



ReSPA

Regional School
of Public Administration

In – country Workshops on EU SECTOR BUDGET SUPPORT

May – June 2015

PROVISIONAL PROGRAMME



ReSPA
Regional School
of Public Administration

ReSPA Activities are
Financed by the EU



Background

Budget Support is an important tool in EU development cooperation. It involves the direct transfer of financial resources to a partner country's budget to be managed using national public financial management systems.

The EU has enabled the use of Budget Support through the Instrument for Pre-accession Assistance (IPA-II) 2014-2020. The countries of the Western Balkans, Albania, Bosnia and Herzegovina, Kosovo*, Macedonia, Montenegro, and Serbia are potential beneficiaries of the Sector Reform Contract (formerly known as Sector Budget Support) modality of Budget Support. The programmes will be directed to supporting reforms set in the partner country sector development strategic framework in sectors earmarked in Country Strategy Papers.

Under the original IPA, Budget Support was limited to "exceptional cases", whereas the rules for IPA II allow for broader and more systematic use of Budget Support, provided the eligibility conditions are in place. IPA II targets reforms in pre-defined sectors, which cover areas closely linked to the EU enlargement strategy, including democracy and governance, rule of law, growth and competitiveness.

In September 2012, the European Commission issued new Budget Support Guidelines that set out the process of programming, design and implementation of the programmes. Specific Guidelines were developed in 2014 to reflect the programming, design and implementation processes in pre-accession countries.

Objectives

The **objectives of the workshop** are to raise awareness of government officials of the EU budget support cooperation instrument, and help them understand the specific technical aspects of the Sector Reform Contract. At the end of the workshops, officials are expected to understand the requirements behind the formulation of programmes as well as understand the intricate management of a SRC. In addition to providing the general aspects of EU Budget Support and the SRC, the workshops will be custom-made to the context each of the six Western Balkan countries involved.

Target Group

The **target group** is composed of civil servants from the NIPAC offices, ministries of finance (central fiscal authorities) and planning ministries of Albania, Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia. Civil servants from relevant line ministries are also expected to take part in the workshops.

Workshop Trainers

Yiannis Hadziyiannakis and **Gnel Sedrakyan** have extensive experience in the EU Budget Support instrument. They have been involved in design, implementation, review and evaluation of several programmes and operations.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and ICJ Advisory opinion on the Kosovo Declaration of independence

They have worked for several years in EU Sector Budget Support programmes in EU Neighbourhood countries, Armenia, Moldova and Ukraine where they have also delivered several trainings, seminars and workshops on the subject matter.

They have also worked in EU Sector Budget Support programmes outside the EU Neighbourhood, such as Kyrgyzstan and Tajikistan. Most recently they were involved in the successful design of the EU Budget Support programme for Sierra Leone for years 2015-2017.

Methodology

The methodology will aim at transferring practical skills to the participants for design, implementation and evaluation of EU Sector Reform Contract programmes.

The workshop will be delivered through power-point presentations accompanied by case-study handouts and further reading. The approach will be participatory with discussions and analytical engagement being rigorously encouraged.

In particular, participants will be encouraged to reflect on how governments set priorities and achievable objectives in their sector policy documents, how they plan, finance and execute sector policy over the medium-term, and ultimately how an EU Sector Reform Contract programme(s) may contribute to this process. Specific case studies from EU Neighbourhood country with long experience in Budget Support will be presented to aid analysis and discussion.

Daily Workshop Timetable

0900 – workshop day starts

1045 – coffee break (15 mins)

1230 – lunch break

1330 – workshop continues

1515 – coffee break (15 mins)

1700 – workshop day ends

WORKSHOP PROGRAMME

| | |
|--|---|
| <p>DAY 1 – Morning session</p> <ul style="list-style-type: none"> ➤ Objectives of the workshop and expectations of participants ➤ What is Budget Support? Key terms and concepts ➤ The BS instrument in the EU policy to third countries; relevance to candidate / pre-accession countries ➤ The Sector Reform Contract – rationale and core elements <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ The BS Cycle of Operations – phases in the internal process of the EC ➤ The Programming phase ➤ The Sector Planning Document process ➤ Approval of a BS Operation; The Action Document <p><i>Lunch break</i></p> <p>DAY 1 – Afternoon session</p> <ul style="list-style-type: none"> ➤ Preparing an SRC and linking with Partner Country Policy Framework and Budget ➤ The Intervention Logic ➤ Assessing organisational and institutional capacity ➤ Intro to the 4 EU BS Eligibility Criteria <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ The Preparation phase (1) – Public Policy Eligibility Criterion | <p>DAY 2 – Morning session</p> <ul style="list-style-type: none"> ➤ The Preparation phase (2) – Macroeconomic Policy Eligibility Criterion <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ The Preparation phase (3) – PFM Eligibility Criterion <p><i>Lunch break</i></p> <p>DAY 2 – Afternoon session</p> <ul style="list-style-type: none"> ➤ The Preparation phase (4) – Oversight & Transparency Eligibility Criterion ➤ The Preparation phase (5) – from Eligibility Criteria to General Conditions of SRC <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ The Preparation phase (6) – the Specific Conditions (indicators) of SRC and the Variable Tranche ➤ The financial element of SRC – the Base (Fixed) and Variable Tranches and disbursement schedule |
|--|---|

| | |
|--|---|
| <p>DAY 3 – Morning session</p> <ul style="list-style-type: none"> ➤ Case study and discussion; SRC formulation <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ The Implementation phase – implementing reforms ➤ Monitoring the General and Specific Conditions of the SRC; using country performance assessment frameworks <p><i>Lunch break</i></p> <p>DAY 3 – Afternoon session</p> <ul style="list-style-type: none"> ➤ The Implementation phase – implementing reforms <i>cont...</i> ➤ The Evaluation phase – taking stock of results | <p>DAY 4 – Morning session</p> <ul style="list-style-type: none"> ➤ Managing the EU budget support funds ➤ Case study and discussion; managing the EU budget support funds <p><i>Coffee break</i></p> <ul style="list-style-type: none"> ➤ Case study and discussion <i>cont.</i> <p><i>Lunch break</i></p> <p>DAY 4 – Afternoon session</p> <ul style="list-style-type: none"> ➤ Reiteration of objectives of the workshop ➤ Question & Answer time by participants |
|--|---|

NB: At every step of the presentation-slides reference will be made to the EC Guidelines (2014) for BS operations (DG ENLARG)