

## ANNEX 1

### SPECIAL MEASURE ON FLOOD RECOVERY AND FLOOD RISK MANAGEMENT

#### 1 IDENTIFICATION

<b>Beneficiaries</b>	Albania, Bosnia and Herzegovina (BiH), the former Yugoslav Republic of Macedonia, Kosovo*, Montenegro, the Republic of Serbia, Turkey
<b>CRIS/ABAC Commitment references</b>	BiH: 2014/037-703, EUR 41 000 000, 22.02 01 02 Serbia: 2014/037-788, EUR 62 000 000, 22.02 01 02
<b>Total cost</b>	Multi-country (all IPA II beneficiaries except Iceland)
<b>Union Contribution</b>	2014/037-703 and 037-788, EUR 20 000 000 on 22.02.01.02
<b>Budget line</b>	2014/037-853 EUR 4 000 000 on 22.02 04 01 Total Union contribution: EUR 127 000 000
<b>Management mode/ Entrusted Entity</b>	Direct management by the Commission Action 9 only: EUR 4 000 000 cross-subdelegation to ECHO Indirect management by the following entrusted entities: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) for Action 3 "Strengthening SME's competitiveness" The World Bank (WB) for the Component 1 of the Action 6 "Flood recovery and prevention" Austrian Development Agency (ADA) for the Component 2 of Action 6 "Flood recovery and prevention" United Nations Operations and Services (UNOPS) for the component 3 of Action 6 "Flood recovery and prevention" UNOPS for the Component 4 of the Action 6 "Flood recovery and prevention"
<b>Final date for concluding Financing Agreements with the IPA II beneficiaries</b>	At the latest by 31 December 2015 Not applicable for Action 9 "Prevention, preparedness and response to floods in the Western Balkans and Turkey, Lot2"
<b>Final date for concluding delegation agreements under indirect management</b>	At the latest by 31 December 2015
<b>Final date for concluding procurement and grant contracts</b>	3 years following the date of conclusion of the Financing Agreement, with the exception of the cases listed under Article 189(2) Financial Regulation At the latest by 31 December 2015 for Action 9 "Prevention, preparedness and response to floods in the Western Balkans"

\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

	and Turkey, Lot2".
<b>Final date for operational implementation</b>	6 years following the date of conclusion of the Financing Agreement. At the latest by 31 December 2018 for Action 9 "Prevention, preparedness and response to floods in the Western Balkans and Turkey, Lot2".
<b>Final date for implementing the Financing Agreement</b>	12 years following the conclusion of the Financing Agreement.
<b>Programming Unit</b>	DG ELARG, Units for Bosnia and Herzegovina, Serbia and Multi-Country programmes
<b>Implementing Unit or Union delegation</b>	Union delegations to Bosnia and Herzegovina and Serbia, DG ECHO, Unit A5

## 2 DESCRIPTION OF THE SPECIAL MEASURE

### 2.1 PROBLEM ANALYSIS AND PAST AND ON-GOING SUPPORT

In May 2014, severe floods hit entire regions of Bosnia and Herzegovina and the Republic of Serbia, resulting in several dozens of casualties in both countries, causing the destruction of public and private infrastructure, as well as hitting hundreds of thousands of households. Damages and economic losses amount to around EUR 2 billion in Bosnia and Herzegovina and EUR 1.5 billion in Serbia. Bosnia and Herzegovina and Serbia have entered the reconstruction phase, which aims at quickly recovering from the disaster, preventing further threats and mitigating the negative effects of the floods on their already fragile economies.

At the donors' conference for Bosnia and Herzegovina and Serbia organised by the Commission together with France and Slovenia in Brussels on 16 July 2014 the European Commission pledged EUR 85 million for Bosnia and Herzegovina, EUR 80 million for Serbia and EUR 30 million for measures with a regional or cross-border dimension. For Serbia the amount could in the meantime be increased by EUR 12 million.

EU-financed flood recovery programmes of EUR 42 million in Bosnia and Herzegovina and of EUR 30 million in Serbia started already under previous IPA programmes in July and August 2014. This special measure will continue the support to reconstruction and recovery and will also put special emphasis on flood prevention and flood risk management aspects in the Western Balkans and Turkey in order to reduce the impact of severe weather conditions in the future.

At the donors' conference both countries committed to implementing flood protection, to work on flood defences and to enhance climate resilient infrastructure. The two countries also committed to cooperating regionally for river basin management. Bosnia and Herzegovina and Serbia belong to the same river basin, which requires efficient regional cooperation. Inland waterway infrastructure needs substantial improvements and clear linkages with climate-resilient flood prevention and overall river basin management. River restoration and dredge activities need to be carried out in order to support also the natural capacity of rivers and floodplains to retain water. Embankments, dykes, and dams will need to be reconstructed and upgraded using internationally agreed norms for reconstruction.

## List of foreseen actions:

### BOSNIA AND HERZEGOVINA

Action No + Title	Implementation modality	EUR
1 Support to flood protection and water management	Direct management	15 000 000
2 Housing interventions	Direct management	12 500 000
3 Strengthening SMEs' competitiveness	Indirect management GIZ	9 000 000
4 Support to civil protection	Direct management	2 500 000
5 Support to civil society in awareness raising, advocacy and recovery assistance to flood affected areas	Direct management	2 000 000
<b>TOTAL</b>		<b>41 000 000</b>

### SERBIA

Action No + Title	Implementation modality	EUR
6 Floods recovery and prevention	Direct and indirect management with international organisations (IO)	62 000 000
<b>TOTAL</b>		<b>62 000 000</b>

### MULTI-COUNTRY (ALL IPA II BENEFICIARIES EXCEPT ICELAND)

Action No + Title	Implementation modality	EUR
7+8 Regional reconstruction and improvement of flood protection infrastructure in the Sava River Basin in Bosnia and Herzegovina and Serbia	Direct management	20 000 000
9 Prevention, preparedness and response to floods in the Western Balkans and Turkey, Lot 2	Direct management by ECHO	4 000 000
<b>TOTAL</b>		<b>24 000 000</b>

## 2.2 DESCRIPTION AND IMPLEMENTATION OF THE ACTIONS

### BOSNIA AND HERZEGOVINA

<b>Action 1</b>	<b>Support to flood protection and water management</b>	<b>Direct management</b>	<b>EUR 15 000 000</b>
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#### 1 Description of the action, objective, expected results and key performance indicators

The action will support integrated flood risk management in Bosnia and Herzegovina observing the cornerstone relevant Union floods Directive and the action plan for flood protection and water management developed by an ad-hoc Working Group gathering all relevant stakeholders in Bosnia and Herzegovina.

Component 1 will support the development of the hydrological forecasting system for the Bosna river basin by providing hydrological, hydraulic and geographical information system modules for the Bosna river basin including the sub-basins of the Ukrina, Tinja and Brka rivers.

Component 2 will allow for the reconstruction or construction of infrastructure for protection from potential floods at the sites with highest flood risk.

The objective of the action is to support the implementation of the action plan for flood protection and water management and thus increase capacities of key stakeholders of Bosnia Herzegovina to manage flood risk management in terms of prevention, protection and preparedness to respond to potential hazards.

Expected results:

- a) the technical basis for the methodology for a unified hydrological forecasting system in the Bosna river basin including the sub-basins of the Ukrina, Tinja and Brka rivers is established;
- b) the flood protection structures on the river banks of Bosna, Sava and Janja are reconstructed.

Key performance indicators:

- a) number of new and operational stations in meteorological and hydrological observational network within the Bosna river basin including the sub-basins of the Ukrina, Tinja and Brka rivers;
- b) number of cross sections of Bosna river basin and its main tributaries with quantitative predictions of flow rates and water levels;
- c) hectares of industrial, agricultural and residential land protected in the case of floods of magnitude Q1/100 (one – hundred – year flood);
- d) length of flood protection structure on the respective rivers' banks.

The action will be implemented in close coordination with actions for flood risk management proposed for funding under the Western Balkan Investment Framework.

## **2 Assumptions and conditions**

The action requires close co-ordination of all relevant stakeholders in order to ensure a system of integrated flood risk management in Bosnia and Herzegovina. Failure to comply with this requirement may lead to a recovery of funds under this programme or the re-allocation of future funding.

## **3 Implementation arrangements for the action**

The action is implemented by direct management by the Union delegation to Bosnia and Herzegovina

## **4 Essential elements of the action**

**Procurement:**

- a) the global budgetary envelope reserved for procurement is EUR 15 000 000;
- b) the indicative number and type of contracts are one supply contract, three work contracts and three service contracts;
- c) the indicative timetable for launching the procurement procedure is Q1/2015

<b>Action 2</b>	<b>Housing interventions</b>	<b>Direct management</b>	<b>EUR 12 500 000</b>
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### **1 Description of the action, objective, expected results and key performance indicators**

The objective of this action is to support the process of post floods recovery by providing durable housing solutions and livelihood measures to persons whose houses and flats were damaged or fully destroyed due to landslides and floods. The households will be selected following a needs assessment using vulnerability criteria.

Expected results:

Approximately 680 households (or approximately 2720 individuals) provided with housing solutions and livelihood measures.

Key performance indicator:

Number of households supported with housing solutions and livelihood measures based on the needs assessments using vulnerability criteria.

### **2 Assumptions and conditions**

Construction and reconstruction will only be undertaken on sites for which the necessary permits have been issued.

### **3 Implementation arrangements for the action**

The action is implemented by direct management by the Union delegation to Bosnia and Herzegovina.

### **4 Essential elements of the action**

#### **Grant – Call for proposal "Housing interventions" (EUR 12 500 000)**

- a) objectives and foreseen results: see point 1;
- b) the essential eligibility criteria:

The types of actions eligible for funding are:

- (i) Reconstruction or reparation of flooded houses, including the repair of homes through contractors or the provision of shelter recovery kits (including tools, construction materials, protective equipment) that will enable self-recovery of dwellings.
- (ii) Construction of individual housing units or apartment buildings for vulnerable population who are not able to return home because their dwellings have been either completely destroyed or are located in an at risk area (due to landslides or mines), or the populations concerned require special assistance (including mentally or physically disabled or elderly people).

Recovery and reconstruction in the housing sector must equally take into consideration recovery in other sectors, including livelihoods, agriculture and access to social services, including health and education. Provision of the basic living conditions through procurement of furniture and livelihood measures for those most vulnerable is crucial to ensure adequate living conditions and sustainability of efforts.

The applicants shall:

- (i) be a legal person;
  - (ii) be non-profit-making; and
  - (iii) have extensive previous experience in the country concerned in similar situations.
- c) the essential selection criteria are the financial and operational capacity of the applicant;
- d) the essential award criteria are the relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action;
- e) The maximum rate of Union co-financing: The maximum possible rate of Union financing may be up to 100% of the total cost of the action in accordance with Article 192 of Financial Regulation if full funding is essential for the action to be carried out. The necessity for full Union funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management;
- f) the indicative amount of the call is EUR 12 500 000;
- g) the indicative timetable for launching of the call for proposals is Q2/2015.

<b>Action 3</b>	<b>Strengthening small and medium enterprises' (SME) competitiveness</b>	<b>Indirect management</b>	<b>EUR 9 000 000</b>
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### **1 Description of the action, objective, expected results and key performance indicators**

The action supports the recovery process of flood affected SMEs and municipalities and improves SME competitiveness in the context of an integrated local development approach. The assistance enhances access to finance for SMEs of the wood, metal and agribusiness sector and will contribute to improved competitiveness of SMEs in selected business locations through local partnerships and implementation of value chain initiatives.

The objective of the Action is to re-establish and improve competitiveness of selected business locations and SMEs.

Expected results:

- a) SMEs of the wood, metal and agribusiness sectors have partially recovered;
- b) strengthened management capacities of 10 municipalities to support economic recovery and development;
- c) cooperation between the public and private sectors to support economic recovery and strengthen competitiveness of selected business locations and their SMEs is improved;
- d) inclusive business models along value chains are strengthened.

Key performance indicators:

- a) increased value of the turnover and a number of employees in SMEs having benefitted from access to finance (grants and loans) and advisory services two years after the received support;
- b) percentage of increase in municipal capacities in comparison to baseline index;
- c) number of joint measures for private sector addressed through public private dialogue and increased number of stakeholders involved in value chain;

- d) number of innovative cooperation initiatives between public and private sector and research and development institutions established and operational by the end of the project.

This action will be closely coordinated with support to local economic development and SMEs under the 2014 Country Action Programme for Bosnia and Herzegovina.

## 2 Implementation arrangements for the action

The action is implemented by indirect management by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)

### a) Entity entrusted with budget implementation tasks

GIZ has demonstrated substantial general experience in implementing area based local development programmes and possesses a profound knowledge of SME support policies and measures which are relevant for Bosnia and Herzegovina. These are fundamental aspects for swift recovery and integration of flood affected SMEs into broader country-wide supported competitive value chains. Combination of experience in all the above fields including well established cooperation with relevant BiH stakeholders has provided a distinct added value for selection of GIZ as implementing agency in comparison to other entities. The Union delegation to Bosnia and Herzegovina held discussions with the organisations and banks active in local economic development and SME support in Bosnia and Herzegovina, namely the EBRD, GIZ, ILO and UNDP. GIZ was selected for this action for its specific combination of expertise explained in this point.

### b) Brief description of the tasks entrusted to the entity

Out of the EUR 9 000 000 EUR entrusted to GIZ for the implementation of the Action, at least EUR 4 million will be allocated to a grant scheme. Of the remaining amount approximately 75% will be spent for the procurement of services and material.

- (i) procurement procedures: GIZ will select the technical assistance (TA) tasked to implement the Action;
- (ii) grant award procedures: GIZ will manage and administer the award and the payment of Union funded grants to the beneficiaries;
- (iii) signature and administration of contracts with Union-funded technical assistance: includes acceptance of deliverables and related payments;
- (iv) accounting: GIZ will administer the bank account established for the payments of the EU-funded contributions to the TA, and end-beneficiaries (SMEs).

<b>Action 4</b>	<b>Support to civil protection</b>	<b>Direct management</b>	<b>EUR 2 500 000</b>
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## 1 Description of the action, objective, expected results and key performance indicators

This action will support the development of effective civil protection through a series of large-scale practical exercises, provide the relevant institutions with necessary specialised equipment, assist the country in the accession to the Union civil protection mechanism and improve the disaster risk reduction programmes in the field of civil protection.

The objective of this action is to improve the civil protection capacities in Bosnia and Herzegovina for emergency response to natural and man-made disasters observing the best regional and European practices.

Expected results:

- a) Bosnia and Herzegovina competent institutions developed capacities needed for becoming effective member of the EU Civil Protection Mechanism;
- b) civil protection authorities and intervention teams are capable to effectively respond in the event of major emergency in Bosnia and Herzegovina;
- c) disaster risk reduction approach through integrated risk assessment and preparedness planning is established in civil protection sector in Bosnia and Herzegovina.

Key performance indicators:

- a) level of readiness of Bosnia and Herzegovina for Union Civil Protection Mechanism membership including inter alia the establishment and effective implementation of single point of contact, national-wide procedures for cooperation with the Mechanism and participation in Mechanism activities, connection to CECIS and EU monitoring tools and early warning systems; evidence for the practical implementation of the Protocol of Cooperation and Establishment of Focal Point for Cooperation with the Union Civil Protection Mechanism;
- b) level of readiness / responsiveness of civil protection intervention teams for effective emergency relief operations; number of equipped civil protection teams;
- c) number of developed or updated disaster risk reduction plans;

This action will be closely coordinated with the related call for proposals on civil protection managed by DG ECHO.

## **2 Assumptions and conditions**

The action requires close co-ordination of all relevant stakeholders to ensure effective civil protection. Failure to comply with this requirement may lead to a recovery of funds under this programme or the re-allocation of future funding, or both.

## **3 Implementation arrangements for the action**

The action is implemented by direct management by the Union delegation to Bosnia and Herzegovina in consultation with DG ECHO.

## **4 Essential elements of the action**

### **Procurement:**

- a) the global budgetary envelope reserved for procurement is EUR 1 000 000
- b) the indicative number and type of contracts is one supply contract;
- c) the indicative time-frame for launching the procurement procedure is Q3/2015

### **Grant – Call for proposal "Support to Civil Protection" (EUR 1 500 000)**

- a) objectives and foreseen results: see the results of the action under point 1;
- b) the essential eligibility criteria are as follows:

(i) the applicants must be institutions of the Member States of the Union responsible for civil protection

(ii) the following activities are to be covered:

- provide trainings and exercises for the utilisation of the equipment acquired under the procurement contract; a special focus to be placed on cross-entities joint activities;
- support the practical implementation of the Protocol on cooperation and the establishment of points of contact for cooperation with the Union Civil Protection Mechanism (signed July 2014) in order to ensure the effective participation of the country in the Mechanism;
- provide information and clarification sessions on the EU civil protection legislation and implementing rules. Identify and implement concrete actions to support the country in meeting the requirements and obligations under the EU civil protection legislation;
- provide technical advice on the set-up of the 24 hour a day emergency communication contact point of Bosnia and Herzegovina with the Emergency Response Coordination Centre (ERCC) of the European Commission in order to ensure smooth and continuous communication during disaster response operations;
- support the establishment of a connection with the Common Emergency Communication and Information System (CECIS) to enable communication and sharing of information with ERCC and the civil protection authorities of the EU Member States;
- support the linking of Bosnia and Herzegovina with the EU monitoring tools and early warning systems, where necessary in coordination with the Joint Research Centre of the European Commission, and their effective utilization;
- provide capacity building activities which will prepare the country to effectively participate in Mechanism activities such as call for proposals, exercises, voluntary pool of European Emergency Response Capacity, transport co-funding, etc.

Applicants shall compose a consortium that includes at least one national civil protection authority or agency from the Member States exercising civil protection responsibilities on nation-wide basis as a central authority or central agency.

c) the essential selection criteria are the financial and operational capacity of the applicant.

d) the essential award criteria are the relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action. Following the call for proposals one proposal covering the set of activities described above will be awarded.

e) the maximum possible rate of Union co-financing may be up to 100% of the total cost of the action in accordance with Article 192 of the Financial Regulation if full funding is essential for the action to be carried out, and the necessity for full Union funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management;

h) the indicative amount of the call is EUR 1 500 000

i) the indicative timetable for launching the call for proposals is Q1/2015.

<b>Action 5</b>	<b>Support to civil society in awareness raising, advocacy and recovery assistance to flood affected areas</b>	<b>Direct management</b>	<b>EUR 2 000 000</b>
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## **1 Description of the action, objective, expected results and key performance indicators**

This action will provide financial support to civil society organisations (CSOs) for improving the public awareness on flood prevention and for implementing interventions for the recovery of flood-affected local communities. The interventions can cover local priorities in the sectors of environment, employment, education, health, social inclusion and any other sector excluding the reconstruction of housing and public infrastructure.

The objective of the action is to contribute to awareness raising on flood prevention and to social and economic flood recovery in Bosnia and Herzegovina.

Expected results:

- a) public awareness is improved on the need for liable management of water beds, drainage systems, lumbering, as well as on risks of irresponsible spatial planning;
- b) targeted municipalities assisted by CSOs have developed flood prevention and monitoring plans as well as early warning systems;
- c) small independent businesses have retained and recovered jobs;
- d) flood-affected families are assisted by the CSOs in economic recovery;
- e) environmental recovery in flood-affected areas is assisted by CSOs;
- f) assistance in education, health and social inclusion is provided by CSOs in flood-affected areas.

Key performance indicators:

- a) number of public demands for more liable management of river beds, drainage systems, lumbering and spatial planning;
- b) number of early warning systems developed;
- c) number of retained and recovered jobs in small independent businesses;
- d) number of families assisted out of those whose livelihoods have been affected by the floods;
- e) number of environmentally affected areas recovered;
- f) number of recovered services in the areas of education, health as well other social services.

## **2 Implementation arrangements for the action**

The action is implemented by direct management by the Union delegation to Bosnia and Herzegovina

## **3 Essential elements of the action**

**Grant – Call for proposal - Support to civil society in awareness raising, advocacy and recovery assistance to flood affected areas**

- a) objectives and foreseen results: see point 1.
- b) the essential eligibility criteria are as follows:

(i) types of actions eligible for financing:

- assistance in purchase of machinery or implementation of activities to revitalise the production or operations of small independent businesses and farmers (such as examination of soil, revitalisation of farms, revitalisation of small independent businesses by providing supply and technical assistance)
- interventions in the field of environment to restore the damage caused by floods, including activities which lead to prevention of diseases such as drying out swamps which have appeared after the floods, forestation of critical areas where landslides are likely to take place, rehabilitation of river beds, river banks, and similar activities.
- assistance in revitalisation of education and culture in flood affected areas (such as provision of books, educational tool-kits, minor repairs to make the facilities operational, revitalisation of cultural activities in the affected areas, support to cultural associations, and educational institutions etc).
- assistance in revitalisation of health services in remote areas affected by floods (provision of necessary medical material, minor repairs to make the facilities operational, revitalisation of services).
- organisation of events (roundtables, public hearings, etc) which will increase public awareness and enhance public advocacy of CSOs on a need to develop a flood prevention plans and early warning systems.

(ii) The applicant shall:

- be a legal person and
- be non-profit-making and
- be registered in Bosnia and Herzegovina under the Bosnia and Herzegovina law/s on civil society organisations and foundations.
- in addition, high education institutions (secondary schools and universities and other certified educational institutions from Bosnia and Herzegovina) will also be eligible;

c) the essential selection criteria are the financial and operational capacity of the applicant;

d) the essential award criteria are the relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action;

e) the maximum possible rate of Union co-financing may be up to 100% of the total cost of the action in accordance with Article 192 of the Financial Regulation if full funding is essential for the action to be carried out, and the necessity for full Union funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management;

f) the indicative amount of the call is EUR 2 000 000;

g) the indicative timetable for launching the call for proposals is Q1/2015.

## SERBIA

<b>Action 6</b>	<b>Flood recovery and prevention</b>	<b>Direct and indirect management</b>	<b>EUR 62 000 000</b>
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### 1 Description of the action, objective, expected results and key performance indicators

The overall objective of the action is to assist Serbia in the recovery efforts in the aftermath of the floods and to create conditions for flood prevention and reaction in emergency situations.

Specific objectives:

- a) to rehabilitate flood protection infrastructures;
- b) to enhance disaster risk management and flood prevention systems and mitigation of immediate energy and water supply risks;
- c) to rehabilitate damages caused by landslides;
- d) to provide additional assistance for housing, income generation and assist the Office for reconstruction and flood relief in these efforts.

Expected results:

Component 1:

- a) flood risk and flood hazard maps developed for the areas which were so far not covered (result 1);
- b) water information system upgraded (result 2);
- c) early warning system for flood control/management improved (result 3);
- d) equipment for reaction in emergency situation procured (result 4).

Component 2: rehabilitated embankments, channel drainage systems and pump stations.

Component 3: remediated critical landslides affecting the road network and recovery of the road structures damaged by erosion.

Component 4:

- a) to provide housing solutions to affected families (result 1);
- b) to deliver assistance to farms and agriculture sector (result 2);
- c) to provide expertise and assistance to the Floods office for reconstruction and ensure visibility of the Union funds (result 3).

#### Key Performance Indicators

- a) number of embankments and pumping facilities restored;
- b) system average interruption duration index improved (SAIDI);
- c) system average interruption frequency index (SAIFI);
- d) road traffic restored to pre-floods level;
- e) number of households supported with housing solutions;
- f) number of small and medium size enterprises (SMEs) and farms supported.

## **2 Assumptions and conditions**

The main assumptions that should be considered are that the government maintains high commitment for floods restoration and recovery, responsible institutions have sufficient capacities to prioritise the implementation of the planned activities. The conditions are that the technical documentations is of sufficient quality and is produced on time.

## **3 Implementation arrangement of the action**

### **3.1 Component 1**

**3.1.1 Component 1, results 1, 2 and 3:** indirect management with the World Bank (EUR 6 150 000)

#### **Entity entrusted with budget implementation tasks**

The World Bank has been selected on the basis of his very high and unique capacities in this highly technical area in order to effectively link investments and capacity building to link actions at regional and national level, and to ensure the consistency of beneficiaries and donors efforts. It also brings an important development perspective ensuring that Serbia's national efforts on flood protection and management are dovetailed with the objectives of the Global Facility for Disaster Reduction and Recovery (GFDRR). In addition, the World Bank has extensive experience in disaster risk management and flood protection worldwide and has successfully implemented a flood management project in Serbia, and is implementing projects on river management, floods management and hydro-meteorological projects in the region.

#### **Brief description of the tasks entrusted to the entity**

The main part of the action will consist of tendering the supply of new equipment in order to upgrade the water information system and in order to improve the early warning system for flood control. In addition, the World Bank will ensure the provision of assistance and expertise to develop national capacities and support the establishment of the national disaster risk management system.

**3.1.2 Component 1, result 4:** direct management by the Union delegation to Serbia

The global budgetary envelope reserved for procurement will amount to EUR 14 350 000,00, with an indicative number of 9 contracts through supply contracts to be tentatively launched in Q1 2015, after the signature of the Financing Agreement.

**3.2 Component 2:** indirect management with ADA (EUR 19 000 000)

#### **Entity entrusted with budget implementation tasks**

ADA has been selected after a call of interest to agencies of the Member States of the Union. The evaluation of agencies has been carried out on the basis of the following selection criteria: experience in implementing works contracts in the water sector in Serbia and/or in the Western Balkan region, assessment of the procurement procedures in emergency situations, technical, administrative and financial capacity to manage the implementation of infrastructure projects in the water sector, with advantages given to those who offered to provide the lower administrative or management fees and co-financing of the project.

### **Brief description of the tasks entrusted to the entity**

ADA will be responsible for the implementation and construction of embankments. This will include design preparation, finalisation of tender documents, award and completion of contracts. ADA will also be responsible for supervising the implementation on the ground, reporting to the EUD Delegation and monitoring the activities.

### **3.3 Component 3: indirect management with UNOPS (EUR 10,500,000)**

#### **Entity entrusted with budget implementation tasks**

UNOPS has been selected based on the following criteria: experience with working with local municipalities in Serbia, experience in managing complex work contracts, and positive track record of intervention for delivery of urgent recovery assistance. UNOPS is the only organisation identified as meeting all this crucial criteria for the implementation of this component. In addition, UNOPS has been present in Serbia since 2000 and is able to mobilise specific international expertise and the required operational capacity to deliver the results expected.

#### **Brief description of the tasks entrusted to the entity**

UNOPS will be responsible for the implementation of the rehabilitation of the damages caused by the floods to the regional and national transport network. This will include design preparation, finalisation of tender documents, award and completion of contracts. UNOPS will also be responsible for supervising the implementation on the ground, reporting to the EUD Delegation and monitoring the activities.

### **3.4 Component 4**

#### **3.4.1 Component 4, result 1**

Component 4, result 1 is implemented by direct management by the Union delegation to Serbia through direct grant awards

The essential elements are as follows:

a) objective and foreseen results are as follows

- (i) the objective is to provide housing solutions and support as well as income generation to families affected by the floods;
- (ii) the expected results are the support to 1 500 households;

b) justification for the use of an exception to calls for proposals: the direct grants award are based on the provisions of Article 190(1)(f) of the Rules of application of the Financial Regulation. These organisations have been selected through an analysis of organisations with experience and positive track record in Serbia on housing projects and in particular the successful implementation of projects of similar scale. These organisations have demonstrated their substantial technical competencies and level of specialisation under the programme for the closure of collective centres for refugees and internally displaced persons (IDPs), as well as through their positive track record on delivering housing solutions to floods affected families. In particular the quick implementation, a key requirement to answer the devastating effects of the floods, has provided an added value for the selection of these organisations, compared to a call for proposals;

c) the beneficiaries are:

Arbeiter Samariter Bund (ASB);  
Danish Refugee Council (DRC); and,  
HELP;

e) the essential selection criteria are the financial and operational capacity of applicant;

f) the essential award criteria are the relevance, effectiveness, and feasibility, sustainability and cost-effectiveness of the action;

g) the indicative amount of the grants for the beneficiaries is as follows:

ASB: EUR 3 300 000;  
DRC: EUR 3 700 000;  
HELP: EUR 2 700 000;

h) the maximum possible rate of the Union financing will be 100% of the total cost of the action, and full financing of the action is essential for the action to be carried out because of the vulnerability of beneficiaries severely affected by the floods;

i) the indicative timetable for signing the grant agreement is Q1/2015.

**3.4.2 Component 4, result 2:** direct management by the Union delegation to Serbia through direct grant awards

The essential elements for Component 4, result 2 are as follows:

a) objective and foreseen results are as follows:

(i) the objective is to manage a complex scheme for agriculture support, especially for seeds and restarting production of vulnerable small scale farmers in floods affected municipalities.

(ii) the expected results are the procurement and distribution of further assistance to flooded municipalities and support to the most affected farms, following selection process in close cooperation with the Ministry of Agriculture and Environmental Protection of Serbia (MAEP), through provision of seeds, animal feed, fertilizers and live animals. This will be implemented through two interlinked components:

- emergency support to affected farmers;
- emergency support to affected livestock keepers.

b) justification for the use of an exception to calls for proposals is as follows:

The direct grants award is justified by Article 190(1)(f) of the Rules of application of the Financial Regulation due to the specific characteristics of the activities to be implemented and by the high degree of specialisation of the Food and Agriculture Organisation of the United Nations (FAO). This organisation has been selected based on its specific experience, its capacities for fast implementation, mobilising key expertise and its positive track record in implementing similar tasks of supporting Serbian authorities in the aftermath of the floods. The main criteria for selection of FAO had been the level of urgency and the complexity of the beneficiary

identification. It has demonstrated the necessary capacity with expert teams in place to undertake the relevant activities of this project component and has a good track record of implementing these types of projects. Also in the post crisis situation FAO is in condition to address correctly income generation activities in the agricultural sector. The link between these activities and the activities provided under the IPA 2012 flood package is such that the use of the same implementing entity provides for a high level of synergy and thus savings in cost and time;

c) the beneficiary is FAO;

e) the essential selection criteria are the financial and operational capacity of the applicant;

f) the essential award criteria are the relevance, effectiveness, feasibility, sustainability and cost-effectiveness of the action;

g) the indicative amount of the grants is EUR 1 500 000;

h) the maximum rate of Union contribution financing will be 100% of the total cost of the action, and full financing of the action is essential for the action to be carried out because of the vulnerability of beneficiaries severely affected by the floods;

i) the indicative timetable for signing the grant agreement is Q1/2015.

### **3.4.3 Component 4, result 3: direct management by the Union delegation to Serbia through direct grant awards**

The essential elements for Component 4, result 3 are as follows:

a) objective and foreseen results are as follows:

(i) the objective is to provide expertise and technical assistance to the Office for reconstruction and flood relief, to support the Office in its coordination functions and ensure visibility of the Union funds for floods recovery and reconstruction;

(ii) the expected results are a more efficient work of the Office in its coordination functions and higher visibility of the Union funds for floods recovery and reconstruction;

b) justification for the use of an exception to calls for proposals is as follows:

the direct grants award is justified by Article 190(1)(f) of the Rules of application of the Financial Regulation due to the specific characteristics of the activities to be implemented and by the high degree of specialisation of UNOPS. This organisation has been selected based on its specific experience, its capacities for fast implementation, mobilising key expertise and its positive track record in implementing similar tasks of supporting Serbian authorities in the aftermath of the floods. The main criteria for selection of UNOPS had been the level of urgency and the complexity of the works that should be implemented. It has demonstrated the necessary capacity with expert teams in place to undertake the relevant activities of this project component. The link between these activities and the activities provided under the IPA 2012 flood package is such that the use of the same implementing entity provides for a high level of synergy and thus savings in cost and time;

c) the beneficiary is UNOPS;

e) the essential selection criteria are the financial and operational capacity of the applicant;

f) the essential award criteria are the relevance, effectiveness, feasibility, sustainability and cost-effectiveness of the action;

g) the indicative amount of the grants is EUR 800 000;

h) the maximum rate of Union contribution financing will be 100% of the total cost of the action, and full financing of the action is essential for the action to be carried out because of the vulnerability of beneficiaries severely affected by the floods;

i) the indicative timetable for signing the grant agreement is Q1 of 2015.

## MULTI-COUNTRY

<b>Action 7+8</b>	<b>Regional reconstruction and improvement of flood protection infrastructure in the Sava river basin</b>	<b>Direct management</b>	<b>EUR 20 000 000</b>
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### 1 Description of the action, objective, expected results and key performance indicators

As Bosnia and Herzegovina and Serbia belong to the same river basin, regional cooperation is necessary in flood prevention. This action will rehabilitate and construct flood prevention infrastructures with cross-border impact in Bosnia and Herzegovina and Serbia.

The objective of the action is to improve flood protection infrastructure in the Sava river basin, on the border between Serbia and Bosnia and Herzegovina.

Expected results:

- a) rehabilitation of embankments on the Sava and Drina rivers in the border regions of Serbia;
- b) improved flood protection infrastructure in the Sava river basin in Bosnia and Herzegovina, affecting the Republic of Serbia.

Key performance indicators:

- a) km of rehabilitated embankments of the Sava and Drina rivers;
- b) % of improved or rehabilitated flood protection infrastructure in the Sava river basin.

### 2 Assumptions and conditions

The action will require the timely completion of any preparatory works still outstanding. Failure to comply with this requirement may lead to a recovery of funds under this programme or the re-allocation of future funding.

**3 Implementation arrangements for the action:** direct management by the Union delegations to Bosnia and Herzegovina (EUR 10 000 000) and Serbia (EUR 10 000 000).

#### 4 Essential elements of the action

##### Procurement:

- a) the global budgetary envelope reserved for procurement is EUR 20 000 000;
- b) the indicative number and type of contracts: three work contracts and three service contracts;
- c) indicative timetable for launching the procurement procedure is Q2/2015.

<b>Action 9</b>	<b>Prevention, preparedness and response to floods in the Western Balkans (all IPA II beneficiaries except Iceland) and Turkey, Lot 2</b>	<b>Direct management (by DG ECHO)</b>	<b>EUR 4 000 000</b>
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#### 1 Description of the action, objective, expected results and key performance indicators

The objective of the actions is to increase the beneficiaries' capabilities to develop effective national civil protection systems and to cooperate in a coherent manner in dealing with floods at regional and European level (prevention, preparedness and response).

Expected results:

Operational multinational civil protection modules for flood response which are able to operate regionally and through the Union Civil Protection Mechanism.

Key performance indicators:

- a) number of floods related civil protection modules which have been created and their compliance with the requirements of Commission Decision C(2010) 5090 on civil protection modules;
- b) number of experts equipped, trained and exercised as members of multinational civil protection modules for floods response;
- c) number of civil protection modules registered in the mechanism of voluntary pool of emergency response capacities.

#### 2 Implementation arrangements for the action

The action is implemented by direct management by Directorate General ECHO.

#### 3 Essential elements of the action

**Grant – Call for proposal - Programme for Prevention, preparedness and response to floods in the Western Balkans and Turkey**

- a) objectives and foreseen results: see point 1;

b) the essential eligibility criteria are as follows:

(i) the types of actions eligible for financing are capacity-building for flood preparedness and response through establishment of multinational civil protection modules for floods response (high capacity pumping and flood containment), in particular actions which:

- establish multinational civil protection modules focussed on floods, in line with the technical framework and practices in the Union;
- put into operation the civil protection modules by establishing standard operating procedures according to the Union's Guidelines for Standard Operating Procedures and based on the experience of existing (multinational) civil protection modules in the Union;
- establish border crossing protocols and Host Nation Support protocols according to the Union's Guidelines on Host Nation Support, with the aim to ensure rapid and effective deployment of the civil protection modules to the affected country;
- provide specific training to the staff of the multinational civil protection modules;
- organize a regional field exercise for the multinational civil protection modules established with the participation of civil protection modules of the same type from the Participating States of the Union's Civil Protection Mechanism.

(ii) the applicant shall:

- be a natural or legal person or, after prior approval by the Commission, an entity which does not have a legal personality under the applicable national law, provided that its representatives have the capacity to take on legal obligations on their behalf and that the entity offers financial and operational guarantees equivalent to those provided by legal persons;
- belong to one of the following categories: private entities, public entities, or international organisations as defined by Article 43 of Commission Delegated Regulation (EU) No 1268/2012 ('Rules of Application');
- be established in a Member State of the Union or an eligible country in accordance with the basic act governing the programme in question;
- be directly responsible for the preparation and management of the action with the co-applicant or co-applicants and affiliated entity or entities, not acting as an intermediary;
- compose a consortium that includes at least two national civil protection authorities or agencies from two different Participating States to the Union's Civil Protection Mechanism exercising civil protection responsibilities on nation-wide basis as a central authority or central agency. One of them shall be in the lead, submit the application form and become the Coordinator of the programme;

c) the essential selection criteria are the financial and operational capacity of the applicant;

d) the essential award criteria are the relevance, effectiveness and feasibility, sustainability and cost-effectiveness of the action;

- e) the maximum rate of Union co-financing for grants under this call is 100 % of the eligible cost of the action;
- f) the indicative amount of the call is EUR 4 000 000
- g) the call for proposals was launched in Q2/2014 (launched with suspensive clause)

### 3 BUDGET

#### 4 INDICATIVE BUDGET TABLE – SPECIAL MEASURE ON FLOOD RECOVERY AND MANAGEMENT

		<b>Union Contribution (Amount in EUR)</b>	<b>Management mode</b>	<b>Contracting authority</b>	
<b>IPA II Objective 2</b> Support for economic, economic, social and territorial development and related progressive alignment with the Union acquis	<b>Bosnia and Herzegovina</b>	<b>41 000 000.00</b>			
	1.Support to flood protection and water management	15 000 000.00	Direct management	EUD BiH	
	2. Housing interventions	12 500 000.00	Direct management	EUD BiH	
	3. Strengthening SMEs' competitiveness	9 000 000.00	Indirect Management GIZ	EUD BiH	
	4. Support to civil protection	2 500 000.00	Direct management	EUD BiH	
	5. Support to civil society in awareness raising, advocacy and recovery assistance to flood affected areas	2 000 000.00	Direct management	EUD BiH	
	<b>Serbia</b>	<b>62 000 000.00</b>			
	6. Flood recovery and prevention	62 000 000.00	Direct management and indirect management with IOs	EUD Serbia	
	<b>Multi-country</b>	<b>24 000 000.00</b>			
	7+8. Regional Reconstruction and improvement of flood protection infrastructure in the Sava River Basin	7. Serbia	10 000 000.00	Direct management	EUD BiH
		8. Bosnia and Herzegovina	10 000 000.00	Direct management	EUD Serbia
	9. Prevention, preparedness and response to floods in the Western Balkans (all IPA II beneficiaries except Iceland) and Turkey, Lot 2	4 000 000.00	Direct management	DG ECHO	
<b>PROGRAMME TOTAL</b>	<b>127 000 000.00</b>				

<b>CRIS Decision</b>	<b>EU Contribution</b>	<b>Managing entity</b>
037 703	51 000 000	EUD BiH
037-788	72 000 000	EUD Serbia
037-853	4 000 000	ECHO

<b>Total programme</b>	<b>127 000 000</b>	
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## **5 IMPLEMENTATION MODALITIES AND GENERAL RULES FOR PROCUREMENT AND GRANT AWARD PROCEDURES**

### **DIRECT MANAGEMENT:**

Part of this programme shall be implemented by direct management by the Commission or by the Union Delegations in accordance with Article 58(1)(a) of the Financial Regulation and the corresponding provisions of its Rules of Application.

Procurement shall follow the provisions of Part Two, Title IV Chapter 3 of the Financial Regulation and Part Two, Title II, Chapter 3 of its Rules of Application.

Grant award procedures shall follow the provisions of Part Two Title IV Chapter 4 of the Financial Regulation and Part Two Title II Chapter 4 of its Rules of Application.

Under the Financial Regulation, Parts One and Three of the Financial Regulation and its Rules of Application shall apply to external actions except as otherwise provided in Part Two, Title IV of the Financial Regulation.

The Commission may also use services and supplies under its Framework Contracts concluded following Part One of the Financial Regulation.

### **INDIRECT MANAGEMENT:**

Part of this programme shall be implemented by indirect management with entrusted entities other than the IPA II beneficiary in accordance with Article 58(1)(c) of the Financial Regulation and the corresponding provisions of its Rules of Application.

The general rules for procurement and grant award procedures shall be defined in the Financing Agreement and the relevant delegation agreements between the Commission and the entrusted entity implementing such action.

## **6 PERFORMANCE MONITORING ARRANGEMENTS**

As part of its performance measurement framework, the Commission shall monitor and assess progress towards achievement of the specific objectives set out in the Regulation (EU) No 231/2014 of the European Parliament and the Council<sup>2</sup> on the basis of pre-defined, clear, transparent measurable indicators. The progress reports referred to in Article 4 of Regulation (EU) No 231/2014 shall be taken as a point of reference in the assessment of the results of IPA II assistance.

The Commission will collect performance data (process, output and outcome indicators) from all sources, which will be aggregated and analysed in terms of tracking the progress versus the targets and milestones established for each of the actions of this programme, as well as the Country Strategy Paper.

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<sup>2</sup> Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (OJ L 77, 15.03.2014, p. 11).

In the specific context of indirect management by IPA II beneficiaries, National IPA Co-ordinators (NIPACs) 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.

The overall progress will be monitored through the following means:

- a) Result Orientated Monitoring (ROM) system;
- b) IPA II Beneficiaries' own monitoring;
- c) self-monitoring performed by the Union's delegations;
- d) joint monitoring by DG Enlargement and the IPA II Beneficiaries, whereby the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly monitored by an IPA II Monitoring committee, supported by Sectoral Monitoring committees, which will ensure a monitoring process at sector level.