



European Agency for Reconstruction

*Technical Assistance in the
Transport Sector under the
Instrument for Pre-
Accession*

**4TH RAILWAY AND INTERMODAL
WORKING GROUP MEETING**

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About European Agency for Reconstruction

The **European Agency for Reconstruction** is responsible for the management of the main EU assistance programmes in the Republic of Serbia, the Republic of Montenegro, UN administered Kosovo), and the former Yugoslav Republic of Macedonia



Strategic context of the Agency

- **The Stabilisation and Association Process**
 - Stabilisation and Association Agreements
 - Preferential trade regime
 - Financial assistance
- **European Partnerships**
- **CARDS programme of assistance**
 - 1990s €5.5 billion
 - 2000-2006 €4.6 billion



EAR activity

- Since 2000, the EAR has been entrusted with a portfolio of €2.8 billion of assistance
- By end 2006, over €2.4 billion (or 85 per cent) of that amount had been contracted and €2.2 billion (or 76 per cent) paid out
- Specifically in the Transport sector €238.5 million have been contracted
- In Serbia, up to 1Q 2007 the amount is proximately €80 million



The current pre-accession instruments

- Phare: implementation of the *acquis*, investments in economic and social cohesion, cross-border co-operation
- ISPA: environment and transport infrastructure – precursor of Cohesion Fund
- SAPARD: CAP *acquis* and Rural development – precursor of Rural Development plans
- Turkey pre-accession instrument: same scope as Phare



The Instrument for Pre-Accession

- An integrated Pre-Accession Instrument to assist candidate (Croatia, FYROM and Turkey) and potential candidate (Western Balkan) countries
- Replaces Phare, ISPA, SAPARD and Turkey pre-accession instruments, as well as the CARDS instrument



Specificities of the pre-accession aid

- Accession and pre-accession driven instrument (European and Accession Partnerships, Regular Reports, etc.)
- Medium term perspective
- Bridging function for accession



Aims of the IPA

A clear distinction is made between:

- *potential* Candidate Countries (remaining Western Balkan countries)
- Candidate Countries (as recognised by the Council)
(cf. Annexes I and II of draft IPA Council Regulation)



Aims of the IPA

Potential candidates: support for participation in the Stabilisation and Association process all the way to their future accession

Candidate countries: full pre-accession support to help countries to:

- Adopt and implement the acquis
- Implement EU funds on accession



IPA: a framework Regulation

Five components:

- a) Transition Assistance and Institution Building
- b) Regional and Cross-Border Co-operation
- c) Regional Development
- d) Human Resources Development
- e) Rural Development



Transition Assistance and Institution Building

Applies to both category of countries:

- Transition assistance for potential Candidate Countries (Western Balkans)
- Institution building for both potential Candidate and Candidate Countries



Regional and Cross-Border Co-operation

Applies to both category of countries:

- Regional co-operation among all Western Balkan countries (multi-country programme)
- CBC at borders with the EU and, as appropriate, at borders between candidate/potential candidates
- Participation in trans-national and interregional co-operation, as appropriate



Regional Development

Applies to Candidate Countries only

- Emulates ERDF and Cohesion Fund approach
- Finance investments and technical assistance
- Preparation for Structural and Cohesion Funds



Human Resources Development

Applies to Candidate Countries only

- Emulates ESF approach
- Finance ESF-type measures, as provided for in the ESF Regulation
- Preparation for Structural Funds



Rural Development

Applies to Candidate Countries only

- Emulates the post-accession Rural Development programmes
- Finance Rural Development-type measures, as provided for in the future EAFRD Regulation
- Preparation for Rural Development Fund



Planning and Programming (I)

- Assistance based on European Partnership (Annex I) or Accession Partnership (Annex II)
- Indicative multi-annual framework with allocation of funds per component/country
- Programmes on the basis of a single framework per country and per component



Planning and Programming (II)

- It is a Delegation's Task after Ministries proposals
- Send to Brussels to follow inter-service consultations and financing agreement
- Annual exercise to be approved each December
- Based on detailed project fiches



IPA Financing

- IPA implementation through Multi-annual Indicative Programmes
- 3 years financial envelope for each sector and country
- MIP is defined and approved by the Commission
- Co-financing is one of the main features
- Similar percentages as in Structural Funds and Cohesion



IPA Implementation (I)

- The single framework will aim at harmonising implementing rules between components, whenever this is more efficient and/or effective
- Components may apply different implementing methods where this is justified
- Detailed implementing rules per component will be prepared by the Commission



IPA Implementation (II)

- For Centralised operations the EU Delegations will act as Contracting Authority
- For De-centralised will be the Central Contracting and Financing Units
- All the usual CARDS instruments will be available, Twinning, Technical Assistance, Grants, Works, Supplies, etc.



Main components of the projects

- **Basic information:** (Title, Sector, Location)
- **Implementing arrangements**
 - Contracting Authority
 - Implementing Agency
 - Beneficiary (including details of project manager)
 - Overall cost
 - EU contribution:
 - Dates for contracting, execution of contracts and disbursements
- **Overall Objective and Project Purpose**
- **Project description**
- **Indicative Budget**



Assessment criteria for projects (I)

- **Project design**
 - Objective/purpose
 - Activities and results + indicators
 - Administrative capacity to manage the project
 - Coordination with relevant public or private bodies



Assessment criteria for projects (II)

- **Project details**
 - Maturity
 - State of play-Previous phases
 - Implementation means
 - Budget
 - Timescale



Current situation (I) IPA 2007 for SERBIA

- Process of consultations with Ministry of Capital Investments coordinated by Ministry of International Economic Relations
- Drafting of project fiches
- Project fiches submitted to Brussels in May
- IPA 2007 projects approved in December 2007



Current situation (II) IPA 2007 for SERBIA

- **Approximate budget of €23 millions**
- **6 projects**
 - River Information System
 - Support for Port Authorities
 - Support for the implementations of ECAA
 - Supervision of Belgrade By-pass
 - Support implement Track Assessment System
 - Development of intermodal transport policy



Conclusion

the underlying idea:

- Streamlines pre-accession assistance through the creation of a single framework
- Aims at a better preparation for Structural, Cohesion and Rural development Funds through progressive emulation of EU funds rules