of Transport is clearly defined, and the mechanisms for implementation are defined. There are set targets and indicators, which make the monitoring feasible.
- The Ministry is proposing to have its own Procurement system EDIS (extended decentralisation of management responsibilities) because through CFCD tendering procedure is long and Transport sector require more dynamic tendering process.

Tools

- The SPO has access to MIS system where they upload reporting templates on projects (content/ budget) and overall implementation on annual basis.

MK - State Statistical Office

Roles

- The *State Statistical Office has been involved in* IPA I projects: Twinning Project “Support to the State Statistical Office” (2012-2014); “Developing an IT system for metadata-driven data collection via Internet” (2013-2014), IPA 2009, included delivery of IT equipment and software for creating backup copy and disaster recovery, IPA 2012 Multi-Beneficiary Statistical Cooperation Programme.
- The State Statistical Office is not part of 2014 Annual programme for the former Yugoslav Republic of Macedonia.
- The NIPAC or any other Line Ministry/ beneficiary in 2014 Annual programming have not consulted the State Statistical Office.
- NIPAC intends to make MoU with Statistical Office for future programming activities within IPA II especially for development of indicators as well as their monitoring.

MK - EU Delegation

- EUD manages Component II (Cross-Border Cooperation). It has limited role in other components of IPA I.
- EUD participates in IPA Monitoring Committee for all IPA components and Sectoral Committees for Components I, III and IV as well as Joint Monitoring Committees for Component II. The Joint Technical Secretariat i.e. Antenna Offices carry out the function of Secretariat of the Joint Monitoring Committees and is in charge of preparing and submitting all materials to be discussed and reviewed by the Joint Monitoring Committee. Apart from this they participate in Project Steering Committees meetings, monthly meetings with CFCD and NIPAC related to the Components I, III and IV. EUD also held quarterly meetings internally with Task Managers and on-spot-visits of few projects based on Annual Plan of Monitoring. The on-spot-visits are mainly concentrated on financial aspects of implementing activities.
- As for the reporting, EUD prepares Annual AOSD Report which is prepared based on ROM Reports, projects steering committee meetings, and regular monitoring missions. At present they report on financial issues and problematic projects. They never use NIPAC Annual/ Sectoral reports for AOSD Report. One reason is that AOSD report has to be submitted earlier (Jan.) then Annual Sectoral (June)/ NIPAC (August) as well as these NIPAC Reports are sent to DG NEAR and not to EUD.

A 1.4 Recapitulated Fieldwork Findings for Turkey

TR - Ministry for EU Affairs (MEU), NIPAC Office

Roles

- The Undersecretary of Ministry for EU Affairs acts as the National IPA Coordinator (NIPAC). The NIPAC is responsible for the programming and monitoring of the Component I. Furthermore; the Ministry for EU Affairs also carries out secretariat services of NIPAC, who is responsible for general coordination of pre-accession assistance. NIPAC jointly with EC chair, IPA Monitoring Committee for all IPA components. NIPAC also chair Transition Assistance and Institution Building (TAIB) Monitoring Committee. The following are the main tasks of TAIB Monitoring Committee:
 - reviewing implementation status reports detailing financial and operational progress of the programmes;
 - reviewing the achievement of objectives and results of the programmes;
 - reviewing procurement plans as well as relevant evaluation recommendations;
 - discussing problematic issues and operations;
 - proposing corrective actions as appropriate;
 - reviewing the cases of fraud and irregularities and present the measures taken to recover the funds and to avoid the recurrence of similar cases;
 - reviewing the annual audit work plan prepared by the audit authority and the findings and recommendations of the audits carried out.
- The TAIB Monitoring Committee meets at least twice a year, at the initiative of both the Ministry for EU Affairs and the European Commission. The TAIB Monitoring Committee is assisted by sectoral monitoring sub-committees (SMSC) to monitor programmes and operations of this component, grouped by monitoring sectors. Sub-committees report to the TAIB Monitoring Committee.

SMSC consists of:

- SMSC 1.1 - Judiciary and Public Administration Reform
 - SMSC 1.2 - Home Affairs/Crime, IBM/Migration and Customs
 - SMSC 1.3 - Fundamental Rights, Civil Society and Cultural Heritage
 - SMSC 2 - Private Sector Development
 - SMSC 3 - Environment and Climate Change
 - SMSC 4 - Transport
 - SMSC 5 - Energy
 - SMSC 6 - Social Development
 - SMSC 7 - Agriculture and Rural Development
- The main tool used in monitoring of projects by the Ministry for EU Affairs is the Progress and Monitoring Report (PMR) system. Reports are submitted to the Ministry for EU Affairs by the beneficiary institutions in quarterly periods through the system, and contain activities realised and unrealised as well as problems encountered during the period covered by PMRs. The reports are examined by relevant experts of the Financial Cooperation Directorate in close consultation with experts in sectoral directorates. On a yearly basis the NIPAC prepares two reports: (1) on Component I and (2) on the whole IPA I (with the contribution of the Authorities implementing Components III, IV and V). NIPAC prepares annual and final implementation report (NIPAC Report), which is submitted, to the EC (Brussels) and NAO.
 - Evaluation activities of the projects pursued under IPA are also conducted by the Ministry for EU Affairs.

IPA Programming – Indicators

- The Turkish Country Strategy Paper refers to sectors, but these sectors are syntheses of sectoral

projects, not a real sectoral approach. The indicators included in the CSP were partially accepted by the Turkish authorities, many of the objections coming from the features of sectors in the country. In the frame of the Sectoral Strategy Papers which they prepare (and submit to the EC for approval) the Turkish Authorities included their own proposed indicators.

- It seems that the specific content of the general indicator “progress towards accession” is not known to any Turkish Authority. The indicators proposed by the competent Sector Lead Institutions under the submitted Sectoral Strategy documents will be examined/ assessed by the NIPAC; the number of standardised sectors is an issue of friction this period.
- The Ministry for EU Affairs has started to study the needed changes in order to respond to the requirements of IPA II. They urgently need the EU guidance for the formulation of the system.
- Programming stage: The MEU co-ordinates the competent National Authorities which are involved in the programming of the sectoral programmes and secures that no overlapping will exist with other relevant programmes/ actions. Its Dept for MB Programmes is involved in the programming of the relevant Turkish participation in the MB Programmes, on the basis of relevant Action Documents.
- Implementation stage: The Ministry is left completely out of any updating concerning the overall implementation of the MB Programmes (in certain cases they are not even informed about the finally participating countries in the MB programmes...); DG NEAR (competent Dept) communicates directly with the implementing Authorities. The MEU is not involved in the reporting of these programmes... They only receive the relevant reports of DG NEAR.
- It is not logical that the MEU is out the path of flow of information... Programming becomes very difficult if you do not have implementation information... Therefore MEU should be informed on the overall implementation (should receive the progress and monitoring reports officially).

Tools

- No IT tools are in place however, NIPAC will be “connected” with the IT system currently placed within CFCU and it will have full access to all info/data.

TR - National Authorising Officer (NAO)

Roles

- NAO (through the National Fund) request the transfer of funds from the Commission, ensures the flow of national and other financial resources as set out in the Financing Memorandum (the legal agreements between the EC and Turkey), set up a financial reporting system approved by the European Union for EU financial assistance, transfer funds to the CFCU according to the mechanism set out in the Financing Agreement.
- Under their role for the coordination of “entrustment of budget implementation” process, NAO will oversee the accreditation of the new Monitoring System (The Framework agreement has been prepared but not ratified yet. The implementation of IPA II actions has not yet started due to the delays in preparation and dissemination of draft Financing Agreement by the EU services.
- In IPA I there were many de-commitments (due to implementation problems). This should not happen again under IPA II; that is why they will accredit all the IPA II recipients. Only a few days ago they sent the accreditation documents to the existing recipients.
- The existing legal framework defines in detail what should be done. This has been agreed with the EU.

Tools

- No IT tools are in place.

TR - Central Finance and Contracts Unit (CFCU)

- CFCU is operating since 2003. Since 2012 and especially under the IPA II, the CFCU (which in the previous period was in charge of the tenders' and contracts' related matters for all IPA funds until the Operating Structures for the management of OPs under the components III and IV were accredited for the relevant matters), has kept the responsibility for the overall budgeting, tendering, contracting, payments, accounting and financial reporting aspects of all procurement (in the context of the EU funded programmes/projects) under (ex-) components I & II. As a central unit CFCU is operating as an independent body but is affiliated to the Under-secretariat of Treasury in administrative term.
- The CFCU advises the Senior Programme Officers (SPO) within the Line Ministries on EU external aid implementation procedures (e.g. procurement and contracting procedures), it being clear however that full responsibility for technical implementation remains with the SPO.
- CFCU provides to the National Fund, for distribution to the National IPA Coordinator and EC Representation in Ankara, monthly reports covering the status of projects being implemented and the financial status of each programme. Apart from this, Monthly Financial Reports are produced and submitted to the National Fund, in order to effect corresponding payments. Progress and Monitoring Reports- PMR (Quarterly) are produced on line (web-system): SPOs (Beneficiaries) prepare reports => MEU approves or rejects with comments => CFCU approves or rejects with comments => reports can be accessed by the NIPAC, National Fund, the CFCU and the EUD.
- The existing Monitoring System cannot operate at the level of sectors; modifications are needed for this, as well as for covering the requirements of the MEU (as the overall coordinating authority). The system, as it is now, can support the structure of IPA I, namely: [Financing Agreement] – [Components] – [Projects] – [Contracts].
- Under IPA II, for the implementation of the actions of the sectors which used to be financed under Component I, the CFCU will be co-responsible in common with the corresponding competent Ministry (CFCU-Lead Institutions). The relations between the CFCU and these Ministries (who is doing what, under IPA II) will be defined with specific decisions; CFCU will not be involved in the development/ programming of the sectoral strategic documents, this will be done by the Ministries; CFCU will be involved only to tendering, contracting and monitoring the implementation at the level of contracts/ projects, while the monitoring at the level of sectors will be effected by the competent Ministries.
- Visibility: The CSOs receiving grants from the IPA I do not like the labels which are put to whatever is produced by this financing; they consider that the best way to increase visibility is the implementation of "Grant events" (conferences/ workshops) at the end of implementation.]

Tools

- A new MIS should be developed for IPA II (they are examining whether the existing system could be modified to cover the new needs).
- The Monitoring System ("IMIS") that was set up (in 2010) for the monitoring of the Components III and IV (i.e. the system under the Ministry of Development) was not successful (could not be functional...). Anyhow this system was accessible by the Ministry for EU Affairs but not by the NAO.
- Many Authorities had originally based their monitoring & reporting systems on the operation of IMIS, which finally failed to operate; the reasons of the failure were many (e.g. limited scope in terms of types of contracts managed (grants); lack of contractual obligation of the Authorities to use it; lack of proper capacity of many Authorities to respond to the requirements of the system; et al); thus the system was partly fed with data and gradually was abandoned.

TR - Ministry of Labour and Social Security (MLSS)

Roles

- This Ministry is one of the "shops", as the EUD calls the Ministries which are implementing projects under the Components III and IV; These Ministries have developed their own capacity to fully manage their share of IPA I, albeit not in the same way. The Ministry is one of the Key

Operating Structures of the IPA interventions.

- They have “vertical” ownership and exercise full management of the whole package: programme, operations, contracts; they implement by themselves (i.e. with no external contribution) all needed actions: programming, tendering, financial management, project management, etc... They got the accreditation to do all above in 2012 (until that time, CFCU was implementing the tendering and contracting of the projects).
- Their reporting system foresees 6-monthly reports to be submitted to the corresponding Sectoral Monitoring Committee and yearly reports submitted to the NIPAC.
- The Ministry’s Monitoring System (developed for IPA I) operates at four levels:
 - 1st level (“Sector”): The relevant activities & reports (annual) are at the level of MEU (NIPAC Report).
 - 2nd level (“Operational Programme”): The relevant activities & reports (semi-annual) are at the programme level.
 - 3rd level (“Operation”): This is the key level of monitoring (they developed it following a review of relevant systems in the EU Member-states and IPA countries): The system foresees an “Operational Manager” (OM) for each “Operation” who is also acting as a “Contract Manager” (CM) for each “component” (contract) under the operation, like supply, service contracts. CM reports to Unit Coordinator. Reports are produced by the beneficiary at “Operation” level (yearly). Completion reports are produced when each “component” is completed and then a “final” report is produced (i.e. when all its “components” are completed). This structure secures the synergy between the different components of the operation and other operations.
 - 4th level (“component”- contract): Classic contract management (output indicators).

IPA Programming - Indicators

- Under IPA I the indicators used had been set by the stakeholders and they did not have a classification... For IPA II they have grouped the indicators by sub-sector (5 headings); these have been included in their new (IPA II) Operational (sectoral) Programme; this new programme has not yet started to be implemented since the Financing Agreement has not been signed (they expect DG NEAR to send the new template). The new “national level specific” indicators included in the Country Strategy Paper are not representative of the results/ impacts of IPA alone.

Tools

- The information on Grant schemes is managed through a dedicated IT module (“MISTIK”), which is web-based. For service and supply contracts a Contract Management information system (C-MIS) is on the way. For the financial monitoring of the contracts, a Financial Management information system (F-MIS) is operating. Financial reports are prepared automatically on the system. Through these IT modules they also operate a set of consolidated indicators. The updating of the data-base of these IT tools is effected on a daily basis (i.e. whenever a transaction is made).
- For the operation of the Monitoring system (based on “MISTIK”) they hired 12 monitoring experts; only in this way they were able to ensure the collection of the needed information (although the supply of progress information is an obligation of the recipient authorities...); with this organisation they managed to have full control over the implementation of the Grants (to CSOs). In the case of service contracts they did not have similar problems, because for each of them there is an Inception Report. Recently they introduced the practice of Inception Reports also for the Grants: A template is completed for each Grant scheme, including the indicators which then will be used for the monitoring of the progress of the Grant implementation.

TR - Ministry of Transport, Maritime Affairs & Communications

Roles

- The Ministry’s Monitoring system (IPA I) is based on info provided by the Operating Structures

(OS). Their reporting system (IPA I) foresees reports to NIPAC (annual) and NAO (monthly), reports between recipients and assurance reports (management & control system). For the new period (IPA II), NAO has started the accreditation of the new structures; they still work on the drafting of the new sectoral programme; the focus is on railways (TINA), as in all EU; The “maturation” of the projects (i.e. studies, expropriations etc.) is effected mainly with national funds.

IPA Programming - Indicators

- Their operational programme (IPA I) was modified in July 2014. The indicators, which they use, are mainly output indicators.

Tools

- They tried to use the IMIS but unsuccessfully. Thus they developed their own system.

TR - Ministry of Environment & Urbanization

Roles

- They are accredited (under IPA I) to implement their projects. Their Monitoring system (IPA I) provides for monitoring at two levels: (1) projects (contracts) and (2) Programme. Under IPA I all their projects were infrastructure projects (for fresh water, waste water and solid waste); the projects for capacity building were under Component I (managed by the CFCU).
- In the new period (IPA II) the Ministry will be a Lead Institution (responsible for the sector); their new programme will have all kinds of projects: infrastructure (fresh water, waste water & solid waste) and soft projects (air-, etc.); The projects will not all of them be implemented by the Ministry, many other organisations will undertake the implementation, mainly of the soft projects; these organisations should provide progress info/data to the Ministry, but the Ministry has not yet developed the system to receive and elaborate this info/data, in order to produce reports for the Sectoral Monitoring Committee (6-monthly) and for the NIPAC (yearly).

IPA Programming - Indicators

- The Ministry is very sceptical about the new (IPA II) indicators, since they do not present the results of IPA II, but also because cannot provide progress monitoring (they are risk prone).

Tools

- They tried to use the IMIS however, unsuccessfully. They do not have a robust system of their own; Their “EU Investment Department” has now started the development of a system (internal).

TR - Ministry of Science, Industry & Technology

Roles

- The Operational Programme of the Ministry (under IPA I) has an overall budget of 509 mn Eur; Of this, 44% has been committed and 36% has been disbursed; The programme has three Priority Axes: (a) Business Infrastructure, (b) Entrepreneurship development (SMEs) and (c) Technical Assistance for the implementation of the above two (including Visibility actions). The Monitoring system (IPA I) provides for three monitoring levels: Programme, Operations and Contracts. Standard templates are used for the reporting: Yearly for the Programme; 6-monthly Monitoring Reports for the Operations; Monthly supervision/ payment reports at Contract level. Reports at the level of Operation are produced only by this Ministry and the Ministry of Labour & Social Security.

IPA Programming - Indicators

- There is already a problem with IPA II: Misidentification of indicators for Competitiveness and

Innovation sector in the Indicative Strategy Paper for Turkey (2014-2020). The imposed indicators do not correspond to the programme; They are horizontal - wider- business environment indicators, having little relation with the programme; The implementation of the programme will NOT change the values of the indicators (!); furthermore, these indicators cannot provide info on the progress of the programme during its implementation and they cannot present the progress towards the attainment of the objectives of the Accession Chapters... They have elaborated and proposed more relevant indicators.

- In the new period (IPA II) the programme of the Ministry (which has already been approved) contains three Actions: (a) Private Sector Development (manufacturing industry, services); (b) Science, Technology and Innovation (research and development, technology transfer and commercialisation) and (c) Capacity building (Technical assistance, actions for getting the “Acquis”, Horizon 2020 actions, etc.). All actions will be implemented by the Ministry and other organisations; the Ministry will be the Lead Institution (responsible for the sector); A quick solution should be given to the development of a dedicated MIS...

Tools

The Ministry does NOT have a dedicated MIS. They started developing a new system of their own²⁴.

TR - Ministry of Interior

Roles

- The Ministry under IPA I is implementing projects of Component 1; under IPA II it becomes Lead Institution, responsible for the sector “Home affairs”. The Ministry does not have IPA monitoring structures/system; they urgently need technical assistance to develop them; although they have the experience and capacity to programme their interventions, they do NOT have the capacity to monitor the implementation of these interventions.

Programming - Indicators

- In general they do not agree with the sectoral indicators included in the Country Strategy Paper (CSP); they have elaborated, submitted and agreed with the EC their own indicators.

Tools

- The Ministry does NOT have a dedicated MIS.

TR - Ministry of Justice

Roles

- The Ministry of Justice is responsible for the sector “Judiciary”; there is political support for the implementation of this role of the Ministry; they have a “Project Team” which is promoting the relevant issues.
- They have already prepared a programme for 2014. It includes CSO projects (e.g. lawyers).

²⁴ According to post field visit information received from the Turkish Authorities, the following situation exists by the end of May 2015:

- A Financial Information System developed on the SQL server is used to produce monthly commitments and disbursements tables, monthly financial reports and yearly expenditure forecasts;
- Presto-XL Accounting System is also in operation;
- MIS: Analysis and design phases, application development and testing have been completed and the system has become operational as of May 2015.

Programming - Indicators

- They consider the CSP indicators as not good; They need ideas and support to develop better Indicators and an effective Monitoring system; They are in close cooperation with Turkstat (the Statistical Organisation of Turkey).

Tools

- The Ministry has strong IT development capacity (They have developed systems and they have full info about the Courts of Justice). The competent Dept of the Ministry will assist in the development of the Monitoring IT tool.

TR - Ministry of Energy & Natural Resources

Roles

- Under IPA I the Ministry was only the beneficiary of a number of projects; Under IPA II it will function as a new Operating Structure (Lead Institution, since the recipients/ beneficiaries of the projects of the programme will be many); So far it has not been accredited for this role; The CFCU will contract and supervise (monitor) the contracts;

Programming - Indicators

- In the Accession Chapters concerning the issues of Energy there are many indicators, which should be highlighted and used for progress monitoring at sector level. Their programme (IPA II) includes projects of the following priority areas: Energy efficiency, Electricity (transmission, etc.), Energy market regulation, Renewable energy sources.

Tools

- No IT tools

TR - Ministry of Food, Agriculture & Livestock

Roles

- Under IPA II the Ministry will have the responsibility to implement both the IPARD equivalent projects (rural development etc., to be managed by the production Depts of the Ministry) but also the Institutional Capacity Development projects (to be managed by the CFCU). Therefore the IPARD Managing Authority (not the ARDSI) will have to monitor the progress of the sector (through the relevant indicators); but the Ministry (MoFAL Directorate General for AU and Foreign Affairs) never had a monitoring structure or a MIS! They are considering using the capacity of CFCU, but this is not enough for the whole sector... They have not decided what to do.

Programming - Indicators

- The major concerns results from the structure of the sector programme under IPA II: The sector consists of two parts: (1) The ex IPARD part (800 Million Euros) containing projects on rural development, agriculture etc. This part of the programme is supervised and approved by EC DG AGRI; (2) The Institutional Capacity Development part (112 Million Euros) which is approved by DG NEAR; nevertheless both parts are financed by the IPA II which is managed by DG NEAR. Therefore under IPA II, DG NEAR should receive aggregated info/data for the whole sector (including both parts).

Tools

- No IT tools

TR - Central Statistical Organisation (Turkstat)

Roles

- In general the organisation of the “production” of statistical data is based on relevant “Contact Points” in Turkstat and corresponding “Data Centres” in the competent Ministries; Turkstat provides the Ministries with the proper methodologies, specifications and consultancy services, so that the Ministries produce their specific statistical data in a reliable way; Turkstat also provides the (general) statistical data produced at national level; In order to produce new national indices Turkstat has to include the relevant study/ development in its Programme and then creates a Working Group to study the methodology, sources etc.

Programming - Indicators

- Under IPA II, Turkstat has been invited to contribute and already been involved; In general their contribution cannot be provided “on call”; it should be programmed and be included in their operations frame; They need to be informed exactly on the requirements so that they can see if/ how these could be satisfied; Up to now they have contributed by commenting on the Indicators proposed by the EU (Strategy Paper) and by the National Authorities (Sectoral strategies), on the basis of relevant cooperation with the MEU and the competent Ministries.
- The values for the specific sectoral indicators of the Ministries for IPA II will be elaborated by the competent Ministries (using methodologies/ procedures to be developed together with Turkstat). These values will be based on specific data to be collected by the Ministries, as well as on the national data produced by Turkstat; the critical issue here is the existence of (continuous/ reliable/ timely) data to be collected by the Ministries.

TR - ROM Contractor

- Under IPA I the ROM is monitoring projects and produces relevant reports; furthermore, the ROM system produces synthesis reports (e.g. sector reports); Ex-post ROM has been programmed to cover more than 30% of the total operations.
- The ROM system, as it exists, cannot cover the requirements of IPA II. The MEU/ CFCU and ROM Contractor will examine how the existing system should be modified in order to cover the IPA II needs.
- Due to the ROM contract duration (2 years) it is probable that no monitoring will be done by the current contractor of IPA II projects.
- ROM is absolutely necessary for the Ministry for EU Affairs, especially due to its extended responsibilities under IPA II.
- With the assistance of the ROM Contractor the MEU is developing a Quality Assurance System in the Monitoring department of the Ministry. The ROM Contractor is using ROMIS, which is an independent MIS.

TR - EU Delegation

On the Mid-term Review of IPA II in 2017:

- The Mid-Term review 2017 will practically find nothing to review in Turkey; A small number of IPA II actions will have barely started to be implemented in that year.

On the organisation/ roles:

- The IPA II actions are moving slowly: The programme for 2014 has been prepared and waits to be ratified; then the legal frame (e.g. the Prime Minister’s Circular on the roles) should be completed;

then the Financing Agreements have to be signed; then the real funding from IPA II should start; then procurement of the foreseen contracts should be effected. Considering that: the PM Circular cannot be completed because they expect directions by the EC; the country has elections in July; There is a considerable backlog of procurement in all competent authorities (CFCU and Operating Structures) => the earliest possible period of commencement of IPA II implementation is early/mid-2016.

- In general due to the delays and the “n+5” eligibility rule the country will lose a lot of money (from IPA I and from IPA II); If many de-commitments and financial corrections will be implemented, the Turkish Authorities will certainly be shocked!
- Last year a number of Beneficiaries sent a letter to the EUD declaring that they do NOT want the funds of IPA... => a crisis followed, which was soon levelled...
- Last week the Turkish Authorities (MEU) submitted to the EUD their proposal on the organisation of the management of IPA II. The EUD has not yet responded. When the organisation will be agreed, it will be possible for the PM's Circular to be completed and issued.

On the systems:

- The MEU should undertake the overall responsibility for IPA II. The MEU should be provided with the authority to press the Line Ministries (when needed); The MEU should develop its own M&R system; the role of ROM is important to them, but in the course of the current ROM contract they will not practically do any monitoring on IPA II projects.
- The PMR system (operated by the CFCU) is operable but today provides data only at project level; it should be upgraded to be able to satisfy the needs of IPA II.
- It seems that the general indicator “progress towards accession” is not known to any Turkish Authority.
- The proposed indicators under the submitted sectoral strategy document will be examined/assessed;
- The number of sectors is an issue of friction this period. DG NEAR decided to be nine (9), the same for all IPA countries; the Turkish Authorities insist on 12; nevertheless the Operating Structures (Ministries) could be more than 9, but the Lead Institutions should be nine (9) in order to assume the responsibility of the 9 sectors...

On the (General/ Sector) Budget Support approach:

- The Budget Support issue is under discussion for more than three (3) years. The Turkish Authorities claim that this approach is fit only for under-developed countries; In reality they do not want to “open” their Public Finance Management (PFM) system [*Note: although the EC has said to them that it will not be needed to “open” all their accounts, if for example they will implement BS for a sector*] and they do not want/accept the IMF reports...

On the Multi-Beneficiary projects/ programmes:

- The Turkish participation to Multi Beneficiary Programmes is in general limited; They also scarcely participate in Multi-Beneficiary Conferences and other for a (they consider that they do not gain anything from such participation); Nevertheless the non-updating of MEU on the implementation of the MBP is a problem to be solved.

On the issue of management/ monitoring of the IPA funds provided to the MoFAL:

- The Ministry of Food, Agriculture and Livestock (MoFAL) receives a lot of money from DG AGRI (considerably more than the funds they receive from IPA), this is why they do not mind very much about the management of the IPA II funds.

A 1.5 Recapitulated Fieldwork Findings from Serbia

RS - National Authorities: Ministry of Interior, MPALSG, Ministry of Justice, SORS, Serbia European Integration Office (SEIO)

Subject: Public Administration Reform Sector and Justice Sector

Roles

- General: IPA I is partly decentralized in Serbia. For IPA II a draft legal basis and relevant procedures have been elaborated; the respective work (for the decentralisation) started in early 2015 (entrustment process); practically the changes are not so many but there are still certain problems with the capacity of the Auditing Authority.
- Monitoring & Reporting system: The accreditation of the IPA I M&R system was done in 2014; the corresponding system for IPA II is under development (based on sectoral approach).
- Monitoring & Reporting: Under IPA I, the NIPAC is responsible for the development and implementation of the monitoring system as well as for the programming of the interventions; The Line Ministries/ SPOs are the basis for the functioning of the reporting system; CFCU is implementing monitoring at the level of Contracts (CFCU is managing the implementation of the projects, together with the competent Line Ministries/CSOs).
- Monitoring & Reporting: the Sectoral Monitoring Committees (MCs) and the IPA MC have been set up.
- Timeline of NIPAC Reporting: if the critical date for DG NEAR is to receive the IPA II yearly NIPAC reports on 15 February, they propose to shift also the date of the submission of the IPA I Annual NIPAC Report from August to February.
- IPA I implementation progress: there is a huge backlog of IPA I projects which have not yet started to be implemented; this is mainly due to the transfer of part of the interventions from the Direct Management mode to the Indirect Management mode because the competent structures (Line Ministries etc.) had to be properly organized and accredited and because ex-ante evaluations had to be prepared for each programme before it is submitted to the EC for approval.
- Tendering: it has been decided that under IPA I the CFCU will tender and manage all the contracts of all IPA I programmes; this is facilitating things and provides the Line Ministries with the needed time to get organized. Nevertheless the CFCU is not as strong as it is required; they need experts but the "horizontal" decision of the Government to forbid new recruitments in the Public Sector does not allow the CFCU to find capable people; thus the CFCU cannot implement all the tendering requirements of the Ministries quickly (=> backlog).

IPA Programming - Indicators

- Programming: For the programming Sectoral Working Groups (WGs) have been formed, which report to the corresponding Sectoral MCs.
- Indicators: Since about two years they have elaborated their proposal about the indicators to be used for assessing the results of the IPA II; they examined the indicators proposed by the DG NEAR at the level of the CSPs and they commented that: (i) the indicators referring to the Acquis are not quantified and will be assessed on a subjective (not objective) basis; (ii) most of the other indicators were not relevant to the contents of the CSP. They reportedly had many

discussions internally and with the EC, but it was not possible to change the indicators of the EC.

- National Statistical Service: they work on the basis of a 5-year plan which is approved by the Parliament (now they are implementing the programme of the period 2016-2020, and this plan is accessible in English on their web-site); statistical data are produced by many organisations (Ministries, etc.); the Service consults the Authorities (Line Ministries, etc.) on the development and implementation of their Indicators; for the MB projects/ programmes, the development and operation of proper indicators requires a lot of co-ordination.

Tools

- MIS/IT tools: They are proceeding in the development of a MIS; a tender for the development of the IT tool is going to be launched soon (the tender documents have been prepared – in Serbian; they intend to create an integrated system (consisting of interrelated modules, so that the existing IT systems can be used).
- The proposal for the NIPAC Offices to have access to DG NEAR MIS: The NIPAC office cannot assess what the impact will be from the implementation of this proposal (nevertheless, the representative of the Ministry of Justice is in favour of this proposal).

RS - SECO representatives for the sectors: Energy, Public Administration, and Environment

Several questions were raised by the SECO representatives and they are summarized below:

MTR 2017: Why in the CSP the financial engagements are detailed per year until 2017 and then they are presented with one figure per sector? Does this mean that the final amounts to be allocated per sector and per year will be determined in 2017 on the basis of the performance within each sector (through the MTR17)?

- *Energy sector:*
 - *Programming:* The priorities for IPA financing in the energy sector are completely wrong. They once more address only the development of lignite exploitation for the production of “dirty” energy, instead of promoting clean energy projects (energy efficiency and renewable energy sources); this is due to the existing interests in the sector.
 - *Sector Indicators:* The indicators which have been set up in the CSP to measure the results in the energy sector are irrelevant, wrong and misleading: they do not present the real results and impacts on the final beneficiaries (people/ citizens) but present the results in the sub-sector(s).
 - *Indicators:* The energy sector has in general wider impacts on other sectors. None of these impacts are examined in the programmes, nor are they presented through the indicators. The MTR could be the document where something could be said about the real problems/ results/ impacts.
- *Public Administration Reform (PAR):*
 - The CSOs are against the Sector Budget Support (SBS) foreseen to be implemented under IPA II, for the following reasons:
 - The Public Administration is too weak to implement a SBS programme;
 - There is no transparency in the implementation of the specific activities implemented under the SBS. The CSOs can not monitor/ check the implemented activities.

- *IPA programming:*
 - Many Ministries did not invite the CSOs to participate in the elaboration of the priorities and programmes in their responsibility domains. That is why it is considered that many parts of the existing programmes need changes to become more dedicated to real needs.
- *SECO:*
 - SECO needs capacity building in certain sectors; it also needs the financial support for the coverage of their expenses for visits to the projects which are implemented out of Belgrade as well as financing of its representatives to participate in the various fora, since these people are obliged to leave their jobs in order to do that. It needs support for the dissemination of information to the people/ citizens (through various means of communication); a secretary is needed to exist per sector who could organize/ disseminate information, arrange the participation in the fora, etc. All in all they need to be provided with the necessary means which would allow them to communicate and cooperate with the Public Administration (e.g. for the elaboration of the Action Plans);
 - SECO could be used for the dissemination of IPA relevant information to the people, thus contributing to the visibility of IPA.
 - SECO had an active web-site until December 2014, when its operation was suspended due to financial problems; this site was quite active and contributed to the visibility of IPA. Could this web-site be re-activated with EC financing (e.g. through the available funds for communication)?
 - SECO representatives are participating in the MCs; unfortunately, they usually receive the meeting documents the day before the meeting and thus they can never be well prepared for it.

RS - National Authorities: MME, MCTI, MAEP, SEIO.

Roles

- Since May 2015, the EC (DG NEAR) has stopped the financing of the IPA projects until the CFCU will develop the proper capacity to tender and manage the IPA contracts properly.
- CFCU has recently undergone reorganization; its Director was replaced, and a capacity building programme started to be implemented. It is estimated that soon it will be given the “green light” to re-start its operation. It is reminded that the CFCU is the only tendering and contracting authority for the IPA projects in the country; it is imperative to quickly develop its capacity and start operating again.

RS - Ministry of Agriculture

- They have an IPARD programme which is the main sectoral EU financing source; the IPARD Monitoring Committee, reports also to the IPA Monitoring Committee.
- They are under preparation for entrustment; but they have staffing problems for their Paying Authority (due to the “horizontal” restriction of recruitments in the public sector); there are only 66 persons (working mainly on the National Budget works), while in total 170 employees are needed; they tried to find people from the other Ministries, and have found a small number who need to be trained. In general they try to cover their needs with outsourcing. In addition they have problems with the staffing of the Auditing Authority, because the experienced employees have left for the private sector, which pays better than the public. In general they try to solve the existing problems (which are mainly lack of people and lack of retention policy) in order to achieve their entrustment until the end of 2015.

- Under IPA I they operate two departments: one for Agricultural and one for Environmental activities. They have a number of projects under the Component 1 for these activities.
- Reporting: They implement a quarterly reporting: from the Line Ministry to CFCU and then to NIPAC. They do not have an IT system for this, and use excel sheets. The management of the IPA funds is done by the CFCU (payments to the contracts etc.). The supervision of the implementation of the works (physical object of the contracts) is done by the competent Line Ministries.
- IPA I: In IPA I they had projects only under the Components 1 & 2 (not under the Components 3, 4 & 5).

IPA Programming - Indicators

Indicators: They had problems with the proposed by the EC indicators in the sectors Energy, Transport and Justice.

Mid term Review 2017 (MTR 2017)

They expect to have changes of the focus of IPA II financing after the MTR 2017 (i.e. change of focus among the sectors).

EUD

Subject: Debriefing on the findings

- The EU is financing functional reviews in the Public Administration for the assessment of their staffing needs; they assess also the role of the line ministries in IPA and their organisation (existence of "islands"). The NAO has expressed its intention to change the existing situation and develop the capacity of all the line ministries.
- The Western Balkans Investment Fund (WBIF) has succeeded in developing the Single Project Pipeline; this is extremely important for the use of the funds and the selection of the best projects to be financed by all financing sources.

A 1.6 Recapitulated Fieldwork Findings from Montenegro

MNE - EUD and the Ministry of Foreign Affairs & EU Integration (NIPAC)

Roles

- Reporting: The timeline of reporting is very bad: on 31/8 every year we have to report on IPA I implementation and in mid-February on IPA II implementation. We do NOT want to report in February for many reasons (one of them being that until mid-January we are on Christmas vacations)
- Monitoring Committees (MC): There are no clear instructions on the exact mandate of the IPA II MC (as well as whether for example it will monitor CBC programmes etc. For IPA I the relevant MC exists and functions with no problems.
- Multi Beneficiary programmes/ projects: A common declaration/ note of all NIPACs has been issued, including all relevant requests, complaints, proposed solutions. But DG.NEAR has already rejected a number of them.
- ReSPA: Involvement of ReSPA in capacity building efforts: Maybe this is the solution we search.
- WBIF (Western Balkans Investment Fund): It is important that it has progressed. We have developed our priorities (single project pipeline/list); this is extremely important.
- IPA Regulation: A few years ago there has been a debate on whether the total budget would be analysed by country or by theme. Finally the allocation by theme prevailed.
- IPA Regulation: It has its own indicators (which are detailed under the CSPs' indicators). These indicators are of two kinds: (a) indicators of International Organisations and (b) indicators of DG.NEAR (assessed by DG.NEAR). The latter are rather irrelevant
- Reporting tools: They should satisfy the reporting requirements. There is real need to improve the formats and the system for reporting. The existing system is based on quantities and control, not on performance.
- ROM system: By design, it focuses on the projects under the direct management mode. This means that shortly the bulk of the IPA projects will be out of the scope of ROM. Therefore an extension of the scope of ROM is needed to include review of the projects under the indirect management mode.
- IPA Processes: The processes which we follow under the indirect management are those foreseen in the Guides. We do not develop our own processes. Under the accreditation process the Authorities have the obligation to develop and use a specific (in content and timeline) reporting system.
- Reporting System: We want to develop an effective system to be implemented for IPA II, but in our minds we have also the requirements of the Structural Funds (which we will have to follow when we will become an EU Member State).
- Tendering processes: In IPA I we have interventions under only Components 3 (regional development) & 4 (Human resources development). We do not have Component 5 (Agriculture and Rural Development). The projects of Component 3 are tendered/ managed by the Ministry of Transport; those of Component 4 are tendered/ managed by the CFCU. For IPA II the structures and processes will be exactly as required.
- Progress: We believe that by the end of 2015 all projects will have been tendered and by the end of 2017 all payments will have been effected.
- CSOs: They should participate in the multi-country programmes. It is regretted that the CSOs are mainly directing their activities on policy issues (Government policies) and not also on the programmes (to benefit from them).
- Capacity building: The Faculty of Economy of the University of Montenegro has a curriculum on "IPA Studies". This is extremely important for the preparation of experts to be used in the Administration etc. These persons could be used for the implementation of the new Performance Framework.
- EUD's Annual Report: The new Annual Report of the EUD will be based on performance indicators. The EUD submits its annual report on 15 January. Therefore the EUD cannot use data

from the Annual NIPAC Report, which is submitted on 15 February.

- Direct/ Indirect Management: Under IPA II the biggest part of the funds will be under the Indirect Management mode. For example, for the 2014 programme: 21.3 mn€ are under indirect management and 14.4 mn€ are under the direct management mode.

IPA Programming - Indicators

- Indicators: We do understand the logic of DG NEAR on indicators. The SPOs have reacted negatively (and submitted complaints). The achievement of the 2017 and 2020 milestones/ targets is very difficult. There are already evident delays in many parts/actions.
- IPA II implementation progress: The Indicative Strategy Paper for Montenegro was prepared one year ago. But it is still under discussion and has not yet been approved! They are still discussing about the indicators.
- IPA II programming: The National Authorities have not received yet any instructions/feedback for the actions.
- Programming: It is a problem that the programming did not follow the CSPs, i.e. it is annual and not multi-annual. Thus the projects included in the annual programmes are of small span/ impact. Another key feature of programming is that it generally follows a top-down process (the directions/ content are mainly précised by the EU Headquarters); thus it does not comprise proposals of the recipient States (bottom-up process).
- The 2015 programme comprises: a Sector Budget Support programme on Integrated Border Management (Chapter 24 of Negotiations) to be managed by the Ministry of Interior and an operation programme on Human Resources development for the completion of the interventions under the Component 4 of IPA I.
- Under the 2014 programme there is a project for the support of the Public Administration; but in general in Montenegro the Administration is managing all requirements by itself, because the projects/ available funds are few/small.
- Performance indicators: We should be very careful in order to avoid the “tunnel vision”.

Mid term Review 2017 (MTR 2017)

- The scope of the MTR17 is the revision of the Regulation for IPA II (if needed). The MTR of IPA I was very limited in scope because the then progress of IPA I implementation was very small and there was nothing practically to present.
- Maybe a common approach will be implemented for all external action Instruments. DG Budget, in cooperation with the General Secretariat has requested all the DGs to develop common methodology and indicators.
- The Financing Document for the 2014 direct management programme is under approval by the National Authorities. Nothing from IPA II will have started to be implemented before the beginning of 2016. Therefore in 2017 there will be nothing for assessment.
- In the MTR17 we should not use the indicators of the CSPs but only those of the IPA Regulation. Obviously the indicators of the programmes cannot be used for the MTR.
- Evaluations: Probably the European Evaluation Facility will be used; nevertheless the amount available for Montenegro is very limited.

Tools

- IT systems: There is no IT system (for the monitoring of progress) in Montenegro. The development of an IT system (especially of an integrated IT system for all) would take a lot of time to be developed; therefore the solution might be the use of excel sheets.

MNE - EUD and the National Authorities: Ministries of Foreign Affairs & EU Integration (NIPAC), Agriculture & Rural Development, Labor & Social Welfare, Science, Finance, Economy, Interior, Health, Transport and Maritime Affairs, Sustainable Development & Tourism, Justice.

Roles

MNE - Ministry of Agriculture & Rural Development

We are at the procedure to be entrusted and in this frame we are now developing our systems and tools. Our department has 35 persons and soon we are going to become an independent agency. If we will need more people we will hire them (there is no restriction by the Government for recruitments).

MNE - Ministry of Labor and Social Welfare

- We are in charge of the Component 4 of IPA I (2012-2014). We started in 2014 and in about one month we are going to have the first contract signed. We are reporting to the Sectoral Monitoring Committee. Our projects have almost all other Ministries as beneficiaries. We have developed the required indicators for our programmes, but we have not yet implemented them because the projects have not yet started to be implemented.

MNE - Ministry of Foreign Affairs and EU Integration

- Reporting System: In the frame of the Entrustment we have an analytical Guide with procedures, templates etc. for the overall Reporting System to be implemented.
- IPA II Reporting: We consider that it would be good if we would be provided with access to the MIS of the DG NEAR, so that we input the NIPAC Annual Reports directly in the MIS (it is noted that we are already using the IT tool of the WBIF and we have already inputted there all the data on our investment projects, for the creation of the “single projects’ pipeline”).
- IPA II Reporting: We do not want to send the Annual NIPAC report by the 15th of February each year (for many reasons). If we will have to stay in this date, we propose to change the reporting period (from September to September).
- IPA II Monitoring process: All Ministries are using the same procedures (developed centrally) and are in close cooperation with the NIPAC office. In general they do not need capacity building on this subject.

MNE - Ministry of Science

- Organisation: we are the key lead Institution for the competitiveness programmes/ projects.
- Progress so far: currently we are under the “entrustment” process.
- Tendering: our projects will be tendered and the relevant contracts will be managed by the CFCU.
- Monitoring: we have a complete set of templates to be used for the monitoring of the IPA II projects. We have not yet implemented them, since we do not have yet projects under implementation. In the frame of this reporting system we will have to report on a monthly basis on technical implementation issues.

MNE - Ministry of Interior

- We will have the responsibility of the management of the implementation of the SBS programme. We have not yet concluded how we will do it (processes, etc.).

MNE - Ministry of Health

- We are implementing a big number of projects (about 12 national, 2 Multi-Beneficiary, CBC and Grants). CBC programmes are managed under the Shared Management mode.

MNE - Ministry of Transport and Maritime Affairs

- We already have under implementation 3 Environmental and 2 Transport projects (IPA I).
- We will tender the IPA II infrastructure etc. projects of our responsibility. We have not yet been awarded any project of IPA II.
- Monitoring: We have not yet decided how the SBS programme will be monitored; we are under relevant discussions with the EC.
- Multi-Beneficiary projects: Under the current procedures the NIPAC Office does not have an official updating on the implementation progress of these projects. When a problem arises we communicate with the competent SPO/ Line Ministry and we are updated (on an ad hoc basis).

IPA Programming - Indicators

- IPA II Programming: The NIPAC is coordinating the programming activities of all national recipients. But in the frame of the yearly programming the EC (DG.NEAR) imposes the priorities (sectors/ sub-sectors, actions to be financed). We have to obey to these priorities.

MNE - Ministry of Foreign Affairs and EU Integration

- Programming: As per the directions of the EC, in the new period (IPA II) we should: (i) have less (but bigger) projects (than in IPA I) in order to secure greater impacts and smaller management costs; (ii) have limited number of sectors in each yearly programme; (iii) predict the sectors to be included in our programmes on the basis of the negotiations with the EC.
- Programming: It is regretful that so far we could not implement a number of very useful projects which we have matured (because they are outside of the priorities determined by the DG.NEAR).

Tools

- IT tools: There are no IT tools used in the system; everything is manual, detailed in the Guide.
- [Note: The overall impression is that the Administration is small and easily manageable. The representatives are educated and know their work. As they said they need more collaborators knowing the EC matters].

MNE - EUD and the National Authorities: Ministries of Foreign Affairs & EU Integration (NIPAC), Agriculture & Rural Development, Labor & Social Welfare, Science, Finance, Economy, Interior, Health, National Fund

Subject: Communication & Visibility

MNE - EUD

- IPA II Communication activities are managed by DG NEAR and the National Authorities. They should focus on performance.
- In the frame of the MTR 2017 an assessment of the Communication activities should be made in order to conclude on potentially needed modifications.

MNE - Ministry of Foreign Affairs and EU Integration- Communication Coordinator

- Organisation: The MoFA & EUI has the responsibility of coordination of all Communication activities on IPA – Indirect management part (The Communication and visibility activities on

the direct management part is under the responsibility of the EUD). We are coordinating our Communication activities with the EUD.

- IPA I Communication: For the IPA I (Indirect Management) we have prepared and we are implementing: (i) a Communication strategy; (ii) a corresponding Action Plan; (iii) implementation procedures at three levels: Overall, Component level, Action level; (iv) a "Network of Publicity Officers", consisting of experts of all Line Ministries, meeting on a quarterly basis to discuss on programming and implementation progress; (v) an IPA promotional programme co-financed by the British Council (Montenegro) and the EU; (vi) by the end of 2015 we will implement a Conference for the promotion of the achievements of IPA (In general up to now, for the general public IPA means just aid money; we need to show that IPA is much more, and we must present the results and impacts of the IPA interventions); periodic training of the Publicity Officers (now on PR); constant co-operation of the Publicity Officers with the PR Departments of the Ministries; Communication tools: infographics, interviews, opinions of important/recognizable persons (like the Ambassador for the Accession); assessment of the impact of the above mentioned Communication programme by the end of its implementation [Note: 2 years ago they implemented an opinion survey and found out that practically the people knew almost nothing about IPA and its results].
- The above organisation will be used also for the promotion of IPA II programmes/ actions.
- The required for the Communication information is collected by the Publicity Officers and is accumulated in the MoFA & EYI- Communication Dept.
- We closely cooperate with the EUD Communication Dept. (still only on IPA I)
- Unfortunately we do not have the required funds to organize and implement a good promotional campaign.

MNE - Ministry of Agriculture and Rural Development

- Under the "entrustment" (accreditation) process we are obliged to develop our reporting system on the results/ impacts of IPA projects (to be used by the Communication experts of our Ministry and of the MoFA & EUI).
- We are preparing and implementing yearly action plans for communication In the frame of the Monitoring Committee (i.e. with the financing approved by the MC from the Technical Assistance module of the programmes)

MNE - Ministry of Economy

- Our Ministry has a PR Department, which also looks after the Communication issues.

MNE - Ministry of Interior

- In the frame of the development of the monitoring of the SBS we are also considering the Communication and visibility issues. We have not yet concluded on a specific module.

MNE - EUD

- In general there is a wide coverage of the IPA by the relevant actions of the EUD.
- The main means used by the EUD for the Communication are the social media.
- The EUD has a portal which is being used also for communication purposes (and communication with the citizens and interested stakeholders).
- In general they do not receive complaints on IPA (use of funds, implementation, results, etc.).

- The mass media are doing politics. Therefore the same subject is differently presented by each of them. In general there is lack of professionalism.

MNE - Ministry of Foreign Affairs and EU Integration- Communication Coordinator

- Reporting on Communication/ visibility: The collection of information is done on an ad hoc basis (in the frame of the Network of Publicity Officers). We elaborate the received information to make it more understandable. We are also trying to use national language terms (not foreign language terminology).
- The visibility of the various programmes/ projects varies considerably: The CBC programmes and the Infrastructural projects are very visible, while the Civil Society and the Social issues projects are not very visible. Therefore we need to work more on those which are not well communicated.

[Note: the CBC programmes are more visible because of the direct involvement of the citizens in them].

EUD and the National Authorities: Ministry of Foreign Affairs & EU Integration (NIPAC), National Fund

Subject: National Fund

MNE - Ministry of Finance- Director of the National Fund

- The National Fund (NF) is one of the three IPA related components/roles of the Ministry of Finance. The other two are: the NAO (person) and the Ministry (Departments) as an IPA Implementing Authority.
- The role of the NF Division includes: (i) Design and preparation of the system (based on the EU Regulations); (ii) Entrustment (accreditation) of structures; (iii) Reporting to EC on the status of the structures and their staffing; (iv) Preparation of the IPA implementation/ monitoring Guides (procedures, templates, etc.); (v) Collection of implementation financial data and preparation/ submission of Payment Requests to the EC; (vi) Checking of the system implementation, so that NAO is able to report to the EC and ensure that everything is on track. [Note: The National IPA Auditing Authority is not under the National Fund. It is an independent Authority]; and (vii) Financial reporting and Reporting on Irregularities.
- Reporting: We are using "IMS" system for reporting of irregularities to OLAF; we have our own IT system consisting of two modules: one for Projects' information and a second on Accounting.
- Indicators: We do not yet have indicators on objectives.
- Communication/ Visibility: We do not have an active role in C/V implementation; nevertheless the NAO is approving the processes to be used also for the C/V (in the frame of the accreditation process). [Notes: (i) DG AGRI is now using a new system called AJAX; (ii) The i-Perseus system stopped functioning together with the CRIS Database; (iii) In Brussels the use ABAC system in the place of the CRIS].

EUD and the National Authorities: Ministry of Foreign Affairs & EU Integration (NIPAC), Montenegro Statistical Office (MONSTAT)

Subject: Statistics - Indicators

MNE - MONSTAT- Director of Projects

- In 2002, by a new Law, MONSTAT has been recognised as the main body of the State for Statistics; following this we developed an upgraded Code of Practice, including 15 principles.

- The MONSTAT is not the only body developing/ following up statistical indicators; e.g. the Central Bank of Montenegro and the Ministry of Finance also have such activities.
- We are in full cooperation with the EUROSTAT.
- We have progressed a lot (and we continue) concerning the Acquis (Benchmarks on National Accounts).
- MONSTAT has 105 employees. These are not enough. We hope to cover our needs soon.
- We have modern ICT tools for the National Statistics. But we do not have an IT system for the management/ monitoring of our projects (IPA funded and other); instead we are using excels.
- MONSTAT implemented/ is implementing EC funded projects (5 MB and 2 National). The MB projects refer to: harmonisation of statistics, preparation of the new Law, Organisation and ICT.
- We went through/ assessed the indicators of the CSP and we commented on those which are using MONSTAT data. It was not difficult to define the baseline and target data – we have such figures for our cooperation with EUROSTAT. [Note: In general it is not sure that all recipient countries are using the same methodology for the –common to all under the CSPs-indicators].
- The NIPAC office invited us to cooperate with the Line Ministries for the development of sectoral indicators (for their programmes); in general this cooperation had poor results due to difficulties in communication, determination of indicators by the LM, determination of the proper methodology to be followed, determination of baseline & target values.
- In general, MONSTAT does not have the capacity to support drastically the Ministries for the development (and more so for the follow-up and implementation) of indicators for the programmes of IPA II. Furthermore they do not have the legal mandate to do so. What we can do (in the frame of our existing mandate) is to provide consultation to the LM and to the NIPAC.
- Today we are working on the Sustainable Development Goals (SDGs) with the UNDP.

EUD and the National Authorities: Ministries of Foreign Affairs & EU Integration (NIPAC), Agriculture & Rural Development, Labor & Social Welfare, and Interior

Subject: Evaluations

MNE - Ministry of Foreign Affairs and EU Integration

- The capacity of the NIPAC Office for the implementation of Evaluation is weak. Thus we have tendered the hiring of an external (part-time) consultant to assist us.
- The IPA evaluations will be implemented by external consultants; the NIPAC office will be the Beneficiary and the CFCU will tender/ manage the relevant contracts.
- In the previous period we had five audits (4 by EU officials and 1 by external auditor); the remarks of the auditors were not severe.
- For IPA I: we have set up Evaluation Teams by Component (1 & 2), but we do not yet have the accreditation of the competent Ministries (for the Components 1 & 2). [Note: Accreditation has already been awarded to the competent Ministries for the Components 3 & 4].
- For IPA II: we are not going to have Evaluation Teams; instead, the foreseen Sectoral Working Groups will manage all needed Monitoring and Evaluation activities. The Evaluations will be implemented by external evaluators; in Montenegro there are organisations (NGOs, academia

private sector) having the capacity to implement them. No evaluation will be implemented by the Public Administration (internally).

MNE - Ministry of Interior

- For the SBS it is foreseen that an evaluation will be implemented before each disbursement of funds by the EC (4 or 5 disbursements are most probably going to be implemented); these evaluations will be organized/ managed by the competent National Authorities. The EC can implement its own evaluation(s)

MNE - Ministry of Labor and Social Affairs

- The Evaluation of the Operational Programme "Human Resources Development" is going to take place by the end of its implementation (end of 2017, since the programme will start by the end of 2015).

MNE - Ministry of Agriculture and Rural Development

- We hope to have soon the approval of IPARD II (by the DG AGRI); then within 6 months we must have set up the corresponding Monitoring Committee and the approval (by the DG.AGRI) of the relevant Reporting System.

EUD and the CSOs: TACSO-Montenegro, Association for Democratic Prosperity, "Braveheart", SOS line for children and women, Roma minority organisation, Civic Education, NGO Development organisation

Subject: CSOs opinion on IPA organisation and implementation

MNE - ROMA Community Organisation

- We are not satisfied with our cooperation with the EC: we have proposed three projects, so far we received a response on one of them (to sell merchandise in flea markets) but we have not received any answer on our other two proposals.

MNE - TACSO Montenegro

- The intention is not to necessarily create an organisation like the Serbian SECO. We intend to create a consultative mechanism (body), but in the meantime we would like to see all existing similar organisations (in other countries). This issue will be discussed in a Regional Conference which will be organized by TACSO beginning 2016.

MNE - ROMA Community Organisation

- I have seen on the TV the refugees in Serbia. For the refugees we need a systemic organisation. The NGOs want and can help. We need to ensure that we can communicate with this people (Arabic). Our organisation can do it (we have diplomas to prove it).
- In the past there have been funds for the ROMA (e.g. for training), but these funds were not finally been used for us.

MNE - NGO Development Organisation

- There is a problem with the priorities in the IPA funded programmes. No relevant cooperation with NGOs has been developed, so that the priorities are better defined. The same happened with the CBC programme Montenegro-Bosnia. Often the priorities defined by the Municipalities are not correct. There are delays in the approval of grants; these make some programmes obsolete, since the conditions are quickly changing, etc.

MNE - TACSO Montenegro

- Concerning the consultative mechanism which we want to set up: we are in consultation among us and will focus on the seven sectors of the CSP. Our basic target is the dissemination of all relevant information (on IPA) to all NGOs because there is a considerable lack of knowledge by our members.

MNE - Civic Education

- It is not enough for the Public Services to publicize what they are doing in their web-sites. We propose the NGOs to participate in the IPA II Sectoral Working Groups. In a couple of cases this has already happened (i.e. we have been invited to delegate our representative), but this invitation came late and we could not find a proper person to assign this role. In general we have problems because for certain sectors there do not exist any NGOs (e.g. for the transport sector).

MNE - Association for Democratic Prosperity

- We believe that the main reason for our limited participation in IPA is due to the lack of information/ communication.
- We participate in the Monitoring Committees; we receive the meeting file on time.
- The EC would like (in the frame of the 0.5 mn € Technical Assistance programme) the National Authorities to develop a Road map for the cooperation of the Government with the CSOs. But there is no official responsible body for the promotion of such cooperation.
- We propose decentralisation for the development of the policies. The CSOs could then be used for the development of the programmes.
- Concerning ReSPA involvement: The local Authorities cannot elaborate by themselves any programme; they usually hire external consultants to do it. ReSPA could undertake the training of the Local Authorities; employees in programming, together with training on information dissemination to and cooperation with CSOs.
- CSOs are often under criticism for the money we receive from IPA, but no one is looking at our results and impacts.
- They say that by 2022 we will join the EU. The available time until then is very small for our proper preparation for the accession.

MNE - NGO Development Organisation

- The sustainability of the NGO projects is rather low. These projects have an average duration of 2 years, which is not enough for their proper implementation. We need to have the “n+2” rule also for our projects
- Our sustainability depends also on the available funds. We can be more sustainable with more funds.

MNE - Association for Democratic Prosperity

- There is no relation of the actions implemented for the CSO Facility with the actions for the rest programmes.
- The organisation of the CBC is ridiculous. The local Authorities and the CSOs do not have the funds to participate.

MNE - TACSO Montenegro

- The conditions of IPA should be modified so that the recipient countries are obliged to involve the CSOs in all the programmes/ projects; for example: together with the training of the public servants members of the CSOs could be trained (in the same projects)
- The CSOs should be developed in order to involve the citizens; especially the CSOs in the region should be enforced.

MNE - Braveheart” - Organisation for Juvenal Crime

- I participate for the first time in such a meeting. The mission of our organisation is to protect the youth from all kinds of threats (prostitutions, drugs, etc.). We submitted proposals for a number of projects in many International Organisations, but we received no response from them. This is very disappointing for us. We tend to consider that there is nepotism in the approval of the projects to be financed.

MNE - EUD

- The proposal for common training of public servants and CSOs' people is very good.
- The duration of the projects (2 years) is small. This means that longer-term cooperations with CSOs are needed.

EUD and the Ministry of Foreign Affairs & EU Integration (NIPAC)

Subject: Debriefing on the findings

- Timeline of the yearly NIPAC reporting on IPA I and IPA II: the NIPAC Office has difficulties for keeping the deadline of 15th of February for the yearly report on IPA II, because the Christmas festive period (many on vacations) extends up to mid January. If this cannot be changed (e.g. to coincide with the Yearly Report on IPA I) they are proposing the reference year to end at the end of September (September to September).
- Multi-Beneficiary projects/ programmes: the NIPAC Office is not officially updated on the implementation progress and completion; this is creating a series of problems; It is proposed that the NIPAC received the overall progress reports from all MB projects/ programmes.
- Organisation of IPA II implementation (under Indirect Management): (i) most of the competent National Authorities are under “entrustment” (accreditation); (ii) a number of projects have been tendered, a limited number of contracts have been awarded/ signed; (iii) no project is under implementation yet; (iv) common processes & templates have been prepared for the implementation/ reporting of the actions/ projects, to be implemented by all Implementing Authorities; (v) the National Authorities do not have dedicated IT systems for the monitoring and reporting of IPA II; IT systems exist in: CFCU, NIPAC and National Fund; There is no intention to develop such systems; (vi) it is expected that until the end of 2015 all systems will be under implementation.
- Sector Budget Support (SPS) programme: A SBS programme has been designed to be implemented under the Ministry of Interior; its preparation and the organisation of its implementation have not yet been completed.
- Programming: There are complaints that the priorities for the structuring of the yearly programmes of IPA II are determined by DG.NEAR; this is not allowing the National Authorities to promote useful mature projects.
- Communication and Visibility (C&V): A good organisation (with the Network of the Publicity Officers) has been set up and is operated by the National Authorities; The required activities (as per the instructions of the EC) are being fully implemented; Parallel C&V activities are

implemented by the EUD. The challenge for the National Authorities is to involve more the citizens (with the contribution also of the CSOs).

- National Fund: It is strong and well organised; no problems.
- MONSTAT: Not possible to be involved in the development and implementation of the sectoral programme indicators (not foreseen in its statute); nevertheless they can provide consultations to NIPAC and Line Ministries on such subjects.
- Evaluations: There are many relevant obligations at the side of the National Authorities; Relevant activities have not been implemented so far for IPA II, because the projects have not started to be implemented. All such evaluations will be externalized.
- Civil Society Organisations: They have complaints about their limited involvement in the programming of the IPA programmes; they participate in the MCs but they have representation problems (lack of proper experts); A good proposal: to be trained together with the Public Servants (under the same training modules).
- MTR 2017: it will focus on the Regulation of IPA (for potentially required modifications); no important progress in IPA II implementation is expected until 2017, to be considered in this MTR.

MNE - EUD: Comments/ ideas

- CSOs: There will be a project for the involvement of CSOs in the sectors of Component 4.
- Programming: The top-down approach in programming which is implemented by DG NEAR prohibits the CSOs' involvement.
- Monitoring & Reporting System: We have to see in practice how the system will function. An idea could be to implement the MRPF in a pilot mode firstly in Montenegro.
- Indicators: The World Bank assisted the National Authorities in the development of indicators. We have not yet seen results.
- Nobody is thinking on how monitoring will be implemented. We have to check the new system, but DG NEAR has not yet given it to us.
- It is the responsibility of DG NEAR to collect information about the results achieved. They should provide the National Authorities with clear instructions on this.

A 1.7 Recapitulated Fieldwork Findings from Kosovo

XK - EU Office (EUO)

- EUO in Pristina is the direct interlocutor on behalf of the EC.
- IPA I implementation (programming, implementation, monitoring and reporting) as well as the IPA II programming exercise have been executed by EUO.
- IPA II implementation will remain their sole responsibility; however, they need further guidance from the EC HQ on the operation of the MRPF.
- IPA II, as IPA I, will be in centralised mode
- IPA II contracting will go beyond 2016
- EUO report to EC HQ on biannual basis (Jan. and June)
- EUO does monitoring while this is not the case with NIPAC
- Role of NIPAC is very weak in terms of programming, reporting and monitoring
- EUO rely very much on ROM Monitoring
- EUO has implemented the Aid Management Platform (AMP) <http://amp-mei.net/portal/> a tool for the government and donors to track and share information related to aid-funded activities.
- According to EUO staff, the platform correspondence to the Aid Transparency Data requirements however, EC HQ never used the data from the Platform.
- EUO intends to discontinue the maintenance of the Platform for the reason above.
- NIPAC is coordinating CBC however, their role in IPA MC is weak
- Visibility was maintained by delivering success stories and promotion videos

XK - Ministry of European Integration, NIPAC

Roles

- The Ministry of European Integration is assigned the role of the National IPA Coordinator (NIPAC) for IPA I. NIPAC is supposed to be responsible for cooperation with the main state institutions on Component I (Tech. assistance and institution building) - assistance beneficiaries, through their internal structure (SPOs). However, the NIPAC's role in practice is undermined: the regulatory framework is not complete (lack of progress in DIS), and the operating structures (besides NIPAC, CFCU and NF) are not in place; there is no Audit authority and no progress towards forming that institution. Ministries nominated SPOs but their role is confined only to programming, not for the implementation.
- The IPA Component II (CBC) coordinator is the Ministry of European Integration, NIPAC.
- NIPAC does not conduct general trainings for IPA programming
- Within IPA I, the NIPAC office never commented on the project proposals.
- NIPAC is only involved in project's Steering Committee meetings and does not carry out its own quality assurance tasks but rather comments on and makes recommendations based on EC reporting, such as the Results Oriented Monitoring (ROM) reports.
- All the evaluation visits are conducted upon the initiative of the EC by the EC and are communicated via EUO to the NIPAC.
- NIPAC is not regularly involved in IPA I Monitoring Committee (IPA MC) meetings;

IPA Programming - Indicators

- The role of the NIPAC to guide the IPA II process is weak
- NIPAC office sees a great need for profound technical assistance for building of its capacities and capacities of its network of partners in IPA II programming.
- The "IPA II 2015/ 2016 Programme" is under preparation.

- The Indicators included in the Indicative Country Strategy Paper are not well understood. The Institutions do not understand the meaning of these indicators (although they tried to contribute); they cannot understand how their work under the IPA II could be assessed by these indicators; this is a major issue which has to be cleared out;

Tools

- No IT tools are in place by NIPAC; only EUO has implemented the Aid Management Platform (AMP) (<http://amp-mei.net/portal>), a tool for the government and donors to track and share information related to aid-funded activities.

XK - Ministry of Economic Development (Responsible for energy sector)

Roles

- Ministry is responsible to prepare and monitor the implementation of legislation in the sectors of energy and mining, postal services, telecommunications, information technology and oversight of publicly owned enterprises;
- to prepare and implement strategic documents for the energy and mining sectors, as well as on the energy balance, in accordance with the applicable legislation;
- to prepare policies on Energy Efficiency and Renewable Energy Sources, as well as relevant action plans for these fields, in compliance with respective EU Directives;
- to monitor energy systems;
- to cooperate in the preparation and implementation of international agreements in the sectors of energy, mining, postal services, telecommunications and information technology;
- Ministry is SPO for energy sector
- There is no Sectoral Monitoring Committee (SMC) in place to monitor activities within IPA II
- They have no contacts with NIPAC, only with EUO

IPA Programming – Indicators

- Ministry has been only in contact with EUO on issues of IPA II Programming

Tools

- No IT tools are in place.

XK - Ministry of Agriculture Forestry and Rural Development

Roles

- Ministry is responsible for coordination of strategic planning at the country level and act as SPO. Currently the role of SPO is weak due to the weak relation with NIPAC.
- No adequate monitoring/ reporting system exists. Nevertheless, Ministry produces a report on the sector on an annual basis, by collecting relevant info on an ad hoc basis.
- Ministry has established relations with DG AGRI (IPARD) through a Long Standing Committee (regional Framework, based at Skopje) which is coordinating the relevant activities and information flow at country and regional level. Regional projects are also financed through DG AGRI, through this regional platform.

IPA Programming - Indicators

- Ministry was only in contact with EUO on issues of IPA II Programming
- It is true that the country badly needs the funds of the EC. Due to the existing national debt, there are no national funds for the financing of the sector.

Tools

- No IT tools are in place.

XK - Kosovo Agency of Statistics

Roles

- Agency has completed 2011 Census; Agricultural Census will be finalised in 2015, and there is plan to conduct Census in North Kosovo;
- The Agency maintains excellent relations with Eurostat (it develops its services under the instructions of Eurostat on the basis of multi-annual programmes). It participated in projects financed by IPA I;
- They proposed in IPA II Economics statistics (agriculture farmers) but have no knowledge if this project has been included in IPA II;
- The Agency has not been invited by NIPAC to comment on the Indicators included in the Country Strategy Paper;
- Agency is involved in Multi-beneficiary projects;

IPA Programming - Indicators

- The Agency adopted Statistical Programme of 2013-2017 and operates within this Framework with no relation to IPA II indicators.

Overall conclusions:

Coordination mechanism and strength of the structures and authorities within management and control system is weak. That refers primarily to NIPAC office, whose role and authority has weakened and declined over the time. NIPAC office has been undermined within the recent programming processes – the lack of technical assistance to NIPAC office in recent period caused further weakening of its capacities, especially in area of preparation for IPA II. Necessary institutional capacities for IPA II programming and implementation are not in place, i.e. regulatory framework is not complete, Operating structure, and IPA MC as well as IPA sectoral monitoring committee are not in place.

There is no sector lead institutions responsibility assigned within IPA II. These institutions should be assigned the official mandate to coordinate the relevant activities at all stages of IPA implementation (programming, implementation, monitoring and reporting). Interviewed ministries of Agriculture; Energy and Public Administration revealed that such capacity and knowledge are absent.

EU Office (EUO) in Pristina is the direct interlocutor on behalf of the EC. For instance, IPA I implementation (programming, implementation, monitoring and reporting) as well as the IPA II programming exercise have been executed by EUO. As reported by EUO staff, IPA II implementation will remain their sole responsibility; however, they need further guidance from the EC HQ on the operation of the MRPF. The National Statistical Service had no role in IPA II programming. As reported, there is very little capacity on the part of the Agency to have significant role in IPA II implementation.

Processes:

Centralised management system is currently in use. The EUO is the main contracting authority, which means that it conducts tendering procedure, signs contracts with selected organisations, and executes all payments. As to the decentralised management and necessary steps to achieve decentralisation (with ex-ante controls - although in the past there were several IPA projects that worked on strengthening capacities and developing skills and knowledge for introduction and application of DIS, there is no DIS plan for IPA in Kosovo, and no progress is visible in that respect.

Means and tools:

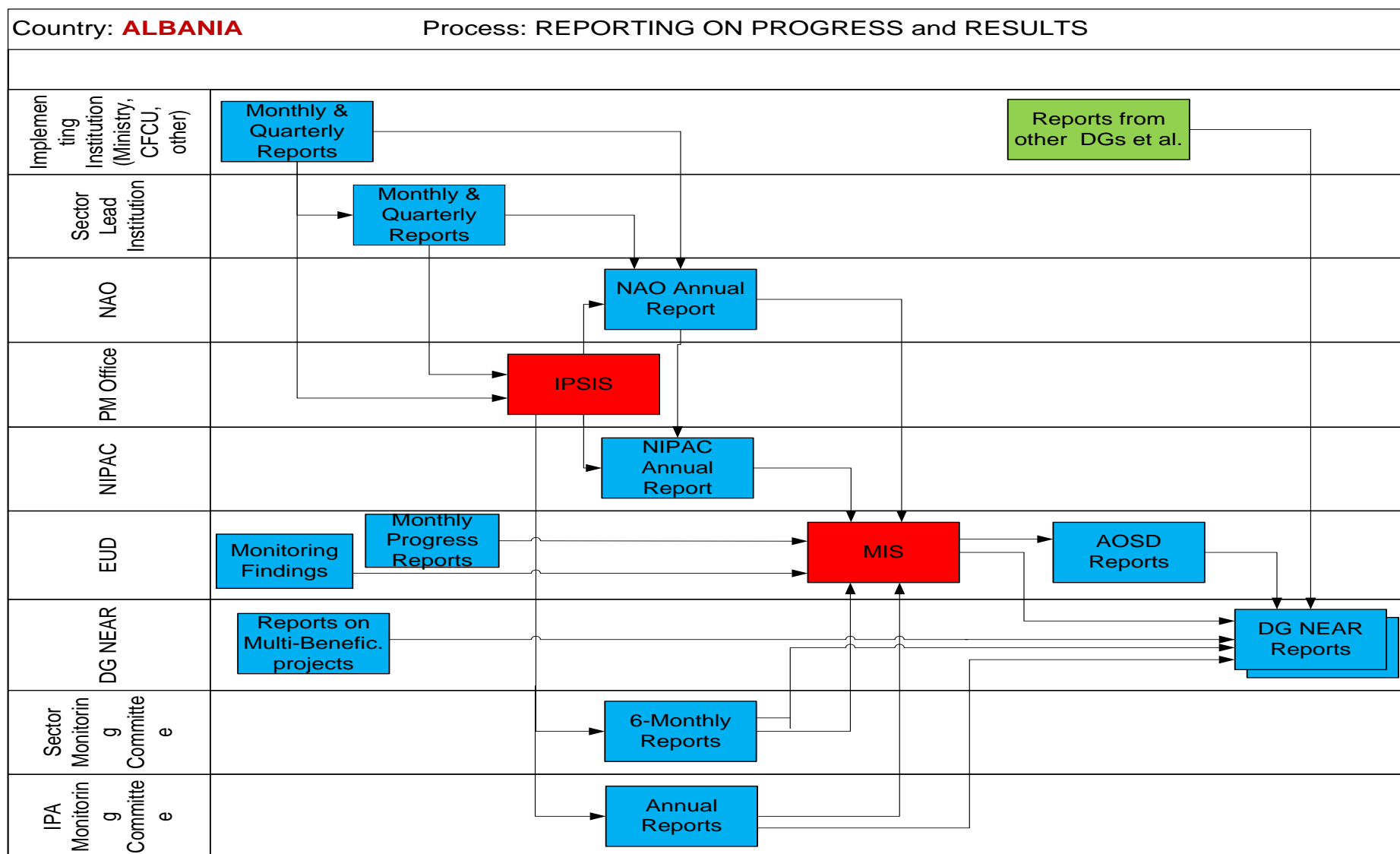
There are no operational and intervention level indicators nor baseline and target indicators. The EUO has implemented the Aid Management Platform (AMP) (<http://amp-mei.net/portal>), a tool for the government and donors to track and share information related to aid-funded activities. According to EUO staff, the platform corresponds to the Aid Transparency Data requirements; however, EC HQ has reportedly never used the data from the Platform. EUO intends to discontinue the maintenance of the Platform.

Annex 2 – Existing processes of reporting on implementation progress in IPA Beneficiaries

REPORTING TIMELINE

Albania

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
Line Ministries (SPOs)	NAO and NIPAC	Financial and physical progress of implementation of the interventions of the Ministry	On monthly and quarterly basis respectively
CFCU	NAO and NIPAC	Implementation of the measures of the Action plan addressing the findings/ recommendations of the lessons learned analysis	On ad-hoc basis
CFCU	NAO and NIPAC	IPA implementation (addressed to the Government)	Twice a year
NAO	EUD	Financial execution data for the whole IPA in the country	Annually
NIPAC	EUD	Implementation info/ data for the whole IPA in the country	Once per year
SMC Secretariat	SMC members	Implementation of the interventions of the sector and other supporting materials	Twice a year
IMC Secretariat	IPA MC members	Implementation of IPA in the country and other supporting materials	Once per year

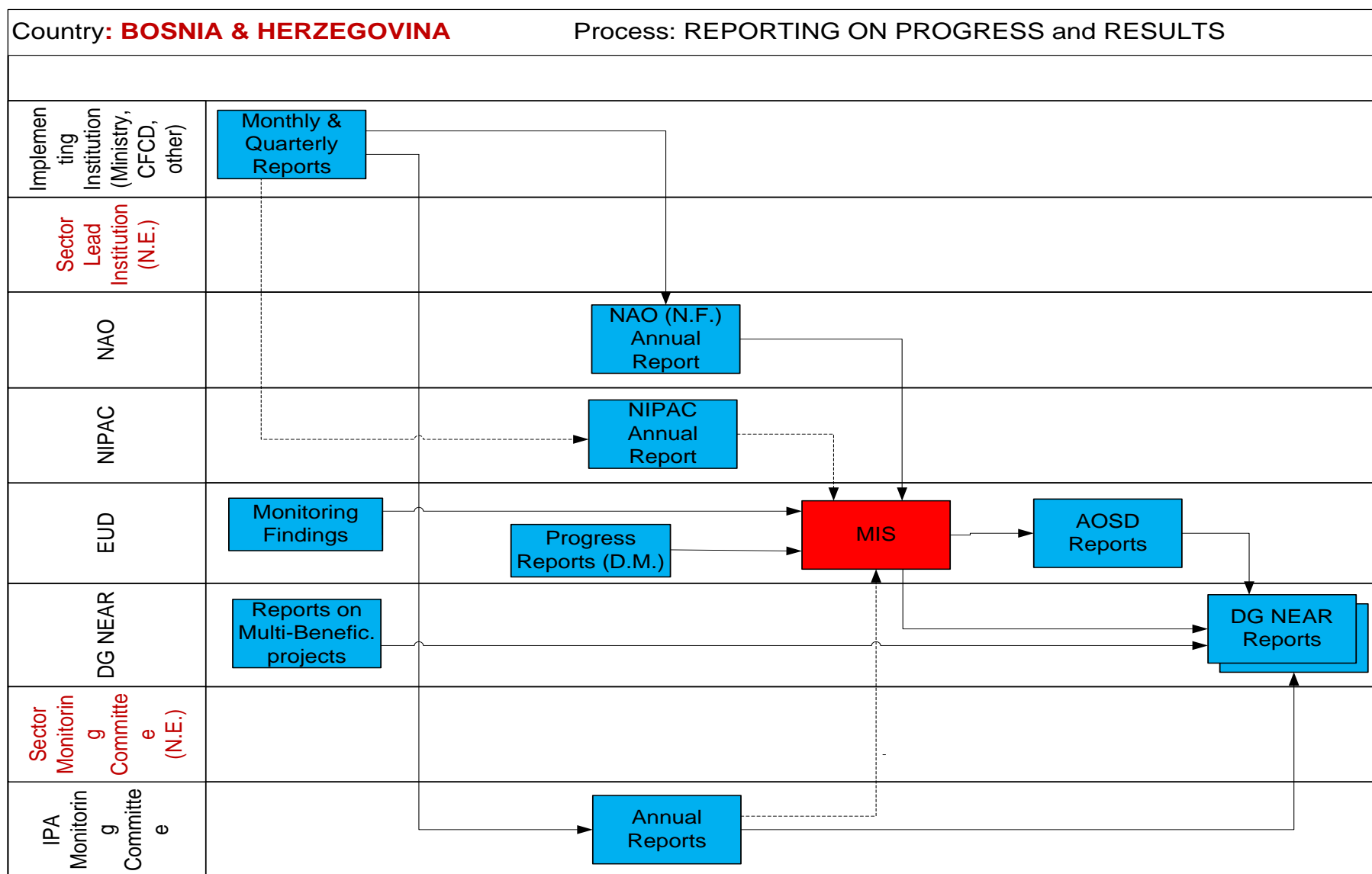


REPORTING TIMELINE

Bosnia and Herzegovina

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
SPOs	NIPAC office	Information on particular IPA projects (for the preparation of the IPA monitoring committee meeting)	Upon request -Usually two times per year (Every February and September)
SPOs	NIPAC office	Info/data on the implementation of IPA projects (related to SAA subcommittees meetings' requirements)	Once per year [There are in total 7 subcommittees whose meetings are held once per year; mostly in the first half of the year]
NAO	---	NAO does not prepare any Report on IPA I related activities	---
Ministry of Finance and Treasury	NIPAC	Information on co – financing of IPA projects (for the meetings of IPA MC)	Twice a year (Every February and September)
NIPAC	Council of Ministers	Info on IPA programming, IPA annual national package, multi-beneficiary IPA projects, etc.	Regularly
NIPAC	EC	Info on the requirements for the IPA MC meeting. It usually provides data on the implementation of particular IPA projects, selected for discussion by the EC	Twice a year (Every February and September) (Latest fifteen days prior the meeting of the IPA MC)
NIPAC	Council of Ministers	Info on the conclusions from the IPA MC meeting	Twice a year (Two months on average after IPA MC meetings)
Audit Institution (State Level)	---	There is no audit reporting exclusively on IPA projects. [Note: IPA projects are subject to the annual audit activities of the state level audit institution. EC carries audits of IPA projects - Next audit is scheduled for mid-	---

		June 2015]	
Sector Monitoring Committee	---	Note: Sector Monitoring Committees were never established.	---
IPA Monitoring Committee	IPA Monitoring Committee members	Implementation progress effected	Twice a year (Every February and September)
EC HQ (via EUD)	NIPAC Office	<p>Evaluation Reports</p> <p>[Note: All the evaluations are conducted upon the initiative of the EC by the EC and are communicated via EUD to the NIPAC office little bit in advance of their implementation];</p> <p>There is no plan provided to NIPAC in advance, on how many and on what particular topics evaluations are going to be carried out.</p>	<p>When the reports are issued.</p> <p>In the course of last year (2014) the NIPAC office has participated in partial preparation of 4 evaluation studies.</p>

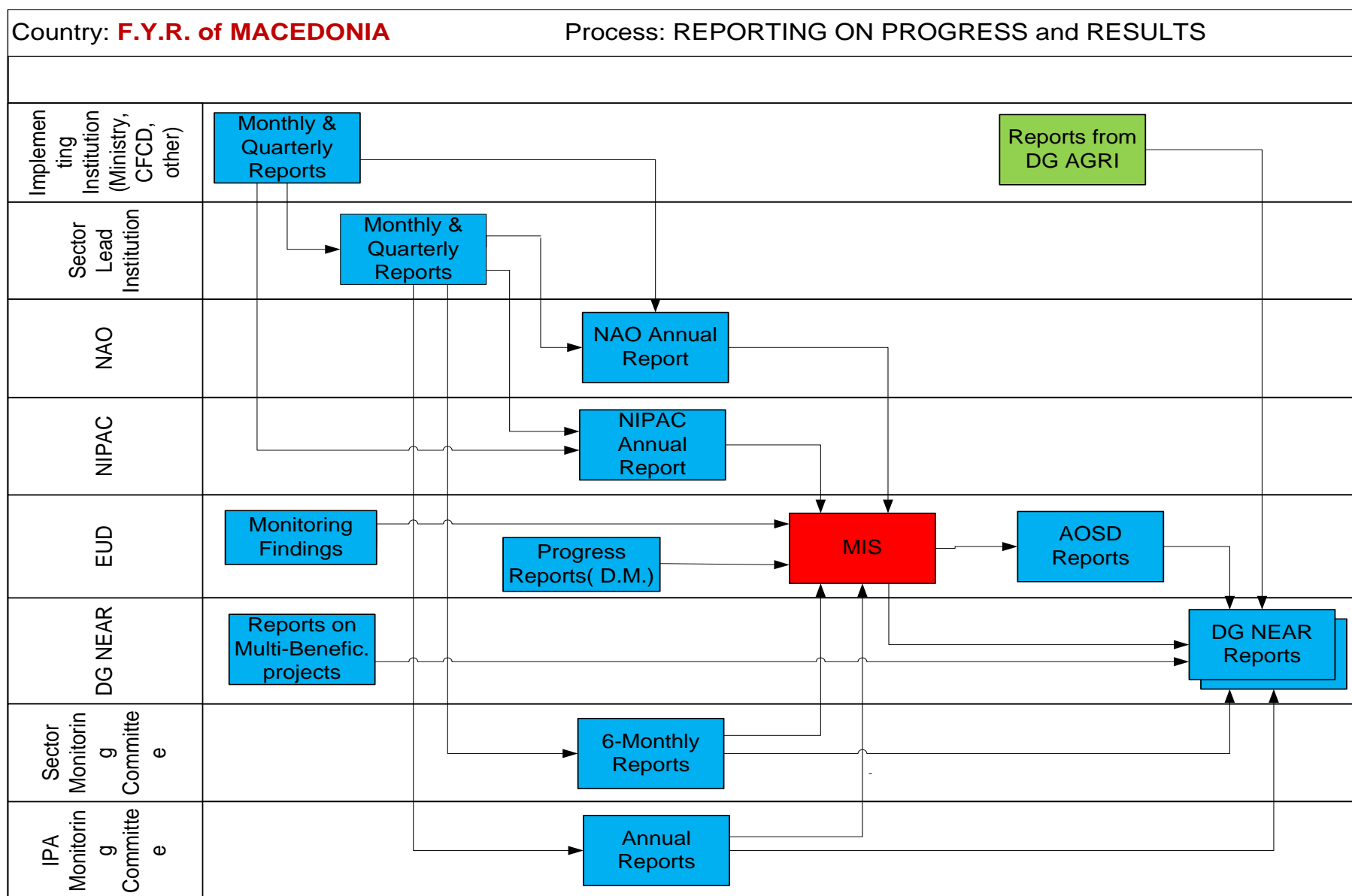


REPORTING TIMELINE
The former Yugoslav Republic of Macedonia

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
Line Ministries (SPOs)	PAO	Financial and physical progress of implementation	On monthly and quarterly basis respectively
CFCD	NAO and NIPAC	Updating on content and preparation of the SARI and of the reports to the Government	On ad-hoc basis
CFCD	NAO and NIPAC	Info on the implementation of the measures of the Action plan addressing the findings/ recommendations of the lessons learned analysis	On quarterly basis
CFCD	NAO and NIPAC	Info on the SARI and supporting materials	Twice a year
CFCD	NAO and NIPAC	IPA implementation information addressed the Government	Every month upon request of NIPAC
NAO	EC	Statement of Assurance	Once a year, by end of February
NAO	EC	Info on mitigating of audit findings and progress in meeting the audit recommendations.	When needed; Usually two times per year
NAO	NIPAC	Info on progress made regarding the implementation of recommendations addressed to NAO in the Action plan addressing the findings of the lessons learned analysis	On quarterly basis
		Info on the needs for ensuring new employments for the DIS structures based	

NAO	NIPAC	on the Work load analysis	On yearly basis (usually in April)
NIPAC	NAO	Info on changes in the administrative structure	Whenever such changes occur
NIPAC	NAO	Statement of assurance	Once per year
NIPAC	NAO & EC	Submission of the SARI for TAIB	Once per year (by 30 June)
NIPAC	NAO & EC	Submission of the ARI for the whole IPA	Once per year (by 31 August)
NIPAC		Info on the IPA state of play	Once per month
NIPAC	Government	Info on meeting the conditionalities for the TAIB National Programmes and on progress of implementation of the recommendations -concerning the	On quarterly basis
NIPAC	Government	NAO- of the Action Plan addressing the findings of the lessons learned analysis	
SMC Secretariat	SMC members	Info on implementation of the sector interventions and other supporting material	Twice a year
IMC Secretariat	IPA MC members	Info/data on implementation of IPA and other supporting material	Once per year
IPARD Author.	SMC members	Info/data on the implementation of the Action plan for increasing the absorption capacity of IPA funds	Twice a year
IPARD Author.	IPA MC	Info/data on implementation of IPARD projects/programme	Once per year
IPARD Author.	Government	Info/data on implementation of IPARD projects/programme	Every month

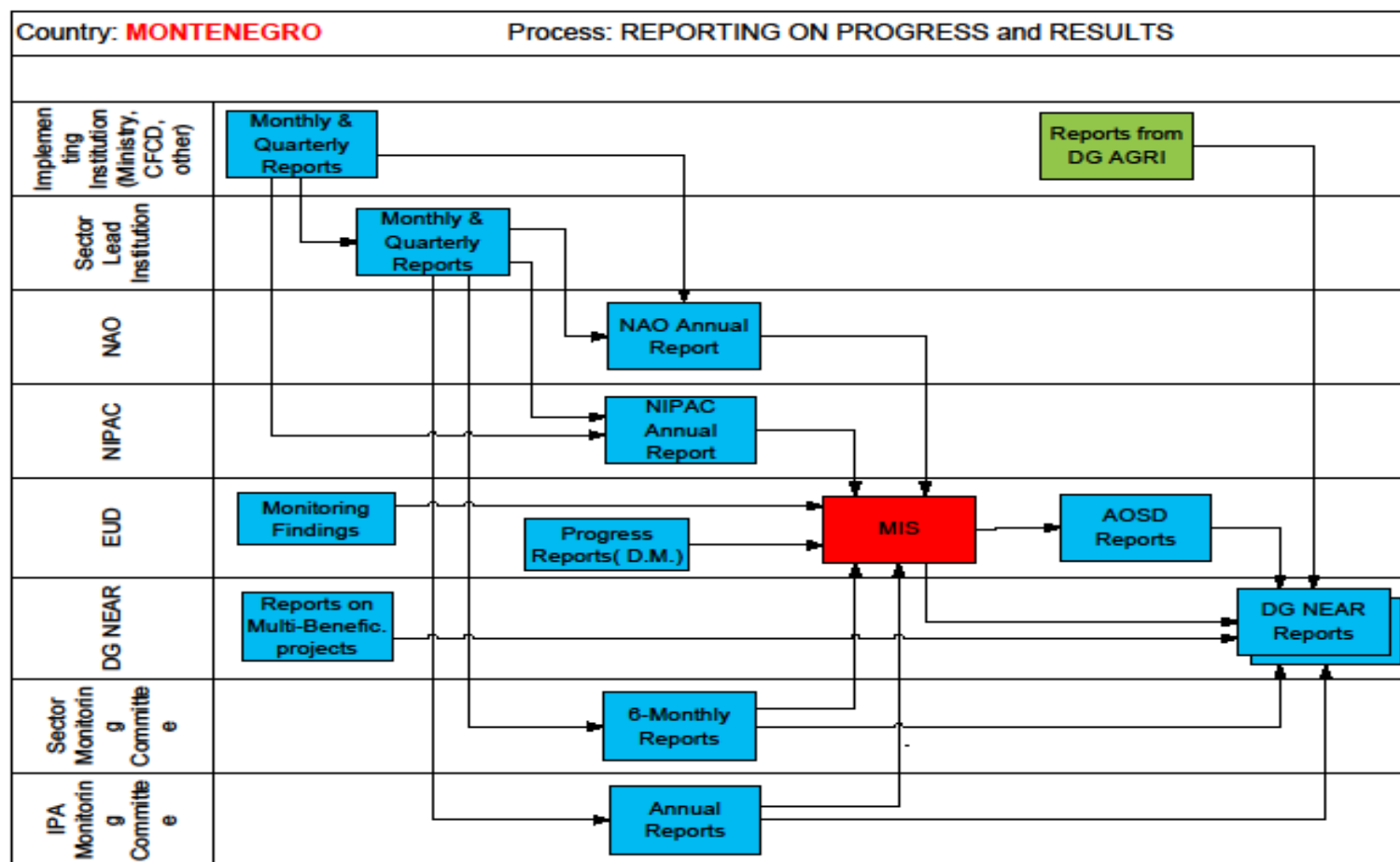
All the above mentioned dates are provided for within the IPA Regulation and the relevant Manual of IPA procedures.



REPORTING TIMELINE

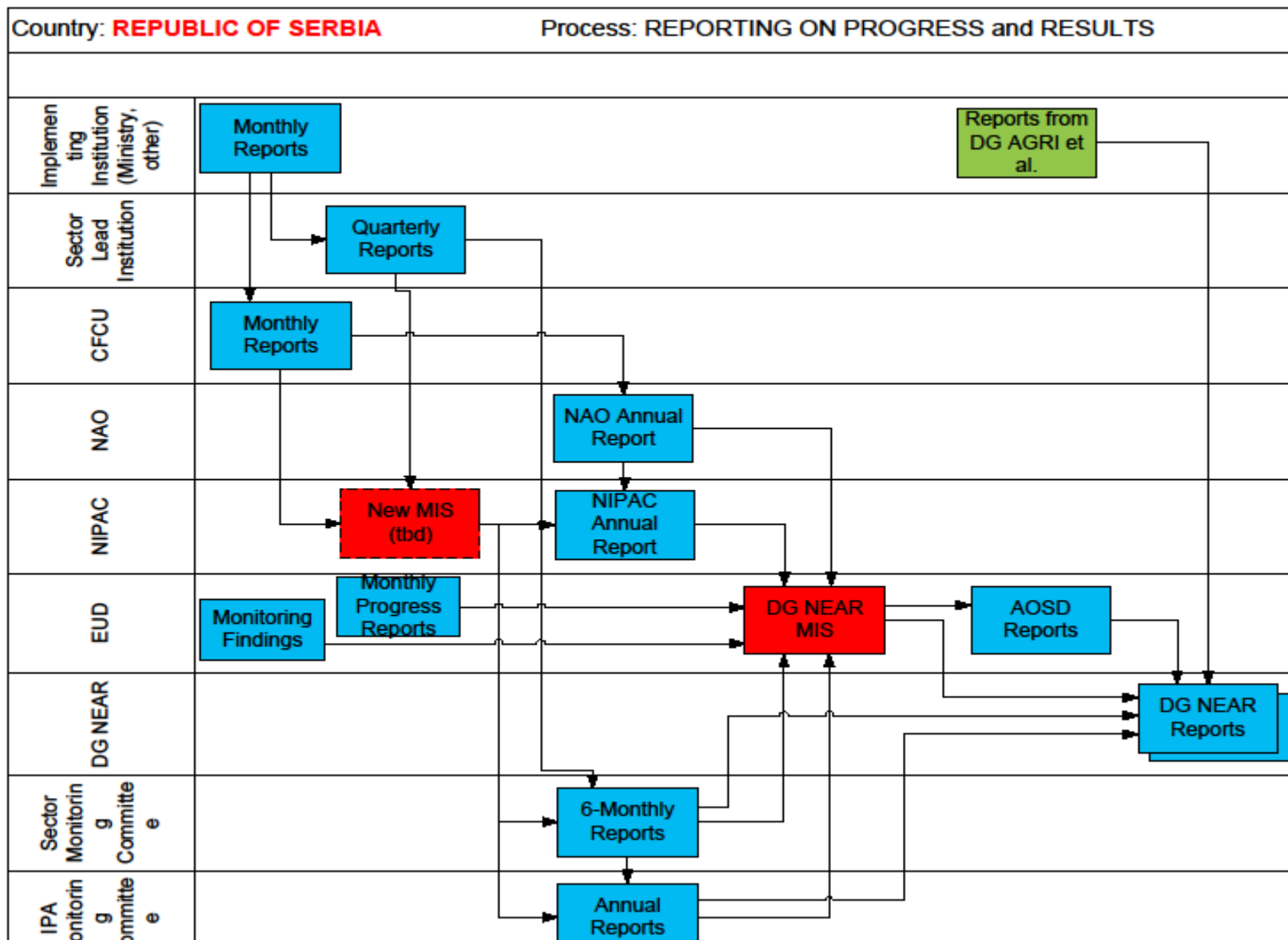
Montenegro

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
Line Ministry or other Implementing authority (SPOs)	Sector Lead Institution (SLI) NAO	Financial & physical progress of implementation of the interventions of the Ministry Financial data on implemented projects (payments etc.)	On monthly basis On monthly basis
Sector Lead Institution (SLI)	NIPAC, SMC and IMC	Financial and physical progress of implementation of the projects of its sector	On a quarterly, six-monthly and yearly basis
CFCU	NAO and NIPAC	Tendering and contracting information Financial data on implemented projects (payments etc.)	On ad-hoc and monthly basis On a monthly basis
CFCU	SMC	Information on tendering and contracting of projects	Twice a year
CFCU	IMC	Information on tendering and contracting of projects	Annually
NAO	NIPAC, EUD and DG NEAR	Financial execution data for the whole IPA in the country	Annually
NIPAC	IMC, EUD and DG NEAR	Implementation info/ data for the whole IPA in the country	Annually
SMC Secretariat	SMC members	Implementation of the interventions of the sector and other supporting materials	Twice a year
IMC Secretariat	IPA MC members	Implementation of IPA in the country and other supporting materials	Annually



REPORTING TIMELINE
Republic of Serbia

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
Line Ministry or other Implementing authority (SPOs)	Sector Lead Institution (SLI) and CFCU	Physical progress of implementation of the interventions of the Ministry	On monthly basis
Sector Lead Institution (SLI)	NIPAC, SMC and IMC	Physical progress of implementation of the projects of its sector	On a quarterly, six-monthly and yearly basis
CFCU	NAO and NIPAC	Tendering and contracting information Financial data on implemented projects (payments etc.)	On ad-hoc and monthly basis On a monthly basis
CFCU	SMC	Information on tendering and contracting of projects	Twice a year
CFCU	IMC	Information on tendering and contracting of projects	Annually
NAO	NIPAC, EUD and DG NEAR	Financial execution data for the whole IPA in the country	Annually
NIPAC	IMC, EUD and DG NEAR	Implementation info/ data for the whole IPA in the country	Annually
SMC Secretariat	SMC members	Implementation of the interventions of the sector and other supporting materials	Twice a year
IMC Secretariat	IPA MC members	Implementation of IPA in the country and other supporting materials	Annually

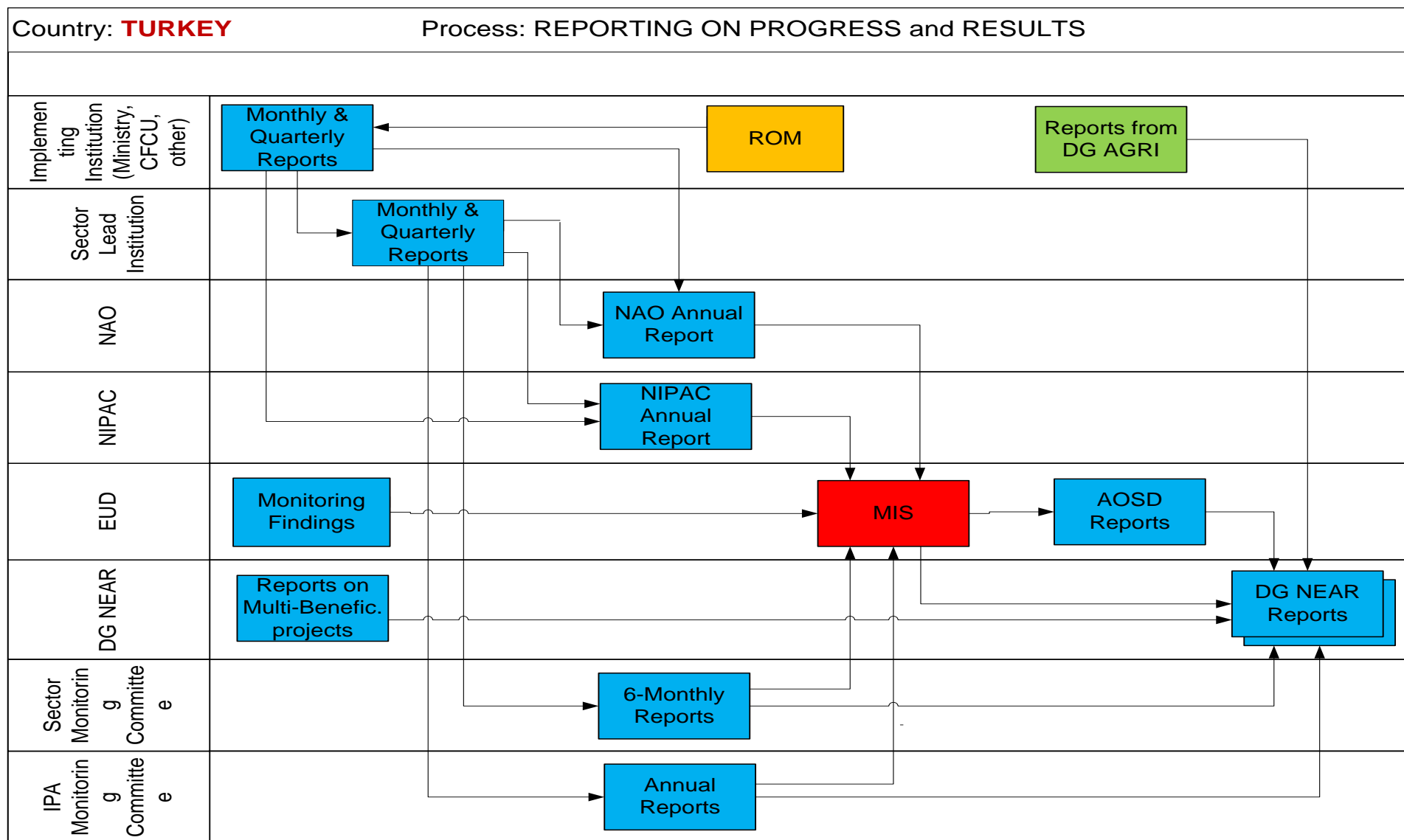


REPORTING TIMELINE

TURKEY

REPORTING BODY	TO WHOM ADDRESSED	REPORT CONTENT	WHEN (frequency, dates)
Line Ministries (SPOs)	PAO and Sector Lead Institutions	Financial and physical progress of implementation	On monthly and quarterly basis respectively
Sector Lead Institutions	NAO and NIPAC	Financial and physical progress of implementation	Quarterly basis
CFCU	NAO and NIPAC	Financial and physical progress info/data on the implementation of the IPA interventions monitored by CFCU (with the assistance of the ROM Contractor)	On a monthly and quarterly basis respectively
CFCU	NAO and NIPAC	Info on the implementation of the measures of the action plan addressing the findings/ recommendations of the lessons learned analysis	On quarterly basis
CFCU	NAO and NIPAC	Info/data on the implementation of the IPA interventions and supporting materials	
CFCU	NAO and NIPAC	Information on IPA implementation (addressed the Government)	Twice a year
CFCU	NAO and NIPAC		Every month upon request of NIPAC
NAO	EC	Statement of Assurance	Once a year, by end of February
NAO	EC	Info on mitigating of audit findings and progress in meeting the audit recommendations.	When needed

NAO	NIPAC	Info on progress made regarding the implementation of recommendations addressed to NAO in the action plan addressing the findings of the lessons learned analysis	On quarterly basis
NAO	NIPAC	Info/data on the needs for ensuring new employments for the DIS structures based on the Work load analysis	On yearly basis
NIPAC	NAO	Info on changes in the administrative structure	Whenever such changes occur
NIPAC	Government	Info/data on the IPA state of play	Once per month
NIPAC	EUD	Info/Data on implementation of IPA in Turkey	Annually
SMC Secretariat	SMC members	Info/data on implementation of sector interventions and other supporting materials	Twice a year
IMC Secretariat	IPA MC members	Info/data on IPA implementation and other supporting materials	Once per year
IPARD Author.	SMC members	Report on the implementation of the action plan for increasing the absorption capacity of IPA funds	Twice a year
IPARD Author.	IPA MC		Once per year
IPARD Author.	Government		Every month



Annex 3 – IPA II MRPF Processes

IPA programming process

Level	WHAT (Activities)	WHO (Actor)	WHEN (frequency/ date)	HOW (procedure + Means)	OUTPUTS	EC Regulation - Clause/Article
Context preparation	Analysis and assessment of the current (and the estimated for the end of the programming period 2007-2013) situation in the enlargement countries; estimation of the requirements for the next period (2014-2020)	DG NEAR (assisted by the EUDs)	Once, early enough before the start of the new period	Internal DG NEAR / EUDs consultations	Relevant working document (in parallel to the Annual Report on Enlargement)	
	Determination of the EU strategic goals for the enlargement countries in the new period (2014-2020); Determination of the IPA II budget	EU competent bodies c/o DG NEAR	Once, early enough before the start of the new period	Internal consultations; Long-term programming of DG ELARG	New enlargement goals; Budget for the new period	
	Determination of necessary new parameters to be introduced in the new IPA period, through the IPA II legal documents: standard primary & secondary sectors,	DG NEAR	Once, before the drafting of the final draft IPA II Regulation	Elaboration of relevant studies within the DG. Discussions within rel. Committee; Endorsement of proposals by the Management of the DG	List of standard primary and secondary sectors	REG. No 236/2014, Art.3
	Issuance of the legal documents (Regulations) applicable for the new period (2014-2020): IPA II Regulation et al.	c/o DG ELARG (now DG NEAR)	Once, before the start of the new period (i.e. before 2014)	EU legal documents' issuance standard procedure	New IPA II related legal documents	
	Communication of the legal documents and the eligibility & other conditions under which the funds of IPA II could be used for country and multi-country interventions	DG NEAR/ EUDs	Once, immediately following the issuance of the relevant legal framework	Dissemination to the competent National Authorities (NIPAC) through the EUDs	IPA II Regulation, IPA II implementation Regulation and other relevant legal documents	
	Issuance of guidance for the implementation of the IPA II programming at various levels (strategic country/ multi-country, sector, Yearly action programme, interventions)	DG NEAR	Once, before the start of the new period, following the dissemination of the relevant legal docs.	On the basis of an analysis of the requirements and synthesis of the needed actions/ specifications; Internal endorsement	Guidance document	REG. No 236/2014, Art.3
	Dissemination and training on IPA II programming	DG NEAR	As needed, before the start of the implementation of the new legal docs + ongoing	Through training workshops & presentations addressed to key staff of the EUDs and of competent National Authorities	Presentations (power-point); Guiding document. Clarification notes.	REG. No 236/2014, Art.3
	Determination of the standardised context,	DG NEAR	Before the end of	Through a relevant study of	List of indicators;	REG. No 236/2014,

	outcomes & impacts and sector indicators to be used in the strategic programming of IPA II at country and multi-country level		elaboration of the Country & Multi-country Strategy Papers	the indicators used by other International Organisations and of the needs of the new IPA II MRPF	(with description, relevance, sources and Baseline & target values)	Art.3
	Determination of standard operational and intervention level indicators; Preparation of a Guide for the determination of the proper results indicators at sector, action, programme and project level.	DG NEAR	Planned in 2015	Through a relevant study; Internal endorsement	Guide, with standard list of indicators and explanatory notes.	REG. No 236/2014, Art.3
	Development of the new IPA II Monitoring & Reporting Performance Framework	DG NEAR	Periodic reviews & performance assessment for improvements	Through an assessment by an internal working group (+ external assistance); Internal endorsement	Working Document presenting the features of the new IPA II MRPF	REG. No 236/2014, Art.3
	Development of the MIS of DG NEAR to accommodate the requirements of the new IPA II MRPF	DG NEAR	As part of the MRPF development; Periodic reviews for improvements	Through a relevant study by a Committee (+ external assistance); Internal endorsement	Upgraded MIS of DG NEAR	REG. No 236/2014, Art.3
Multi-country strategic planning	Determination of the key strategies and networks/ infrastructures requiring multi-country cooperation and common interventions	DG NEAR competent HQ Unit	Immediately following the issuance of the relevant legal framework	On the basis of the latest country and multi-country programmes' progress reports, strategy documents, reports of regional organisations etc.	Indicative Multi-country Strategy Paper	Reg. No 231/2014, Art.6
	Discussions with the competent regional organisations and the EC DGs (responsible for the EU strategies to be promoted in the region)	DG NEAR competent HQ Unit, regional organisations and EC DGs	Following the previous activity	Structured meetings with all stakeholders	List of proposed themes for Multi-country interventions	Reg. No 231/2014, Art.6
	Determination of a list of eligible interventions (projects/ programmes) involving two or more IPA II beneficiaries.	DG NEAR competent HQ Unit	Following the previous activity	Elaboration of the info/data from all above activities	List of proposed Multi-country interventions	Reg. No 231/2014, Art.6
	Discussions with the concerned countries on their participation to, and national content in the frame of each Multi-country intervention.	DG NEAR competent HQ Unit	Following the previous activity	Structured meetings with all competent stakeholders	List of Multi-country interventions with countries' participations	Reg. No 231/2014, Art.6
	Determination of the IPA funds to be budgeted per intervention area and year	DG NEAR competent HQ Unit	Following the previous activity	Internal consultations	Allocation of IPA funds per sector	Reg. No 231/2014, Art.6

					and year	
	Determination of the exact multi country interventions to be implemented by IPA II funding.	DG NEAR competent HQ Unit	Following the previous activity	Internal consultations	List of Multi-country interventions to be implemented	Reg. No 231/2014, Art.6
	Identification of the indicators to be used for the monitoring of implementation progress & results	DG NEAR competent HQ Unit	Following the previous activity	Internal consultations	List of indicators	Reg. No 231/2014, Art.2, Art.6
	Drafting of the Multi-country Indicative Strategy paper	DG NEAR competent HQ Unit	Following the completion of all previous activities	Internally and supported by external technical assistance	Draft Multi- country indicative Strategy Paper text	Reg. No 231/2014, Art.6 REG. No 236/2014, Art.3
	Approval/ signing of the Multi-country Indicative Strategy Paper	DG NEAR competent HQ Unit and participating countries/ organisations	Following the previous activity	Internal procedures of each side	Multi-country Indicative Strategy Paper	Reg. No 231/2014, Art.6
Country strategic planning	Preparation of the National Development Strategy for the programming period. Identification of the focal policy areas/ sectors and of the key (major) interventions to be implemented	National Planning Authority (Prime Minister's office and/or the Ministry of Development and/or the Ministry of Finance, etc.)	Before the start of the programming period (i.e. before 2014)	With the cooperation of all Ministries and National organisations which participate in the development and implementation of the National development strategy	National Development Strategy document	Reg. No 231/2014, Art.6
	Identification of the parts of the National Development Strategy that are eligible to be funded by the donors and IFIs which are active in the country (including the EU through IPA)	National Planning Authority in coop. with the EC	Following the previous activity	Cooperation with all donors/ IFIs.	List of projects/ programmes per donor/ IFI	Reg. No 231/2014, Art.6
	Determination of the key sector objectives and main interventions to be financed by the IPA II	National Planning Authority in coop. with the EC	Immediately following the issuance of the relevant legal framework	Cooperation with the EUD and DG NEAR HQ, on the basis of the objectives and allocations of funds included in the IPA Regulation.	Sectors, objectives & key interventions for IPA II	Reg. No 231/2014, Art.6
	Determination of the IPA funds to be budgeted per sector/ policy area and year	EC in coop. with the National Planning Authority	Following the previous activity	Analysis on the basis of the objectives and allocations of funds included in the IPA Regulation	Allocation of IPA funds per sector and year	Reg. No 231/2014, Art.6
	Identification of the indicators to be used for the monitoring of implementation progress & results	EC in coop. with the National Planning Authority	Following the previous activity	Proposal by the EC (DG NEAR) and discussions with the National Authorities	Lists of context, outcome/ impacts and sector	Reg. No 231/2014, Art.2, Art.6

					indicators	
	Drafting of the Indicative Country Strategy paper	EC in coop. with the National Planning Authority	Following the completion of all previous activities	By the use of external assistance, on the basis of specs issued by the EC	Draft Indicative Strategy Paper text	Reg. No 231/2014, Art.6 REG. No 236/2014, Art.3
	Negotiations for the finalisation of the ICSP	EC & National Planning Authority	Following the previous activity	Negotiations on the basis of the National Strategy Paper and the relevant EU legal framework	Working docs	Reg. No 231/2014, Art.6
	Approval/ signing of the Indicative Country Strategy Paper (ICSP)	EC and National Authorities (Ratification by the Parliament?)	Following the previous activity	Internal procedures of each side	Indicative Country Strategy Paper	Reg. No 231/2014, Art.6
Sector programming	Determination of the road-map to sector programming	EC & National Planning Authority	Following the signing of the ICSP	On the basis of relevant instructions by the EC	ROAD-map	
	Detailed elaboration of the country strategy in each primary and secondary sector of IPA II	National Planning Authority & Responsible sector Authority (e.g.Ministry)	Following the signing of the ICSP	On the basis of the National Development Plan per sector and the provisions of the Indicative Country Strategy Document	Key requirements, Objectives, main results and outputs wanted	
	Determination/ classification of the most necessary interventions to be implemented under each sector of IPA II	National Planning Authority & Responsible sector Authority (e.g. Ministry)	Following the previous activity	By use of a multi-criteria assessment system (agreed with the EC)	Prioritisation of the necessary interventions	
	Determination of the expected outputs and results from the implementation of the selected interventions	National Planning Authority & Responsible sector Authority (e.g. Ministry)	Following the previous activity	On the basis of Logical Framework Analyses for the selected interventions	List of main outputs and results per intervention	
	Allocation of the IPA II funds on the wanted interventions	EC & National Planning Authority	Following the previous activity	On the basis of the allocations in the ICSP and a set of criteria agreed between the EC and the National Planning Authority	Financial plan per intervention	
	Determination of the exact interventions to be financed by IPA II	EC & National Planning Authority	Following the previous activity	On the basis of the analysis prepared as above, using a multi-criteria assessment	List of interventions to be implemented	
	Determination of the indicators to be used for the	EC & National	Following the	By using already tested	List of indicators	Reg. No 231/2014,

	monitoring of the progress and results of implementation	Planning Authority	previous activity	indicators, or by setting specific SMART indicators	(with detailed description)	Art.2
	Programming of implementation	Responsible sector Authority (e.g.Ministry)	Following the determination of the interventions to be financed	On the basis of the level of their preparation ("maturing")	Time-planning of implementation	
	Drafting of the Sector strategy document	National Planning Authority & Responsible sector Authority (e.g. Ministry)	Following the completion of all previous activities	By the use of external assistance, on the basis of specs issued by the EC	Draft Sector Strategy Document text	REG. No 236/2014, Art.3
	Approval of the multi-annual Sector Strategy Document	EC and National Authorities (Ratification by the Parliament?)	Following the previous activity	Internal procedures of each side	Sector Strategy document	
Annual or multi-annual programming	Determination of the interventions that could be implemented within short period of time	National Planning Authority & Responsible sector Authorities (Ministries)	Immediately following the approval of the ICSP	Examinations of projects that have complete studies and can be matured very soon	Sector planning documents	REG. No 236/2014, Art.2
	Elaboration of the list of interventions to be financed under the Action Programme	EC & National Planning Authority	Following the previous activity	On the basis of a set of criteria for the selection of the interventions (maturity, various implementing authorities, etc)	List of interventions to be implemented	REG. No 236/2014, Art.2
	Drafting of the annual or multi-annual Action Programme	National Planning Authority	Following the previous activity	By the use of external assistance, on the basis of specs issued by the EC	Draft Action Programme	REG. No 236/2014, Art.2, Art.3
	Approval of the annual or multi-annual Action Programme	EC and National Authorities (Ratification by the Parliament?)	Following the previous activity	Internal procedures of each side	Adopted Action Programme	REG. No 236/2014, Art.2
	Issuance of the respective financing agreement	EC	Following the previous activity		Financing Agreement	

IPA II Results Framework: Typology of indicators and Reporting

Results Framework	Indicators		Programming Documents		Strategic planning and programming cycle			Financial Cooperation			Progress Report
			Country strategy papers	Action documents/ Programmes	Programme statement	Annual management plan	Annual activity report	NIPAC	AOSD	Financial Cooperation Report	
	Strategic	External	Macro	X	X	X	X			X	X
			Sector	X	X	x	x			X	X
		Progress Report based	Macro	X	X	X	X			X	X
			Sector	X		x	X			X	X
	Operational		X					X	x	X	
	Intervention					X			X		

X: whole set

x: partly

[Source: DG NEAR]

IPA implementation process

Management mode	WHAT (Activities)	WHO (Actor)	WHEN (frequency/ date)	HOW (procedure + Means)	OUTPUTS	EC Regulation - Clause/Article
Direct Management	Identification of the projects/ programmes to be implemented (which contracts to be tendered)	Competent National Authority in cooperation with the EUD	After the approval of the relevant action programme	On the basis of the objectives of the programme and the real needs	List of projects/ programmes to be implemented under the action programme	
	Preparation of the projects/ programmes to be implemented ("maturation" studies, etc.)	EUD, in coop. with the competent National Authority	Following the previous activity	By external contractors (tendering, awarding, supervision of relevant contracts)	Complete studies, predicting the content of the projects/ programmes to be tendered, their specs, cost estimates, time-scheduling, LFM, etc.	REG. No 236/2014, Art.3
	Preparation of the tender documents	EUD	Following the completion of the studies	By external contractor (usually by the contractor who prepared the studies)	Tender documents (as per the tendering procedure to be followed (open, restricted))	REG. No 236/2014, Art.3
	Implementation of the tender procedure (pre-announcement, tender stages, evaluation of offers, negotiations, contract awarding)	EUD	Following tender announcement	By use of Committees, following the standard EU procurement rules	Signed contract	REG. No 236/2014, Art.3
	Implementation of the contract	Contractor	After contract signing, during contract duration	As per the provisions of the contract (and Tender Docs)	The outputs foreseen in the contract	
	Management of contract implementation: (i) physical (quantities, quality, changes etc.); (ii) financial (cost control, payments, etc.) Contract closing upon completion	EUD	During contract implementation and upon its completion	As per the provisions of the legal frame and the contract (+ tender documents with LFM)	Intermediate/ final outputs/ results certifications and payment orders	
	Reporting on progress/ results	EUD ²⁵	On a monthly & 6-monthly basis	Through the MIS (monthly) and the AOSD report (by use of the LFM)	Progress/ results info/ data and AOSD reports	
	Follow-up of the implementation of contracts	Competent National Authority(ies)	On a monthly/ quarterly basis	Based on reporting by the contractor & EUD and on own supervision (against the provisions of the LFM)	Monthly and quarterly reports	
	Implementation of parallel national or other donors' projects/ activities	Competent National	When needed	By contractors (tendering, awarding, supervision, etc.)	The foreseen outputs; Reports to EUD	

²⁵ The NIPAC office also reports on progress.

		Authorities				
	Funding of parallel national projects	Ministry of Finance	On monthly basis	Upon effected expenditure	Funds paid to the contractor(s)	
Indirect Management	Identification of the projects/ programmes to be implemented (which contracts to be tendered)	Competent National Authority	After the approval of the relevant action programme	On the basis of the objectives of the programme and the real needs	List of projects/ programmes to be implemented under the action programme	
	Endorsement/ approval	EUD/HQ	After completion of the List of projects	Check whether projects/ programmes are in accordance with the Action programme/ sectoral strategy	List of approved projects/ programmes to be implemented	
	Preparation of the projects/ programmes to be implemented ("maturation" studies, etc.)	Competent National Authority	After the approval of the projects/ programmes by the EUD	By external contractors (tendering, awarding, supervision of relevant contracts)	Complete studies, predicting the content of the projects/ programmes to be tendered, their specs, cost estimates, time-scheduling, LFM, etc.	REG. No 236/2014, Art.3
	Approval	EUD	Following completion of the studies	Internal or external reviewing	Approved projects to be tendered	
	Preparation of the tender documents	Competent National Authority	Following the previous activity	By external contractor (usually by the contractor who prepared the studies)	Tender documents (as per the tendering procedure to be followed (open, restricted))	REG. No 236/2014, Art.3
	Approval	EUD	Following completion of the tender docs.	Internal or external reviewing	Approved Tender Documents	
	Implementation of the tender procedure (pre-announcement, tender stages, evaluation of offers, negotiations, contract awarding)	Competent National Authority	Following tender announcement	By use of Committees, following the standard EU/ national procurement rules	Selected contractor	
	Approval	EUD	Following completion of tender evaluation	Audit of the whole process (legally correct?), the evaluation of submitted offers, appeals etc.	Approved tendering process and contractor. Signed contract (by the competent National Authority)	
	Management of contract implementation: (i) physical (quantities, quality, changes etc.); (ii) financial (cost control, payments, etc.) Contract closing upon completion	Competent National Authority	During contract implementation and upon its completion	As per the provisions of the legal frame and the contract (+ tender documents with LFM)	Intermediate/ final outputs/ results certifications and payment orders	
	Reporting on progress/ results	Competent	On a monthly &	Through the reporting	Progress/ results info/ data in	

		National Authority	quarterly basis	system of the competent Authority	reports addressed to the NAO and Sector Lead Institution	
	Follow-up of the implementation of contracts	EUD	On a six-monthly basis	Through reports escorting the requests for payments (progress/ results against the LFM provisions)	Approval of work progress and results (compared to the provisions of the LFM)	
	Payments by the EC	EUD	On a six-monthly basis	Following auditing of the effected payments to the contractors	Intermediate and final payment by the EC	
	Implementation of parallel national or other donors' projects/ activities	Competent National Authorities	When needed	By contractors (tendering, awarding, supervision, etc.)	The foreseen outputs in the parallel contracts ; Reports to EUD	
	Funding of parallel national projects/ activities	Ministry of Finance	On a monthly basis	Upon effected expenditure	Funds paid to the awarding authority	

IPA monitoring & reporting process

Stages	WHAT (Activities)	WHO (Actor)	WHEN (frequency/ date)	HOW (procedure + Means)	OUTPUTS	EC Regulation - Clause/Article
Country, multi-country programmes/ actions	Monitoring at contract level	Sector Lead Institution Contracting authority	Monthly (Financial) & quarterly (physical progress)	On the basis of relevant information received by the implementing Authority	Quarterly reports	REG. No 447/2014, Art.5, Art.10
	Monitoring at action programme level	NAO	Monthly (Financial progress)	By aggregation of financial info received by the Implementing Authorities	Reports by action programme (any frequency)	REG. No 447/2014, Art.5, Art.10, Art.14, Art.16
	Monitoring at sector level	Sector Monitoring Committee	Every six months	On the basis of info/data received by the Sector Lead Institution through six-monthly SMC meetings	Minutes/ decisions of the SMC meeting	REG. No 447/2014, Art.5, Art.10, Art.16, Art.19, Art.21
	Monitoring at country level	IPA Monitoring Committee	Annually	On the basis of info/data received by all IPA authorities, through six-monthly SMC meetings	Minutes/ decisions of the IMC meeting	REG. No 447/2014, Art.5, Art.10, Art.16, Art.18, Art.21
		NIPAC	Every six months	On the basis of info/data received by all IPA authorities and IMC	Quarterly monitoring notes and NIPAC Annual Report	REG. No 447/2014, Art.5, Art.10, Art.16
	Monitoring at IPA level	DG NEAR HQ	Annually	On the basis of info/ data received from all recipient countries and HQ (for multi beneficiary & regional programmes)	DG NEAR Reports (AAR, etc.)	REG. No 447/2014, Art.5, Art.10, Art.14 REG. No 236/2014, Art.13
	CBC (IPA-IPA)	Operating Structures	Monthly (financial), quarterly (physical)	On the basis of progress reports and the monitoring reports produced by the Joint Technical Secretariat	Report on progress by intervention	REG. No 447/2014, Art.5, Art.10, Art.38
		CBC Joint Monitoring Committee	Six-monthly	Through the meetings of the CBC Monitoring Committee	CBC Report (addressed to NIPAC and NAO)	REG. No 447/2014, Art.5, Art.10, Art.31, Art.38
		DG NEAR HQ	Annually	On the basis of info/ data received from the NIPAC of the Lead country	DG NEAR Reports (AAR, etc.)	REG. No 447/2014, Art.5, Art.10, Art.14, Art.31, Art.38 REG. No 236/2014,

	Other: DG AGRI, etc						Art.13
		Monitoring at programme level	Competent organisation	Monthly, quarterly, etc.	On the basis of monthly info/data received from the implementing authorities	Progress reports (various frequencies)	REG. No 447/2014, Art.5, Art.10
		Monitoring at country level	Competent organisation	Annually	On the basis of info/data received from the implementing authorities	Annual Report on IPA funded interventions	REG. No 447/2014, Art.5, Art.10
	All	Monitoring at IPA level	DG NEAR HQ	Annually	On the basis of info/ data received from the competent Organisations	DG NEAR Reports (AAR, etc.)	REG. No 447/2014, Art.5, Art.10, Art.14 REG. No 236/2014, Art.13
		Results-Oriented Monitoring at project/ programme level	ROM Contractor	As per the ROM work-plan	External monitoring with independent Monitors, on the basis of ROM Handbook provisions	ROM reviews (standardised) per project/ programme; Other horizontal reports.	REG. No 447/2014, Art.20
	Reporting	Reporting on contract expenditures (payments to the contractors)	Supervising Authority (DM-EUD or IM-National Authority)	Monthly	On the basis of the payments effected to the contractors	Financial implementation report	REG. No 447/2014, Art.5, Art.10
		Reporting on contract implementation (physical outputs etc.)	Supervising Authority (DM-EUD or IM-National Authority)	Quarterly	On the basis of the certification of work implemented/ outputs produced	Physical implementation report	REG. No 447/2014, Art.5, Art.10
		Reporting on action programme (financial agreement) payments	NAO	Annually (+ any other frequency)	By the aggregation of info/data received by the Supervising Authorities	Financial Reports	REG. No 447/2014, Art.5, Art.10, Art.14, Art.16
		Reporting on action programme (financial agreement) outputs/ results	NIPAC	Annually	By the aggregation of info/data received by the Supervising Authorities and NAO	Report on implementation of action programme.	REG. No 447/2014, Art.5, Art.10, Art.16, Art.23
		Reporting on sector outputs/ results	Sector Lead Institution	Quarterly	Aggregation of info/data received from the Implementing Authorities	Quarterly progress/ results' reports	REG. No 447/2014, Art.5, Art.10, Art.16

		Sector Monitoring Committee (Secretariat)	Six-monthly and Annually	Aggregation of info/data received from the Sector Lead Institution(s)	Progress Report (to the SMC members) ²⁶ and minutes/ decisions of the SMC meeting	REG. No 447/2014, Art.5, Art.10, Art.16, Art.19, Art.21
	Reporting on the implementation of IPA in the country	IPA Monitoring Committee (secretariat)	Annually	Aggregation of data from the Sector Lead Institutions, NAO & EUD	Progress Report (to the IMC members) and Minutes/ decisions of the IMC meeting	REG. No 447/2014, Art.5, Art.10, Art.16, Art.18, Art.21
		NIPAC (NIPAC Office)	Annually	Aggregation of info/data from all competent IPA sector Lead Institutions and CBC JMC	NIPAC Report	REG. No 447/2014, Art.5, Art.10, Art.16, Art.23
		EUD	Annually + Mid-term	Info/data on	AOSD Reports	REG. No 447/2014, Art.5, Art.10, Art.14
	Reporting on Multi-country interventions	DG NEAR competent HQ Unit (unit D5)	Six-monthly	Aggregation of internal info/ data collected from interventions' implementation reports	Multi-Country interventions' implementation Reports	REG. No 447/2014, Art.5, Art.10, Art.14
	Reporting on IPA-IPA CBC Programmes	Joint Monitoring Committee	Annually and mid-term	On the basis of info/data collected/ processed by the JTS	CBC implementation Reports	REG. No 447/2014, Art.5, Art.10, Art.31, Art.38
	Reporting on other interventions implemented with IPA funds	Managing Organisations (DG AGRI, DG REGIO, other Donors/IFIs, etc)	Annually	On the basis of info/ data collected from their own implementing authorities in the region	Annual reports on IPA funded interventions' progress and results	REG. No 447/2014, Art.5, Art.10
	Reporting on IPA implementation as a whole	DG NEAR HQ	Annually	On the basis of info/ data received from all above mentioned reporting authorities/ organisations	DG NEAR Reports (AAR, etc.)	REG. No 447/2014, Art.5, Art.10, Art.14 REG. No 236/2014, Art.13

²⁶ This report (and the corresponding one of the IMC) should be prepared to facilitate the MC meeting, by providing all the info/data on progress of IPA implementation.

Annex 4 – Main Findings of CS E-survey

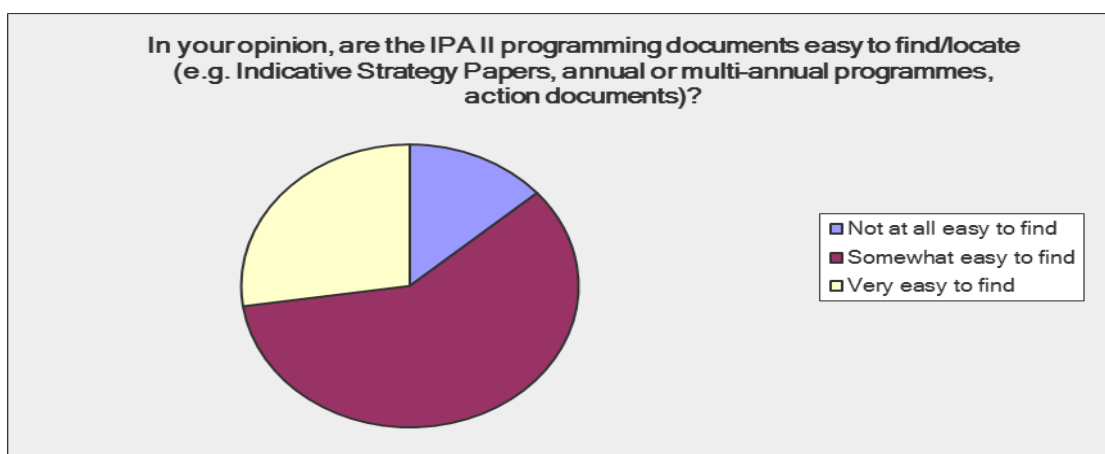
This online survey questionnaires were distributed to targeted CSOs which have been active in IPA consultation mechanisms in the region: CSOs networks involved in programming, implementation and monitoring of IPA (such as, in the former Yugoslav Republic of Macedonia – The IPA Mechanism, in Serbia – SEKO, in BiH - The Initiatives for monitoring of EU integration, etc.) and other organisations from the region with relevant expertise on the topic. In total, 24 CSOs were approached and all responded to the survey, the main findings of which are presented below.

Survey Question	Selected responses
How can CSOs provide better visibility of the EU projects they implement? What can EC do to encourage beneficiaries for enhancing EU projects visibility?	<ul style="list-style-type: none"> • There should be a joint web page (e.g. Google sites) for the projects funded under same call, or even better, under the same programme; • EU should employ efforts to integrate approach together with beneficiaries to develop common communication strategy”. • EC should include CSOs in big infrastructure projects, to deal with the visibility but also social interventions to the communities concerned”; • “The EU visibility guidelines should be re-imagined more as a framework of visibility rather than a set of rules that should be adhered strictly; • By promotion of good practices and encourage of beneficiaries to promote it by themselves”.
How can the EC reporting on the implementation of the IPA assistance be improved so its purpose and results are more understandable to CSOs and the wider public?	<ul style="list-style-type: none"> • “SIMPLIFY and be more flexible! Start focusing more on results rather than on activities. Large scale projects financed by USAID or other donors require at least three times less technical work than EU projects. Organizations should publish on their web pages what has been achieved; • By highlighting concrete examples on impact of EU funds to the citizens (and not only institutions or companies) daily life; • DG NEAR's reporting on the use of IPA funds, has been improved to be more appealing, but much more should be done for reaching wider audience. First engage EUDs, simplify the language, use visualizations and info graphs, brief summaries of achievements, use social media, link projects and results and engage CSOs after completion of projects. Reflect how the assistance helps the people; • By commissioning frequent evaluations and publishing them regularly. In addition to shorten the period of publishing reports on IPA usage. There is a time distance of almost one year between the reporting period and time when report is available online; • Work out jointly with CSOs, in close consultations, the reporting tools being used. Make them clear and understandable before they are used;
Open-ended question “Do you have any other comments or remarks?”	<p>Only one response, from BiH:</p> <ul style="list-style-type: none"> • IPA funds are extremely valuable for BiH but sometimes politicians are not enough devoted to the aims and procedures required by IPA;

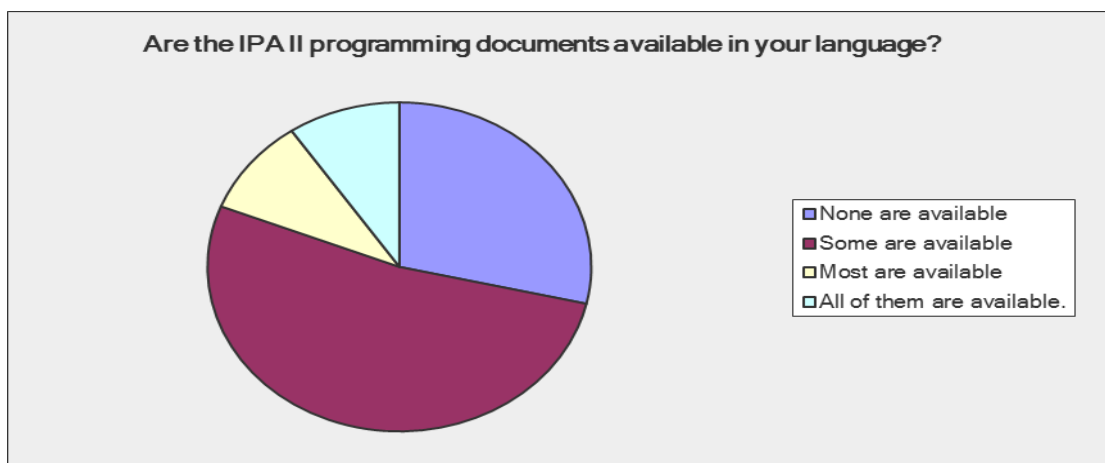
This brief overview shows the main elements of survey responses to (i) closed-ended and (ii) open-ended questions.

i) Open-ended questions

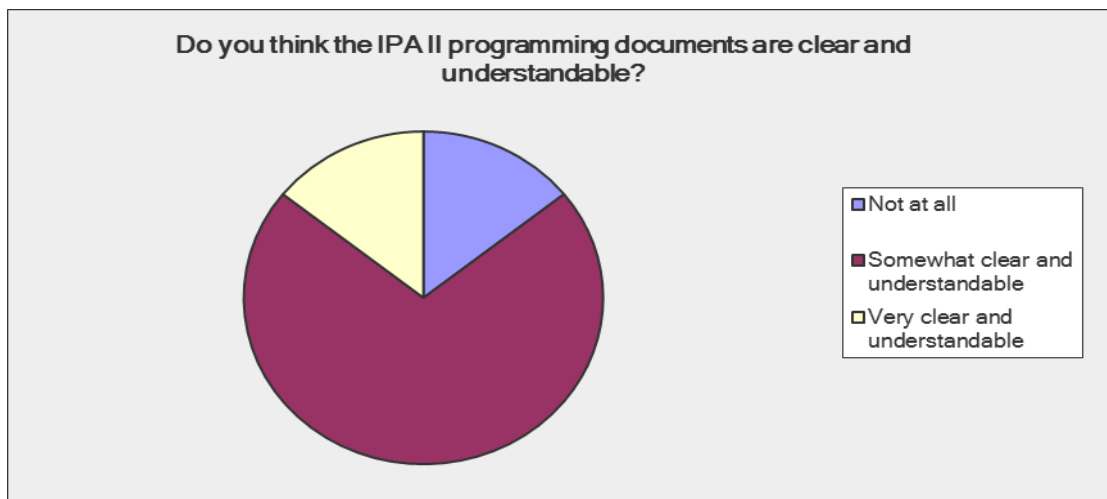
- More than half of surveyed CSOs (59%) responded that the IPA II programming documents are easy to find/locate (e.g. Indicative Strategy Papers, annual or multi-annual programmes, action documents). 14% of respondents answered negatively mainly stating the low level of information available at the web pages of EUD and EC who are not well organised and information are all too often outdated. Key documents can be mainly found on DG NEAR's web site.



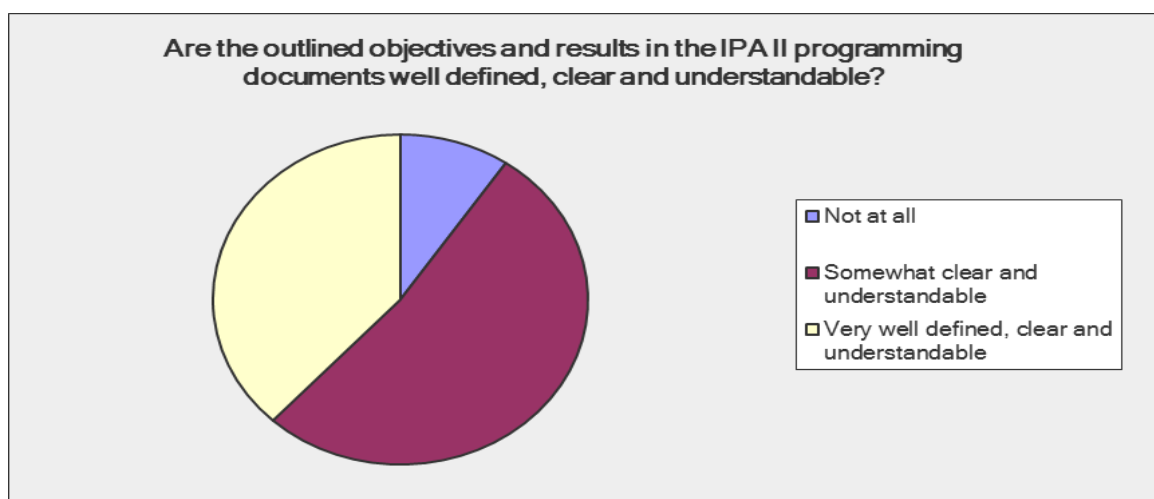
- Availability of the IPA II programming documents in local language is low -29% responded that none of the documents are available while 52% responded with answer "some availability".



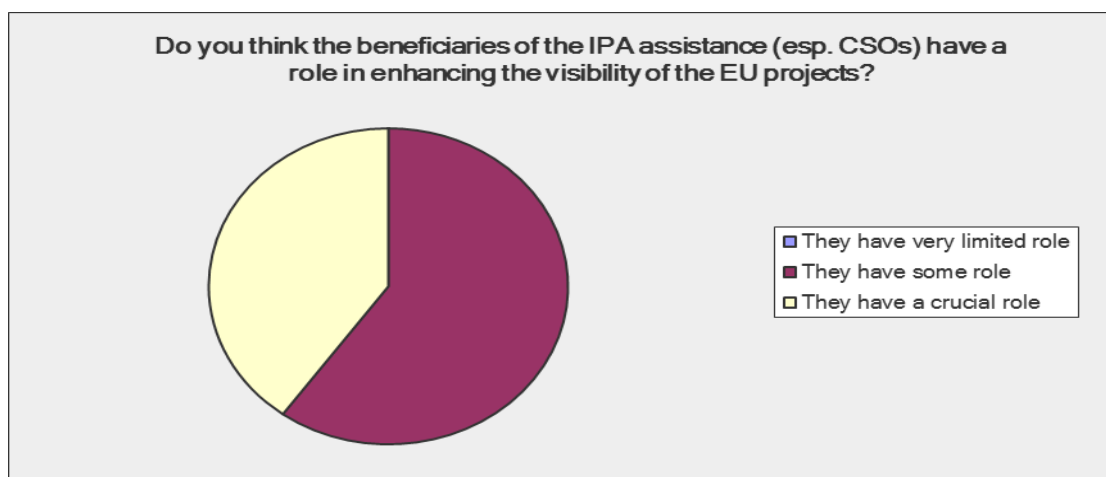
- There is low understanding and clarity of IPA II programming documents – 14% do not understand at all while 71% with some clarity and understanding. Only 14% fully understand. The respondents acknowledge that they are much more clear and understandable than if compared to previous IPA. However not all sectors in the Indicative Strategy Papers are equally well elaborated, and sometimes it is not clear how the objectives outlined are to be achieved. Also other than the Strategy Paper, only few Action documents are available, especially for planning of assistance beyond 2015.



- There is relative understanding of the outlined objectives and results in the IPA II programming documents. More than half (52%) have “some clarity and understanding” while 38% fully understand. The objectives seem clear, however, some results are not clear since they are sometimes too broad, and sometimes not all of them seem to correspond to the objectives set. Also, general objectives are defined but not explained in concrete outputs.



- CSOs do not think that the beneficiaries of the IPA assistance (esp. CSOs) have a major role in enhancing the visibility of the EU projects – 60% think they should have “some role”, while 40% are of the opinion that their role is crucial. The visibility, as described by the respondents, is treated as prescribed. While CSOs implementing projects usually do well in enhancing the visibility, much more can be done by the EUD. Those CSOs who answered that their role is “crucial” support this argument stating the CSOs can explain better the impact of EU assistance with an easy language for the different layers of the society as well as proper implementation of available funds.



ii) Open-ended questions

- *“How are the beneficiaries (esp. CSOs) ensuring the visibility of EU projects?”* - all responded with “respecting the EU guidelines regarding visibility”.
- *“How can CSOs provide better visibility of the EU projects they implement? What can EC do to encourage beneficiaries for enhancing EU projects visibility?”* The following answers are provided:
 - “There should be a joint web page (e.g. Google sites) for the projects funded under same call, or even better, under the same programme. Have the organizations update about activities, events or achievements from time to time. Have the organizations set link on their web page.”
 - “On behalf of CSOs we consider that visibility clauses are well implemented and embedded within the project implementation. However, the EU presence in the implementation of the Action is limited and only reflected by participation of EU representatives at final conferences (not even than). EU should employ efforts to integrate approach together with beneficiaries to develop common communication strategy”.
 - “EC should include CSOs in big infrastructure projects, to deal with the visibility but also social interventions to the communities concerned”.
 - “They have to have media plan and professional staff or training to communicate with media, and especially to use social media”.
 - “The EU visibility guidelines should be re-imagined more as a framework of visibility rather than a set of rules that should be adhered strictly. Project outputs take different formats and are distributed in different media - from cups and t-shirts, through social media campaigns to policy studies. It is very important that the EU visibility part is woven into the primary visual message that any project output aims to send and not the other way around”.
 - “CSOs can communicate better their results (in a more easy language), use more different types of media, especially social. EC should: be less about bureaucracy and technicalities but more about the results and the impact. They should reform the visibility strategy - less of one-format fits all but rather a framework of rules. They should communicate projects better via different media using easier language and promoting the results and real impact of projects. DG Near started shifting their communication strategy slowly the past few years, however EUDs should be much more engaged in this, as they are the face of EU in the individual countries. EUD should start using innovative social media tools”.
 - “No idea - CSOs are the least “problem”. CSOs are successfully balancing the funds between spending on the activities and visibility. It would not be appropriate to devote more resources on visibility than on the activities”.
 - “EC can insist that fixed portion of grants should be invested in the visibility of EU funded projects. Visibility strategy must be included in the project proposal and elaborated by the beneficiaries”.
 - “Not sure if this is THE real issue here but if it's so important to EC then a good choice is

- easing the unnecessary burden to allow for more time and resources for CSOs to think and act”.
- “By promotion of good practices and encourage beneficiaries to promote it by themselves”.
- *“How can the EC reporting on the implementation of the IPA assistance be improved so its purpose and results are more understandable to CSOs and the wider public? The following answers are provided:*
 - “SIMPLIFY and be more flexible! Start focusing more on results rather than on activities. Large scale projects financed by USAID or other donors require at least three times less technical work than EU projects. Organizations should publish on their web pages what has been achieved. If reporting is result oriented, organizations will strive to achieve more results than ticking the boxes for the activities accomplished. Furthermore, CSOs along the report can submit brief quote what was achieved with the EU assistance, (or how it has made citizen's life better). This can be collected for all projects and with some PR by EUDs, too can have much greater outreach”.
 - “EC reporting is overburdened and unnecessary. Reporting should be result oriented and only conducted by the end of the implementation of the Action”.
 - “By highlighting concrete examples on impact of EU funds to the citizens (and not only institutions or companies)”.
 - “Information should be disseminated via local CSO networks”.
 - “Use infographics to present issues more attractive, working actively on reducing reporting size, turn outcome monitoring into graphs, use one-page visualization slide as project description compulsory”.
 - “For CSOs: Info sessions, brochures as well as wider consultation about the programming. Some of these are already implemented. For wider public: EC reporting should stress the results that IPA assistance is providing. Results coming from the work of the beneficiaries in very simple and understandable language. These adverts, infographics and other media should be disseminated through social media primarily (or Internet in general) as well as through more direct yearly marketing campaign in traditional media”.
 - “DG NEAR's reporting on the use of IPA funds, has been improved to be more appealing, but much more should be done for reaching wider audience. First engage EUDs, simplify the language, use visualizations and info graphs, brief summaries of achievements, use social media, link projects and results and engage CSOs after completion of projects. Reflect how the assistance helps the people. And change reporting template requested by the NGOs who are implementing projects (reports should be simplified, and only at the end of the action)”.
 - “Workout jointly with CSOs, in close consultations, the reporting tools being used. Make them clear and understandable before they are used. CSOs can then become efficient multipliers for wider public”.
 - “For wider public, more understandable language and use of pictures, graphics, infographics. The emphasis on results, not on the money”.
 - “Perhaps change the vocabulary and content to more “users friendly” - e.g. create “focus groups” (secondary school students, couple of citizens...) and test the information you want to publicize if they properly understood it”.
 - “By commissioning frequent evaluations and publishing them regularly. In addition to shorten the period of publishing reports on IPA usage. There is a time distance of almost one year between the reporting period and time when report is available online”.
 - “By more information to public and involvement of beneficiaries in the promotion process”.
 - “Through preparation and publication that are user-friendly, short summaries, with visualizations, graphics, data and other interactive tools”.
 - *“Do you have any other comments or remarks? Only one comment was received, from Bosnia and Herzegovina:*
 - “IPA funds are extremely valuable for BiH but sometimes politicians are not enough devoted to the aims and procedures required by IPA”.

Annex 5 – Terms of Reference

SPECIFIC TERMS OF REFERENCE

IPA II MONITORING, REPORTING AND PERFORMANCE FRAMEWORK FWC COM 2011 LOT 1 –

REQUEST FOR OFFER N 2014/351-964 Version '1

1 CONTEXT AND BACKGROUND

1.1 Context

New obligations set by the new regulatory framework for financial assistance in the pre-accession context¹ pose a number of challenges to the Commission in relation to communication on implementation and results. Overall, the regulations have significantly strengthened the scope of performance measurement in the context of which indicators must be agreed with the beneficiaries and then used to assess if and to what extent the expected results have been achieved at the strategic, sector and action levels.

Monitoring and reporting mechanisms under IPA II will continue to measure efficiency of financial execution (commitments and payments), as it was the case under the previous instrument, but also results (impact, outcome, outputs) in achieving the objectives set out in programming documents for sector reforms in the perspective of EU membership by means of indicators.

As a response to the legislative provisions, DG Enlargement² is developing an IPA II Performance Framework encompassing all relevant aspects of monitoring and reporting to better respond to the requirements of the new legal framework for financial assistance. This framework will involve in particular an agreement on the ways in which indicators should be used and processed to assess progress towards achieving anticipated reforms at sector level, working alongside the existing mechanisms to follow up on financial execution (budgetary commitments and payment appropriations).

These monitoring and reporting arrangements stemming from the IPA II provisions will be an integral part of DG European Neighbourhood Policy and Enlargement Negotiations (NEAR)³'s SPP cycle. A number of adjustments are needed to improve coordination and interaction between these different levels of reporting and also streamline the existing set-up (e.g. in terms of timeline). The shift towards result-based monitoring will also entail a number of adaptations and innovations for the current systems used by DG NEAR for monitoring of financial assistance, including the available IT tools (e.g. CRIS; i-Perseus; MIS).

The study is intended to assist the DG NEAR in designing some of the elements of this IPA II Performance Framework, and in particular aspects pertaining to structure and format of future reporting on IPA II⁴. In this way, the study will provide support to information and communication activities aimed at increasing knowledge and understanding of the enlargement policy amongst stakeholders in the EU Member States, in particular as regards objectives and results of the IPA II and IPA-funded activities. The enhanced IPA II monitoring, reporting and performance framework will bring added value not only to its main beneficiaries

¹ Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II), hereafter referred to as IPA II Regulation.

Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action, hereafter referred to as CIR Regulation.

² As from 1 January 2015, DG Enlargement will be renamed to DG European Neighbourhood Policy and Enlargement Negotiations (NEAR). As a result of this change, the Specific Terms of reference refers to the new name of the DG, e.g. DG NEAR.

³ In compliance with the reference of footnote No 2.

⁴ With regard to the Neighbourhood region, a result framework has already been elaborated by DEVCO. Though, some degree of harmonisation on the way in which the reporting will be elaborated needs to be thought about, the reporting having to cover the two regions at the same time, the focus of the work will clearly be on the Enlargement part.