

ABBREVIATIONS, ACRONYMS AND EXPLANATIONS

BC	Beneficiary Country
CMS	Case Management System
CPC	Commission for Protection of Competition
EC	European Commission
ECN	European Competition Network
ECJ	European Court of Justice
EP	European Partnership with Serbia 2008
EU	European Union
Law	Law on Protection of Competition ("Official Gazette of the Republic of Serbia", no. 51/2009 and 95/2013)
MS	Member State
MTTT	Ministry of Trade, Tourism and Telecommunications
NAD	National Priorities for International Assistance 2014-2017, with projections until 2020
NBS	National Bank of Serbia
NPAA	National Programme for the Adoption of the Acquis
PL	Project Leader
PSC	Project Steering Committee
RATEL	Regulatory Agency for Electronic Communications and Postal Services
RTA	Resident Twinning Advisor
SAA	Stabilisation and Association Agreement
SPO	Senior Programme Officer
STEs	Short Term Experts

STANDARD TWINNING PROJECT FICHE

1. Basic Information

1.1 Publication reference: EuropeAid/ 139-033/IH/ACT/RS

1.2 Programme: Annual Action Programme for Serbia (2014) Indirect Management,

1.3 Twinning Number: SR 14 IPA FI 01 17

1.4 Title: Further Development of Protection of Competition in Serbia

1.5 Sector: Finance, Internal market and economic criteria (Competitiveness)

1.6 Beneficiary country: Republic of Serbia

2. Objectives

2.1 Overall Objective:

The overall objective is to further develop and strengthen the protection of competition in Serbia in order to increase the level of competitiveness in the Serbian market and strengthen private sector impact on the Serbian economy.

2.2 Project purpose:

The specific purpose of this project is to further harmonise national legislation in the area of competition policy with the EU *acquis*, ensure effective implementation and enforcement of the aligned competition legislation and increase awareness of the competition law and policy among the relevant actors in the field (judiciary, market regulators, etc.).

2.3 Contribution to National Development Plan/Cooperation agreement/Association Agreement/Action Plan

Stabilisation and Association Agreement (SAA)

On the path of reaching its strategic goal of EU accession, Serbia has committed itself to implementing ambitious political and economic reforms and obligations arising out of the SAA. Under that international agreement signed between Serbia and the EU in 2008, which has been integrated into the domestic legal system and entered into force in 2013, Serbia is to protect

competition on conditions laid down in Article 73, “Competition and other economic provisions”, of the SAA, observing the competition rules and interpretative instruments existing in the EU.¹

National Programme for the Adoption of the Acquis (NPAA) 2014-2018

After the signing of the SAA and before its entry into force, Serbia had adopted a strategic document by way of which it had determined the path for reforms and harmonisation of legislation: National Programme of Integration of the Republic of Serbia into the EU (NPI) for the period 2008-2012, followed by the National Programme for the Adoption of the Acquis (NPAA) for the period 2013-2016 and two revisions of the latter document.

The second revised NPAA (2016-2018) identifies that the Serbian legal framework for protection of competition is largely in line with EU law, but that there are EU rules governing specific competition issues which have not yet been fully or adequately transposed into the Serbian legal system. The aim of future legislative activity is to improve the level of legal harmonization and relevant administrative and judicial practice. In line with this and the priorities identified in the second revised NPAA, during the 2016-2018 period, the Serbian Commission for Protection of Competition (CPC) is expected to engage in further harmonisation of national competition legislation with the EU *acquis*. Furthermore, the CPC is expected to focus on the implementation of the Law on Protection of Competition and existing bylaws so as to ensure efficient application of the competition rules within the Republic of Serbia.

The activities envisaged by this project are in direct link with and represent a direct contribution to the priorities and tasks identified as necessary by the NPAA, as set out above.

National Priorities of the Republic of Serbia for International Assistance 2014-2017 with projections until 2020 (NAD)

The activities envisaged under this project, aimed at further harmonisation of competition rules, enhanced enforcement and increased awareness/ advocacy in the field, are also in line with the NAD Priority 3 in the Competitiveness sector - Improve operating environment for doing business, with emphasis on evidence-based policies and regulatory simplification through focusing on transposition and enforcement of the EU *acquis* in the areas of competition (incl. state aid), consumer protection and other specified fields.

European Partnership with Serbia 2008 (EP)

Within the Annex 2/ Priorities for Serbia/ Short term priorities/ Economic criteria/ Competition, the EP document stipulates that, in the competition field, it is necessary for Serbia to:

¹ Title VII Approximation of laws, law enforcement and competition rules, Article 73 “Competition and other economic provisions”:

“1. The following are incompatible with the proper functioning of this Agreement, insofar as they may affect trade between the EU and Serbia:

i) all Agreements between undertakings, decisions by associations of undertakings and concerted practices between undertakings which have as their object or effect the prevention, restriction or distortion of competition;

ii) Abuse by one or more undertakings of a dominant position in the territories of the EU or Serbia as a whole or in a substantial part thereof; ...”

- Improve existing anti-trust legislation in line with the SAA requirements and strengthen the administrative capacity of the Commission for Protection of Competition to ensure efficient and independent enforcement of the rules in line with the EU *acquis*, and

- Improve merger control procedures in order to strengthen the efficiency of the Commission for Protection of Competition.

Among the mid-term priorities in this field (economic criteria), the EP has identified the reduction of state aid relative to GDP and strengthening competition policy to allow free and undistorted competition for the benefit of Serbian consumers.

This project is aimed at further harmonisation of national legislation with the EU *acquis*, as well as further strengthening of the administrative capacities of the CPC with the aim of ensuring effective implementation and enforcement of the aligned competition legislation. Therefore, it is also aligned with the priorities set by the EP.

Public Administration Reform (PAR) Strategy

Serbia has a comprehensive PAR strategy and an action plan 2015-17, the implementation of which is coordinated by the Ministry of Public Administration and local Self-Government. The European Commission assessed that Serbia should be capable of assuming the membership obligations in the medium term in almost all areas of the *acquis*, provided that the alignment and adoption of legislation is accompanied by its effective implementation and enforcement. This aspect remains a challenge in a number of sectors and is also due to current weaknesses in the policy and legislative processes, which do not fully ensure an inclusive and evidence-based approach (the better regulation approach advocated at the EU level). Rather, a considerable amount of new legislation is passed in a fast-track procedure. Accession negotiations will, therefore, require that Serbia improves the capacity of public administration, including in terms of improving the quality of policy and legal drafting processes.

EU Enlargement Strategy 2016 and EC Progress report Serbia 2016

Both the EU Enlargement Strategy and EC Progress Report for Serbia for 2016 acknowledge that Serbia continues to build its track record of fulfilling the SAA obligations and align its legislation with the EU *acquis* across the board. At the same time, Serbia is evaluated as 'moderately prepared' in developing a functioning market economy and coping with competitive pressure and market forces within the Union (both representing the economic criteria for EU membership). Public and private investments have increased, but the level of investment activity remains below the economy's needs.

In the field of antitrust and mergers, Serbia is evaluated as relatively advanced. The legislative framework is broadly in line with the *acquis*, in particular the Treaty on the functioning of the EU (Articles 101 and 102) and the SAA. Further focus should be placed on the implementation of the legislative framework. Furthermore, while enforcement capacity of the CPC is seen as

adequate, the expertise of its staff, in particular in economics, remains to be demonstrated further, according to the EC Progress Report for Serbia 2016.

This Twinning project is designed to provide contribution to Serbia in fulfilling one aspect of the economic criteria for EU membership with its overall objective of increasing competitiveness of the Serbian economy, as well as its specific objectives (aimed at strengthening competition law and practice in Serbia) .

3. Description

3.1 Background and justification:

The functioning of an open market economy requires, among other conditions, the successful implementation and enforcement of competition law and by-laws. The identification and dismantling of secret cartels (engaged in price-fixing, customer and territory allocation, bid-rigging) allows for new market entries and leads to an increase in the number of products offered on the market, coupled with, often simultaneous, lowering of prices for the end consumers. The discovery and sanctioning of dominant firms' abusive conducts and adequate merger analysis and control lead to similar results (new market participants and products, investments and lowering of prices) and provides for a competitive environment.

The **Constitution of the Republic of Serbia** from 2006, as the supreme legal act of the country, creates the preconditions for the functioning of a market economy by, *inter alia*, guaranteeing free competition within the Serbian market². Competition is also the object of protection under the Article 73 of the **SAA**, in accordance with which Serbia has largely implemented the *acquis communautaire* necessary to guarantee the appropriate level of protection of competition in the field of antitrust and merger control, including effective means of enforcing such protection.

In general, Serbia is making constant progress in the field of competition law and policy. The main body of substantive rules found in the primary competition legislation (the Law on Protection of Competition) and secondary competition legislation (various regulations proposed by the CPC and adopted by the Government), has been evaluated at the explanatory and bilateral screening meetings with the EC as "broadly aligned with the EU *acquis* on antitrust and merger", as it is based on Articles 101 and 102 of the TFEU, the Council Regulation (EC) N°139/2004 (the Merger Regulation) and other regulations. Also, the procedural rules are to a large extent aligned with the EU rules: the Serbian Commission for Protection of Competition is now a relatively well-established institution, whose powers were reinforced through the amendments to the Law in 2013 and can be seen as similar to those of the European Commission or to those

² Article 84 of the Constitution (entitled "Status on the market"):

"Everyone shall have equal legal status on the market.

Acts, which are contrary to the Law and restrict free competition by creating or abusing monopolistic or dominant status, shall be strictly prohibited.

Rights gained through capital investments, in accordance with the Law, may not be curtailed by the Law.
Foreign persons shall be equalled on the market with domestic persons."

which national competition authorities of the Member States should have under Article 5 of Council Regulation (EC) N°1/2003.

The CPC, as the main body entrusted with the task of protecting competition in the market and upholding the above mentioned rules, has received positive remarks in the EC Progress Reports for Serbia, including the latest report for 2016, and has continued to build on the results achieved in 2015. Since competition practice and policy is a dynamic field and the *acquis* in that field is continuously developing, further activity has been identified as necessary, especially in respect of further harmonisation of national competition legislation with the *acquis communautaire*, as well as enhanced enforcement record and awareness-raising activity in the area of competition (particularly, the leniency programme). In achieving the above tasks, further improvement and transfer of practical knowledge and experience in the implementation of the *acquis* onto the CPC is necessary.

Through this project, the CPC would draw benefits, which it could also distribute to other relevant actors on the Serbian market, on several grounds:

- Firstly, through gaining direct insight into the current issues and concerns relevant for competition law and policy in the EU, which could serve the purpose of further legislative activity and alignment in the future, as well as from the perspective of practical application of the current competition legislation by the EU Commission, the European Court of Justice and the Court of First Instance and the national authorities of the EU Members States.

- Secondly, through experience to be shared with the CPC's case-handlers on the specific methods and practices used by the well-established and developed competition authorities within the EU, most importantly in identifying competition constraints and during the investigation and decision-making phases of the procedure. This would not only lead to the deepening of the CPC's staff theoretical knowledge, but also to a greater understanding and insight into the practical application of the current competition legislation. The experience-sharing and training which would be provided for the CPC staff (especially case-handlers) would add significant value in market analysis and timely identification of possible violations of competition law and policy in Serbia, which would in the long run be expected to result in enhanced harmonization of laws and their enforcement, after the project has been terminated. Furthermore, the development of a comprehensive methodology for market sector analyses and a manual for application of econometrics to specific cases, apart from being essential for the further development of CPC practice, could also have the long-run effect of reducing operating costs of the CPC, i.e. through greater reliance on own econometric analysis and market research rather than outsourcing those services.

- Thirdly, the project would add significantly to the transparency of the CPC's work and increase awareness of its role among undertakings participating on the Serbian market. The experience of the Commission in implementing competition policy in Serbia has shown that greater recognition of its role amongst the public is necessary, which would include providing information about its existence, powers and the manner in which it ought to be addressed (by whom, in what cases and in which way). It is expected that this would in turn allow for more productive work of the CPC and have a deterring effect on the undertakings from engaging in practices forbidden by competition law. At the same time, making the role and work of the CPC more transparent under this project would also be in line with the goals which the CPC aims to achieve through its

advocacy activities, such as informing the government apparatus and the wider public about the benefits of effective competition (fewer entry barriers, more jobs openings, increased quality of products and services, etc.) for the benefit of consumers and society as a whole.

Upon completion of the project, based on the competencies of the CPC (Article 21 of the Law), as well as the general practice of competition authorities, the CPC would have the following instruments at its disposal for building on the project results: providing opinions on the laws (drafts, proposals, applicable laws) which may have an impact on the protection of competition; proposing new laws and by-laws in the field; publishing decisions in the Official Gazette of the Republic of Serbia and on the Internet; conducting sector analyses; organizing educational conferences, seminars and workshops, round tables and so on. Importantly, such action could also have regional benefits in that it could lead to a greater exchange in experiences and knowledge between countries of South-Eastern Europe in the competition field.

In addition to the above stated, since the project is aimed at increasing competitiveness of the Serbian economy (which has been evaluated as moderately prepared to deal with the market forces and competitive pressures (EC Progress Report for Serbia 2016)), as well as strengthening of the private sector, the project is set to encompass other institutions beside the CPC, such as the Ministry of Trade, Tourism and Telecommunications, judiciary, market operators and regulators and stakeholders. Stemming from their inherent significance for the proper functioning of the markets and implementation of the laws, it is especially the judiciary and market operators and regulators which are expected to benefit from trainings and workshops to be organised, so as to increase their awareness of the competition law and policy, which is expected to contribute to better enforcement and implementation of the competition rules in the long run.

In order to appropriately inform the aforementioned beneficiaries and stakeholders about the goals and benefits of this Project, and as a means to assist with the kick-off and implementation of the project, a project Communication plan will be prepared. This document shall:

- Promote the purpose of the Twinning project and provide an overview of its activities and results, and
- Provide information about the importance and benefits of effective competition, for the consumers and the society as a whole.

3.2 Linked activities:

- **CARDS 2006 programme - Technical Assistance to the Commission for Protection of Competition - ACPC**

This project, which began in 2008 and lasted for 36 months, was funded by the EU and implemented by a consortium led by the IRZ Foundation (Deutsche Stiftung für internationale rechtliche Zusammenarbeit e.V.). It was aimed at strengthening the institutional capacities of the Commission for Protection of Competition, harmonizing the domestic legal framework in the competition field with the EU *acquis* and increasing the overall awareness of competition policy (through training for the judiciary and other activities). Many activities were successfully carried out during the project and concrete results were achieved, but the project also identified the need for further action, which was carried out under an IPA 2011 project described below.

- **IPA 2011 - "Strengthening the institutional capacity of the Commission for Protection of Competition (CPC) in the Republic of Serbia"**

This project had started in September 2012 and lasted for 36 months. The financing was secured from the pre-accession program IPA 2011 in the amount of approximately 2.5 million euros and the project was led by the "GIZ International Services". The main project goals leaned on the previous project areas for improvement, as indicated above: capacity building of the CPC (focusing on improvement of its enforcement capacities through conducting investigations and market analyses), improving the capacities of market regulators in protecting competition, primarily by means of their *ex ante* regulations and enhancing competition culture in Serbia (competition advocacy and awareness raising). While significant results were achieved, the project identified the necessity to further analyse and align Serbian competition legislation with the EU *acquis* (particularly in the field of secondary legislation and block exemptions for agreements in certain industry fields), further strengthen the CPC's capacities, both in terms of staffing and practice (enforcement record, case management system, etc.) and finally, continue raising awareness of competition law and policy in the Serbian market.

- **Program for the improvement of economic education of the staff of the Commission for Protection of Competition**

In collaboration with the Centre for Liberal - Democratic Studies (CLDS) and the European Bank for Reconstruction and Development (EBRD), this programme was launched on October 31, 2013 and ended three months later, on 24 January 2014. It was designed for all the CPC employees, especially case-handlers, with the objective of acquainting them with economic principles to be applied in case analysis in the field of competition law. Another segment of the Program focused on the most important econometric techniques used in case analysis in the field of competition law. This was first such targeted training provided for the CPC employees, with the outcome of raised level of knowledge in the field of econometrics and the relationship between competition law and economic regulation. Being the first of its kind, the programme also established the need for further development of the CPC employees' knowledge in the field, which was provided under a very similar programme developed in cooperation with the CLDS and EBRD, during 2015/16.

- **IPA 2014 "SIGMA (Support of improvement of governance and management)**

Regarding the more general matters of public administration reform, SIGMA assistance, provided under IPA 2014, encompasses six core areas of good governance and public administration reforms, such as civil service and public administration organisation and functioning, policy development and coordination, PAR strategic framework and coordination, public finance management including public procurement. In this way SIGMA contributes to build up administrative capacities for the adoption and correct implementation of the Union *acquis* so as to create adequate conditions for integration of the Beneficiaries into the EU.

3.3 Results:

Result 1: Further harmonisation of national competition legislation with the EU *acquis*

The indicators related to result 1:

- Assessment of the latest EC Progress report for Serbia in the field of anti-trust and mergers conducted and recommendations provided;
- Analysis of the EU anti-trust and merger *acquis* and comparative legal institutes in the field (i.e. self-assessment of restrictive agreements, merger control, rules of proceedings, etc.) conducted and recommendations for preparation of a new Draft Law on Protection of Competition provided;
- Research and analysis of the pertinent ECJ case law, as well as practices of the MS competition authorities and the EC conducted.

Result 2: Improved capacities of the CPC staff, judiciary, civil servants and market operators and regulators with regard to practical application and enforcement of competition law

The indicators related to result 2:

- At least 2 market sector analyses from the aspect of competition policy completed, including analyses of the relevant sector legislation (indicative list of market sectors includes financial services, retail food industry, pharmaceutical industry, energy industry, etc.)
- A comprehensive methodology for sector analyses drafted;
- At least 15 workshops organised in Belgrade for the CPC staff for up to 10 participants per workshop on the development and application of a comprehensive methodology for market sector analysis;
- At least 1 manual for the application of econometric models to cases drafted;
- At least 15 workshops organised in Belgrade for the CPC staff for up to 10 participants per workshop on the application of economic principles and models to specific cases (analysis of market power, market definition, cartels and other coordinated behaviour, unilateral conduct including predatory and exclusionary practices, horizontal and vertical mergers, etc.);

- At least 5 study visits of the CPC staff for up to 6 participants per visit of up to 5 working days with the MS competition authority conducted, in order to obtain direct insight into the application of the EU competition law (i.e. the use of economic analysis, extent of reliance on EU case law and EC communications, problems encountered in enforcement and general practice), the performance of unannounced inspections, communication with the general public, ECJ case law and national competition law by the relevant MS competition authority;
- Training Need Analyses (TNA) for the CPC staff and for Serbian market regulators and operators, the judiciary and businesses associations, the representatives of which will participate in the trainings and/or workshops in order to get familiarised with the relevant competition issues of their concern conducted;
- Based on TNA, TNA Plan prepared and endorsed by the Beneficiary;
- At least 5 capacity building trainings organised for the CPC staff (with focus on practical application and enforcement of EU competition law), judiciary, market regulators (e.g. National Bank of Serbia, RATEL, Energy Agency, etc.), the civil servants (employees of the MTTT and other relevant ministries), business associations and market operators on competition policy and practice, with up to 30 participants per training.

Result 3: Public awareness regarding competition policy raised and sustainable advocacy measures implemented

The indicators related to result 3:

- Project Communication plan aimed at raising awareness about the project, as well as competition law and policy, developed;
- At least 5 national and regional events (conferences, seminars, etc.) on competition policy and practice organized for at least 30 participants per event on topics such as competition law and policy awareness-raising, the leniency programme, horizontal and vertical agreements, abuse of dominant position, etc.;
- 2 books from recognized authors translated and published;
- At least 2 brochures (with at least 500 copies) promoting competition policy (on protection of competition, e.g. regarding the overall national legal framework, concentrations, bid-rigging, etc.) published and made available to the widest target groups (business community, consumers and undertakings).

All of the above stated results and activities will be further elaborated by the CPC and MS Twinning partner during the preparation of a detailed Twinning Work Plan.

3.4 Activities:

Member State(s) is kindly requested to develop activities in the submitted proposal which are needed in order to achieve the results stipulated in the fiche.

At least two major visibility events with not less than 30 participants will be organized in the course of the implementation of the project: Kick-off meeting when the first results of the project for presenting to the public are achieved and the Final meeting at the end of project implementation activities. The MS will propose additional visibility activities as stand-alone events or associated with training, workshops or similar.

3.5 Means/ Input from the MS Partner Administration:

The Project Leader and Resident Twinning Adviser (RTA) shall provide support to the CPC, other identified beneficiaries of the project, as well as stakeholders, in strengthening the beneficiaries' capacities and achieving other objectives of the project.

During the implementation of the project, the RTA will be positioned in the premises of the CPC.

3.5.1 Profile and tasks of the Project Leader

MS Project Leader:

The MS Project Leader will manage the project team of selected member state(s) and co-ordinate the implementation of project activities.

Tasks of the Project Leader:

- Overall management and coordination of the project with MS, other partners and stakeholders;
- Project reporting;
- Ensuring backstopping and financial management of the project in the MS;
- Ensuring timely, effective and efficient implementation of the project and achievement of results, through proposed activities;
- Coordination of deployment of short-term experts;
- Coordination with RTAs, from the Member State side, the Project Steering Committee meetings, which will be held in Serbia every three months;
- Participation in the Steering Committee meetings (every three months);
- Assuring compatibility with the EU requirements.

Profile of the Project Leader:

Requirements:

- University degree;

- High ranking official currently working in the MS administration;
- At least 7 years of professional experience in the field of competition law and policy;
- Project management experience;
- Fluency in the English language;
- Computer literacy.

Assets:

- Experience with twinning rules and procedures;
- Work experience in an international and multicultural environment.

3.5.2 Profile and tasks of the RTA

The Resident Twinning Advisor (RTA) should have adequate experience and knowledge in the field of protection of competition/antitrust, which will enable him/her to organize an interdisciplinary team for successful implementation of the project. He/she should be an employee of the national or state competition authority in an EU Member State. Duration of his/her secondment will be 24 consecutive months. Tasks of the RTA:

- Project management, organization and day-to-day coordination of the team members' activities in line with the agreed work plan to enable timely completion of project results;
- Monitoring project implementation, ensuring proper quality of outputs and suggesting corrective measures, if required;
- Provision of advisory services and day-to-day support to the end beneficiary throughout the entire project regarding the project field and related EU policies, regulations and best practices;
- Ensuring mutual collaboration of the project participants;
- Establishing and maintaining cooperation with all beneficiaries involved in the implementation of the project and other related projects (ensuring the avoidance of overlapping), in close coordination with the Project Leader;
- Selection, mobilisation and supervision of short-term experts, in cooperation with the Project Leader (including ensuring that the experts' input and distribution of their working days are used in the most efficient way and in line with the agreed work plan, so as to enable timely completion of the project results);
- Preparation of the project progress reports and assistance in the preparation of all strategic project documents;
- Liaising with the BC Project Leader and reporting to the MS Project Leader;
- Organization and attendance of the Project Steering Committee meetings;
- Facilitation of contacts with peer institutions in the EU member states in order to stimulate a proper exchange of information, data and experience;
- Organization of visibility events (kick-off and final event)
- Identifying and reporting to the Contracting authority, at early stage, all difficulties that may jeopardize the implementation of the project and the achievement of its results.

Profile of the RTA:

Requirements:

- University degree;
- Minimum three years ' experience as case-handler/competition practitioner with at least 3 years of work experience in the MS competition authority, including the following:
 - practical implementation of the Union acquis and participation in the legislative process in field of competition policy, and
 - analysis and development of enforcement procedures;
- Experience in project management: managing or assisting in management of at least 2 EU funded projects (preferably twinning);
- Fluency in the English language;
- Computer literacy.

Assets:

- Experience as team leader/RTA/key expert of at least 1, preferably 2 projects in the field of competition policy;
- Experience in the development/delivery of training;
- Work experience in an international and multicultural environment.

3.5.3 Profile and tasks of the short-term experts (STEs)

The exact profile, number of short-term experts (international and local) and their involvement will be defined in the twinning work plan agreed between the CPC and the selected Twinning Partner. STEs should be identified by the Project Leader/RTA and have to be agreed with the beneficiary institutions in the course of designing and delivery of the expected project outputs.

Main areas of expertise required by the team of short-term experts should cover the following fields:

- legislative process in the field of competition policy and practical implementation of the pertaining Union acquis;
- analysis and development of competition law enforcement procedures;
- analysis, development and/or application of economic methodologies and principles, preferably in the field of competition law;
- design and delivery of training for the regulators, judiciary, business associations;
- organisation of professional events, with expertise in media and communication, etc.

Tasks of the short- term experts:

STEs will provide specialized know-how for the individual tasks in this project. Therefore, the experts should have a relevant professional experience in administration and minimum qualifications required, as well as specific skills needed for individual task. As a general approach, the STEs will take the responsibility for the implementation of the Project and the achievement of the results, each for his/her individual mission tasks, as defined by individual ToR. They will also prepare the required reports and the output described.

Detailed profiles and tasks of short-term experts, including the duration of their assignments will be provided in the Twinning Work Plan. The indicative requirements are the following:

Profile of the short- term experts:

Requirements:

- University degree in the relevant field, depending on the required area of expertise;
- At least 3 years of specific work experience in the field for which the expert is mobilised;
- Possessing knowledge of the laws, procedures and current challenges in the field of protection of competition;
- Fluency in the English language;
- Computer literacy.

The concrete assignments will be subject to the preparation of the Twinning Contract and the recommendations of the Twinning partner(s).

4. Institutional Framework

The institutional framework for the protection of competition in Serbia consists of the following:

- Commission for Protection of Competition, which *inter alia*, participates in the drafting of competition rules, proposes to the Government the adoption of rules and regulations for the implementation of the Law, and ensures their practical application,
- Ministry of Trade, Tourism and Telecommunications, which proposes the adoption of the Law or amendments thereto to the Serbian government and consults with the Commission in the case of other legal acts (e.g. bylaws) to be adopted in the competition field, and
- Courts (the Administrative court, Supreme Court of Cassation, civil courts, etc.).

The Commission for Protection of Competition (end beneficiary)

Since 2005, the protection of competition has been entrusted with the Commission for Protection of Competition (the CPC), an independent body set up in 2006, which proposes competition rules, on the one hand, and ensures their practical application, on the other hand. The legal basis for this was the Law on Protection of Competition (“Official Gazette of the Republic of Serbia”, No. 79/05) adopted in 2005. Before that time, the Antimonopoly Department existed- first within

the Federal Government of Serbia and Montenegro and as of 2003, within the Ministry of Trade, Tourism and Services of the Republic of Serbia. However, the aforesaid department was mainly a price regulator and not a competition protection body in the present sense, which was a consequence of the provisions of the Antimonopoly Law from 1996 (which did not regulate merger control, but merely monopoly position and unlawful agreements).

The Law from 2005 defined the CPC as an autonomous and independent body which exercises public powers and which is accountable to the National Assembly. The CPC's independence from the executive power was secured both through the manner of election of its bodies (the President of the Commission and the members of the Council) and through financial independence of the Commission. Namely, the Commission was to be financed from the revenues earned from its activities, especially from: 1) the fees which are paid in accordance with the Law on Protection of Competition; 2) donations, unless the donation is from undertakings to which the Law applies; 3) revenues from the sale of the Commission's publications; 4) other sources in accordance with the Law. The Commission also adopted its own annual financial plan which was subject to government approval.

While the above mentioned has remained a constant since 2005, in order to achieve further harmonisation of national legislation with the EU acquis in the field of competition, as well as secure conditions for greater efficiency in the implementation of competition policy within the Republic of Serbia, a new Law on Protection of Competition was adopted in 2009 and thereafter, the amendments to that Law in November 2013 ("Official Gazette of the Republic of Serbia", No. 51/2009 and 95/2013, hereinafter: **the Law**). The major novelties resulting from the adoption of amendments to the Law were related to the improvement in the procedural framework for the application of competition rules, as well as implementation of the remarks from the EC Progress Report for Serbia for 2012 and the identified shortcomings in the practice of the CPC since the period of implementation of the Law adopted in 2009.

Currently, the Commission has at its disposal 43 employees, comprising the Professional Service of the Commission, performing duties within the jurisdiction of the Commission in accordance with the Law, the Commission's Statute and other internal acts of the Commission. This number (43) is given as at 28 February 2017 and excludes the President of the Commission and the 4 members of the Council. Within the Professional Service, the case-handlers are grouped into two separate divisions, the Assessment of Concentrations Division and Competition Infringements Division. In addition to the aforementioned, the CPC has a Legal Affairs Division, Economic Analysis Division, Division for International and Domestic Cooperation, Division for Material and Financial Affairs and Division for Normative-legal, HR and General Administrative issues.

As mentioned above, the CPC has a leading role in policy making and the drafting of national legislation in the area of competition. When it comes to the Law on Protection of Competition, the adoption of this primary legal act occurs at the proposal of the Serbian Ministry for Trade, Tourism and Telecommunications, which the Commission also consults in case of other legal acts (primarily bylaws) to be adopted in this field. Furthermore, in securing conditions for the application of the Law on Protection of Competition and other legal acts regulating issues of importance for protection of competition, the Commission cooperates with state authorities, as well as the territorial autonomy and local self-government. Externally, the CPC has entered into cooperation agreements in the form of memoranda with many sector regulators and other

relevant institutions on the Serbian market. By way of example, protocols on cooperation have been signed with the National Bank of Serbia, the Energy Agency, Republic Agency for Electronic Communications, the Serbian Chamber of Commerce and the Business Registers Agency, while other protocols are in the process of being signed (e.g. with the Serbian Ministry of Interior and Faculty of Economics at the University of Belgrade).

In terms of application of the Law, the CPC's decisions on the merits of a case are final and binding. This means that they can only be **appealed** before another instance- **the Administrative court** and in the next instance, before the Supreme Court of Cassation. Generally, the Commission decides in two main types of cases- infringement of competition and concentrations of market participants. Of the two types of cases, one of the biggest challenges in the effective protection of competition is the determination or finding of a committed infringement of competition (restrictive agreement or abuse of dominant position as defined in the Articles 9 and 16 of the Law). This is especially so since imposing penalties and fines upon undertakings cannot be a self-sufficient aim, which is why it is important that the CPC can also use measures requiring a certain type of behaviour of the concerned undertakings or terminate the procedure. In all cases where the infringement of competition has been found by the Commission, regardless of whether the prescribed measure was imposed or not, a compensation for damages caused by the acts and practices (of the concerned undertaking) constituting infringement, may be sought. This can be done in a **civil court procedure**, on the condition that adequate proof of the damages is provided, since the Commission's decision establishing infringement of competition does not create a presumption that the damages have occurred (Article 73 of the Law).

In addition to the above, if the conditions of the Article 232 of the Serbian Criminal Code ("Official Gazette of the Republic of Serbia", no. 85/2005, 88/2005, 107/2005, 72/2009, 111/2009, 121/2012, 104/2013 and 108/2014) for the existence of the criminal offense of the abuse of monopoly position are fulfilled, the case may also be filed with a **court of criminal jurisdiction**.

The Ministry of Trade, Tourism and Telecommunications - Sector for trade, services and competition policy (main beneficiary)

The Sector for Trade, Services and Competition Policy deals in affairs regarding: functioning of the market of goods, achieving macroeconomic policies in the area of prices and competition policy; influence of economic trends on the market of goods and services; supplying the market and movement of prices and supply and demand ratios, etc. The Sector has the following more specific internal units: Department for trade and competition development, Division for Prices and Group for services and the national brand development.

There are 6 employees in the Department for trade and competition development, dealing, inter alia, with competition policy issues.

Furthermore, in the Sector for normative, administrative and European integration affairs, there is the Department for European integration and management of EU and other international projects, consisting of two IPA units, accredited for management of projects according to DIS: Group for European integration and planning of EU and other international projects and Section for

European integration and implementation of EU and other international projects. The Group for planning of projects supported development of this project idea, together with colleagues from Department for trade and competition development and the Section for project implementation will ensure timely and efficient implementation of the project in accordance with DIS rules and principles. Currently there are 10 employees in the Department (6 in the Section, 3 in the Group and Head of the Department), plus 2 associates.

The courts (other beneficiaries)

The judicial system in Serbia as of 2008 comprises courts of general and specialized jurisdiction. Within the first category, the distinction is made between basic, higher (the basic and higher courts also have jurisdiction in criminal matters), appellate courts and the Supreme Court of Cassation. The specialized courts are the Administrative Court, Commercial courts, Commercial Appellate Court, Misdemeanour courts and Higher Misdemeanour Court. The highest court instance, which reviews decisions of other courts is the Supreme Court of Cassation.

From the perspective of Serbian competition legislation, the role of the Administrative Court is the most prominent, since this is the court which is in charge of review of the CPC's decisions on the merits of a case which, as has been stated above, are final and binding. As provided in the Article 71 of the Law, a lawsuit can be filed with the Administrative Court within 30 days from the day of delivery of the CPC's decision to the party in the original proceedings (case before the CPC). The Administrative court then reviews the decision's legality, including the monetary amount the CPC may have assessed as part of an administrative measure. In doing so, the Court applies the legal provisions pertaining to administrative law and administrative disputes. Once the CPC has received the lawsuit, it can respond within 30 days, after which the Administrative court has a total of three months to reach its decision. In the next instance, if not satisfied with the Administrative Court decision, the party to the original proceedings has an option to file an extraordinary legal remedy with the Supreme Court of Cassation, which delivers it to the other party within 15 days. The other party then has 30 days to respond, after which the Supreme Court of Cassation is obliged to reach its decision within three months (Article 72 of the Law).

In addition to the (administrative) court procedure regarding competition law and the decisions issued by the CPC, as has been mentioned above, the law provides a possibility of separate civil or criminal law claims as follows:

- for a private party to bring a claim before a civil court for compensation of damages caused by the acts and practices (of the concerned undertaking) constituting infringement of competition;
- for a public prosecutor to bring a claim against the responsible person in an undertaking or against an entrepreneur in connection with the abuse of dominant position on the conditions set in the Article 232 of the Serbian Criminal Code.

In addition to the above, since the overall aim of the project is to increase competitiveness in the Serbian market and strengthen private sector impact on the Serbian economy, the project is envisaged to have further following beneficiaries and stakeholders, and will be supervised by the Project Steering Committee, as described below:

The Regulatory Agency for Electronic Communications and Postal Services of the Republic of Serbia- RATEL is an independent regulatory authority in the field of electronic communications, founded on the basis of the Serbian Telecommunications Law from 2003, which has commenced with its operations in 2005. It has the legal powers to decide on the rights and obligations of operators and consumers in the aforesaid field and cooperates with the Serbian authorities in charge of the radio diffusion services, competition protection, consumer protection and other fields.

The Energy Agency of the Republic of Serbia is an independent regulatory authority in the field of electricity, natural gas, oil and oil products, and CHP heat energy sectors, founded on the basis of the Serbian Energy Law from 2004, which has commenced with its operations in 2005. Among other competences specified in the Energy Law, this agency is in charge of surveillance of the energy market and decides on appeals in that field.

The National Bank of Serbia is the Serbian central bank, founded in 1884, which is independent and autonomous in carrying out the tasks laid down by the Law on the National Bank of Serbia and other laws, and is accountable to the National Assembly of the Republic of Serbia. Its main responsibilities include monetary policy, protection of price stability and the promotion of the financial system stability within Serbia. However, its primary objective is to achieve and maintain price stability. Importantly, the NBS is also in charge of supervising banks and other financial institutions and can issue and revoke licenses for their operation.

The **General Secretariat of the Government (GSG)**, which co-ordinates preparation of Government sessions, develops the annual work plan of the Government, monitors the fulfilment of the plan, and is responsible for co-ordinating communication activities of the Government and for the relationship with other state bodies;

The **Public Policy Secretariat of the Republic of Serbia (PPS)**, which coordinates development of the Action Plan for implementation of the Government Programme, monitors its implementation, and co-ordinates policy content by scrutinising draft RIAs and the quality of proposals of strategic documents and harmonisation between them.

The **Republic Secretariat for Legislation (RSL)**, which ensures legal conformity;

The Ministry of Finance (MoF), which ensures the affordability of policy proposals and which provides guidance to all public administration institutions for conducting Financial and Regulatory Impact Assessments for any new law and policy document including sector strategies;

The **Serbian European Integration Office (SEIO)**, which is responsible for co-ordination of EI matters.

Stakeholders

Market participants are the entrepreneurs and undertakings, state bodies, public enterprises and other participants defined in Article 3 of the Law on Protection of Competition to whom the competition rules apply. As has been stated above, the overall impression acquired in the practice of the CPC is that there is insufficient knowledge and awareness of the market participants,

especially undertakings in the Serbian market of the competition rules which they should comply with and which could also be of benefit to them (i.e. the leniency programme).

Consumers are a very important category of the Serbian society for the benefit of whom, in addition to the general welfare of the society, the Law of Protection of Competition was enacted.

General business community, in addition to the entrepreneurs and undertakings active on the Serbian market, includes business and trade associations, chambers of commerce, councils, etc.

Project Steering Committee

PSC will be established for the direct control and supervision of the project implementation. The PSC will be responsible for the overall quality of project implementation, provide strategic direction and ensure that the project outputs and goals are met in time, approve work plans and reports, offer guidance and advise on project activities.

The composition of the PSC will be defined by the Twinning Contract. Nevertheless, the PSC will be composed of following members: MS Project Leader, BC Project Leader, RTA, RTA BC counterpart, SPO, representatives of the Commission for Protection of Competition, Sector for Trade, Services and Competition Policy of the MTTT and IPA Unit within MTTT. Furthermore, PSC will involve representatives from different institution, such as: Department for Contracting and Financing of EU Funded Programs (CFCU) of the Ministry of Finance, Serbian European Integration Office (SEIO) and, if needed, the representatives of other key institutions involved in the project. Representatives of the EUD will be invited as observer(s). If deemed necessary, representatives of other institutions with relevant expertise or KEs who can enhance the quality of the project should be invited to join the Steering Committee Meetings as observers.

The role, responsibility and main tasks of the PSC will be as follows:

- to assess progress in achievement of objectives and results planned in the project;
- to ensure exchange of information on implementation of contracts;
- to ensure synchronization of activities within contracts;
- to ensure cooperation of relevant stakeholders;
- to discuss any critical points, risks or bottlenecks in contract implementation;
- to propose and discuss remedies in case of problems;
- to review and make recommendations on reports, submitted by the contractor;
- to closely coordinate with other EU contracts related to this field and with other relevant donors' contracts to promote synergies and integration;

Project will ensure the secretariat function of the PSC, including organization of meetings, preparing and circulating the agenda, as well as writing and distributing PSC minutes to all members. The PSC meetings should be announced at least two weeks before the actual date and all relevant papers (agenda, minutes of the last meeting, progress report and other documents to be discussed at the PSC meeting) should be circulated one week before the meetings to the PSC members. The PSC will meet on quarterly basis and ad hoc when required. It will be chaired by the BC Project Leader and in accordance with the previously circulated agenda to the PSC members.

5. Budget

Further Development of Protection of Competition in Serbia	IPA contribution	National contribution	Total
Twinning contract	EUR € 1.000.000	N/A	EUR € 1.000.000

The co-financing requirement is not envisaged for this project.

The beneficiary country will provide the MS twinning partner with adequate office space for the RTA and experts, as well as the meeting rooms and equipment (computers, telephones, printers etc.) necessary for carrying out relevant everyday activities and training foreseen under the twinning fiche.

Interpretation and translation costs are estimated up to maximum of the 6 % of the budget which will be calculated in the Twinning working plan budget.

6. Implementation Arrangements

6.1. Implementing Agency responsible for tendering, contracting and accounting including contact person and full contact details

Ministry of Finance
Department for Contracting and Financing of EU Funded Programmes (CFCU)
Sremska Street, No. 3-5, 11000 Belgrade, Serbia

Mr. Dušan Čarkić, Programme Authorising Officer (PAO) / Head of CFCU
E-mail: dusan.carkic@mfin.gov.rs

Mr Darko Vasić, Head of Division for Evaluation and Contracting
National Contact Point
Phone: +381 11 2021 412
E-mail: twinning@mfin.gov.rs

6.2. Main counterpart in the BC:

Senior Programme Officer (SPO):

Ms. Slavica Kukulj, Head of Department for European integration and management of EU and other international projects
Ministry of Trade, Tourism and Telecommunications
1 Omladinskih brigada St., 11000 Belgrade, Serbia

BC Project Leader:

The BC Project Leader will manage a project team at the Serbian side and will assure that the decision makers at the national level will be informed properly on the implementation of the Project. He will ensure close co-operation and overall steering and coordination of the project and will be responsible for drafting and signing of the reports and other documents, related to project management at the Serbian side and will chair PSC meetings.

Ms. Ljiljana Pavlović, Head of the Legal Affairs Division
Commission for Protection of Competition
25 Savska St., 11000 Belgrade, Serbia

RTA Counterpart:

Ms. Nina Vasić, LL.M. (Finance), Adviser
Commission for Protection of Competition
25 Savska St., 11000 Belgrade, Serbia

6.3. Contracts

This project will be implemented through one Twinning contract.

6.4. Language

The working language is English.

7. Implementation Schedule (indicative)

7.1 Launching of the call for proposals (Date): June 2017

7.2 Start of project activities (Date): March 2018

7.3 Project completion (Date): March 2020

7.4 Duration of the execution period (number of months): 24 + 3

8. Sustainability

The project activities, with precisely set indicators of results, shall provide benefits which will last after the project has been carried out.

Firstly, further harmonisation of national legislation with the EU acquis, as one of the project results, is a tangible long-term goal and one that represents a necessary step further on Serbia's desired path of joining the EU.

Secondly, improved capacities of the CPC staff, judiciary, civil servants and market operators and regulators with regard to practical application and enforcement of competition law, will directly contribute to the development of a greater understanding of competition law and policy

in the Serbian market and, thus, indirectly lead to the strengthening of a market economy and increased benefits for the consumers.

Thirdly, once the public awareness has been raised and advocacy campaigns conducted, the role of the CPC and competition law and policy in general will be clearer and brought closer to the market participants, which will in turn reinforce the second result of the project and create long-term benefits of the project.

The sustainability issues will be further elaborated in the course of the project as a joint responsibility of the MS partner and BC institution. Also, the twinning partners will include specific recommendations in the final report for safeguarding the achievement of mandatory results in the beneficiary administration.

9. Crosscutting issues

The project will be implemented in a way which provides for the respect of fundamental principles of gender equality and non-discrimination on the basis of racial or ethnic origin, religion/ beliefs, disability, age or sexual orientation. Equal opportunities for participation of men and women in the project activities will be assured and the interests of various stakeholders taken into account wherever possible.

In addition to the respect of the above stated fundamental principles, the project shall be implemented in a way which is as environmentally friendly as possible. Overall, bearing the project activities in mind, the impact of the project on the environment is expected to be low/minimal.

9.1 Equal Opportunity

The project will be implemented in a way which provides equal opportunities for participation of men and women within CPC and in other participating institutions. No discrimination will be made on the basis of gender, and activities such as Training needs analysis, trainings, workshops, study visits, as well as public awareness events (campaigns, conferences) will be organised in a way which makes them accessible for both men and women. The number of men and women participating in training events will be monitored during the project and this information will be used to identify any potential discrimination.

Principle of gender equality will be implemented in all project activities and the project will by no means endanger it, throughout the project implementation and upon its completion.

9.2. Environment

The environmental impact of this project will be limited. It will not have a negative impact on the environment nor jeopardise environment, health and security in the future. The project will be delivered in the most environmentally friendly way possible, including the recycling of paper and the reduction of paper-based activities to the absolute minimum, including through distribution of project materials through uploading them on intranet/internet.

The project has no negative effect on the environment.

9.3. Minorities

The project will be implemented in a way which does not discriminate against any individual on the grounds of their gender, ethnic origin, race or religion. Training needs analysis, trainings, workshops, study visits, as well as public awareness events (campaigns, conferences) will be organised in a way which makes events accessible for all potential participants. Information on the individuals receiving support under the project will be monitored during the project and this information will be used to identify any potential discrimination.

None of project activities will discriminate against any individual on the grounds of their gender, ethnic origin, race or religion. The project will result in procedures and measures that will implement the principle of equal treatment and will by no means endanger it, throughout the project implementation and upon its completion.

9.4 Civil Society/Stakeholders involvement

Involvement of relevant external stakeholders plays a crucial role in competition policy and legislative development. Support under this measure will concentrate on increasing awareness of various interested parties, including consumers and general business community, with the aim to improve understanding of importance and benefits of effective competition, for the consumers and society as a whole.

10. Conditionality and sequencing

Conditionality:

Conditions for the implementation of the Project depend on the following:

- the availability of an adequate Twinning Partner, i.e. a well-developed and experienced competition authority (experts), who will provide practical training and input to the CPC and other project beneficiaries, as well as dedicate good organizational and creative skills in the achievement of project results;
- the CPC, which will dedicate human and technical resources toward realisation of the project activities, such as staff, office space and necessary equipment for the RTA and experts, as well as its own knowledge and contacts with the sector regulators and other Serbian institutions;
- the judiciary (primarily, Administrative Court), business associations, as well as market operators and regulators, whose willingness and readiness to learn and participate in the further development, understanding and practical application of competition law and policy are crucial for this project and its long-term benefits;

- the Government of Serbia, which is responsible for further harmonisation of national legislation with the EU acquis and the adoption of laws and bylaws in the competition area. As such, its general course and willingness to take into account the opinions and proposals of the CPC regarding competition issues are of a great importance.

ANNEXES TO PROJECT FICHE

1. ANNEX I: Logical framework matrix in standard format
2. ANNEX II: List of relevant laws and regulations
3. ANNEX III: Organizational chart

Annex I: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche		Programme name and number: IPA 2014	
Title: Further Development of Protection of Competition in Serbia		Contracting period expires two (2) years after signature of Financing Agreement	Disbursement period expires two (2) years after signature of Financing Agreement
		Total budget: 1.000.000 €	IPA budget: 1.000.000 €
OVERALL OBJECTIVE	Objectively verifiable indicators	Sources of Verification	
The overall objective is to further develop and strengthen the protection of competition in Serbia so as to increase the level of competitiveness in the Serbian market and strengthen private sector impact on the Serbian economy.	At least "good" progress in the area of competition by 2019	EC Progress Report CPC Annual Report	
SPECIFIC PROJECT PURPOSE	Objectively verifiable indicators	Sources of Verification	Assumptions
The specific purpose of this project is to further harmonise national legislation in the area of competition policy with the EU acquis, ensure effective implementation and enforcement of the aligned competition legislation and increase awareness of the competition law and policy among all the relevant actors in the field (judiciary, market regulators, etc.).	Analysis of the relevant legal institutes conducted and recommendations for a Draft Law on Protection of Competition provided Progress in the level of harmonisation and enforcement record identified and confirmed in the (EC and CPC) Reports Training and seminars/ educational workshops for the judiciary, market regulators, civil servants, etc. completed Conferences and other events with the purpose of educating project beneficiaries and stakeholders in the field of competition law and policy organised	EC Progress Report CPC Annual Report Reports from the other relevant institutions (bulletin of the Administrative Court, Annual Report of the NBS, etc.) News from the media	Commitment of the parties involved and good cooperation among interrelated institutions and project teams Active participation of all stakeholders involved in the project implementation Availability of experts to organise and target the adequate trainings

RESULTS	Objectively verifiable indicators	Sources of Verification	Assumptions
1. Further harmonisation of national competition legislation with the EU <i>acquis</i>	<ul style="list-style-type: none"> ▪ Assessment of the latest EC Progress report for Serbia in the field of anti-trust and mergers conducted and recommendations provided; ▪ Analysis of the EU anti-trust and merger <i>acquis</i> and comparative legal institutes in the field (i.e. self-assessment of restrictive agreements, merger control, rules of proceedings, etc.) conducted and recommendations for preparation of a new Draft Law on Protection of Competition provided; ▪ Research and analysis of the pertinent ECJ case law, as well as practices of the MS competition authorities and the EC conducted. 	<p>Official Gazette of the Republic of Serbia</p> <p>CPC Annual Report</p> <p>Internal acts and methodologies of the CPC</p> <p>Project report</p>	<p>Commitment of the CPC staff toward achieving the desired result</p> <p>Availability of adequate experts with knowledge of the past and current issues in the area of competition law and policy in the EU and its practical application</p> <p>Active and timely cooperation between the CPC and the BC Project Leader and RTA</p>
2. Improved capacities of the CPC staff, judiciary, civil servants and market operators and regulators with regard to practical application and enforcement of competition law	<ul style="list-style-type: none"> ▪ At least 2 market sector analyses from the aspect of competition policy completed, including analyses of the relevant sector legislation (indicative list of market sectors includes financial services, retail food industry, pharmaceutical industry, energy industry, etc.); ▪ A comprehensive methodology for sector analyses drafted; ▪ At least 15 workshops organised in Belgrade for the CPC staff for up to 	<p>Project report</p> <p>Training certificates and/or lists of attendance</p> <p>Evaluation questionnaires</p>	<p>Provision of adequate training to the CPC staff, especially with regard to application of economics to case analysis in the field of competition and the development of a comprehensive methodology for sector analysis and application of econometric models</p> <p>Availability of experts to</p>

	<p>10 participants per workshop on the development and application of a comprehensive methodology for market sector analysis;</p> <ul style="list-style-type: none"> ▪ At least 1 manual for the application of econometric models to cases drafted; ▪ At least 15 workshops organized in Belgrade for the CPC staff for up to 10 participants per workshop on the application of economic principles and models to specific cases (analysis of market power, market definition, cartels and other coordinated behavior, unilateral conduct including predatory and exclusionary practices, horizontal and vertical mergers, etc.); ▪ At least 5 study visits of the CPC staff for up to 6 participants per visit of up to 5 working days with the MS competition authority conducted, in order to obtain direct insight into the application of the EU competition law (i.e. the use of economic analysis, extent of reliance on EU case law and EC communications, problems encountered in enforcement and general practice), the performance of unannounced inspections, communication with the 		<p>conduct the TNA and organise and target the adequate trainings</p> <p>Availability and active participation of all the parties in the organised trainings and other events</p> <p>Commitment to the achievement of project results and good cooperation among the relevant institutions and project teams</p>
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	<p>general public, ECJ case law and national competition law by the relevant MS competition authority;</p> <ul style="list-style-type: none"> ▪ Training Need Analyses (TNA) for the CPC staff and for Serbian market regulators and operators, the judiciary and businesses associations, the representatives of which will participate in the trainings and/or workshops in order to get familiarised with the relevant competition issues of their concern conducted; ▪ Based on TNA, TNA Plan prepared and endorsed by the Beneficiary; ▪ At least 5 capacity building trainings organised for the CPC staff (with focus on practical application and enforcement of EU competition law) judiciary, market regulators (e.g. National Bank of Serbia, RATEL, Energy Agency, etc.), the civil servants (employees of the MTTT and other relevant ministries), business associations and market operators on competition policy and practice, with up to 30 participants per training. 		
<p>3. Public awareness regarding competition policy raised and sustainable advocacy measures</p>	<ul style="list-style-type: none"> ▪ Project Communication plan aimed at raising awareness about the project, as well as competition law 	<p>CPC Annual Report</p>	<p>Participation of the relevant beneficiaries and stakeholders in the organised events and</p>

implemented	<p>and policy, developed;</p> <ul style="list-style-type: none"> ▪ At least 5 national and regional events (conferences, seminars, etc.) on competition policy and practice organized for at least 30 participants per event on topics such as competition law and policy awareness-raising, the leniency programme, horizontal and vertical agreements, abuse of dominant position, etc.; ▪ 2 books from recognized authors translated and published; ▪ At least 2 brochures (with at least 500 copies) promoting competition policy (on protection of competition, e.g. regarding the overall national legal framework, concentrations, bid-rigging, etc.) published and made available to the widest target groups (business community, consumers and undertakings). 	<p>Project reports</p> <p>Newspapers and other media (reports)</p>	<p>their willingness to apply the acquired knowledge</p> <p>Sufficient financing and quality of translation services procured</p>
Activities	Means and Costs	Assumptions	
Member State(s) is kindly requested to develop activities in the submitted proposal which are needed in order to achieve the results stipulated in the fiche	Twinning contract EUR € 1.000.000	Sufficient expertise and commitment of MS twinning partners to perform activities in good quality and timely manner	

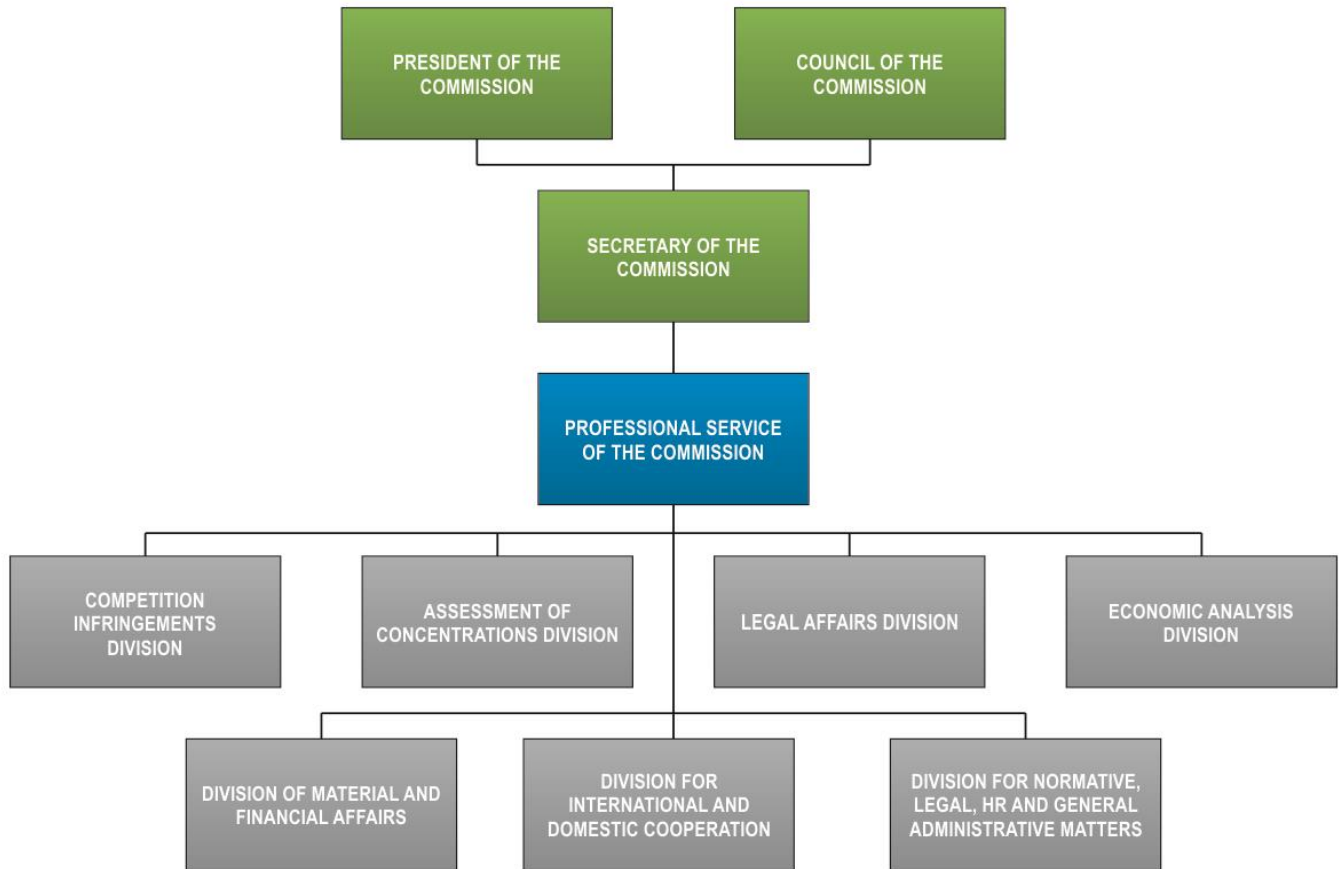
Annex II: List of relevant laws and regulations

- **The Constitution of the Republic of Serbia (2006)**
- **Stabilisation and Association Agreement (SAA), Article 73**
- **The Law on Protection of Competition ("Official Gazette of the Republic of Serbia", no. 51/2009 and 95/2013)**, representing primary legislation, which was adopted in 2009 (thereby replacing the law from 2005) and amended in 2013. The most important amendments to the Law in 2013 dealt with the criteria for establishing a dominant position (Article 15 of the Law), changes in the composition of the Commission's Council (Article 23 of the Law), suspension during competition infringement proceedings (Article 58 of the Law) which corresponds to the institute of 'commitments' in the EU competition law, statute of limitations in connection with the measures of protection of competition (Article 68 of the Law), applicable deadlines in case of court proceedings (Article 72 of the Law), etc.,
- **Regulations** representing secondary legislation, proposed by the CPC and adopted by the Government, based on the explicit and specific legal grounds provided in the Law. Some of the regulations adopted so far are as follows:
 - Regulation on the Criteria for Defining the Relevant Market (Official Gazette of RS, No 89/2009);
 - Regulation on the Request for Individual Exemption of Restrictive Agreements from Prohibition ("Official Gazette of RS", No 107/2009);
 - Regulation on Specialisation Agreements between Market Participants Operating at the same level of Production or Distribution which are Exempt from Prohibition ("Official Gazette of RS", No 11/2010);
 - Regulation on Agreements on Research and Development between Market Participants Operating at the same level of Production or Distribution which are Exempt from Prohibition ("Official Gazette of RS", No 11/2010);
 - Regulation on Agreements between Market Participants Operating at different levels of Production or Distribution which are Exempt from Prohibition ("Official Gazette of RS", No 11/2010);
 - Regulation on the Criteria for Determining the Amount to be Paid on the Basis of Competition Measures and Procedural Penalty, Manner and Terms of their Payment and Conditions for Determining these Measures ("Official Gazette of RS", No 50/2010);
 - Regulation on the Conditions for Exemption from Payment of the Monetary Amount of Competition Measures ("Official Gazette of RS", No 50/2010);
 - Regulation on the content and manner of notification of concentration (Official Gazette of the RS, No. 5/2016).
- **Instructions and guidelines for the implementation of the Law**, some of which are listed here:
 - Instruction for application of competition rules to the associations of market participants;
 - Instruction for detecting rigged bids in public procurement procedures;
 - Guidelines for the implementation of Regulation for Determining the Amount to be Paid Based on Competition protection measures and Procedural Penalties;
 - Guidelines for the application of Article 69 of the Law and Regulation on Conditions for Relief from Obligation to Pay the Amount of Money under the Competition protection measures.

- **National Programme for the Adoption of the Acquis (NPAA) for 2014-2018**
- **National Priorities of the Republic of Serbia for International Assistance 2014-2017 with projections until 2020 (NAD)**
- **European Partnership with Serbia 2008 (EP)**
- **EU Enlargement Strategy 2016**
- **EC Progress Report for Serbia 2016**
- **CPC Annual Report for 2016**

Annex III Organizational chart

The Commission for Protection of Competition



The Ministry of Trade, Tourism and Telecommunications

