

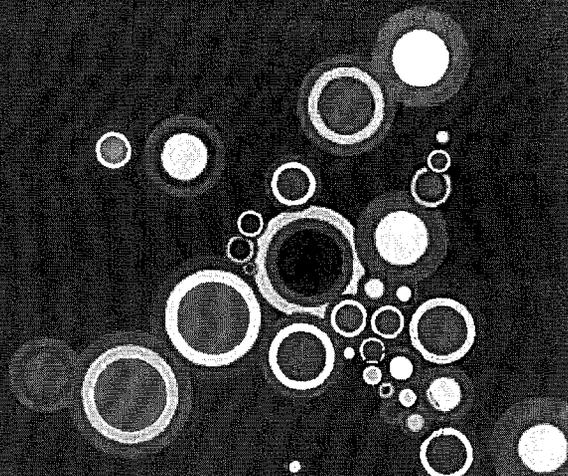
INSTRUMENT FOR PRE-ACCESSION ASSISTANCE (IPA II) 2014-2020

ANNEX IA BUDGET SUPPORT

of the Financing Agreement for the IPA 2015 Action Programme for Albania

ALBANIA

Sector Reform Contract for
Public Administration Reform



Action Summary

The objective of this Sector Reform Contract is to assist the Government of Albania in enhancing transparency, accountability and effectiveness of the public administration, with greater focus on the needs of citizens and business in view of creating a solid administrative basis for the implementation of the EU acquis. The programme is expected to contribute to implementation of Public Administration Reform Strategy and improved transparency and management of public finances.

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Action Identification	
Programme Title	IPA 2015 Action Programme for Albania
Action Title	Sector reform Contract for Public Administration Reform
Action Reference	IPA 2015/ 038715.01 /AL/ Sector Reform Contract for Public Administration Reform
Sector Information	
NEAR Sectors	Democracy and governance
DAC Sector	15110 Public Sector Policy and Administrative Management
Budget	
Total cost (VAT excluded)¹	EUR 32 million
EU contribution	EUR 32 million, including EUR 28 million for sector budget support; EUR 3.5 million for complementary support; EUR 0.5 million for monitoring and communication
Management and Implementation	
Method of implementation	Direct management for budget support and services for monitoring Indirect management with UNDP for complementary support
<i>Direct management:</i> EU Delegation in charge	EU Delegation to Albania
<i>Indirect management:</i> Implementing Agency	United Nations Development Programme
Implementation responsibilities	State Minister for Innovation and Public Administration Coordination for all Sector Budget Support (SBS) for Albania: Ministry of Finance (MoF) Deputy Minister of Finance:
Location	
Zone benefiting from the action	Albania
Specific implementation area(s)	n/a
Timeline	
Deadline for conclusion of the Financing Agreement	At the latest by 31 December 2016
Contracting deadline	2 years following the date of conclusion of the Financing Agreement
End of operational implementation period	5 years following the date of conclusion of the Financing Agreement

LIST OF ACRONYMS:

¹ The total action cost should be net of VAT and/or of other taxes. Should this not be the case, clearly indicate the amount of VAT and the reasons why it is considered eligible.

ASPA – Albania School of Public Administration
CoE – Council of Europe
CoM – Council of Ministers
CSOs – Civil Society Organisations
CSL – Law on Civil Servants
DDPFFA – The Department of Development Programming Financing and Foreign Aid
DoPA – The Department for Public Administration
GDP – Gross Domestic Product
GoA – Government of Albania
HIDAACI – High Inspectorate of Declaration and Audit of Assets and Conflict of Interest
HLD – High Level Dialogue
HRMIS – Human Resource Management Information System
HSC – High State Control
IMF – The International Monetary Fund
INTOSAI – The International Organisation for Supreme Audit Institutions
IPA – Instrument for Pre-Accession
IPMG – Integrated Policy Management Group
LGUs – Local Government Units
MIPA – State Minister of Innovation and Public Administration
MoSLI – Minister of State for Local Issues
MTBP – Medium Term Budget Program
OECD- The Organisation for Economic Cooperation and Development
OLAF – European Anti-Fraud Office
PAF – Performance Assessment Framework
PAR – Public Administration Reform
PIFC – Public Internal Financial Control
PFM – Public Financial Management
PM – Prime Minister
SIGMA – Support for Improvement in Governance and Management
SRC - Sector Reform Contract for Public Administration Reform in Albania
STAR – Support to Territorial Administrative Reform project
TACSO – Technical Assistance for Civil Society Organisations
UNDP – United Nations Development Programme
VAT – Value Added Tax
WB – World Bank

1. DESCRIPTION OF THE ACTION

1.1. Objectives/results

The overall objective of this Sector Reform Contract is to assist the Government of Albania in enhancing transparency, accountability and effectiveness of the public administration, with greater focus on the needs of citizens and businesses in view of creating a solid administrative basis for implementation of EU acquis.

The specific objectives are to:

- Improve policy planning and coordination to draft Government strategic documents;
- Establish a transparent and all-inclusive system of drafting legislation;
- Establish a professional, impartial, independent and merit based civil service;
- Reduce corruption opportunities through ensuring quality and accessibility of public services;
- Enhance accountability of public officials.

The transfer of funds, policy dialogue and capacity development are expected to trigger the following expected results:

- Strategic planning and policy making aligned to the Government's medium term budget program;
- Inclusive, participatory and evidence-based policy making and legislative development;
- Efficient and effective implementation of civil service legislation and management of human resources in full compliance with the law;
- Improved public services with a higher level of automation;
- Enhanced accountability of public administration;
- Improved strategic management framework, performance monitoring system and sustainability of financial resources for implementation of the PAR Strategy.

The expected outputs are further described in Annex 1 – performance indicators used for disbursements – and Annex 2 – disbursement arrangements and timeline – and are linked with the performance indicators the Government is expected to fulfil in order to obtain the disbursement of the fixed and variable tranches of this SRC.

1.2. Main activities

1.2.1. Budget support (direct management)

- Transfer of EUR 28 million to the beneficiary country in fiscal years 2016, 2017, 2018 and 2019 when disbursements are expected in accordance with Annex 1 and 2 of this sector reform contract;
- Political and policy dialogue with the Government of Albania in the area of public administration reform;
- Continued effort to reinforce Government's institutional capacities to implement the public administration reform;
- Donor coordination in view of further aligning development cooperation and relieving the Government from multiple reporting duties;
- Regular monitoring of budget support eligibility criteria.

1.2.2. Complementary support (indirect management)

The complementary support in the amount of EUR 3.5 million will provide technical assistance and advice at local level for the implementation of the PAR strategy by the municipalities. It will ensure the improvement of the overall performance of the 61 new local government units in line with the new legislative and operational framework set out by the recent territorial administrative reform.

The envisaged delegation agreement with UNDP under indirect management for the implementation of the support to territorial administrative reform (STAR) project will capitalise existing efforts of other donors to move forward the territorial administrative reform.

The expected results of the complementary support are:

- Improved efficiency, transparency, accountability and inclusiveness of local government structures;
- Strengthened local strategic planning and improved management of financial resources;
- Enhanced responsiveness to citizens and strengthened business-friendly administration, thus improving the quality of local democracy and service delivery.

1.2.3. Monitoring, evaluation/audit and visibility (direct management)

The EU Delegation will launch one or more service contracts for an overall amount of EUR 500,000 for external monitoring, evaluation/audit and visibility.

1.3. Intervention logic

This SRC will contribute to enhanced transparency, accountability and efficiency of Albania's public administration, by putting greater focus on the needs of citizens and business, thus addressing the developmental risks for government effectiveness. Through the support to the implementation of the PAR strategy, which strives for professional, impartial, independent, accountable and merit based civil service with transparent, inclusive and evidence-based policy and decision making, this SRC will also mitigate the corruption related risks in Albania.

The intervention logic includes the combined effects of the different components of the SRC, notably budget support and complementary technical assistance, as well as monitoring and evaluation. Through the transfer of funds, at input level, this action will improve the financial capacity of the Government to pursue PAR policy objectives. Provision of targeted complementary support will strengthen the institutional capacity to implement reform objectives at local government level. Together with policy dialogue and focus on improved intervention coordination of sector stakeholders, the SRC will contribute, among others, to better planning and more inclusive system of drafting laws, and to improved sector monitoring and evaluation at output level. At outcome level, this will form the basis for improved PAR sector governance, accelerating pace of reforms and achieving better compliance with reform objectives, resulting in higher quality and more widely accessible public services.

The variable tranches have been designed in such a way as to use some of the key indicators of the PAR strategy, as well as to address the findings of SIGMA assessments on Albania's public administration and the problems identified in Commission's annual country reports.

In order to closely follow the implementation of the PAR strategy, the Commission will be engaged in continuous monitoring and policy dialogue with the Government through Joint Working Groups and

High Level Dialogue, Public Administration Reform Special Groups, Thematic Groups under the Integrated Policy Management Group, budget support dialogue forums and the monitoring of conditionality and eligibility requirements. Support through ongoing or proposed complementary support will further facilitate the reforms. Engagement of all stakeholders to create a participatory policy framework will create more demand and pressure for changes through ongoing projects.

2. IMPLEMENTATION

2.1. Rationale for the amounts allocated to budget support

The amount allocated for the budget support component is EUR 28 million and for complementary support is EUR 3.5 million. This amount is based on a combination of factors: a) costing of the strategy, b) financing gap, c) assessed level of funds sufficiently encouraging and supporting the reforms. The financing needs for implementation of the PAR strategy during the period 2015-2017 have been estimated at EUR 77 million, which will be substantially covered by national funds, ongoing and future PAR operations financed under IPA or via other donors' funds. The PAR strategy is also conceived as a planning tool to optimize existing administrative settings, arrangements and procedures, which will result in operational savings for the administration. The estimated financing gap under the Medium Term Budget Programme 2015-2017 was around 28%. Brief information on the Medium Term Budget Programme 2016-2018 for the PAR strategy has been provided. The overall financial exercise of the PAR strategy has been assessed doable. The financial sustainability will be subject to discussions under the regular policy dialogue for the public policy implementation with the Ministry of Finance, EU Delegation and Minister of State for Innovation and Public Administration.

2.2. Criteria for disbursement of budget support

a) The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the Cross-cutting Public Administration Reform Strategy 2015-2020 and continued credibility and relevance thereof;
- Implementation of a credible stability-oriented macroeconomic policy;
- Satisfactory progress in the implementation of the public financial management policy, notably the PFM strategy 2014-2020;
- Satisfactory progress with regard to the public availability of timely, comprehensive and sound budgetary information.

b) The specific conditions for disbursement that may be used for variable tranches are outlined in Annex 2 on disbursement arrangements and timeline.

The chosen performance targets and indicators to be used for disbursements will apply for the duration of the programme. However, in duly justified circumstances, the State Minister for Innovation and Public Administration, in coordination with the National IPA Coordinator, may submit a request to the Commission for the targets and indicators to be changed. The changes agreed to the targets and indicators may be authorised by exchange of letters between the two parties.

In case of a significant deterioration of fundamental values, budget support disbursements may be formally suspended, temporarily suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

2.3. Budget support details

The financial assistance will be disbursed in a fixed tranche and three variable tranches annually in the subsequent three years period.

The fixed tranche of EUR 7 million shall be requested upon the signature of the financing agreement, provided that the general conditions for disbursement mentioned in 2.2 a) are met.

The disbursement of the three annual variable tranches will occur provided that the general conditions for disbursement mentioned in 2.2 a) are met. Once this level of compliance is confirmed, the annual variable tranches of a maximum EUR 7 million will be calculated according to the disbursement procedures specified in Annex 2.

Budget support is provided as direct untargeted budget support to the national Treasury. The crediting of the euro transfers disbursed Albanian LEK will be undertaken at the appropriate exchange rates in line with the relevant provisions of the Financing Agreement.

2.4. Organisational set-up and responsibilities

The sector coordination for public administration reform will take place in the framework of the Integrated Policy Management Group (IPMG) for Good Governance and Public Administration, replacing the Inter-Institutional Working Group on Public Administration Reform. IPMGs present a new approach to guide policy development, strategy implementation and monitoring through strengthened sector and donor coordination. The IPMG system aims to provide the Strategic Planning Committee (SPC) and other high-level government committees e.g. the Inter Ministerial Committee on European Integration, with the necessary recommendations for key policy decisions affecting those sectors deemed as priority and which require cross-ministerial cooperation.

The IPMG on Good Governance and Public Administration will be chaired by the State Minister for Innovation and Public Administration - the lead institution for implementation of the PAR Strategy. The IPMG will be composed of representatives of the following institutions: State Minister for Local Issues (also the National Anti-Corruption Coordination), State Minister for Relations with the Parliament, Ministry of Internal Affairs, Ministry of European Integration, Ministry of Finance, Ministry of Justice, Ministry of Social Welfare and Youth, National Agency for Information Society, Prime Minister's Office. The representatives of the National Council for Civil Society Development as well as the Gender Focal Point of the lead ministry² will also take part in the IPMG.

The IPMG will be supported by a Technical Secretariat, under the leadership of the Minister of State for Innovation and Public Administration, with the responsibility for technical, management, communication and administration. The IPMG will have five thematic working groups: policy-making, civil service reform, anti-corruption, digitalisation and public service delivery, and decentralisation. It is at the level of thematic working groups that the regular and structured dialogue with development partners will take place. Specific IPMG sessions will be organized to discuss upon the disbursements of the tranches of this SRC, accompanied by written conclusions shared between the parties.

Further to the IPMG, the high level dialogue for discussing the reform process along the lines of the Principles of Public Administration will take place in the Public Administration Reform Special Group (PAR SG) under the Stabilisation and Association Agreement (SAA), and will be the main policy dialogue forum for discussing the wider reform context for public policy eligibility criteria of this SRC. The PAR SG takes place twice a year and the results of the PAR SG feed into the SAA Council/Committee meetings, with a more structured political discussion on key PAR issues. The PAR SG meetings are co-chaired by the DG NEAR Head of Unit and the Albanian State Minister of Innovation and Public Administration.

² Lead Ministry to be defined

2.5. Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (bi-annual) and final reports. Every report shall provide an accurate account of implementation of the overall and specific objectives of this action, difficulties encountered, changes introduced, as well as conclude on the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the list of result indicators as set in Annex 1. The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The monitoring and evaluation of the implementation of the Public Administration Reform Strategy will be the responsibility of the Integrated Policy Management Group (IPMG) for Good Governance and Public Administration. IPMG will report on an annual basis to the Strategic Planning Committee under the Prime Minister on the overall progress of reform implementation. MIPA will prepare annual reports on results achieved and quarterly reports on implementation of the Strategy (based on reporting of other institutions).

For disbursement of the fixed tranche, the MIPA, in cooperation with the Ministry of Finance, will submit to the Commission the following documents after the signature of the Financing Agreement:

- The annual report on implementation of the Public Administration Reform Strategy 2014-2020 and its action plan, and any other related document;
- The annual monitoring report and any other related documentation produced in the framework of monitoring of implementation of the Public Finance Management Strategy 2014-2020 and its action plan;
- Report on progress regarding implementation of a credible stability-oriented macroeconomic policy;
- Report on progress regarding implementation of the budget transparency roadmap.

For the disbursement of the variable tranches in the years 2017, 2018 and 2019, MIPA shall make available not later than 31 March 2017, 2018 and 2019 the same set of documents as for the fixed tranche together with the sources of verification for the achievement of the targets set out in Annex 2.

The payment package will be discussed at the IPMG thematic working group sessions specifically dedicated to issues regarding budget support disbursements.

For the Commission, the monitoring and assessment of the eligibility criteria for the disbursement of the tranches will be carried out by the EU Delegation and the geographical Unit of DG NEAR.

The eligibility criteria related to public policy in the area of PAR, as well as the triggers for the disbursement of the variable tranches, will be assessed on the basis of the Government annual reports regarding the PAR strategy implementation. SIGMA annual assessment of the PAR principles will be taken into consideration. Regular monitoring will be carried out in the PAR Special Group and Joint Working Group meetings, as well as relevant DGs (e.g. HR) will also provide information to assess the overall situation and progress made in the implementation of the strategy.

The PAR Strategy Action Plan 2015-2017 is the basis on which a monitoring and reporting system has been established, which will provide periodic information on the progress of implementation of activities and achievement of the targets and objectives. It includes a set of qualitative and quantitative performance indicators for each objective and activity with target values for 2017 and 2020. Not all

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indicators have an available baseline, but it is expected that the missing data will be collected in the first year of PAR Strategy implementation. The Action Plan will be reviewed annually with a view to adjust it to the rate of implementation. A mid-term evaluation of the Strategy will take place in 2017 and will serve as the basis to define an action plan for the years 2018-2020.

The general eligibility criterion related to macro-economic stability will be monitored by the EU Delegation to Albania and the geographical Unit of DG NEAR in conjunction with DG ECFIN, in particular through the annual assessments of Albania's macroeconomic and fiscal programmes. The ECOFIN Ministerial Meeting will also annually issue country-specific policy guidance for Albania. Policy dialogue in the context of the relevant stabilisation and association agreement sub-committees with the Government of Albania will also assess overall macro-economic and fiscal performance. Finally, third party assessments will be also taken into consideration, such as the reports from IMF for Article IV consultations.

The eligibility criteria related to the progress of the public finance management reform and the budget transparency will be monitored and assessed on the basis of the annual assessments and reports regarding the Albania's Public Finance Management Strategy 2014-20 presented to the PFM Steering Committee in the context of the IPA 2014 PFM budget support operation. The assessment will also take into account the conclusions of the Government, DG ECFIN, DG BUDG, DG TAXUD, DG GROW as well as IMF, World Bank, OECD/SIGMA and other reports. Policy dialogue in the context of the relevant SAA sub-committees with the Government of Albania will also assess performance in various areas covered under the PFM reforms.

The Commission may undertake additional monitoring visits and assessments regarding the general eligibility criteria for disbursement and the achievement of the targets for the variable tranches both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews.

2.6. Evaluation and audit

Evaluations of the budget support component should be aligned with similar exercises of other budget support providers for accountability and learning purposes at various levels (including for policy revision) and carried out via independent consultants. The implementation of the budget support program will be supervised by up to two annual monitoring missions, managed by the European Commission, and optionally via an external monitoring (Results Oriented Monitoring - ROM).

For complementary support, the technical assistance will be subject to:

- Regular monitoring of performance by the Office of the State Minister for Local Issues;
- Possible external results-oriented monitoring (ROM) by independent consultants hired by the Commission. If applicable, this monitoring may take place in the period starting from six months of implementation until no later than six months before the end of the operational implementation phase.

In addition, the Commission may also carry out external evaluations [via independent consultants], as follows:

- (a) [possibly] a mid-term evaluation mission;
- (b) a final evaluation, at the beginning of the closing phase;
- (c) [possibly] an ex-post evaluation.

The Commission shall inform the implementing partner at least 2 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities. The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

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APPENDIX 1: INDICATIVE SELECTION OF RESULT INDICATORS (MAX. 2 PAGES)

The inputs, the expected direct and induced outputs and all the indicators, targets and baselines included in the list of result indicators are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The table with the indicative list of result indicators will evolve during the lifetime of the action: new columns will be added for intermediary targets (milestones), when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

	Intervention logic	Indicators	Baselines	Targets 2017	Targets 2020	Sources and means of verification
Overall objective: Impact	The overall objective is to assist the Government of Albania in enhancing transparency, accountability and effectiveness of the public administration, with greater focus on the needs of citizens and business in view of creating a solid basis for implementation of EU acquis.	Composite indicator (average of Government Effectiveness, Burden of Government Regulation and Regulatory Quality) (as per Country Strategy Paper (CSP))	51.2 (baseline 2010) (as per CSP)	Very good progress (as per CSP)	Very good progress (as per CSP)	World Bank, World Economic Forum
Specific objective(s): Outcome(s)	Promote PAR sector policies and reforms to improve policy planning and coordination to draft government strategic documents; to establish a transparent and all-inclusive system of drafting laws; to establish a professional, impartial, independent and merit based civil service; to enhance accountability of public officials and to reduce corruption opportunities.	Annual rate of implementation of public administration development activities and reforms (SIGMA indicator)	64% (2014)	Growing trend	Growing trend	SIGMA assessment
Induced outputs	Strategic planning and policy making aligned to the medium term budget program (1) Inclusive, evidence-based policy making and legislative development (2, 3, 4) Efficient and effective implementation of civil service law and management of human resources (5, 6, 7, 8)	1. Share of estimated funding needs of the five selected sector strategies that are covered by the medium term budget program 2. Rate of implementation of the National Plan for European Integration 3. % of important primary legislation adopted in the given year accompanied by full regulatory impact assessment	1. 42 % (2014) 2. 47.8 % (2015) 3. RIA not yet in place	1. 70 % 2. 80 % 3. 30%	1. 80 % 2. 90 % 3. All RIA prepared are assessed as of good quality	1. SIGMA assessment 2. Annual NPEI implementation report (MEI) 3. Annual report on PAR Strategy implementation (MIPA)

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Induced outputs	Improved public services with a high level of automation, reducing opportunities for corruption (9)	4. Average score for quality of public consultation process	4. 5.25 (2015)	4. 6.5	4. 7.5	4. Annual report on PAR Strategy implementation (MIPA)
	Enhanced accountability of public administration (10)	5. Rate of implementation of the annual recruitment plan	5. 66.5% (2015)	5. 85 %	5. 90 %	5. DoPA annual report
		6. Scope of institutions in which HRMIS is used to generate payroll	6. Not operational in 2015	6. In all state institutions, IIs, 50% LGUs	6. In all state institutions, IIs and LGUs	6. DoPA annual report
		7. % of final court decisions related to dismissals decided in favour of civil servants	7. 59%	7. Reduced by 7% compared to 2016	7. Reduced by 15% compared to 2017	7. DoPA annual report
		8. % of implemented final court decisions related to dismissals of civil servants	8. 21%	8. 50 %	8. At least 60 %	8. DoPA annual report
		9. Number of services provided at a higher level of automation	9. 132 out of 363 services are delivered at level 0	9. 100 at higher level than in 2016	9. 150 at a higher level than in 2018	9. Report on PAR Strategy implementation (MIPA)
		10. Extent to which the right to access public information is enacted in legislation and applied in practice	10. Register not established	10. At least 70% of requests dealt with on time and according to Art.15	10. At least 85% of requests dealt with on time and according to Art.15	10. Annual report of the Commissioner for the Right of Information and Personal Data Protection

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Direct outputs	<ul style="list-style-type: none">• Increased size and share of external assistance funds made available through the national budget.• Increased predictability of the disbursement of external funds• Better coordinated policy dialogue and technical assistance and more conducive to the implementation of the PAR Strategy• Improved harmonization and alignment of EU-funded assistance in PAR sector with the government policies and systems• Reduced transaction costs for providing assistance• Enhanced implementation of PAR on local level	Inputs/main activities: <ul style="list-style-type: none">• Transfer of EUR 28 million to the beneficiary country in fiscal years 2016, 2017, 2018, 2019;• Regular monitoring in budget support eligibility criteria• Continued political and policy dialogue with the Government in the area of public administration reform• Donor coordination in view of further aligning development cooperation and relieving the Government from multiple reporting duties• Complementary support of EUR 4 million to strengthen the 61 local government units• Continued effort to reinforce Government's institutional capacities to implement the public administration reform				
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LIST OF ANNEXES

- 1. Performance indicators used for disbursements**
- 2. Disbursement arrangements and timetable**
- 3. Complementary activities**

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ANNEX 1: Performance indicators used for disbursements

Indicator (1)

Indicator:	Increased share (ratio) between total funds estimated in the last five adopted sector strategies and total funding identified for the corresponding sectors within the MTBP
Programme:	PAR Strategy, Objective 1: Improved planning and coordination policies to draft government strategic documents, which turns priorities into concrete actions.
Objective of the SRC:	Improve policy planning and coordination to draft Government strategic documents
Expected result:	Strategic planning and policy-making aligned to the medium term budget program
Action:	Activities 1.4, 1.5, 1.6 1.7 of the PAR Strategy Action Plan
Department responsible:	Budget Department in the Ministry of Finance
Description of the Indicator	
Indicator type:	Quantitative (input)
Measurement unit:	Percentage
Periodicity of measurement:	Yearly
Last known result (baseline):	42% in 2014 (SIGMA baseline assessment)
Development and quality of the indicator	
Method of data collection:	Administrative collection (SIGMA annual assessments reports)
Departments responsible for collection:	OECD/SIGMA on the basis of input from the State Minister for Innovation and Public Administration and the Ministry of Finance
Method of calculation:	Data collected as per SIGMA methodology: http://www.sigmaweb.org/publications/public-governance-baseline-measurement-reports.htm The ratio is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum), illustrating the difference in planned funding in the last five adopted strategies and MTBF. The outcome value is the average of the five cases.
Means of interpretation	
Known limits and bias:	In the event is not possible to make the calculation due to a lack of financial data in the MTBF and/or in all or some sector strategies, the ratio is determined as 0%.
Means of interpretation:	It illustrates the difference in the planed funding for the implementation of the strategic documents; the link between the funds estimated in the sector strategies and those taken up in the MTBF showing whether the policy planning is harmonised.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – 60% Data for 2017; assessment in Q2 2018, target – 70% Data for 2018; assessment in Q2 2019, target – 80%
Comments:	The five strategies assessed by SIGMA in 2014 were: 1) Public Finance Management Strategy, 2) National Strategy for Employment and Skills 2014-2020, 3) Strategy of Investment and Business Development 2014-2020, 4) Strategy for the Prevention and Settlement of Arrears, 5) National Strategy on Integrated Border Management 2014-2020.

Indicator (2)

Indicator:	Increased annual rate of implementation of the National Plan for European Integration
Programme:	PAR Strategy, Objective 2: Transparent and all-inclusive system of drafting laws, which is based on policies and which ensures alignment with the <i>acquis</i>.
Objective of the SRC:	Establish a transparent and all-inclusive system of drafting laws.
Expected result:	Inclusive, participatory and evidence-based policy-making and legislative development.
Action:	N/A
Department responsible:	Ministry of European Integration (MEI)
Description of the Indicator	
Indicator type:	Quantitative (output)
Measurement unit:	Percentage
Periodicity of measurement:	Annual
Last known result (baseline):	47.8% in 2015 (Annual report of MEI on the implementation of NPEI)³
Development and quality of the indicator	
Method of data collection:	Administrative collection (Annual report of MEI on the implementation of NPEI)
Departments responsible for collection:	MEI
Method of calculation:	The ratio is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the number of annual implemented actions (laws and policies) by the total annual number of the NPEI planned actions, then multiplied by 100.
Means of interpretation	
Known limits and bias:	If the structure of a document has changed from one year to the next, the indicator is not comparable.
Means of interpretation:	The indicator illustrates the number of actions implemented to the total number of the actions envisaged by NPEI. The final rate as anticipated here will refer to overall rate of implementation.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – 70% Data for 2017; assessment in Q2 2018, target – 80% Data for 2018; assessment in Q2 2019, target – 90%
Comments:	The quarterly monitoring of implementation of NPEI is done by MEI based on inputs provided by the implementing institutions, which report on adoption of the planned legal acts and strategic documents and policies.

³ MEI to send the 2014 and 2015 reports

2018

Indicator (3)

Indicator:	Adoption of full regulatory impact assessment (RIA) methodology and its increased application and quality
Programme:	PAR Strategy, Objective 2: Transparent and all-inclusive system of drafting laws, which is based on policies and which ensures alignment with the <i>acquis</i> .
Objective of the SRC:	Establish a transparent and all-inclusive system of drafting laws.
Expected result:	Inclusive, participatory and evidence-based policy-making and legislative development.
Action:	Activity 2.5 of the PAR Strategy Action Plan
Department responsible:	Programs and Legislation Monitoring Unit in the Prime Minister Office (PLMU)
Description of the Indicator	
Indicator type:	Quantitative and qualitative (process)
Measurement unit:	Percentage in 2017 and 2018
Periodicity of measurement:	Annual
Last known result (baseline):	No laws were accompanied by RIA in 2015
Development and quality of the indicator	
Method of data collection:	Administrative collection (PLMU reports and Explanatory Notes accompanying each law). The PLMU report ⁴ is prepared on a 4-month basis. The possibility of consolidation of all data in one annual report will be explored. Departments responsible for collection: PLMU
Method of calculation:	For 2016, in addition to the adoption of the RIA methodology, the application of RIA shall be understood only as initiation of full RIA for one legal act (pilot) and not completion of the full cycle of RIA. For 2017, the ratio is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the number of important laws ⁵ which have gone through full RIA before their adoption, by the total number of important laws provided in a nominative list agreed annually with the EUD, then multiplied by 100. For 2018, the score is calculated as per indicator 2.a from the Indicator Passport for the PAR strategy.
Means of interpretation	
Known limits and bias:	For 2017, the indicator does not show the quality of the performed RIA, but only the level of effort of the institutions to formally perform RIA.
Means of interpretation	The complete list of the laws planned for 2016 will be provided by Q1 2016. The list of 'important laws' planned for 2017 shall be submitted to EUD by 31 January 2017 and agreed by 28 February 2017. Definition of "important" laws will be specified with the adoption of the RIA methodology.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – RIA methodology adopted and full RIA initiated for at least one piece of legislation Data for 2017; assessment in Q2 2018, target – At least 30% of important legislation adopted in 2017 accompanied by full RIA Data for 2018; assessment in Q2 2019, target – Good (between 60–80%) average score for quality of impact assessment of important legislation prepared in 2018
Comments:	By 'regulatory impact assessment' is understood the analysis of potential impacts of new and existing policies and legislation in terms of benefits, costs and anticipated effects.

⁴ PLMU to provide 2014 report

⁵ Important laws as defined in the RIA methodology to be adopted in 2016.

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Indicator (4)

Indicator:	Increased quantity of legal acts which have passed through an extensive public consultation process and show evidence of involvement of the public and stakeholders in the process.
Programme:	PAR Strategy, Objective 2: Transparent and all-inclusive system of drafting laws, which is based on policies and which ensures alignment with the <i>acquis</i> .
Objective of the SRC:	Establish a transparent and all-inclusive system of drafting laws.
Expected result:	Inclusive, participatory and evidence-based policy-making and legislative development.
Action:	Activity 2.4 of the PAR Strategy Action Plan
Department responsible:	Minister of State for Relations with the Parliament
Description of the Indicator	
Indicator type:	Quantitative (process)
Measurement unit:	Qualitative (process and score)
Periodicity of measurement:	Annual
Last known result (baseline):	5.25 in 2015.
Development and quality of the indicator	
Method of data collection:	MIPA annual report on PAR Strategy with input from PLMU and Minister of Relations with the Parliament.
Departments responsible for collection:	PLMU
Method of calculation:	Assessment for 2016 will be done based on the provisions laid out in Article 7 of the Law and the corresponding bylaw ⁶ . For 2017 and 2018 the ratio is calculated in accordance with the methodology described in the PAR Strategy indicator passport for indicator 2b - as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the number of legal acts passing through a public consultation process, by the total number of legal acts approved by the Government or Parliament in a given year, then multiplied by 100. For evidence of involvement of the public and stakeholders in the process a two-point assessment will be used: 1 point if evidence exists of fulfilment of the law's requirements and 1 point if the information is comprehensive at the expected level for each of the requirements in accordance with the Law: 1) publication in Government's information system; 2) report on public consultations held and stakeholders involved; 3) report on the overall number of recommendations received from the stakeholders; 4) information on the accepted/reflected comments versus submitted comments.
Means of interpretation	
Known limits and bias:	N/A
Means of interpretation:	'Legal acts' are understood to include draft laws, national and local strategic documents as well as policies of high public interest, as per the provisions of the Law.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – establishment of electronic register by the end of 2016 Data for 2017; assessment in Q2 2018, target – the average score for quality of the public consultation process on draft legislation is at least 6.5 points (PAR Strategy indicator 2b) Data for 2018; assessment in Q2 2019, target – The average score for quality of the public consultation process on draft legislation is at least 7.5 points (PAR Strategy indicator 2b)

⁶ Bylaw to be provided

Indicator (5)

Indicator: Increased rate of implementation of the annual recruitment plan in line with the Law on Civil Servants and its secondary legislation
Programme: PAR Strategy, Objective 6: Improved capacities for the implementation of the civil service legislation and facilitated enforcement procedures.
Objective in the SRC: Establish a professional, impartial, independent and merit-based civil service
Expected result: Efficient and effective implementation of civil service law and management of human resources
Action: Activity 6.2 of the PAR Strategy Action Plan
Department responsible: Department of Public Administration (DoPA)

Description of the Indicator

Indicator type: Quantitative (input)
Measurement unit: Percentage
Periodicity of measurement: Annual
Last known result (baseline): 66.5% (2015)
(last three years if available): N/A

Development and quality of the indicator

Method of data collection: Administrative collection (HRMIS, DoPA annual reports)
Departments responsible for collection: DoPA
Method of calculation: The ratio is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the number of vacancies filled in a given year by the total number of vacancies that were included in the annual recruitment plan, then multiplied by 100.

Means of interpretation

Known limits and bias: N/A
Means of interpretation: DoPA will submit the annual recruitment plan for each year to the European Commission upon its adoption, as per Council of Ministers Decisions No 108/2014, 169/2015 and 556/2015.

Documentation schedule

Delivery date (targets): Data for 2016; assessment in Q2 2017, target – 80%
Data for 2017; assessment in Q2 2018, target – 85%
Data for 2018; assessment in Q2 2019, target – 90%

Comments: N/A

**Indicator (6)**

Indicator:	Increased scope of institutions generating payroll report from HRMIS
Programme:	PAR Strategy, Objective 6: Improved capacities for the implementation of the civil service legislation and facilitated enforcement procedures
Objective in the SRC:	Establish a professional, impartial, independent and merit-based civil service
Expected result:	Efficient and effective implementation of civil service law and management of human resources
Action:	Activity 6.8. of the PAR Strategy Action Plan
Department responsible:	Department of Public Administration (DoPA)
Description of the Indicator	
Indicator type:	Quantitative (process)
Measurement unit:	Percentage
Periodicity of measurement:	Annual
Last known result (baseline): (last three years if available):	Personnel data for 6000 civil servants from central administration is included in HRMIS; connection with Treasury System has been piloted (2015)
Development and quality of the indicator	
Method of data collection:	Administrative collection (DoPA annual reports and annual reports of the Commissioner for Oversight of Civil Service)
Departments responsible for collection:	DoPA
Method of calculation:	The ratio is calculated as a percentage, dividing the number of institutions that use HRMIS to generate payroll report by the total number of relevant institutions, then multiplied by 100.
Means of interpretation	
Known limits and bias:	N/A
Means of interpretation:	Central administration institutions include all institutions under the Prime Minister's office, all line ministries and their subordinate institutions (both those under the Law on Civil Servant and those under the Labour Law). At the end of 2015 there were 232 central administration institutions (list in annex). At the end of 2015 there were 24 independent institutions (list in annex). At the end of 2015 there were 61 municipalities and 12 regional administrations.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – 100% central administration institutions and independent institutions, employing civil servants Data for 2017; assessment in Q2 2018, target – HRMIS further extended to 50% local government units Data for 2018; assessment in Q2 2019, target – HRMIS further extended to 100% local government units
Comments:	N/A

10/10/15

Indicator (7)

Indicator:	Decrease in the proportion of final court decisions confirming unlawful dismissal of civil servants
Programme:	PAR Strategy, Objective 6: Improved capacities for the implementation of civil service legislation and facilitated enforcement procedures
Objective in the SRC:	Establish a professional, impartial, independent and merit-based civil service
Expected result:	Efficient and effective implementation of civil service law and management of human resources
Action:	N/A
Department responsible:	Department of Public Administration (DoPA)
Description of the Indicator	
Indicator type:	Quantitative (outcome)
Measurement unit:	Percentage
Periodicity of measurement:	Annual
Last known result (baseline):	59% of total decisions confirm unlawful dismissal (data covering the period October 2013 - September 2015: 162 cases out of a total of 273 related to dismissal of civil servants)
Development and quality of the indicator	
Method of data collection:	Administrative collection (DoPA annual report)
Departments responsible for collection:	DoPA
Method of calculation:	The ratio is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the difference between the number of final court decisions related to unlawful dismissal of civil servants in a given year, to the baseline for year 1, and to the baseline of the previous year for years 2 and 3, then multiplied by 100.
Means of interpretation	
Known limits and bias:	The current available data not available per year, therefore the available baseline refers to 2 year period.
Means of interpretation:	The new baseline for each year will take into consideration only the final court cases decided in a given year.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – reduction by 7% in relation to the baseline of 2015 Data for 2017; assessment in Q2 2018, target – reduction by 7% in relation to the baseline of 2016 Data for 2018; assessment in Q2 2019, target – reduction by 7% in relation to the baseline of 2017
Comments:	N/A

Indicator (8)

Indicator: Increased enforcement of the backlog of final court decisions in relation to civil servant appeals
Programme: PAR Strategy, Objective 6: Improved capacities for the implementation of the civil service legislation and facilitated enforcement procedures
Objective in the SRC: Establish a professional, impartial, independent and merit-based civil service
Expected result: Efficient and effective implementation of civil service law and management of human resources
Action: Activities 6.1, 6.2, 6.3 of the PAR Strategy Action Plan
Department responsible: Department of Public Administration (DoPA)

Description of the Indicator

Indicator type: Quantitative (outcome)
Measurement unit: Percentage
Periodicity of measurement: Q4 2016, Q4 2017 and Q4 2018
Last known result (baseline): 34% - out of a total of 162 final court decision in favour of civil servants, 55 were implemented (24 in 2015 and 31 in 2014)
(last three years if available):

Development and quality of the indicator

Method of data collection: Administrative collection (DoPA annual reports, Ministry of Justice reports/court statistics)
Departments responsible for collection: DoPA
Method of calculation: The indicator is calculated as a percentage (0% concurrence minimum and 100% concurrence maximum) by dividing the number of the existing backlog of final court decisions cumulatively enforced starting from the 1st of January 2016 by the total number of the backlog measured by the end of 2015 (baseline), then multiplied by 100.

Means of interpretation

Known limits and bias: The total backlog will be measured for the first time in 2015.
Means of interpretation: Illustrates the extent of enforcing the final court decisions related to the civil servants appeals. Backlog is understood as the cases pending enforcement following a final court decision.

Documentation schedule

Delivery date (targets): Data for 2016; assessment in Q2 2017, target – 40 % of total backlog of cases enforced
Data for 2017; assessment in Q2 2018, target – 50 % of total backlog of cases enforced
Data for 2018; assessment in Q2 2019, target – 60 % of total backlog of cases enforced

Comments: N/A

pep

Indicator (9)

Indicator: Increased number of public services provided at a higher level of automation
Programme: PAR Strategy, Objective 5: Improved and concentrated public services by reducing the causes of corruption and strengthening a civic based ethic for public service delivery; Objective 9: Developing an ICT infrastructure capable of supporting the daily activities of Public Administration and efficiency increased the time to access, process and transmit information, while improving the flow of information
Objective in the SRC: Reduce corruption through increased accessibility and quality of public services
Expected result: Improved public services with a high level of automation, reducing opportunities for corruption
Action: Activities 9.1, 9.2 and 9.3 of the PAR Strategy Action Plan
Department responsible: State Minister of Innovation and Public Administration (MIPA), National Centre for Integrated Service Delivery (ADISA) and National Agency for Information Society (NAIS)

Description of the Indicator

Indicator type: Quantitative (output)
Measurement unit: Number (absolute value)
Periodicity of measurement: Annual
Last known result (baseline): 132 out of 363 services are at level 0, 119 at level 1, 60 at level 2, 49 at level 3, and 2 at level 4 on 30 June 2015 (list of selected services of July 2015).

Development and quality of the indicator

Method of data collection: PAR Strategy Annual Report
Departments responsible for collection: ADISA and NAIS
Method of calculation: This indicator is calculated by adding the number of services offered at a higher level of automation compared to the previous year.

Means of interpretation

Known limits and bias: N/A
Means of interpretation: N/A

Documentation schedule

Delivery date (targets): Data for 2016; assessment in Q2 2017, target – all 363 selected services provided at least at level 1
Data for 2017; assessment in Q2 2018, target – 100 services provided at a higher level of automation compared to 2016
Data for 2018; assessment in Q2 2019, target – 150 services provided at a higher level of automation compared to 2017

Comments: N/A

**Indicator (10)**

Indicator:	Improved implementation of the law on access to information
Programme:	PAR Strategy, Objective 11: Enhancement of control over the activities of public administration, guaranteeing the right of citizens and access to information
Objective in the SRC:	Enhance accountability of public officials
Expected results:	Enhanced accountability of public administration
Action:	Activity 11.1 of the PAR Strategy Action Plan
Department responsible:	MIPA and Commissioner for the Right of Information and Personal Data Protection and each public authority
Description of the Indicator	
Indicator type:	Quantitative (output)
Measurement unit:	Percentage
Periodicity of measurement:	Annual
Last known result (baseline):	Central register does not exist, 12 registers have been set up by the end of 2015, no information available about the number of requests for information to public institutions. (Data provided by the Commissioner)
Development and quality of the indicator	
Method of data collection:	Annual reports of the Commissioner for the Right of Information and Personal Data Protection
Departments responsible for collection:	Commissioner for the Right of Information and Personal Data Protection
Method of calculation:	For 2016, the indicator will be measured according to SIGMA methodology (dividing the number of state administration institutions that maintain up-to-date registers and databases according to the legal requirements by the total number of state administration institutions that should keep such databases and registers., and dividing the number of requests for information registered in the central register that were dealt with in compliance with the Article 15 of the Law by the total number of requests that had been registered in the central register). For 2017, the indicator is measured as in 2016. For 2018, the indicator will be measured according to SIGMA methodology (dividing the number of refused public information requests by the total number of public information requests submitted to the public authorities, then multiplied by 100).
Means of interpretation	
Known limits and bias:	Baseline will be provided in the Commissioner's annual report for 2015 (to be presented in March 2016).
Means of interpretation:	Illustrates the rate of successful implementation of the law 119/2014 "On the right to information". State administration institutions include all institutions under the Prime Minister's office, all line ministries and their subordinate institutions (both those under the Law on Civil Servant and those under the Labour Law). The institutions considered for monitoring are the ones in the list annexed. The institutions to be potentially added to that list for years 2017 and 2018 will be agreed by 28 February 2017 and 28 February 2018 respectively.
Documentation schedule	
Delivery date (targets):	Data for 2016; assessment in Q2 2017, target – 50% of state administration institutions maintaining a document registry and database, and at least 60% of requests for information are dealt with according to the Article 15 of the Law Data for 2017; assessment in Q2 2018, target - at least 70% of requests for information comply with Article 15 of the law. Data for 2018; assessment in Q2 2019, target – Decrease % share of public information requests refused by public authorities in 2018 by 1/3 compared to the baseline set in the 2016 annual report of the Commissioner for Data Protection and Right to Information.

ANNEX 2: Disbursement arrangements and timetable

This annex covers the following four main areas according to the country/intervention sector context: (1) responsibilities; (2) the indicative disbursement timetable; (3) the general conditions for each disbursement tranche; (4) the specific conditions for each disbursement tranche.

1. Responsibilities

The beneficiary's responsibility for making disbursement requests in accordance with the timetable must be clearly established. On the basis of the disbursement conditions stipulated in the Financing Agreement, the Minister for Innovation and Public Administration will send a formal request to the EU Delegation for the disbursement of each tranche in accordance with the timetable specified in Table A below. The request must include: (i) a full analysis and justification for payment of the funds, with the required supporting documents attached; (ii) a financial information form, duly signed, to facilitate the corresponding payment.

2. Indicative disbursement timetable

Table A: Indicative disbursement timetable

Country fiscal year	Year 2016				Year 2017				Year 2018				Year 2019				
Type of tranche	Q1	Q2	Q3	Q4	Total												
Base tranche		7															
Variable tranche							7				7				7		
Total																	28

In order to enhance predictability and respect budgetary and planning cycles, indicator assessments should normally take place at the time foreseen covering a time period that coincides with the country's budgetary cycle. A typical review calendar would be to assess fiscal year n-1 performance in year n, in order to provide disbursement commitments for disbursement early in year n+1. This is the n-1/n/n+1 principle. In less aid dependent countries where predictability is less of a concern, disbursement could take place if needed immediately after the assessment, the n-1/n/n option.

3. General conditions for the disbursement of each tranche

The general conditions set out below for the disbursement of each tranche shall apply to the disbursement of all tranches and all tranche release requests must be accompanied by all appropriate information and documents.

Table B: General conditions for the release of tranches

Area	Conditions	Verification source
Public Policy	Satisfactory progress in the implementation of Public administration reform strategy 2015-2020 and continued credibility and relevance of that or any successor strategy	Annual report from the PAR strategy implementation from PAR IPMG framework Review by the EU Delegation, Assessment by DG NEAR
Macroeconomic stability	Implementation of a credible stability-oriented macroeconomic policy	Review by the EU Delegation on the basis of DG ECFIN and IMF assessment, Assessment by DG NEAR with input from relevant line DG
Public financial management	Satisfactory progress in the implementation of the programme to improve public financial management	Annual implementation report of the PFM strategy presented to the PFM Steering Committee Third party assessments e.g. World Bank External assessment, Review by the EU Delegation Assessment by DG NEAR with input from relevant line DGs (DG BUDGET, DG MARKT, DG TAXUD)
Budget Transparency	Satisfactory progress with regard to the public availability of accessible, timely, comprehensive, and sound budgetary information	Annual report provided by the MoF on progress for the implementation of transparency roadmap Third party assessments e.g. Open Budget Index External assessment, Review by the EU Delegation Assessment by DG NEAR

4. Specific conditions for the disbursement of tranches

The specific conditions for the disbursement set out in Table C, D and E shall apply to the disbursement of a specific tranche. Tranche release requests must be accompanied by all appropriate information and documents on the specific conditions.

Table C: Specific conditions for the release of tranches

Tranche	Amount	Indicative date of the disbursement request (month/year)	Indicative disbursement date (month/year)	Conditions/criteria/ activities for disbursement	Verification source including timing or data availability (where applicable)
Fixed tranche	7	Q2 / 2016	Q3 / 2016	Disbursed on the basis of the general criteria	MOF annual reports on: - Progress in the implementation of the PAR strategy - Stability oriented macroeconomic policy - PFM Strategy implementation - Implementation of transparency roadmap
First variable tranche	7	Q2 / 2017	Q3 / 2017	Disbursed on the basis of meeting the general criteria <u>and triggers of table E</u>	PAR Annual report Assessment by EU Delegation , DG NEAR,
Second variable tranche	7	Q2/2018	Q3 / 2018	Disbursed on the basis of meeting the general criteria <u>and triggers of table E</u>	PAR Annual report Assessment by EU Delegation , DG NEAR,
Third variable tranche	7	Q2/2019	Q3 / 2019	Disbursed on the basis of meeting the general criteria <u>and triggers of table E</u>	PAR Annual report Assessment by EU Delegation , DG NEAR

5. Variable tranche calculation

As long as the general conditions described in Table B are met, the amount of budget support to be disbursed for the three variable tranches for 2016, 2017 and 2018 will be calculated according to Table D (weight of each indicator of the variable tranches) and Table E (detailed description of the targets of the variable tranches).

Disbursements of variable tranches, once the general conditions have been met, will be in proportion to the achievement of each target as described in Table E. For some indicators, there is the option of partial completion, meaning that the indicator is scored 0, 50% or 100%, depending on whether there was (i) no or insignificant progress, (ii) significant but partial progress, or (iii) target met based on the sources of verification. In case the option of partial completion is not available (N/A), the indicator is scored 0 or 100%, depending on whether there was (i) no or insignificant progress or (iii) target met based on the sources of verification.

Where serious doubts exist about the quality of the data provided, a data verification exercise may be carried out to inform payment decisions. An external expert may be recruited to verify data claims on a sample basis, verifying data directly where possible or through cross-checking data with other, typically non-governmental, stakeholders. Any balances of a variable tranche, in the case of a partial disbursement or incomplete accomplishment thereof, may not be carried over to the following tranche and will

therefore be cleared. In most cases, the baseline of the indicators will roll forward with each successive year's performance data. This means that the results achieved in the first year for the programme effectively become the baseline against which the second year's performance is assessed.

In exceptional cases, where exceptional events or changing circumstances have prevented meeting previously agreed targets, it may be possible to waive or neutralise an indicator condition. In this case, the related amount can either be transferred to the next tranche or reallocated to the other indicators of the same tranche. Such cases must be requested by the State Minister of Innovation and Public Administration to the geographical AOSD Director of the European Commission and can be authorised by the latter through an exchange of letters between the two parties.

Table D: Weight of the variable tranches

Where in Table E, the option of partial payment is indicated, the disbursement for each indicator may be 0, 50% or 100% of the maximum amount indicated below. In case the option of partial completion is not available (N/A), the disbursement for each indicator may be 0 or 100%.

Indicators as per Table E	Baseline as per Table E	Weight	Year 1 maximum amount EUR	Year 2 maximum amount EUR	Year 3 maximum amount EUR
1. Improved planning and coordination of policies with the medium term budget	As per 1.1,1.2,1.3	10%	700,000	700,000	700,000
2. National Plan for European Integration implemented	As per 2.1,2.2,2.3	10%	700,000	700,000	700,000
3. Regulatory impact assessment in place	As per 3.1,3.2,3.3	10%	700,000	700,000	700,000
4. Legal acts which have passed through public consultation and evidence thereof	As per 4.1,4.2,4.3	10%	700,000	700,000	700,000
5. Vacancies are efficiently filled in line with the law	As per 5.1,5.2,5.3	10%	700,000	700,000	700,000
6. HRMIS is fully populated and connected to the treasury system	As per 6.1,6.2,6.3	10%	700,000	700,000	700,000
7. Effective human resource management on dismissal in place	As per 7.1,7.2,7.3	10%	700,000	700,000	700,000
8. Backlog of final court decisions in relation to civil servant appeals is enforced	As per 8.1,8.2.,8.3	10%	700,000	700,000	700,000
9. Public services provided at a higher level of automation	As per 9.1,9.2.,9.3	10%	700,000	700,000	700,000
10. Access to information	As per 10.1,10.2.,10.3	10%	700,000	700,000	700,000
Total		100%	7,000,000	7,000,000	7,000,000

First Variable Instalment Achievement: by end 2016 Assessment: by May 2017 Disbursement: by September 2017	Second Variable Instalment Achievement: by end 2017 Assessment: by May 2018 Disbursement: by September 2018	Third Variable Instalment Achievement: by end 2018 Assessment: by May 2019 Disbursement: by September 2019
Expected result: Strategic planning and policy making fully aligned to the medium term budget program		
<p>1.1 At least 60% of the total funds estimated in the last five sectoral strategies covered under the corresponding sectors in the MTBP 2017-2019 (SIGMA indicator)</p> <p>Partial payment: At least 50% of the total funds estimated in the last five sectoral strategies covered under the corresponding sectors in the MTBP 2017-2019</p> <p>Baseline: 42% (2014) SIGMA baseline assessment Source of verification: SIGMA annual report</p>	<p>1.2 At least 70% of the total estimated funding needs in last five adopted sectoral strategies covered in the MTBP 2018-2020 (SIGMA indicator)</p> <p>Partial payment: At least 60% of the total funds estimated in the last five sectoral strategies covered under the corresponding sectors in the MTBP 2017-2019</p> <p>Source of verification: SIGMA annual report</p>	<p>1.3 At least 80% of the total estimated funding needs in last five adopted sectoral strategies covered in the MTBP 2019-2021 (SIGMA indicator)</p> <p>Partial payment: At least 70% of the total funds estimated in the last five sectoral strategies covered under the corresponding sectors in the MTBP 2017-2019</p> <p>Source of verification: SIGMA annual report</p>
Expected result: Inclusive, evidence-based policy making and legislative development		
<p>2.1 NPEI for 2016 is implemented to the rate of at least 70%</p> <p>Partial payment: NPEI for 2016 is implemented to the rate of at least 60%</p> <p>Baseline: 47.8 % for 2015 NPEI Source of verification: Annual NPEI implementation report (MEI)</p>	<p>2.2 NPEI for 2017 is implemented to the rate of at least 80%.</p> <p>Partial payment: NPEI for 2016 is implemented to the rate of at least 70%</p> <p>Source of verification: Annual NPEI implementation report</p>	<p>2.3 NPEI for 2018 is implemented to the rate of at least 90%.</p> <p>Partial payment: NPEI for 2016 is implemented to the rate of at least 80%</p> <p>Source of verification: Annual NPEI implementation report (MEI)</p>
<p>3.1 Methodology for full regulatory impact assessment (RIA) adopted and applied at least once (i.e. RIA for at least 1 important piece of legislation is initiated)</p> <p>Partial payment: Regulatory impact assessment methodology is adopted.</p> <p>Baseline: Regulatory impact assessment methodology is not in place. Source of verification: Council of Ministers decision</p>	<p>3.2 At least 30% of important⁷ legislation adopted in 2017 is accompanied by full regulatory impact assessment (PAR Strategy indicator)</p> <p>Partial payment: At least 20% of important legislation adopted in 2017 is accompanied by regulatory impact assessment (PAR Strategy indicator)</p> <p>Baseline: 0 (2015) Source of verification: PAR Strategy implementation report</p>	<p>3.3 All impact assessments of important legislation prepared in 2018 receive a good⁸ average score for quality (PAR Strategy indicator 2a)</p> <p>Partial payment: At least 50% of impact assessments of important legislation prepared in 2018 receive a good average score for quality (PAR Strategy indicator 2a)</p> <p>Baseline: Baseline will be available in 2017 Source of verification: PAR Strategy implementation report</p>
<p>4.1. The electronic register for notification and public consultation, an official website, which serves as a central point of consultation, is created.</p> <p>Baseline: Centralised register does not exist. Source of verification: PAR Strategy implementation report</p>	<p>4.2. The average score for quality of the public consultation process on draft legislation is at least 6.5 points (PAR Strategy indicator 2b)</p> <p>Baseline: 5.25 in 2015 Source of verification: PAR Strategy implementation report</p>	<p>4.3 The average score for quality of the public consultation process on draft legislation is at least 7.5 points (PAR Strategy indicator 2b)</p> <p>Source of verification: PAR Strategy implementation report</p>

⁷ List of important legislation planned to be adopted in 2017 is submitted to the European Commission at the beginning of 2017.

⁸ Between 60–80%

<p>5.1 The Annual Recruitment Plan for 2016⁹ is implemented to the rate of at least 80% (in line with the Law on Civil Servants and its secondary legislation)</p> <p>Partial payment: The annual recruitment plan for 2016 is implemented to the rate of at least 70%</p> <p>Baseline: 66.5 in 2015 Source of verification: DoPA annual report for 2016 (prepared in February 2017)</p>	<p>5.2 The Annual Recruitment Plan for 2017 is implemented to the rate of at least 85% (in line with the Law on Civil Servants and its secondary legislation)</p> <p>Partial payment: The annual recruitment plan for 2016 is implemented to the rate of at least 80%</p> <p>Source of verification: DoPA annual report for 2017 (prepared in February 2018)</p>	<p>5.3 The Annual Recruitment Plan for 2018 is implemented to the rate of at least 90% (in line with the Law on Civil Servants and its secondary legislation)</p> <p>Partial payment: The annual recruitment plan for 2016 is implemented to the rate of at least 85%</p> <p>Source of verification: DoPA annual report for 2018 (prepared in February 2019)</p>
<p>6.1 HRMIS generates payroll for all state administration institutions and independent institutions employing civil servants.</p> <p>Partial payment: HRMIS generates payroll for all central administration institutions (line ministries) and 50% of subordinate institutions and 50% of independent institutions.</p> <p>Baseline: Personnel data for 6000 civil servants from central administration is included in HRMIS; connection with Treasury System has been piloted (2015) Source of verification: DoPA annual report</p>	<p>6.2 HRMIS generates payroll for all state administration institutions, independent institutions and at least in 50% of the local government units (LGUs) employing civil servants.</p> <p>Partial payment: HRMIS generates payroll for all state administration institutions, independent institutions, and 25% LGUs</p> <p>Source of verification: DoPA annual report</p>	<p>6.3 HRMIS generates payroll for all state administration institutions, independent institutions and all local government units (LGUs) employing civil servants.</p> <p>Partial payment: HRMIS generates payroll for all state administration institutions, independent institutions, and 50% LGUs</p> <p>Source of verification: DoPA annual report</p>
<p>7.1 The rate of final court decisions (taken in 2016) confirming unlawful dismissal of civil servants is reduced by 7% compared to the baseline of 2015.</p> <p>Baseline: 59% (162 cases out of 273)</p> <p>Source of verification: DoPA Annual report</p>	<p>7.2 The rate of final court decisions (taken in 2017) confirming unlawful dismissal of civil servants is reduced by 7% compared to baseline of 2016.</p> <p>Baseline: Data for 2016</p> <p>Source of verification: DoPA Annual report</p>	<p>7.3 The rate of final court decisions (taken in 2018) confirming unlawful dismissal of civil servants is reduced by 7% compared to the baseline of 2017.</p> <p>Baseline: Data for 2017</p> <p>Source of verification: DoPA Annual report</p>
<p>8.1 40% of the total backlog of final court decisions in relation to civil servant appeals is enforced by the relevant institutions.</p> <p>Baseline: 34% as of end of 2015 Source of verification: DoPA annual report</p>	<p>8.2 50% of the total backlog of final court decisions in relation to civil servant appeals is enforced by the relevant institutions.</p> <p>Source of verification: DoPA annual report</p>	<p>8.3 60% of the total backlog of final court decisions in relation to civil servant appeals is enforced by the relevant institutions.</p> <p>Source of verification: DoPA annual report</p>
<p>Expected result: Improved public services with a high level of automation, reducing opportunities for corruption</p>		
<p>9.1 All selected services are at least on level 1 of automation.</p> <p>Partial Payment: 50% of services which are at level 0, progress to level 1</p> <p>Baseline: 132 out of 363 selected services are at level 0 of automation on 30 June 2015 Source of verification: PAR Strategy implementation report</p>	<p>9.2 100 public services provided at a higher level of automation (level 2 or above)</p> <p>Partial Payment: At least 75 services are provided at a higher level of automation</p> <p>Source of verification: PAR Strategy implementation report</p>	<p>9.3 150 public services provided at a higher level of automation.</p> <p>Partial Payment: At least 100 services are provided at a higher level of automation</p> <p>Source of verification: PAR Strategy implementation report</p>

⁹ DoPA to submit the annual recruitment plan for each year to the European Commission at the latest by 28 February of the respective year.

Expected result: Enhanced accountability of public administration

10.1 50% of state administration institutions maintain a document registry and database, and at least 50% of requests for information are dealt with according to the Article 15 of the Law

Baseline: 12 registers are in place by the end of 2015.

Source of verification: Annual Report of the Commissioner for Data Protection and Right to Information

10.2 At least 70% of requests for information are dealt with according to the Article 15 of the Law

Baseline: Data for 2015 and 2016 to be established with the 2016 annual report of the Commissioner for Data Protection and Right to Information

Source of verification: Annual Report of the Commissioner for Data Protection and Right to Information

10.3 Decrease by 1/3 the share of public information requests refused by public authorities in 2018 compared to the baseline of 2016.

Baseline: Baseline to be set with the 2016 annual report of the Commissioner for Data Protection and Right to Information

Source of verification: Annual Report of the Commissioner for Data Protection and Right to Information

ANNEX 3: Complementary activities: indicative budget breakdown and planning for contracting procedures

IMPLEMENTATION MODALITIES	BUDGET (€)		TIMELINE ¹⁰	
	Total	EU contribution	Launch of procedure	Contract signature ¹¹
INDIRECT MANAGEMENT		3,500,000		
Delegation Agreement with UNDP		3,500,000	Q2 2016	Q3 2016
DIRECT MANAGEMENT		500,000		
Service contract for external monitoring		300,000	Q2 2016	Q3 2016
FWC EUD communication and visibility plan		50,000	Q2 2016	Q3 2016
Audit/evaluation		150,000		2019
TOTAL		4,000,000		

¹⁰ Timeline: QUARTER (Q1, Q2, Q3, Q4) YEAR

¹¹ Contract signature date: if relevant; i.e. for Direct Grants mainly