

Instrument for Pre-Accession Assistance (IPA) 2007-2013

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This Commission report concerns the implementation of the Instrument for Pre-accession Assistance (IPA) in 2014.

To recall, IPA is the means by which the EU supports reforms in the enlargement countries with financial and technical help. It accompanies the accession policy, as set out by the European Union, with a view to implementing Article 49 of the Treaty on European Union which offers the prospect of EU membership to all European countries that respect the fundamental values of the EU and are committed to promoting them.

Beneficiaries of assistance in 2014 were: Albania, Bosnia and Herzegovina, Croatia, the former Yugoslav Republic of Macedonia, Iceland, Kosovo, Montenegro, Serbia, and Turkey. Since its entry into the EU, in July 2013, Croatia is no longer an IPA beneficiary, but still benefits from the Transition Facility.

EU pre-accession funds are a sound investment into the future of both the enlargement countries and the EU itself. They help the beneficiaries make political and economic reforms, preparing them for the rights and obligations that come with EU membership. Those reforms should provide their citizens with better opportunities and allow for development of standards equal to the ones enjoyed by the citizens of the EU. The pre-accession funds also help the EU reach its own objectives regarding a sustainable economic recovery, energy supply, transport, the environment and climate change, etc.

Since IPA II was only recently introduced, implementation of programmes in 2014 still fell under its predecessor IPA.

The Instrument for Pre-accession Assistance (IPA): IPA included five different components:

1. Assistance for transition and institution building;
2. Cross-border cooperation (with EU Member States and other countries eligible for IPA);
3. Regional development (transport, environment, regional and economic development);
4. Human resources development (strengthening human capital and combating discrimination);
5. Rural development.

The IPA beneficiaries were divided into two categories. EU candidate countries at the time - Croatia, Turkey and the former Yugoslav Republic of Macedonia - were eligible for all five components.

Potential candidates - Albania (which became a candidate country in 2014), Bosnia-Herzegovina, Montenegro (which became a candidate country in 2010), Serbia (which became a candidate country in 2012) and Kosovo - were only eligible for the first two components.

IPA intervened both at country level and at a regional level, via national programmes, multibeneficiary programmes, and cross-border cooperation.

From 2011 to 2013, IPA also supported Iceland, addressing mainly institutional capacity building issues. After the Icelandic government's decision to suspend accession negotiations in May 2013, **the Commission decided to end its support for Iceland.**

In most enlargement countries, the Commission found:

- combating organised crime,
- corruption and,
- dysfunctional justice systems were essential goals.

Public administration reform also remained a constant area of need in all EU enlargement processes. More recently, economic governance emerged as an area that needed improvement - not least because of the economic and financial crisis in the EU itself, whose impact was heavily felt in the Western Balkans.

A special effort was made in 2014 to **link political priorities with assistance programmes and funding**, with the aim of concentrating assistance where it was most critical for the EU integration process.

IPA II: in 2014 IPA II was launched. It covers the period 2014-2020 and represents the renewed commitment to enlargement. IPA II focuses on **democracy and rule of law, as well as competitiveness and growth.**

IPA II also introduces a **sector approach**, incentives for delivery on results, budget support and prioritisation of actions. Coordinated investments along the main infrastructure corridors and cooperation with international financial institutions (IFIs) are also important parts of IPA II.

Indicative Strategy Papers all countries were adopted in 2014. They cover the entire period 2014-2020 although a midterm review is foreseen. The programming process has been rendered more sector focused and sector planning documents form the basis of the process.

The EU also provided assistance to the enlargement countries through bilateral aid from EU Member States and investment loans delivered by the European Investment Bank (EIB). EU Delegations worked to ensure coherence between IPA support and other sources of EU support.