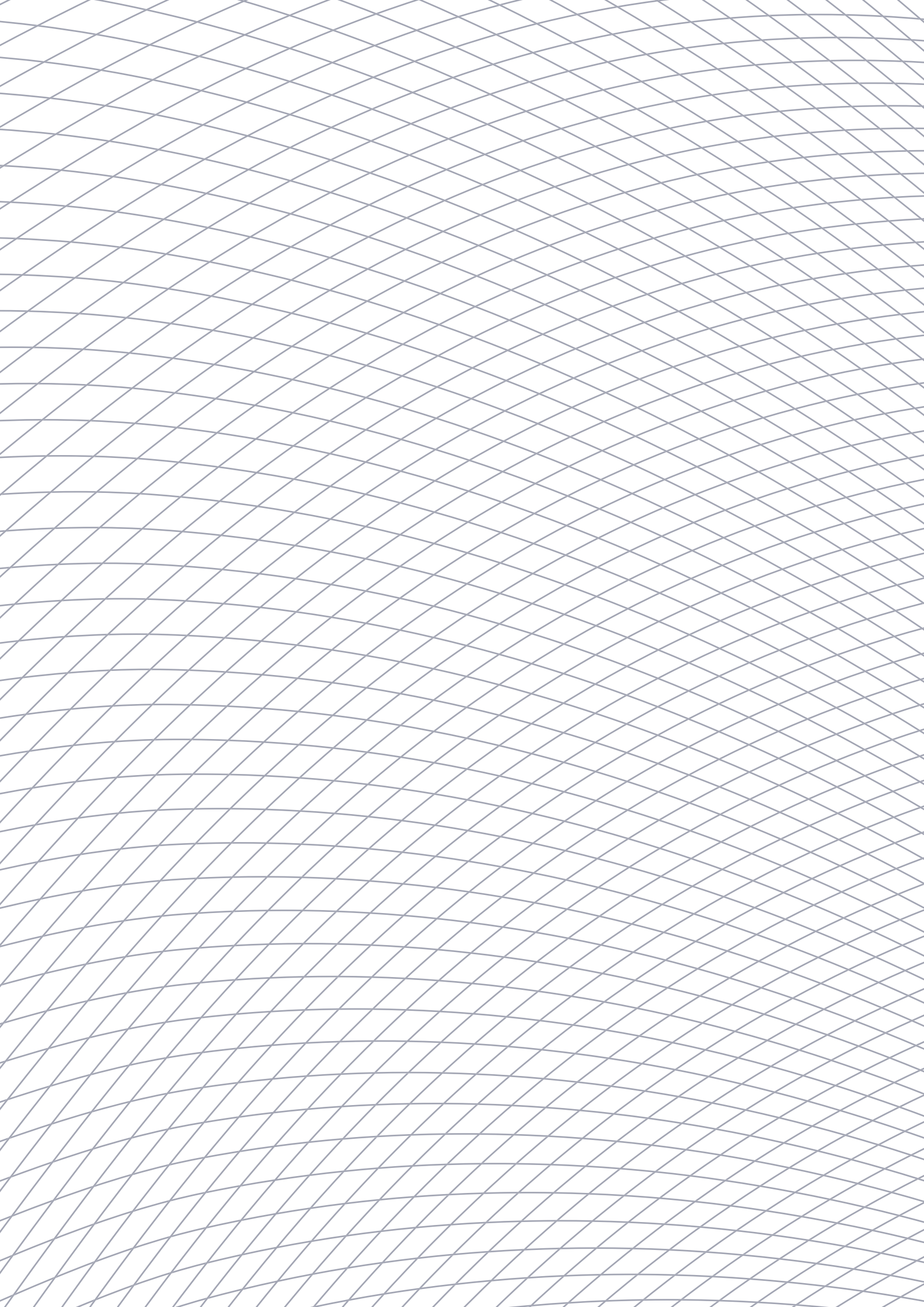


Regional Cooperation for European Integration

*A Bridge between Macroregions*

# Annual Report 2011 of the Secretary General





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# foreword

In 2011 the Central European Initiative (CEI) has made a significant contribution to advance the concept of regional cooperation. Due to the sense of ownership and commitment of each of our Member States, we have been able to become a champion of regional cooperation for European integration and a bridge between macro-regions.

Throughout the year we have analysed which instruments at our disposal have worked well and could contribute even more in the future. We have come to the conclusion that our platform for political dialogue, our project-oriented approach, our strong operational character and our initiatives to create a good business environment and people to people contacts serve best to increase our overall performance in the region.

The Serbian Presidency has taken many important initiatives which have provided new dynamism, “fresh thinking” and visibility to our Organisation. We are proud of the concrete results obtained: a successful Foreign Ministers meeting in Trieste, which will become an annual venue of this meeting; a fruitful CEI Summit in Belgrade; strengthened relations with the European Union (EU); an observer status for the CEI in the General Assembly of the United Nations (UN); a revitalised Business Dimension and a CEI Civil Society Network.

We have also been able to promote a number of high-quality, result-oriented projects, through various funds and instruments as well as through participation in EU projects. We act as Lead Partner in important sectors such as transport, cross-border cooperation and science and technology. We will intensify our efforts to participate in EU Projects and to strengthen our ties with the European Union as mandated by our Foreign Ministers. Moreover, the creation of the CEI Civil Society Network will be a further asset to promote the path to Brussels.

Today, the Central European Initiative also serves as a bridge between the Baltic, the Danube, the Adriatic and the Black Sea. It connects the macro-regions of Europe. In this regard, we contribute to the implementation of the Danube Strategy and we are ready to contribute to the emerging Adriatic-Ionian strategy. The observer status at the General Assembly of the UN will open a global perspective to our work and provide further fresh thinking as well.

Another important element of our success is our 20-year-old partnership with the European Bank for Reconstruction and Development (EBRD). We owe profound gratitude to the Italian Government for upholding its remarkable financial commitment even in difficult times. The CEI



Ambassador Pfanzer

Fund at the EBRD and our partnership with the Bank in London has strengthened our project-oriented dimension. In the period 1992-2011, CEI Technical Cooperation projects mobilised 3.7 billion Euro of investments. For 1 euro spent on CEI Technical Cooperation 189 Euro were invested by the EBRD, IFIs and local organisations.

We are also highly committed to promoting a knowledge based economy in order to achieve smart, sustainable and inclusive growth, as proposed by the EU 2020 strategy. We are proud of our research and development promotion within our Science and Technology Network and our contribution to innovation. In this context, our first Meeting of CEI Ministers on Science and Technology in Trieste was successful in strengthening the CEI role in science, research and technology in cooperation with the centres of excellence based in Trieste.

In concluding, our deep gratitude once again goes to the Serbian Government for its extraordinary efforts to make the year 2011 a great success for the Central European Initiative and its Member States. I also want to express my highest appreciation to our team in Trieste which has excelled in dedication, dynamism and team spirit.

A handwritten signature in dark ink, appearing to read "Gerhard Pfanzer". The signature is fluid and cursive, written in a professional style.

Gerhard Pfanzer  
Ambassador  
Secretary General

## II

# introduction

Despite the consequences of the economic crisis, which has also affected the CEI Member States this year, the Central European Initiative (CEI) has succeeded in further strengthening its activities. The Serbian Presidency has added a lot of fresh thinking for making the CEI region a competitive one, which was also the main theme of the CEI Summit in November in Belgrade. The need for an efficient use of the CEI mechanisms and instruments of cooperation was thoroughly analysed. Moreover, both the CEI Secretariat and the Presidency have looked into alternative ways of assuring financial resources for the activities which, inter alia, included an increased participation in EU Programmes and fund raising actions with the private sector. One could, therefore, say that even in times of crisis the organisation has demonstrated once again its adaptability to the current changing conditions. Thanks to these actions, thanks to the generous contribution of Italy - both for projects and operational costs of the Secretariat - and thanks to the commitment and support of all Member States, the CEI has remained active in many areas throughout the year.

The Serbian Presidency itself has embarked on many important initiatives which have provided new dynamism and visibility to the Organisation. Serbia has taken up this duty with the utmost seriousness and commitment, also because regional cooperation is one of the priorities of its foreign policy and one of the most important elements for European integration. In this context, the traditional high-level events, i.e. the meeting of the Ministers of Foreign Affairs in Trieste (MFA Meeting) and the CEI Summit in Belgrade, have had great success both in terms of substance and participation, also thanks to the new formula of sharing competencies between the Secretariat and the Presidency that worked extremely well and significantly contributed to the overall success and visibility of the organisation. The Serbian Presidency has also organised a num-

ber of other meetings on various issues of interest to the region, such as the ministerial meetings on Agriculture and on Science and Technology - the latter organised in Trieste in cooperation with the Secretariat - expert meetings on Culture and Energy as well as a Business Forum and a Youth Forum. Furthermore, the cultural aspect of the organisation was also particularly strengthened by the CEI Secretariat and enriched with numerous events organised both in Trieste and abroad, with the participation of many important writers, journalists, film directors etc. from all CEI Member States.

Cooperation with the CEI Parliamentary Dimension was also further strengthened. Closer contacts have been established between this dimension and the Governmental Dimension on the occasion of the MFA Meeting, with a bilateral meeting of the two troikas. Furthermore, due to the strong interest demonstrated by the Italian parliamentary delegation, in addition to the traditional meetings in Belgrade (the meetings of the Parliamentary Committee and Parliamentary Assembly) a meeting of the General Committee on Political and Home Affairs was organised in Rome. The CEI Business Dimension was also enhanced thanks to the Business Forum organised in Belgrade. This event represented an excellent occasion for discussion and brainstorming on the various ways and means for re-launching this dimension.

The CEI has also reinforced its cooperation relations with other relevant international and regional organisations: the Serbian Presidency organised an informal MFA Meeting of the three initiatives chaired by Serbia (CEI, Adriatic and Ionian Initiative – All and South East European Co-operation Process - SEECP) on the margins of the General Assembly of the United Nations (UN) in September in New York. The CEI Secretariat has also undertaken a number of important steps with the other regional organisations. In fact, this year the CEI has signed a Memorandum of Understanding with the Organization of the Black Sea Economic Cooperation (BSEC). Cooperation with the Regional Cooperation Council (RCC) continued in a smooth way, in particular in the framework of the Sustainable Energy Development Regional Initiative (SEDRI). The CEI will also cooperate with the RCC on an EU Project, submitted by the CEI Secretariat, aimed at improving cooperation relations in South-East Europe. Thanks to this project-oriented approach as well as to its mission in assisting its non-EU countries in their European integration process and its role as a bridge between macro-regions, the CEI has been able



Belgrade, Capital City of Serbia

to increase its presence in Brussels, thus enhance its ties with the European Commission (EC) in a number of areas. Another milestone in the cooperation with other organisations represented the obtaining of observer status for the CEI in the UN General Assembly. The request for observer status was endorsed by the MFA Meeting in Trieste and formally submitted by the Serbian CEI Presidency on 13 July 2011 (supported by the other members of the Enlarged Troika: Montenegro, Ukraine and Italy), while observer status was unanimously granted by the General Assembly on 9 December 2011 by resolution 66/111.

Furthermore, the CEI has succeeded in supporting a considerable number of Cooperation Activities through its CEI Cooperation Fund. The CEI Know-how Exchange Programme (KEP) has once again demonstrated its usefulness and has witnessed an extraordinary interest among the CEI countries. Thanks to the contributions provided by Italy and Austria, the organisation has been able to support a significant number of KEP projects. The CEI Fund at the European Bank for Reconstruction and Development (EBRD) financed by Italy, has allowed the financing of several Technical Cooperation (TC) projects supporting EBRD operations in CEI Member States. Moreover, this year Italy has pledged an additional 2 million EUR to this Fund, thus demonstrating its continuous support even in difficult times. The CEI has also continued developing the Science and Technology Network and has prepared the basis for the establishment of a CEI Civil Society Network. As already mentioned, additional successful efforts have been made in order to enhance the CEI involvement in EU-funded projects, both as Lead Partner and Partner.

Last but not least, as a contribution to the strengthening of the CEI's visibility, particular efforts have been made by the Secretariat in order to enhance its relations with the media. Appropriate actions have been developed (dissemination of press releases, preparation of media kits, organisation of press conferences) especially in connection to high-level meetings and other initiatives. The involvement of specialised journalists in specific CEI events was also launched. In fact, on the occasion of the Meeting of the Ministers of Science and Technology, the Secretariat invited a group of foreign journalists from Austria, Croatia, Hungary, Romania, Serbia, Slovakia and Slovenia to attend the meeting and report on the event in their own print and broadcasting media. This action was carried out in cooperation with the South East Europe Media Organisation (SEEMO). A South East Europe Media Forum (SEEMF) was also organised in Belgrade in partnership with the SEEMO and the KAS (Konrad Adenauer Stiftung), providing an opportunity to establish remarkable media contacts. Moreover, special attention was given to the CEI by the Italian public television – RAI, which has recently prepared two special TV reports broadcasted during the programme called “EST OVEST”: one report focused on the SEEMF and the other one on the CEI Exhibition of Contemporary Visual Art “Free Port of Art”. As a communication tool to be used for visibility purposes, a video on “The CEI and the EBRD Supporting Transition in Central and Eastern Europe” was prepared by the Office for the CEI Fund at the EBRD in cooperation with the EBRD Communication Department. The video highlights the impact of the projects supported by the CEI Fund, with special attention to energy and transport related activities which are the two main sectors of operation of the Fund.

### III

# CEI Secretariat

The main role of the CEI Secretariat is to provide administrative and conceptual support to the CEI structures, manage the CEI funds, programmes and instruments and take appropriate initiatives aimed at promoting the realisation of the CEI objectives. The overall guidance and orientation for CEI activities in general and for the Secretariat in particular remains embodied in the long-term CEI strategy, reconfirmed at highest political level and in the Plan of Action, reflecting the priority interests for cooperation among its Member States.

The CEI Secretariat, established upon an offer of the Italian Government in Trieste in January 1996, operates with the legal status of an international organisation, based on a Headquarters Agreement concluded between the Italian Government and the CEI Presidency. The seat in Trieste, via Genova 9, was made available to the CEI by the Italian Government through the Friuli Venezia Giulia Autonomous Region, free of charge and ties, under terms described in a Protocol<sup>1</sup> concluded between the CEI Secretariat and the Friuli Venezia Giulia Autonomous Region. The tasks assigned to the CEI Secretariat and to the Secretary General are described in the CEI Guidelines and Rules of Procedure in their latest revision.

With the establishment of the Secretariat, the Initiative has assured a permanent structure for a systematic approach to wide-spread CEI activities. In this context, the regular work programme of the Secretariat's staff has continued providing – in coordination with the Serbian Presidency – administrative and conceptual support to the preparation and follow-up of the regular meetings of the Committee of National Coordinators (CNC), the key body responsible for the management of CEI co-operation and for the implementation of CEI programmes and projects through appropriate structures, the high-level CEI meetings, in particular the meeting of the Ministers of Foreign Affairs (MFA Meeting), the CEI Summit, the meetings of Ministers with specific technical competence as well as of the CEI Feature Events and other events and activities in the CEI areas. The Secretary General, his Alternate, the Deputy Secretary General, and other staff members actively participated in many CEI, CEI-sponsored or other international events. They have maintained regular contacts with other international organisations, international financial institutions as well as regional organisations and initiatives.



In order to complement the institutional activities, a number of funds and programmes, such as the CEI Cooperation Fund, the CEI Solidarity Fund and the CEI Know-how Exchange Programme (KEP), have been established by the Member States. These funds and programmes are aimed at financing various cooperation projects in the CEI Member States, while the Secretariat takes care of their sound administration. Moreover, throughout the years a number of new instruments for co-operation to the benefit of the Member States have been established, such as the CEI University and Science and Technology Networks as well as various CEI Prizes and Awards. These instruments are managed by the Secretariat. Through this administration and management function of the Secretariat, the CEI has developed an important aspect, i.e. programme management, and gained an additional role in the transnational and cross-border context. This represents an added value, in particular for the design, implementation and management of large projects, such as the EU projects. Indeed, to do this, the Secretariat has established a special unit. Thanks to this unit the Secretariat is actively participating in various EU programmes, both as Lead Partner and Partner, thus enhancing the involvement of its countries in EU-funded projects.

The Provisional Financial Statement for 2011 on the composition of revenues and expenditures of the Secretariat is outlined below. The resources for projects and activities were provided by Italy (Ministry of Foreign Affairs and Friuli Venezia Giulia Autonomous Region) and by the Member States, plus the EU funding for project implementation as well as the residual resources from the previous years. In 2011 about 1.3 million EUR were disbursed for projects and activities.

<sup>1</sup> “Convenzione tra la Regione Autonoma Friuli Venezia Giulia ed il Segretariato Esecutivo dell’Iniziativa Centro Europea”, Trieste, 20 December 1999.



Table 1 Financial Statement<sup>2</sup>

<b>INCOME</b>		€
Opening balance 2011		1,652,115.15
Contribution from Italian Ministry of Foreign Affairs (Law 286/97, 142/03 and 244/07)		1,393,053.00
Contribution from Friuli Venezia Giulia Autonomous Region		70,000.00
Contributions from Member States to CEI Cooperation Fund		293,040.00
EU Grants and Refunds		673,599.94
Other incomes (sponsorships and refunds)		35,192.84
<b>TOTAL INCOME</b>		<b>4,117,000.93</b>
<b>EXPENDITURES</b>		
Meetings, Events, Projects and Activities		1,342,022.20
Human Resources		1,065,258.45
Running Costs		184,794.75
Duty Travels		108,993.34
<b>TOTAL EXPENDITURES</b>		<b>2,701,068.74</b>
<b>Balance on 31 December 2011</b>		<b>1,415,932.19</b>

As to the staff structure, it should be noted that as of March the Serbian diplomat, Mr. Zoran Jovanovic, has taken up his duties as Deputy Secretary General. The decision on the appointment of Mr. Jovanovic was taken by the Ministers of Foreign Affairs of the CEI countries through written procedure on 31 December 2010. Ms. Chiara Casarella, who worked as Project Officer on EU-funded projects, left the CEI Secretariat on 31 October. No further changes in the staff structure of the Secretariat have been made.

#### Office for the CEI Fund at the EBRD

In 1992 the Italian Government established the CEI Fund at the European Bank for Reconstruction and Development (EBRD). Through this Agreement, the Italian Government acknowledged the great opportunity that the newly created development bank presented for the objectives that the CEI had embraced at its foundation in 1989. In this context, the CEI Fund was created “to assist the Bank’s countries of operation in Central and Eastern Europe in their economic and social transformation process.” Despite its bilateral nature, the Fund financed projects and the activities targeted at the entire CEI region. Since the Fund’s establishment, the Italian Government solely contributed to it 34.5 million EUR of which 2 million EUR in 2011.

The Office for the CEI Fund is the operational structure which ensures constant dialogue between the CEI, the Italian Ministry of Foreign Affairs and the EBRD for all issues related to the administration of the Fund. The Office is located at the CEI Headquarters

in Trieste and is also represented in London within the Operational Policies Vice-Presidency of the EBRD. Through this Office, whose staff closely collaborates with EBRD banking teams, the CEI has managed to build a unique comparative advantage vis-à-vis other funds active within the Bank. This collaborative approach allows the CEI to better choose projects, thereby ensuring high leverage ratios as well as greater effectiveness and efficiency.

For the TC Programme, the Office for the CEI Fund regularly screens projects in the EBRD pipeline, and supports the Italian Ministry of Foreign Affairs in its selection process. Following positive appraisal by the Ministry, the Office presents the prospective projects to the CNC for their approval, then monitors their implementation and evaluates them after completion. The Office also manages the KEP. The Office’s role is not limited to the provision of grants, but concerns the whole project cycle, starting from the initial screening of applications, throughout the monitoring of project implementation, to ex-post evaluation of results.



EBRD Headquarters in London

<sup>2</sup> Excluding the budget of the Office of the CEI Fund at the EBRD

## Staff Structure of the CEI Secretariat

**Amb. Gerhard Pfanzelter**, *Secretary General*

Overall management, liaison to CEI structures, specifically to the Heads of Government, Ministers of Foreign Affairs and other high level meetings and the CNC, representation of the CEI in outside events, advisor to the CEI Presidency and to the CEI working bodies, administrative and legal matters, financial management, supervision of EU Projects, CEI Feature Events, KEP AUSTRIA.

**Mr. Giorgio Rosso Cicogna**, *Alternate Secretary General*

Chargé d'affaires in the absence of the SG, supervision of the CEI University Network and CEI Science and Technology Network, CEI Business Dimension, coordination of EU Projects.

**Mr. Zoran Jovanovic**, *Deputy Secretary General (as of March 2011)*

CEI Parliamentary Dimension, Focal Point for the coordination of activities of other regional organisations, CEI Youth Forum, CEI Civil Society Network.

**Mr. Gianfranco Cicognani PhD**, *Science and Technology Advisor*

Science and Technology, Energy.

**Ms. Barbara Fabro**, *Senior Executive Officer*

CEI activities in the fields of Intercultural Cooperation including Minorities, Media, Science and Technology; CEI Feature Events and Awards; liaison with the Italian delegation to the CEI Parliamentary Assembly; liaison with UNESCO and the Council of Europe.

**Ms. Paola Plancher**, *Senior Executive Officer*

Cooperation Fund - Evaluation Unit.

**Ms. Lidija Arsova**, *Executive Officer*

Liaison with the CNC, MFA Meeting, CEI Summit, Annual Report, Plan of Action, liaison with the Secretariats of other regional organisations.

**Ms. Izabela Gostisa Pasic**, *Executive Officer*

KEP AUSTRIA Programme management; SEDRI - Sustainable Energy Development Regional Initiative; CEI cooperation in Climate/Environment and Tourism sector.

**Ms. Tania Pibernik**, *Executive Officer*

Human Resource Development; CEI University Network; CEI Youth Forum; Newsletter and website.

**Mr. Alessandro Lombardo**, *Executive Officer*

EU projects, CEI Science and Technology Network.

**Ms. Slavena Radovanovic**, *Senior Executive Officer*

Personal Assistant to CEI Alternate Secretary General, organisation and implementation of activities related to CEI Business Dimension, stagiaires.

**Ms. Francesca Taliani de Marchio**, *Senior Secretary*

Personal assistant to the Secretary General, correspondence and travel desk.

**Ms. Roberta Milano**, *Senior Accountant*

Administration and accounting.

**Mr. Antonio Monteduro**, *Senior Archivist*

Archives, procurement, registry, mail, driver.

**Ms. Loretta Brcic**, *Secretary/Accountant*

Support to administrative and accounting tasks, conference services.

## Office for EU Funded Projects

**Ms. Chiara Casarella**, *Project Officer (until October 2011)*

Overall project management, coordination and monitoring activities of all EU funded Projects.

**Ms. Anna Marconato**, *Project Officer*

Overall financial management, implementation and monitoring activities of all EU funded Projects.

**Mr. Carlo Fortuna**, *Project Officer*

Coordination of EU –funded projects related to transport and logistics, Focal point for Corridor V.

**Ms. Ana Sinkovic**, *Junior Project Officer*

Day-to-day project management, financial, administrative and communication tasks, translation and interpreting.

**Mr. Bogdan Birnbaum**, *Junior Project Officer*

Day-to-day project management, financial and communication tasks.

**Mr. Ivan Zupan**, *Project Assistant*

Administrative and financial assistance, translation – interpreting.

## Staff Structure of the Office for the CEI Fund at the EBRD

**Mr. Guido Paolucci**, *Programme Manager*

Management of Office's team located in Trieste and London, liaison with the Italian Ministry of Foreign Affairs and other Italian institutions, Italian Constituency at the EBRD, EBRD Operational Policies Vice-Presidency and Official Co-financing Unit. The CEI Programme Manager maintains contacts with International Organisations and International Financial Institutions, as well as with regional initiatives where thematic and geographical priorities coincide with CEI activities.

**Ms. Elisabetta Dovier**, *Executive Officer*

CEI activities and projects in the fields of Enterprise Development and Sustainable Energy; support to the Programme Manager in the Technical Cooperation project cycle; assistance to Programme Manager in the implementation of CEI Trust Fund strategies; CEI Fund projects evaluation/ reporting; CEI Fund publications/ visibility; administration.

**Ms. Simona Mamei**, *Executive Officer (seconded to the Italian Ministry of Foreign Affairs, Rome)*

Liaison with the Italian Ministry of Foreign Affairs for management of CEI Fund at EBRD; Programme Manager assistant in the Technical Cooperation project cycle and in the implementation of CEI Trust Fund strategies; analysis and monitoring of political and economic developments in the CEI region; CEI activities in the field of Civil Society dialogue.

**Ms. Daniela Biadene**, *Junior Executive Officer*

CEI activities and projects in the field of Information Society; support to KEP management; support to the Programme Manager and professional staff.

**Ms. Tea Stibilj**, *Junior Secretary*

Personal assistance to the Programme Manager, travel desk, general assistance to the staff, switchboard.

**Mr. Adrian Keler**, *Manager (London)*

CEI activities and projects in the fields of Transport and Agriculture; support to the Programme Manager in the Technical Cooperation project cycle; management of KEP; assistance to Programme Manager in the implementation of CEI Trust Fund strategies; CEI-PS project evaluation/ reporting.

**Mr. Vlad C. Olievschi**, *Junior Advisor*

# institutional activities

As mentioned above, the Serbian Presidency has demonstrated a keen commitment and determination to bring about its priorities and objectives. In this context, a number of high-level meetings and expert conferences have been organised during the year by the Presidency. The activities of the Serbian Presidency have been strongly supported by the activities of the CEI Secretariat, which not only provided continuous administrative and conceptual support to both the Presidency and other decision-making and operational structures of the CEI, but also took appropriate initiatives aimed at promoting the realisation of the CEI objectives.

## 4.1. Activities of the Serbian Presidency

### Meeting with the Prime Minister Mirko Cvetkovic and the Minister of Foreign Affairs of Serbia Vuk Jeremic



Ambassador Pfanztel and Prime Minister Cvetkovic

Prime Minister Mirko Cvetkovic and the Minister of Foreign Affairs of Serbia Vuk Jeremic received Ambassador Gerhard Pfanztel, CEI Secretary General, in Belgrade on 21 January in order to discuss the priorities of Serbia's CEI Presidency in 2011. Both Prime Minister Cvetkovic and Minister Jeremic stressed the great attention Serbia had been paying to regional cooperation as a prerequisite for European integration and underlined the CEI's role as a most efficient instrument in this endeavour. Good-neighbourly cooperation and promotion of all forms of mutual relations within the CEI area were stressed by the two interlocutors as key preconditions not only for stability and security in the region, but also for an all-round economic and social development along the lines of enhancing and realizing the European perspective for the region as a whole, and primarily for the non-EU CEI Member States. Prime Minister Cvetkovic, furthermore, expressed high appreciation for the financial support provided by the CEI every year for projects in Serbia.

Ambassador Pfanztel expressed his certainty about a successful leadership of Serbia during the year, which was confirmed by the fact that Serbia had a strong record as a very active member of the CEI, assuring the two interlocutors on a full CEI support.



Ambassador Pfanztel and Minister Jeremic

### CNC Meetings under the Serbian CEI Presidency

The Committee of National Coordinators (CNC) met seven times this year, with an excellent attendance. Two CNC meetings were held in Belgrade on 21 February and 25 November, one in London on 5 April, one in Vienna on 27 May, two in Trieste on 9 June and 13 September and one in Rome on 18 October. The CNC has examined and discussed a number of issues such as strengthening of the relations with the EU, the revision of the Rules for Allocation of Resources from the CEI Cooperation Fund, the establishment of a CEI Civil Society Network, etc., and has launched a number of new ideas and proposals, tackled by the CEI Secretariat throughout the year. The National Coordinators have participated in the preparation of the meeting of the Ministers of Foreign Affairs (MFA Meeting) and were involved in the organisation of a number of high-level meetings through identifying, together with the respective Ministries, the representatives from their countries. The CNC has also approved a number of Technical Cooperation



Participants at CNC Meeting, Belgrade, 25 November

(TC) projects, Cooperation Activities and projects in the framework of the Know-how Exchange Programme (KEP) and has supervised a number of CEI activities.

### CEI Steering Committee Meetings

The CNC and the Board Directors from the CEI countries at the European Bank for Reconstruction and Development (EBRD) gathered at the Bank's headquarters in London on the occasion of the first Steering Committee held on 5 April. On this occasion, the Draft Annual Report 2010, presented by the Office for the CEI Fund at the EBRD, was endorsed by the Committee. The gathering was also an opportunity to get an insight into CEI's support to the EBRD's Technical Cooperation as well as to discuss the economic situation and recovery perspectives across the CEI region. The meeting confirmed the strong CEI - EBRD partnership, supported by the Italian Government with a generous financial commitment through the CEI Fund. Moreover, during the meeting the Italian Ministry of Foreign Affairs announced Italy's decision to replenish the CEI Fund with 1 million EUR. Further discussions focused on the EBRD's engagement in the area of policy reforms and potential support of CEI members to these assignments. In this context, the EBRD presented examples of projects undertaken as part of the Bank's Legal Transition Programme, as well as policy and investment activities in the field of energy efficiency. The second Steering Committee meeting took place in Belgrade on 25 November, when the Draft Annual Report 2011, was presented and the budget 2011 of the Fund was approved by the Committee. On this occasion the Italian Ministry of Foreign Affairs announced another replenishment to the CEI Fund of 1 million EUR, which raised the total Italian contribution in 2011 to 2 million EUR.

### Meeting of the General Committee on Political and Home Affairs of the CEI Parliamentary Dimension

On 6-7 April, Ambassador Gerhard Pfanzelter participated in the meeting of the General Committee on Political and Home Affairs of the CEI Parliamentary Dimension in Rome. The meeting, focusing on "Development Prospects of CEI", was chaired by the Head of the Italian Delegation at the CEI Parliamentary Assembly, Hon. Roberto Antonione, who in his welcome remarks outlined the important role the CEI plays in the European integration. The participants were also welcomed by the President of the Italian Chamber of Deputies, Hon. Gianfranco Fini, who confirmed Italy's strong commitment to regional cooperation in Central and South Eastern Europe through the CEI. The meeting was attended by parliamentarians of 15 CEI countries, who deliberated on a number of issues aimed at strength-

ening of the CEI. Furthermore, the meeting adopted a Final Document which was to be presented at the meeting of the Parliamentary Committee in Belgrade. It was closed by the Undersecretary of State for Foreign Affairs, Sen. Alfredo Mantica, who reaffirmed the CEI's crucial role as a key actor in the region and a bridge between macro-regions.

### Meeting of the CEI Ministers of Agriculture

The meeting of the Ministers of Agriculture, organised under the Serbian Presidency in Belgrade on 13 May 2011, was opened by Serbian Prime Minister Mirko Cvetkovic. In his welcome speech he emphasized his government's commitment to the CEI, underlining the important role of the organisation as a promoter of regional cooperation for European Integration in many priority fields, including agriculture. The topic of the meeting "Small Farming Versus Globalisation" was presented by Dusan Petrovic, Serbian Minister of Agriculture, Trade, Forestry and Water Management. In this context, Minister Petoric and the other participants focused the discussion on ways and means to support small farmers in their efforts to increase the quality of their production and improve their earning potentials. CEI Alternate Secretary General, Giorgio Rosso Cicogna, pointed out the success of the CEI cooperation instruments in the field of agriculture. Moreover, he mentioned a new CEI initiative in the field of Next Generation Biofuels. In this context, the Serbian Presidency endorsed the proposal for a regional and integrated project in this field and asked the support of the other CEI Member States. The participants also recommended further cooperation activities in the field of sustainable agriculture and rural development.

### Meeting of the CEI Parliamentary Committee

The meeting of the CEI Parliamentary Committee took place in Belgrade on 19-22 May. Delegations from 13 CEI Member States participated in the meeting, which sessions focused on "Environmental Protection and Sustainable Development – the Role of Parliaments" and on "CEI Development Perspectives". Participants were greeted by Slavica Djukic Dejanovic, Speaker, and Gordana Comic, Deputy Speaker of the Serbian Parliament, as well as by Oliver Dulic, Serbian Minister for Environment, Mining and Spatial Planning. The meeting was also attended by the Ambassador of Turkey and representatives of the Russian and Greek Embassies in Belgrade. The meeting adopted a Final Declaration in which among other issues the parliamentarians expressed their readiness to be represented by the Enlarged Troika at the MFA Meeting in Trieste.

### MFA Meeting in Trieste

The annual MFA Meeting was held in Trieste on 10 June 2011, with exceptionally high attendance: twelve Ministers of Foreign Affairs and few Deputy Ministers participated in the Meeting. This excellent attendance was a great achievement, highlighting the central role the CEI plays in the region. The meeting, chaired by the Minister of Foreign Affairs of Serbia Vuk Jeremic, focused on long-term strategies to further enhance the role of the CEI as a forum to promote political, economic, cultural and scientific cooperation among the countries of the region as well as an instrument to support European integration. In this context, the attention was paid to the progress made by many non-EU CEI Member States towards a closer relationship with the European Union. In particular, special emphasis was given to Croatia's success in Brussels, paving the way for the country to join the EU on 1 July 2013. Moreover, the Ministers encouraged the prospect for obtaining an observer status for the CEI in the General Assembly of the United Nations (UN) and welcomed the growing role of the CEI as a bridge among the macro-regions (Baltic, Danube, Adriatic-Ionian and Black Seas). They also welcomed the successful cooperation with the EBRD, especially considering the crucial impact of projects implemented through the CEI Fund at the EBRD.



Participants at MFA Meeting, Trieste, 10 June 2011

### Meeting between the Enlarged Troikas of the Governmental and Parliamentary Dimensions

The short meeting between the Enlarged Troikas of the Governmental and Parliamentary Dimensions of the CEI was held on the occasion of the MFA Meeting. The meeting was opened by the Minister of Foreign Affairs of Serbia Vuk Jeremic, who pointed out the importance of the cooperation between the two dimensions. The representatives of the Parliamentary Dimension used this opportunity to convey to the representatives of the Governmental Dimension the most important conclusions of the previous two meetings in the framework of this dimension, while the representatives of the Governmental Dimension briefed on the conclusions of the MFA Meeting. Finally, in order

to enhance coordination and succeed in achieving the common goal – to strengthen the CEI – both sides agreed to continue with this practice on a regular basis.

### Informal MFA Meeting in New York

Ambassador Gerhard Pfanzelter, took part in an informal MFA Meeting of the CEI, the South-East European Cooperation Process (SEECP) and the Adriatic-Ionian Initiative (AII) held in New York on 23 September 2011. The gathering, organised by Vuk Jeremic Foreign Minister of Serbia which is presiding the three initiatives in 2011, was held at the margins of the 66th Session of the UN General Assembly. The participants welcomed the exchange of views in this format. They stressed the need to strengthen cooperation and synergies among the three initiatives. Special attention was paid to economic cooperation and the need to upgrade infrastructure and transport facilities in the region. The Ministers emphasised that a pragmatic, flexible project-oriented approach serves the region best. They also called for the inclusion of private business in designing and implementing projects.

### Expert Meeting on Intercultural Dialogue and Cinema

The Expert Meeting “Intercultural Dialogue and Cinema”, organised in the framework of the Serbian Presidency and hosted by the Ministry of Culture, Media and Information Society of Serbia, was held on 3-4 October in Belgrade. The meeting was opened by the speech of the Minister of Culture, Media and Information Society of the Republic of Serbia, Predrag Markovic, and the projection of the film “Ordinary people”, made by the young Serbian director Vladimir Perisic. It was attended by film experts from 14 CEI Member States as well as experts in audio-visual policy and film industry from the United Kingdom and France. The overall aim of the event was to exchange views on the cinematographic policies in different countries and share ideas on the ways and perspectives for the development of the intercultural dialogue on various levels. The meeting included two panels, which among other issues discussed the topic of intercultural mapping in the CEI region, in particular through a common platform for promotion of films. This basically means creation of a common web portal containing about five films of all CEI countries, which can be downloaded for free (via streaming). The ultimate aim of such CEI platform would be to serve as an instrument for further promotion of diversity, better mutual communication and better understanding in the region.

### Meeting of CEI Ministers of Science and Technology in Trieste

For the first time in the CEI's history the Serbian Presidency organised a meeting of Ministers of Science and Technology, in Trieste

on 19 October. Delegations from CEI Member States attended the meeting, including Ministers and Deputy Ministers and other high officials, as well as a representative of the European Commission (Directorate General for Research and Innovation) and other guests. The meeting was divided in two sessions, one held at the Synchrotron Light Laboratory “Elettra” and one at the CEI Headquarters, both chaired by Zarko Obradovic, Serbian Minister of Education and Science. The delegations also visited the International Centre for Genetic Engineering and Biotechnology (ICGEB), which already sees the participation of 11 out of the 18 CEI Member States. The meeting itself aimed at promoting research and development in the region, by strengthening the links between the research infrastructures and encouraging common research and innovation policies connected to those of the European Union. Opportunities for creating synergies among the scientific communities in CEI countries and the Elettra and Free Electron Laser Laboratory “Fermi” as well as the ICGEB were explored. The possibility for setting up a European Research Infrastructure Consortium (ERIC), which would facilitate the access to the research centres in Trieste through EU funds, was also discussed. Special focus was devoted to the development of a comprehensive and interdisciplinary regional project in the field of Next Generation Biofuels and to the possibility of specific financial support to it by the European Commission. At the closing of the meeting, the participants unanimously adopted several resolutions called “Trieste Declaration”.



Participants at Meeting of Ministers of Science and Technology, Trieste, 19 October 2011

### CEI Summit in Belgrade

Prime Ministers, Deputy Prime Ministers, Ministers of Economy and other high-level governmental representatives met on 4 November 2011 in Belgrade, on the occasion of the CEI Summit under this year’s Serbian Presidency. The Meeting was also attended by the President of the EBRD, the Vice President of the European Investment Bank (EIB), the EU Ambassador and the Secretary Generals of the Regional Cooperation Council (RCC), the AIJ and the Organization for the Black Sea Economic Cooperation (BSEC). The event, under the title “Fresh Thinking for Competitive Economy in CEI”, was chaired by Mirko Cvetkovic, Prime Minister of Serbia. The Summit

acknowledged the CEI’s role as an active player in Europe, by fostering political dialogue and facilitating the economic development in its Member States. The Summit also praised the mission of CEI in fostering regional cooperation for European Integration and its role as a bridge between the Baltic, the Danube, the Adriatic and the Black Sea. The participants praised the strong project-oriented character of the CEI and reaffirmed the overriding objective to strengthen CEI ties with the European Union. The participants reiterated the importance of close cooperation with other European regional organisations and initiatives as well as international organisations. They particularly welcomed the strengthening of the relationship with the UN through the CEI proposal to obtain an observer status within the UN General Assembly. They also welcomed the creation of the CEI Civil Society Network. The Summit reaffirmed the need to deepen CEI regional cooperation to promote a knowledge-based economy aimed at achieving a smart, sustainable and inclusive growth. The participants agreed that the CEI could do a lot in the fields of energy and environment protection, transport, science and technology and small and medium-sized enterprises, as the most essential elements for sustainable development. Special emphasis was given to the need to create a positive business environment.



CEI Summit, Belgrade, 4 November 2011

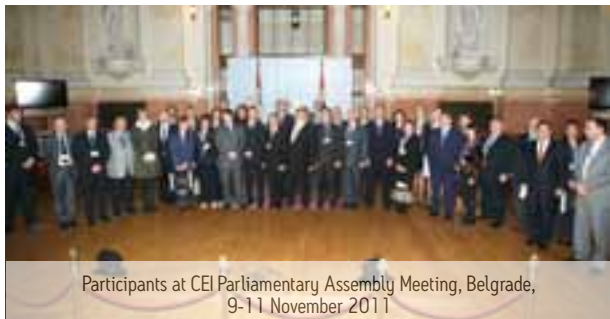
### CEI Business Forum

The Serbian Chamber of Commerce, on behalf of the Serbian Presidency, organised on the same day of the CEI Summit a Business Forum. It was attended by representatives of Chambers of Commerce and other organisations from 12 CEI countries, together with numerous representatives from the Serbian business community. Several presentations were made by Milos Bugarin, President of the Serbian Chamber of Commerce; by Ambassador Zoran Popovic, on behalf of the Serbian Presidency; by a representative of the EBRD, Dragan Tepic; by the Senior Advisor at the Ministry of Economy and Regional Development of Serbia, Zorica Maric; and by the Head of the Italian Cooperation Office in Belgrade, Ms. Santa Mole. CEI Alternate Secretary General, Giorgio Rosso Cicogna, illustrated a proposal (non-paper) on various ways to revitalise the CEI Business Dimension, which was endorsed by consensus by the participants.

In this context, it was concluded that the paper, which among other issues sees an institutionalized Business Forum, should be adopted by the CEI.

### Meeting of the CEI Parliamentary Assembly

On the occasion of its meeting in Belgrade on 9-11 November, the CEI Parliamentary Assembly adopted a Final Declaration, stressing the importance of EU integration for the Western Balkans and of strengthened relations with the Eastern Partnership countries. In this context, the Assembly, chaired by Ivan Jovanovic, Head of the Serbian Delegation, recalled the importance of regional cooperation in accomplishing these important tasks. Moreover, the CEI was recognised as a crucial instrument in this endeavour thanks to its contribution to the accelerated social and economic development and elaboration of reforms towards EU integration of its countries, as well as to its role as a bridge between macro-regions. Moreover, the steps taken by the CEI in the course of the year aimed at obtaining an observer status in the UN General Assembly, establishing a CEI Business Forum and a CEI Civil Society Network, were particularly appreciated and seen as the right direction to follow in order to further strengthen the role of the CEI in the region.



### CEI Expert Meeting on Next Generation Biofuels

The Expert Meeting, organised by the Serbian Ministry of Infrastructure and Energy with CEI support in Belgrade on 24 November, witnessed the participation of around 70 experts from 15 CEI Member States. It provided participants with the latest information concerning the potential use of next generation biofuels in the CEI region and the possibilities for promotion of an integrated and interdisciplinary regional project in that context. The CEI aims at developing such project which would promote capacity building through competitive fellowships and collaborative research by providing grants to the labs available to support joint research and development projects. Moreover, cooperation between and among research European labs and industrial part-

ners would be enhanced in view of developing centres for innovation and technology transfer in the CEI region. Approximately 100 research groups have already confirmed their readiness to take part in this strategic project. Over 1000 scientists and researchers are expected to take part in the activity. The experts who gathered in Belgrade analysed the ways to overcome the main barriers to the development of Europe's bio-products potential. In this context, the preliminary version of a study prepared by Bloomberg was presented providing data on job creation, innovation and economic growth, natural resources, environment, energy security, technologies in CEI countries.

### 2<sup>nd</sup> SEDRI Task Force Meeting

The Task Force Meeting on SEDRI (Sustainable Energy Development Regional Initiative), which represents a coordination effort of the CEI and RCC for a joint action in the area of sustainable energy development in order to maximise the benefits for the participating countries, was held in Belgrade on 24 November and focused on the Project Proposals Inventory. Ministries and other institutions from participating countries - together with the support of the CEI and the RCC Secretariats - have elaborated a regional inventory of small-scale sustainable energy projects. The ten selected projects from seven countries will enable participants to cooperate, raise funds, exchange information and best-practices. The meeting was attended by representatives of the EBRD and of the Western Balkan Investment Framework (WBIF), who outlined potential support and procedures with specific reference to already submitted projects. Furthermore, SEDRI's recognition as an example of a project in the Action Plan of the EU Strategy for the Danube Region (EUSDR) has encouraged the CEI and RCC to further contribute to facilitating the implementation of bankable projects which would be replicated in participating countries. The small scale (5MW powered) sustainable energy project in the field of biomass, called CEI BIOM-ADRIA Programme, was also presented as an initiative which could be replicated in SEDRI participating countries.

### CEI Observer Status in the General Assembly of the United Nations

On 9 December 2011 the CEI was granted observer status in the General Assembly of the UN by resolution 66/111. The unanimous decision of the General Assembly expresses the recognition of the world body for the CEI as the largest and oldest inter-governmental forum for regional cooperation and represents a milestone in CEI relations with the UN. The CEI will be invited to participate in the sessions and activities of the General Assembly



and will have the chance to take the floor on issues of common interest as well as participate in consultations on regional issues. Moreover, at the Bi-annual Meeting of Regional Organisations at the UN Headquarters, the CEI will also be able to represent the interests of Central, Eastern and South-eastern Europe. Cooperation with the global organisation in enhancing peace, stability and cooperation has always been an important element of CEI activities. This partnership is based upon common values and interests. The CEI attaches great importance to the UN Millennium Development Goals and contributes to their implementation through cooperation projects at a regional level. The CEI has working relations with a number of UN specialised entities such as UNESCO, UNIDO, FAO, UNEP, UNDP and UNECE. The request for observer status was endorsed by the CEI Ministers for Foreign Affairs on 10 June 2011. It was then formally submitted under the Serbian CEI Presidency on 13 July 2011 in a letter to the UN Secretary General also signed by the UN Ambassadors of Italy, Montenegro and Ukraine.

## 4.2. Activities of the CEI Secretariat

### Meeting with the Slovene State Secretary of Transport

The State Secretary of Transport of Slovenia, Igor Jakomin, visited the CEI Headquarters in Trieste on 28 January. Jakomin and Ambassador Gerhard Pfanzelter exchanged views on ways and means to strengthen the successful cooperation between Slovenia and the CEI. Special attention was paid to common EU projects and initiatives in the field of transport, particularly in the context of the EU Strategy for the Danube Region (EUSDR), where Slovenia has been designated as Coordinator for the improvement of mobility and intermodality for road, rail and air traffic. The two interlocutors also expressed satisfaction with the activities in the framework of the ADRIA-A project – Accessibility and Development for the Re-launch of the Inner Adriatic Area - developed in the framework of the EU Cross Border Cooperation Programme Italy-Slovenia 2007-2013 and composed of 27 partner institutions from the two countries, including the Slovene Ministry of Transport - where the CEI acts as Lead partner.

### UNESCO World Heritage Meeting under Alpine Convention in Trieste

On 2-4 February the CEI in cooperation with the Italian Ministry of Environment and Territory, hosted the 4th meeting of the “UNESCO World Heritage” Working Group under the Alpine Convention at its Headquarters. The event was divided in an expert meet-

ing, giving the participants a chance to draw up a list of potential cultural heritage sites in the Alpine Region to be included in the List of UNESCO World Heritage, and a working group, evaluating the results of the expert part and focusing on the elaboration of an important document on Alpine values as well as on the establishment of the plan of activities for the next two years.

### A CEI Contribution to the 150th Anniversary of Italy's Unification

On the occasion of the 150th anniversary of Italy's unification, the CEI in collaboration with the Austrian Forum of Culture in Milan and the Institute for Mittleeuropean Cultural Meetings of Gorizia, hosted a panel discussion entitled “Patria Italia Unita – Sempre Irredenta?” at the CEI Headquarters on 10 February. On this occasion, Renate Lunzer, University professor, researcher and essayist from Austria, had the opportunity to present her latest book entitled “Irredenti Redenti – Intellettuali Giuliani del '900” (Trieste, 2009). The book, which received the Premio Roma on 16 July 2010, focuses on the relationship between Italian and Austrian culture, presenting the work of some of the most renowned intellectuals in Trieste during the 20th century. The panel discussion in Trieste was enriched by the participation of the Italian essayist, germanist and critic, Claudio Magris, who praised her presentation describing it as a wonderful contribution to the literature of the Friuli Venezia Giulia Autonomous Region. In addition, numerous representatives of the academic, economic, scientific and cultural institutions of this region as well as consular corps participated in the event.

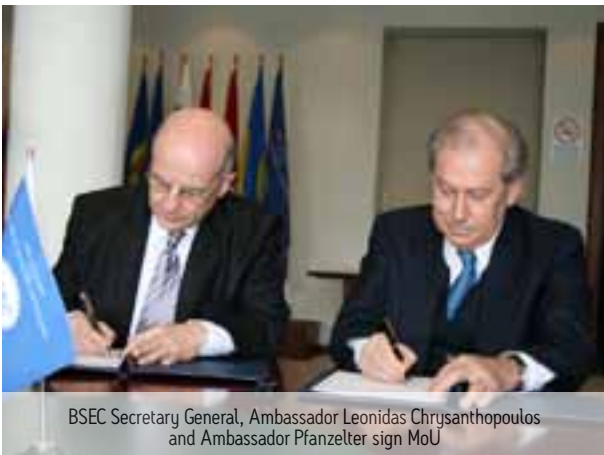


Claudio Magris and Renate Lunzer

### CEI - BSEC Memorandum of Understanding

The CEI and BSEC signed a Memorandum of Understanding (MoU) on 7 March at the BSEC Headquarters in Istanbul. The initial steps towards the MoU were taken in a number of ad-hoc consultations among the two oldest and most experienced regional fora in the past, when a number of areas of collaboration were identified. In this context, the MoU aims at providing a general

framework for strengthening the relations between both organisations through a regular coordination of activities on issues of common interest. It also envisages creation of “Contact points” by both parties, who should coordinate the work on specific activities such as a mutual use of professional expertise, exchange of information on economic issues, exchange of information on current and planned activities, creation of a calendar of meetings and publications, interaction between the secretariats’ experts, ensuring visibility and providing public information coverage for joint events and activities through different tools (e.g. newsletters and websites).



BSEC Secretary General, Ambassador Leonidas Chrysanthopoulos and Ambassador Pfanztler sign MoU

### Meeting with the Deputy Minister of Foreign Affairs of Bosnia and Herzegovina

CEI Secretary General, Ambassador Gerhard Pfanztler, met the Deputy Minister of Foreign Affairs of Bosnia and Herzegovina, Ana Trisic-Babic, in Sarajevo on 9 March. At the centre of discussions was the role of the CEI in Bosnia and Herzegovina. Trisic-Babic highlighted that the country was strongly committed to regional cooperation and was willing to make its role within the CEI even stronger. Furthermore, Bosnia and Herzegovina is committed to strengthening its EU candidacy perspective, also by fully using the opportunities offered by the CEI. Indeed, the country is benefitting from a number of CEI projects and activities aimed at supporting its EU perspective. The two interlocutors also touched upon the issue of giving more voice to the civil society organisations in the region. In this regard, they agreed that a CEI Civil Society Network could help people to be more directly involved in the EU integration process and could contribute to familiarizing citizens with the EU values and standards as well as promote active citizenship and democratic participation.

### Meeting with the Deputy Secretary General of the Regional Cooperation Council

On 9 March Ambassador Gerhard Pfanztler, met in Sarajevo with the Deputy Secretary General of the Regional Cooperation Council, Jelica Minic, in order to discuss ways of enhancing the cooperation between the CEI and the RCC which already exists and is oriented towards implementing joint initiatives in strategic fields of common interest, such as SEDRI, launched in 2010. In this regard, Minic stressed the unique and strong character of the RCC-CEI partnership which was of strategic interest for both organisations. Furthermore, the CEI’s ability to act as an implementing agency for joint priorities, particularly contributes to the enhancement of the complementary work of the two organisations. Finally, Amb. Pfanztler and Minic expressed their willingness to continue maintaining close links and active cooperation between the two organisations, with the goal of exploring new sectors of cooperation for launching joint initiatives.

### CEI Ambassadors’ Conference

The CEI, in cooperation with the Italian Ministry of Foreign Affairs, organised a meeting with the Ambassadors representing the CEI Member States accredited to Rome and with the Italian Ambassadors accredited to the CEI Member States in Trieste on 22-24 March. The event was an excellent opportunity to present a survey of the CEI activities carried out over the past years as well as to illustrate the steps taken in order to implement the core mission: *regional cooperation for a European integration and bridge between macro-regions*. The gathering witnessed the participation of Sen. Alfredo Mantica who, in his introductory speech, reaffirmed the importance Italy gives to the CEI and Hon. Roberto Antonione, who expressed his commitment and appreciation to the CEI. The agenda included a session dedicated to the business community of the Friuli Venezia Giulia Autonomous Region, organised in cooperation with Confindustria at the Prefecture in Trieste. Moreover, the participants had the opportunity to visit the Centres of Excellence composing the CEI Science and Technology Network. On this occasion, a special greeting was given by the Italian Government represented by Hon. Giuseppe Pizza, Undersecretary of State for Education, University and Research, who highlighted the importance of the city of Trieste and its essential role in the scientific reality. During the meeting the Ambassadors highlighted the need to organize meetings of this kind more often in order to be able to increase the visibility of the CEI in their respective countries. Among the distinguished participants, Alessandro Calligaris, President of CONFINDUSTRIA FVG and Silvia Acerbi, Vice-president of INFORMEST.

### Meeting with the Deputy Prime Minister and Minister of Economy of Poland

Upon an invitation by the Deputy Prime Minister and Minister of Economy of Poland, Waldemar Pawlak, the CEI Secretary General, Ambassador Gerhard Pfanzelter paid a visit to Warsaw on 28 March with the aim to discuss possible avenues of cooperation and joint initiatives between the CEI and the incoming EU Polish Presidency. Poland has always been a strong supporter of regional cooperation and the CEI. It has demonstrated its firm commitment through active participation, creative initiatives and financial contributions. Poland has also benefitted both from CEI membership as well as from the various CEI funds and instruments. In this context, Deputy Prime Minister Pawlak expressed the Polish Government's high appreciation for the CEI's crucial role in promoting regional cooperation in Central, Eastern and South-Eastern Europe. Amb. Pfanzelter expressed the CEI's gratitude for Poland's support to advance the cooperation between the CEI and the EU.



Ambassador Pfanzelter and Minister Pawlak

### Meeting with Slovenian Government Representatives on EUSDR

Franc Zepic from the Slovenian Ministry of Transport and Igor Mally from the Government Office for Development and European Affairs of Slovenia, met with Ambassador Gerhard Pfanzelter and his staff at the CEI Headquarters on 30 March. The visit aimed at an exchange of views on possible ways of cooperation within EUSDR providing a long term cooperation framework where all countries in the CEI region could work jointly on current and future challenges. In this context, the CEI pointed out that it was mentioned twice in the EUSDR Action Plan, in the field of Energy and Business. The CEI also presented its activities and projects which could be considered in the context of the territory of the Danube River, in particular its EU projects such as the South-East European Transport Axis Cooperation (SEETAC) - under the South East Europe Programme - and the ADRIA-A project. Both projects

could represent flagship initiatives for the region, as they promote good, inter-linked and sustainable transport systems by increasing the regional mobility and multimodality. The Slovenian representatives appreciated these activities and expressed their intention to hold permanent consultations with the CEI in the filed of transport to establish synergies within the ongoing CEI transport projects as well as contribute to the implementation of the EUSDR Action Plan.

### Partnership Agreement between CEI and Adriatic and Ionian Chambers of Commerce

On 14 April the Secretary General of the Adriatic and Ionian Chambers of Commerce (AIC Forum), Michele De Vita, and its General Manager, Luciana Frontini, met CEI Alternate Secretary General, Giorgio Rosso Cicogna and the Programme Manager of the CEI Fund at the EBRD, Guido Paolucci, to discuss possible cooperation and joint projects, particularly in the context of the Adriatic and Ionian basin, in the perspective of its acknowledgement as a macro-region by the EU. Transport and tourism (as an essential basis for economic development), environment, agriculture and SMEs growth (with particular attention to women entrepreneurship), were outlined as areas for possible joint projects. To this end, the participants agreed to sign a Partnership Agreement. In fact, on the occasion of the XI edition of the Adriatic and Ionian Chambers of Commerce Forum (AIC Forum) held in Budva on 11-13 May, the CEI Alternate Secretary General Giorgio Rosso Cicogna and the Chairman of the AIC Forum Jadranka Radovanic, President of the Chamber of Commerce of Split, Croatia, signed the Agreement. This Partnership Agreement provides a framework for developing a "project-oriented" cooperation between the two parties in the fields of mutual interest.

### Meeting with the President of Friuli Venezia Giulia

In light of the preparations of the MFA Meeting in Trieste, the CEI Secretary General, Ambassador Gerhard Pfanzelter, met the President of the Friuli Venezia Giulia Autonomous Region, Renzo Tondo, on 21 April. President Tondo welcomed the holding of this important international conference in Trieste and promised full support of the authorities of the Region. He expressed his conviction that this prestigious event would strengthen the presence and role of the CEI and of the city of Trieste in the region.

### Task Force on EU Funded Project Proposals in Field of Education

On 20 April the representatives of several universities covering the Danube and Adriatic Region, which are also participating in the

CEI University Network, gathered at the CEI Headquarters in order to explore possible cooperation in the field of education. The Task Force paid special attention to EU Programmes where participants outlined their experience in EU funded projects as well as future ideas for cooperation. The gathering was also attended by regional organisations and institutions actively engaged in interuniversity cooperation projects such as the All, the RCC and the Italian Centre of Studies for International Conciliation (CISCI).

### CEI Participation in the International Conference on “Accepting Diversities: Human Rights and the Challenge of Reconciliation”

Ambassador Gerhard Pfanzelter and Ambassador Zoran Popovic, Serbian CEI National Coordinator, participated in the International Conference on “Accepting Diversities: Human Rights and the Challenge of Reconciliation”, held in Sarajevo on 29-30 April. The gathering was co-sponsored by the European Union and the CEI and organised by the University of Sarajevo, the University of Bologna and by a Network of civil society representatives of the CEI region. The conference aimed at stimulating discussions between scholars and practitioners of civil society in Central and South-East Europe on issues of common interest. At the end of the conference 65 representatives of civil society from various CEI Member States signed a declaration asking the Serbian Presidency to submit a proposal to the MFA Meeting on establishing a Network of Civil Society Organisations under the CEI umbrella.

### CEI Presentation at the Knowledge Economy Network Workshop on Danube Strategy: A CEI Contribution through University and Science and Technology Networks

CEI Secretary General, Ambassador Gerhard Pfanzelter participated in the Knowledge Economy Network Workshop in Gorizia (Italy), organised within the Alps – Adriatic and Danube Rectors’ Conferences on 13 May, and had an opportunity to illustrate the CEI contribution to the implementation of the Danube Strategy in the fields of education and science and technology. He underlined that the CEI can act as a valuable partner of the EU in the implementation of the Strategy, whose targeted countries include almost all members of the CEI. As a matter of fact, the CEI is mentioned in its Action Plan as a possible partner in the fields of energy and business support. Moreover, it is closely following *Priority Area 7* concerning the development of a knowledge society through research, education and information technologies. In this context, possibilities for a Joint Project with the two Rectors’ Conferences, recognizing the importance of free movement of human capital and knowledge for sustain-

able development, was considered. The three parties expressed willingness to engage in identifying common solutions towards removing obstacles to international university cooperation addressing the mobility of students, professors and researchers and the recognition of curricula by developing suitable policies and good practices.

### CEI Participation in the 24<sup>th</sup> Meeting of the BSEC Council of Ministers of Foreign Affairs

On the occasion of the 24<sup>th</sup> Meeting of the BSEC Council of Ministers of Foreign Affairs on 8 June in Bucharest, CEI Deputy Secretary General, Zoran Jovanovic, emphasized the importance of the cooperation between the CEI and BSEC. In this context, MoU, recently signed between the CEI and the BSEC, was particularly underlined. This MoU is paving the way for future activities in strategic fields of common interest such as transport and logistics, higher education, renewable energy and science and technology.

### CEI Participation in the Annual Meeting of Regional Cooperation Council

The Annual Meeting of the RCC was held in Budva on 28 June under the Montenegrin Presidency, followed by a Foreign Ministers Meeting and the Summit of the organisation in Sveti Stefan (Montenegro). CEI Alternate Secretary General, Giorgio Rosso Cicogna, who attended the meeting, emphasised the readiness of the CEI to even more intensify the already excellent cooperation with the RCC in the field of energy (in the framework of SEDRI) and extend it to other fields, such as science and technology, transport and logistics. This development would be in line with the recommendations of the MFA Meeting in Trieste, and with an overall stronger role in the region.

### Coordination Meeting of Regional Organisations

This year’s Coordination Meeting was hosted by the Council of the Baltic Sea States (CBSS) in Stockholm on 17 June. Representatives of CBSS, Barents Euro-Arctic Council, Nordic Council of Ministers, BSEC, CEI, RCC, and Union for the Mediterranean gathered to exchange information on ongoing and planned activities of their respective organisations and on possibilities to join their forces. This coordination meeting constituted a new experience as organisations from both the North and the South of Europe were gathered. Europe sees increasing regionalisation and it is promising to see importance given to regional cooperation. Some regions are close geographically which makes it possible to better

define common projects, both in the context of the EU Programmes and as self-standing initiatives. In this context, the MoU between the CEI and the RCC was underlined as a good example of regional cooperation which saw concrete actions and results.

### Free Port of Art - First CEI Trieste Exhibition of Contemporary Visual Art

The CEI exhibition “Free Port of Art”, in the context of the “Biennale 2011. Lo stato dell’arte. Friuli Venezia Giulia”, promoted by the Italian Pavillon at the 54th International Art Exhibition – La Biennale di Venezia, was held from 3 July to 27 November. It was organised by the CEI Secretariat, in cooperation with the “Trieste Contemporanea” Committee. The exhibition, held in a remarkable location - a XIX century warehouse of the Old Harbour (Porto Vecchio) of Trieste - offered an extraordinary occasion for up-to-date information on the state of contemporary art in the CEI area. The CEI section included 33 artists covering all 18 CEI countries. In the selection of the artists an active contribution was provided by the Italian Embassies and Italian Cultural Institutes in CEI countries as well as by the international network of experts and curators involved in the “CEI Venice Forum for contemporary art curators”, a CEI flagship event held in connection with the Venice Biennale since 2003. The unique character of the CEI exhibition was highlighted by the fact that all invited artists had an Italian experience in common: some have studied in Italy, some have worked there developing a remarkable career, some have even decided to live in Italy, many of them speak Italian. The proposed works of art were extremely impressive: from paintings to metal engravings, from extraordinary photo galleries to most advanced multimedia representations. Thanks to the high number of visitors (almost 40,000), a wide dissemination of the catalogue as well as a qualified media response, this initiative provided high visibility to the CEI. Moreover, the initiative was very much welcomed by the Italian Ministry of Foreign Affairs which recognised the efforts undertaken by the Secretariat to organise the exhibition which represented a further contribution to enhancing intercultural dialogue and preserving cultural diversities.



CEI Exhibition “Free Port of Art”

### Roundtable with Filmmakers from Bulgaria, Hungary, Italy and Romania during International Short Film and Debut Work Festival - Maremetraggio

The CEI has been sponsoring the International Short Film and Debut Work Festival – Maremetraggio Festival since 2004 with the aim to support the mobility of film-makers, actors and producers from the CEI region. In particular, they are offered the opportunity to attend the festival, present their works to a wide public and exchange experiences and practices with colleagues from other countries and backgrounds. This year, the Festival’s programme included a Roundtable, hosted at the CEI Headquarters on 8 July, with the participation of film-makers from various CEI countries to debate upon the status of cinematography in their respective countries. Contributions were given by Maya Vitkova (Bulgaria), Dragos Iuga (Romania), Elena Rogova (Hungary), Sandor Csukas (Hungary) and the producer Zhenia Pavlenko (Hungary) together with some Italian colleagues, all participating in the competition promoted by Maremetraggio. Around 70 participants including cinema professionals and local authorities took part in the event.

### 26<sup>th</sup> Vilenica International Literary Festival

On 6 September, a pre-opening event of the 26th Vilenica International Literary Festival was held in Trieste at the CEI Headquarters, to celebrate the fifth anniversary of the CEI Writers-in-Residence Fellowship. Three of the former fellows attended the event, publicly demonstrating the results of this valuable initiative: Goce Smilevski from Macedonia, Dragan Radovancevic from Serbia and Maja Hrgovic from Croatia. The event was attended by a qualified audience including local authorities and representatives of the consulates of CEI countries based in Trieste. On the occasion of the official Opening of the Festival on 7 September Ambassador Gerhard Pfanzelter, presented the CEI Fellowship for Writers in Residence 2011 to Ognjen Spahic from Montenegro. On 8 September, the CEI Round Table “Read Me Live” took place in Lipica with the participation of the panelists Alberto Manguel (Argentina/Canada), Pavel Brycz (Czech Republic), Ljiljana Jokic Kaspar (Serbia). The meeting was moderated by Gregor Podlogar (Slovenia).

### EBRD Vice President Jan Fischer Visits Italian Delegation at CEI Parliamentary Assembly

The CEI Secretariat facilitated a meeting between the EBRD Vice President for Operational Policies, Jan Fischer, and the Italian delegation of the CEI Parliamentary Assembly, in Rome on 4 October, in light of the decision of the Italian Government to pledge additional 2 million EUR in 2011 to the CEI Fund at the EBRD. The

Italian Delegation at the CEI Parliamentary Assembly, lead by Hon. Roberto Antonione, who is also President of the CEI General Committee on Political and Home Affairs, is a strong supporter to the further replenishment of the Fund. The Italian Government is the main CEI Donor to this Fund established in 1992 to finance technical assistance and relevant projects supporting economic transition and development in EBRD countries of operation.

### Twinning between the Belgrade Design School and the “Istituto d’Arte Nordio” of Trieste

A group of students and teachers from the Belgrade Design School spent a week in Trieste for a twinning programme with the Istituto d’Arte Nordio. The CEI supported the initiative which represented a first step towards the creation of an art and design schools network in the CEI region. As a follow up, the Istituto d’Arte Nordio is planning to organise a visit to Belgrade next spring. In this framework, contacts have been already established in order to involve the Vienna Design School. Thanks to the CEI, an exhibition including some of the works of the most talented students from Belgrade has been displayed within the Biennale Friuli Venezia Giulia at the Warehouse 26, Old Harbour of Trieste, together with the works of other design schools. This was an extraordinary opportunity for the Belgrade Design School. The opening of the exhibition was held on 18 October in connection with the CEI Meeting of the Ministers for Science and Technology (19 November), thus enabling the Serbian Minister of Science Zarko Obradovic to participate with a welcome speech.

### South East Europe Media Forum

About 400 participants from 20 countries from Central, Eastern and South-eastern Europe gathered in Belgrade on the occasion of the fifth South East Europe Media Forum, organized by the South East Europe Media Organization (SEEMO) in cooperation with the CEI and the Konrad-Adenauer-Stiftung in Belgrade on 2-3 November. This year’s forum analyzed problems and perspectives of media pluralism, media market and business models in the region. The two-day programme included prominent speakers such as media executives, leading journalists, NGOs representatives as well as representatives of international organisations active in promoting media freedom and pluralism (Organization for Security and Co-operation in Europe - OSCE, EC). The Serbian Prime Minister, Mirko Cvetkovic, opened the Forum and answered to a number of questions on topical issues. The lively and interesting debate confirmed that there is still much work to be done in the field of press freedom and oppression of journalists. Therefore, events such as the SEEMF could offer a valuable platform for exchanging experiences and discussing upon possible improvements. In this framework, the CEI confirmed its commit-



South East Europe Media Forum, Belgrade, 2-3 November 2011

ment to freedom of expression as one of the fundamental pillars of democratic societies. During the Forum, the CEI SEEMO Award for Outstanding Merits in Investigative Journalism was presented by the CEI Secretary General. The Forum offered an extraordinary opportunity to promote the CEI among a wide and qualified audience. CEI visibility was highly assured in the media which reported about the Forum (newspapers, TV/radio, press agencies).

### Consultations in Kiev on Ukrainian CEI Presidency 2012

In preparation of the upcoming Ukrainian Presidency in 2012, Secretary General, Ambassador Gerhard Pfanzelter, was received in Kiev by Prime Minister Mykola Azarov and by the Minister for Foreign Affairs of Ukraine, Kostyantyn Gryshchenko on 11 November. During the meetings, both Prime Minister Azarov and the Minister Gryshchenko expressed their strong commitment to the CEI and their special satisfaction to lead the organisation in 2012. Moreover, they expressed full support to the core CEI missions to promote regional cooperation for European integration and to act as a bridge between macro regions. They highlighted their readiness to work with their counterparts with regard to a further development of the multilateral cooperation within the CEI framework. Minister Gryshchenko stressed that special attention ought to be



Ambassador Pfanzelter and Prime Minister Azarov

paid to addressing the needs of non-EU CEI Member States. He also stressed that Ukraine considers the EUSDR an important initiative aimed at enhancing regional cooperation in the Danube area and highlighted that an institutional cooperation with the European Union, and formalisation of relations between the CEI and the EC, should remain one of the main priorities of the Initiative. In view of the upcoming Ukrainian Presidency in 2012, both interlocutors pointed out that the Ukrainian Government has already started with intensive preparatory arrangements. In this regard, a Government Organisational Committee has been established and the calendar of events drafted. Ambassador Pfanzerter expressed full confidence in a very fruitful cooperation and pledged strong support to the incoming Ukrainian Presidency.



Ambassador Pfanzerter and Minister Gryshchenko

# project activities

Throughout the years, the CEI has developed a strong project-oriented approach with the aim to complement the political dialogue. The projects cover various areas in the economic, institutional and human development fields.



In order to be able to finance and implement these projects a number of funds, programmes and instruments for cooperation have been established. They include: the CEI Fund at the European Bank for Reconstruction and Development (EBRD), mainly used to finance Technical Assistance through the EBRD as well as a part of the CEI Know-how Exchange Programme for financing projects aimed at transferring experience from EU CEI Member States (donors) to non-EU CEI Member States (recipients), the CEI Cooperation Fund used for co-financing small-scale regional cooperation projects, so called CEI cooperation Activities, and the CEI Science and Technology and University Networks, supporting the mobility of researchers as well as students and teaching staff, respectively. The CEI contribution out of these funds, programmes and instruments is offered as grant type assistance. Furthermore, the CEI promotes a number of Feature Events, which offer visibility of the organisation and contribute to enhancing its identity, as well as Prizes and Awards, offered to talented people from the Member States. Last but not least, the CEI is actively participating in various EU programmes in order to enhance the involvement of its countries in EU-funded projects.

## 5.1. Technical Cooperation Programme

Technical Cooperation (TC) projects constitute the largest part of the activity funded by the CEI Fund at the EBRD, entirely financed by Italy. TC is traditionally offered in the form of grant type assistance. Operations include support for feasibility and pre-feasibility

studies, project implementation, management training, capacity building, and pre-loan audits. These activities target a number of priority areas, including agribusiness, business and finance, energy, institutional development, municipal infrastructure and services, SME support, and transport. The strategic focus of technical assistance has moved over time in the direction of the less advanced member countries of the CEI, in order to help them to reach European Union standards. The projects have been coherent with the framework and general objectives of the EBRD and other international financial institutions (IFIs) and have represented a fundamental means of development for CEI countries of operations.

One of the objectives of TC projects at the EBRD is to support the Bank's investments and loans either at the EBRD project preparation or at the project implementation phase. As such, TCs are often related to international loans and investments. It should be underlined that the CEI has undertaken projects which yield high co-financing ratios. Between 1993 and 2011, the Italian Government has committed through this Fund almost 20.5 million EUR for 104 TC assignments. Of this total, about 10.5 million EUR were used to implement projects directly or indirectly related to international investments. In the period 1993 to 2011 these TCs funded by the CEI Fund at the EBRD in the countries of operations were able to mobilise about 3.7 billion EUR of international investments. The EBRD alone contributed to those investments about 1.9 billion EUR. A Total Investment Ratio (TIR) can be calculated to show how many euro the international community invested for each euro invested by the CEI Fund for TC projects. Between 1993 and 2011 the TIR is expected to equal about 1:189. The EBRD, alone, is expected to invest about 97 EUR for each CEI Fund euro dedicated to TCs, which represent the EBRD Investment Ratio (EIR).

In 2011 the CEI Fund at the EBRD has committed 1,505,000 EUR for nine TC assignments.



### Capljina Water Supply Environmental and Social Due Diligence

This assignment will assist a joint EBRD, EU and domestic government investment in the Public Utility Company Capljina. The company provides municipal services including water and wastewater, solid waste collection/disposal and maintenance of public areas in the Municipality of Capljina, population 30,000, in the south of the Federation of Bosnia and Herzegovina. The Company is 100 per cent owned and controlled by the Municipality. Close to 80 per cent of the population of Capljina is covered by the water supply system. In 2009 the company produced 2.5 million m<sup>3</sup> of water and invoiced only 1.3 million m<sup>3</sup>, hence the percentage of non-revenue water stood high at 50 per cent. Furthermore, the company claims to be in compliance with relevant EU directives for potable water. The sewage system, however, is more underdeveloped with some 2,200 connections estimated to cover about 8,500 people or 35 per cent of the population in the municipal centre. In this case, the company does not comply with relevant EU directives for urban wastewaters. The European Union Delegation conducted in 2010 a feasibility study focused on priority investments, which currently needs to be updated. The CEI TC, which will consist of environmental and social due diligence (ESDD), will serve to update the EU feasibility study and to assist directly the Utility Company Capljina in the implementation of the overall programme. The ESDD will review the existing investment documentation and current construction works on the priority investment programme. Capljina includes a protected wetland area and several cultural and historical sites which will need to be considered in the ESDD. The associated impacts from waste water and waste management activities undertaken by the Municipality will also need to be taken into account during due diligence, together with current Environmental Health and Safety (EHS) contractor management and monitoring practices. The entire cost of the investment which this TC assists is 13.5 million EUR (5 million EUR from the EBRD) and is expected to impact the environment, social and municipal development of Capljina.

**CEI Ref. No.:** P201.003-11  
**Value:** €50,000  
**Countries of operations:** Bosnia and Herzegovina  
**Sector of operations:** Municipal infrastructure  
**Planned duration:** 1.5 months



Capljina Water Supply Construction Works

### Review of Sustainable Farming Practices in the Agriculture Sector, Ukraine

This assignment will assist the EBRD's efforts to carry out a review of sustainability indicators for primary agriculture operations in Ukraine with a special focus on rotation crops. The main purpose of the activity is to identify and analyse the performance of operations in Ukraine in terms of their energy and environmental footprint. By comparing these findings to international best practices, the project aims to assess measures which can be implemented in a cost effective way in the country. Ukrainian agriculture is highly fragmented with small farmers and enterprises lacking finances and know-how to achieve satisfactory yields. Profits often represent up to 50 per cent of the levels achieved in more developed markets (for example, the average yields in 2009 remained 1.7 times lower than 1990 levels). Recent trends include the establishment of vertically integrated farming and processing companies which operate agricultural land on the basis of lease agreements, a development which has increased companies' margins. The market benefits from low labour costs and land lease payments, adequate export infrastructure, and a favourable geographical position (close to end buyers like Europe and the Middle-East). Adoption of sustainable farming techniques is still in its infancy in the country and there is a substantial lack of awareness about best international practices, combined with a lack of adequate metrics and data on the performance of domestic farms. The proposed technical assistance will define key energy and environmental performance indicators applicable for crop farming in Ukraine and consistent with international practice. Secondly, a consultant will review management practices adopted by Ukrainian farms for monitoring their operational performance. Lastly, the project will also assess the economic effect of utilising improved practices, on the agricultural sector, and identify incremental practices and investments which could further improve the energy/environmental footprint of farms' operations. This TC project will assist an EBRD investment expected to reach 25 million EUR and will impact best practices in agriculture, and environmental impact.

**CEI Ref. No.:** P201.001-11  
**Value:** €200,000  
**Countries of operations:** Ukraine  
**Sector of operations:** Agribusiness  
**Planned duration:** 12 months

### Energy Survey of Zeljeznicki Prevoz Crne Gore, Montenegro

This assignment will review the energy and environmental performance of Zeljeznicki Prevoz Crne Gore (ZPCG) – a railway company responsible for passenger operations in Montenegro – in support of an EBRD investment in the company. ZPCG obtained financing from the EBRD for urgently required renewal of passenger rolling stock and for the final phase of the labour restructuring programme. The investment will be conditional on further reform within the rail passenger sector. In its current condition, Montenegro's domestic rail passenger service is not sustainable beyond the short term, since only two of its aging Electric Multiple Units (EMUs) are currently operational. The quality of service provided has also declined in recent years, and as a result, passenger levels have fallen significantly. The assignment will review the energy/environmental management practices at ZPCG and assess energy efficiency and carbon emission reduction "hotspots". A consultant will also analyse the benchmarks of energy and environmental performance of ZPCG com-

**CEI Ref. No.:** P201.002-11  
**Value:** €150,000  
**Countries of operations:** Montenegro  
**Sector of operations:** Transport  
**Planned duration:** 12 months

pared to leading international railway operators. Lastly the project will identify a roadmap enabling the company to implement a comprehensive sustainable energy strategy. This step includes establishing a function within the organisation aimed at identifying/assessing areas for energy savings; identifying energy performance indicators and appropriate benchmarks; and defining appropriate instruments/channels to report performance/results achieved. The study will assess the anticipated benefits of the EMUs project in terms of reduced energy use and reduced environmental impact (considering all applicable externalities such as: air pollution; impact/cost of transport infrastructure; emissions of CO<sub>2</sub>eq, etc.) compared to the existing situation and feasible alternative options. The TC is associated with an international investment of 16 million EUR (13.55 million EUR from EBRD) and will have transition impact concerning energy efficiency.



**Potential of New Energy Efficiency Technologies in CEI Region: Resource and Process Efficiency Study in the Chemicals Sector**

This assignment assists the EBRD in a comprehensive pilot study to develop a solid methodological approach for combining the sustainable use of resources and production process efficiency, and to apply it to some real-world industrial cases. In particular, it develops general methodology for analysing various industrial sectors and applies it to the chemical industry, which is the first part of the Bank's initiative (future assignments will cover other industry sectors). The EBRD is working with a number of companies in the industrial sector whose operations are resource intensive. This assignment also aims at expanding the technical support currently made available to these companies within the existing industrial energy efficiency programmes. The Bank seeks to provide a more comprehensive assistance for the improvement of production processes by integrating energy, environmental and resource efficiency with system optimisation. The overall objective of the assignment is to develop tools and real-case demonstration projects to foster the enhancement of enterprises' competitiveness, through the optimal use of resources, technology innovation, introduction of best practices, and the improvement of corporate sustainability. This will promote market transformation and transition by facilitating the optimal use of resources, and by aligning the interest of technology suppliers and end-users. The assignment is structured in three main parts, to support the Bank in assessing the technical and economic potential of financing sustainable technologies across the different sectors. Therefore, the assignment includes a methodology study which aims to develop the approach for an integrated resources and process management, combining production process analysis with resources and residues efficiency. Secondly, the technology study identifies international best performing process technologies for optimising the resource supply, use and recovery. Lastly, the market study develops a set of bankable business case studies from among the companies in the sectors and countries covered by this assignment. The proposed companies could become pilot projects of introducing cutting edge technologies by means of the integrated approach to improve process and resource efficiency. The expected EBRD investment amounts to about 45 million EUR.

**CEI Ref. No.:** P201.004-11  
**Value:** €275,000  
**Countries of operations:** Regional (non-EU CEI Member States)  
**Sector of operations:** Energy  
**Planned duration:** 5 months

**JSC Serbian Railways: Lender's Monitor Advisor**

This assignment will support a new EBRD investment in Zeleznice Srbije (Serbian Railways; ZS). Building on the long-term relationship with the vertically-integrated state-owned company that is responsible for both the rail infrastructure operations, and freight and passenger rail transportation in Serbia, the Bank intends to support ZS in modernising rail infrastructure on the core rail network in Serbia (pan-European Corridor X). The total project cost is estimated at 200 million EUR and includes construction of double-track (where currently single track), rehabilitation of rail infrastructure and track renewal, and spot repairs of track. The investment will be implemented by Project Implementation Units within ZS and project supervision will be undertaken by in-house staff. The EBRD, however, wishes to engage also a Lender's Monitoring Advisor to oversee the implementation of this project. CEI Fund support will finance the costs of the Advisor, a necessary position due to potential implementation problems contingent to civil works which require an expert engineer who can spot them much earlier than non-technical monitoring could. Furthermore, the expert could propose solutions from an independent perspective. While the Bank is not a party in the construction contract, and must therefore intervene cautiously, having the technical expertise of the Lender's Monitor Advisor will enable it to guide the parties towards a solution. The consultant will be responsible for tendering and contract award; quarterly site visits; review of progress reports received from the Project Implementation Unit and the Supervision Consultant during implementation of the contract; and review of project documentation in comparison with the actual works carried out on site. Supporting the implementation of an important infrastructure project in Serbia, this TC will contribute to one of the major challenges identified by the Bank in Serbia, where – despite sizeable investments in recent years – infrastructure is far from being adequate for private sector development. The TC also complements another CE Fund assignment (Rail Corridor X in Serbia and Macedonia: Lender's Monitor Advisor) approved in 2010 to assist the modernisation of another section of Corridor X railway track. The expected EBRD investment amounts to about 200 million EUR.

**CEI Ref. No.:** P201.005-11  
**Value:** €175,000  
**Countries of operations:** Serbia  
**Sector of operations:** Transport  
**Planned duration:** 24 months

### Strengthening the Capacity of the Belarusian Renewable Energy Association (BREA) for its Active Involvement in Policy- and Decision-making Processes in Belarus

This assignment will assist the EBRD in strengthening the capacity and influence of the Belarusian Renewable Energy Association (BREA). BREA is a civil society organisation considered instrumental to the Belarusian efforts to create a functional and reliable framework in which the international energy market would want to take part. Belarus is endowed with only limited domestic energy resources and is, therefore, heavily dependent on imports of primary energy fuels from Russia. The diversification of the energy mix and increase of indigenous sources is, therefore, one of the primary policy targets of the Belarusian Government. While some relevant legislation has been enacted to support the development of a renewable energy sector and the Government has begun to open the energy sector to private ownership, development and external investments have remained low. Significant work is still required in the fields of institutional capacity building and energy policy reform. This TC assignment will, thus, strengthen the capacity and influence of BREA as an independent, non-governmental voice of its members and help it to position itself as an interface for other energy sector players, enhancing the interaction between state and non-state, and local and international participants, in the development of the effective policy and investment framework of Belarusian clean-tech sector. Lastly, the TC aims to introduce market based approaches and private entrepreneurship in the significantly government controlled energy sector. TC activities will develop the Association's strategy and business plan, raise awareness, strengthen its membership base, and train its staff in effective communication for policy lobbying and advocacy. To build its capacity, BREA will also benefit from 'twinning' with an equivalent renewable energy association from an EU country. Promoting new business models, such as public-private partnership and independent power producers, this CEI Fund TC, which is expected to assist EBRD investments worth roughly 40-50 million EUR, will develop market-based approaches, and will stimulate collaboration between the government and private businesses.

**CEI Ref. No.:** P201.006-11  
**Value:** €180,000  
**Countries of operations:** Belarus  
**Sector of operations:** Energy  
**Planned duration:** 12 months

### Support Macedonia Railways in Developing a Sustainable Energy Action Plan

This assignment will support a new EBRD investment in the Macedonian Railways company. The EBRD is already working with the Government of Macedonia in the restructuring and development of its railway infrastructures, and previous projects include other investments supported by CEI Fund technical cooperation. The Bank is now considering a loan for the rehabilitation of a 30.8 km section of Corridor VIII in the east of the country. The main alignment of Corridor VIII runs from the southern Italian ports of Bari and Brindisi, along the Albanian ports of Durres and Vlora, the cities of Tirana, Skopje, Sofia and Plovdiv, and on to the Bulgarian ports of Burgas and Varna. This means that Corridor VIII effectively connects the Italian Adriatic Transport Corridor, the Adriatic branch of the Motorway of the Sea and the Mediterranean Transport Area to the Black Sea Pan European Transport Area. Corridor VIII is an integral part of the European Union endorsed Core Transport Network. The entire distance, including any missing portions, is 586 km long, of which 139 km are in Albania, 309 km are in Macedonia, and 138 km are in Bulgaria. In relation to this investment, the CEI Fund will support the Macedonian Railways develop a Sustainable Energy Action Plan (SEAP) comprising three elements. Firstly, the SEAP will include a review of the company's energy related and environmental performance of current operations compared to regional peers and international best practices. Secondly, the SEAP will assess investment opportunities to improve energy performance of railway operations in both traction and non-traction operations with a focus on the built environment and on the electricity distribution network. Lastly, the Plan will develop specifications for the introduction of an integrated Energy Management System. The development of the SEAP will improve the efficiency of the operations of the Macedonian Railways and result in substantial energy and carbon savings mainly through reduced fuel and electricity consumption, but also by facilitating modal shifts of both passengers and freight operations. Thus, assisting an EBRD investment estimated at roughly 40-50 million EUR, this TC assignment will also have significant transition impact.

**CEI Ref. No.:** P201.008-11  
**Value:** €175,000  
**Countries of operations:** Macedonia  
**Sector of operations:** Transport  
**Planned duration:** 15 months

### Sustainable Ports and Shipping in the Adriatic Sea and Black Sea

This assignment will contribute to an analysis of energy/operational efficiency and environmental sustainability of shipping and port operations in the Adriatic Sea and Black Sea. According to the International Maritime Organization (IMO), shipping is estimated to have emitted over a billions tonnes of CO<sub>2</sub> in 2007. Mid-range emissions scenarios show that, by 2050, in the absence of appropriate policies, ship emissions may grow by estimates ranging between 150 to 250 per cent (compared to 2007 levels), as a result of the growth in traffic and volumes shipped. Considering the importance of shipping and port operations in the Adriatic Sea and the Black Sea, the EBRD intends to undertake a review of current practices and technologies and assess the potential for investments in the areas of energy/operational efficiency and environmental sustainability. In particular, the study will focus on port infrastructures including service systems, and will assess the best use of investments for the introduction or adoption of integrated management tools with reference to IMO guidelines and international best practice in port management and shipping operations. As part of the activity, the EBRD will organise a regional seminar to present the results of the study and discuss investment opportunities with port operators. The study will also review the impact of the application of IMO guidelines on vessels in fleets operating in

**CEI Ref. No.:** P201.007-11  
**Value:** €200,000  
**Countries of operations:** Regional (Western Balkans + Ukraine)  
**Sector of operations:** Transport  
**Planned duration:** 12 months

the Adriatic Sea and the Black Sea and related investment opportunities for fleet upgrading and modernisation. Concerning ports, the activity will be focused on tourist and passenger terminals, but will also review the scope for improvements in cargo/container terminals. Although difficult to estimate, investments ranging between 55 - 70 million EUR are likely to take advantage in the future of this CEI Fund supported study. The assignment will enable existing and potentially new EBRD clients to identify investments. Considering the relevance of international shipping in the two seas and current and projected related GHG emissions, this activity will support the introduction of systems, technologies and practices which will support the development of the industry along criteria of energy and environmental sustainability.



### Sustainable Energy Action Plan (SEAP) for Chisinau

This assignment will assist the EBRD to build on its successful policy dialogue with the Chisinau Municipality in the Republic of Moldova. The Bank has established a successful relationship with the city of Chisinau through the financing of two projects in the municipal sector. The projects specifically supported the rehabilitation of transport and water related infrastructures. With a population of roughly 800,000 inhabitants, the City of Chisinau is the largest city in Moldova as well as the country's industrial and commercial centre. At the moment the City is run as a unified territorial administrative unit, with the mayor serving also as head of the local government. To further support the modernisation of municipal services and improve the attractiveness and competitiveness of Chisinau as a commercial centre, the EBRD intends to support the municipality to set up a Sustainable Energy Action Plan (SEAP) which will define strategic priorities in all areas including transport, energy supply, commercial and residential buildings, waste management, and water supply and use. Established through technical cooperation funded by the CEI Fund, the SEAP will set up criteria for modernisation and development of municipal infrastructures, and introduce best planning and management practices drawn from experiences in comparable cities in the region and internationally. In particular, the SEAP will support the development of a pipeline of dedicated investments which will improve efficiency of municipal services and reduce the overall related environmental impact. This CEI Fund supported TC assignment is expected to not only enable an EBRD investment of roughly 25-30 million EUR, but also to enhance and strengthen the Bank's already successful policy dialogue with the Chisinau Municipality and lead the way to further financing in the capital. One of EBRD's priorities in Chisinau is a potential investment in water utility company Apa Canal Chisinau, based on increased transparency, better corporate governance, and improved operational and financial management, potentially via private concessions awarded in open competitive tenders.

**CEI Ref. No.:** P201.009-11  
**Value:** €100,000  
**Countries of operations:** Moldova  
**Sector of operations:** Municipal infrastructure  
**Planned duration:** 8 months

## 5.2. Know-how Exchange Programme

Launched in 2004, the CEI Know-how Exchange Programme (KEP) is a development assistance instrument aimed to support transfer of experience from the EU to the non-EU countries within the CEI region. The Programme originates from the belief that economic development in non-EU CEI Member States can be strengthened by transferring good practices and introducing benchmarks already tested and established in countries that have gone through the EU accession process. As such, the KEP offers grants to institutions from EU countries willing to share their experience with their partners in the non-EU CEI countries in South-eastern and Eastern Europe.

The CEI Fund at the EBRD has been funding KEP projects since the Programme's launch in 2004. The projects are managed by the Office for the CEI Fund at the EBRD. In 2008 the Austrian Government joined Italy as a KEP financial donor through the Austrian

Development Cooperation (ADC), and since then it has provided additional funds on an annual basis for projects managed by the CEI Secretariat. In 2008 and 2011 the Polish Ministry of Foreign Affairs made two voluntary contributions of 25,000 EUR each to support KEP activities.

### Know-how Exchange Programme – CEI Fund at the EBRD

As mentioned above the CEI Fund at the EBRD has been financing KEP projects ever since the inception of the Programme. 47 projects have been approved under the KEP in the period 2004-2011 for a CEI Fund committed contribution of more than 1.2 million EUR. Given its nature as a co-financing Programme, the total value of KEP projects supported by the CEI Fund so far is more than 3.8 million EUR. The projects targeted recipient institutions from all non-EU CEI Member States. The countries that have benefited the most from the KEP since its establishment are Moldova, Serbia and Ukraine, while the Western Balkan countries have mainly

been addressed by region-oriented projects. The most active donor institutions were located in Italy and Poland, followed by Slovenia, Austria and Hungary. Bulgaria and Romania are the only two countries involved both as recipient and donor countries because of their entrance in the European Union in 2007. As to the areas of intervention, there is a rather balanced distribution among the following three areas: sustainable agriculture, capacity building, and the development of small and medium-sized enterprises, while the sustainable energy and environment area was slightly less addressed by projects.

In 2011, the Office for the CEI Fund at the EBRD has published *Lessons for Sustainable Transition Impact* – an impact assessment and analysis of KEP projects supported by the Fund. The publication represents the first attempt of the CEI to undertake a detailed evaluation of KEP assignments in order to measure sustainability and impact of supported actions and to identify lessons for future operations. *Lessons for Sustainable Transition Impact* reveals the success of the KEP in taking advantage of the transition experience of recently admitted EU members (emerging European donors) in order to avoid obstacles and speed up transition processes in the countries that aim at filling similar development gaps. The study shows that the CEI Fund at the EBRD, through the KEP, has assisted and enabled a momentous transformation: institutions from the new EU members have joined the efforts of their peer organisations in 'old' EU members and have become important and reliable know-how donors. Through the study, the Office for the CEI Fund at the EBRD has defined easily applicable criteria for a regular and systematic evaluation of KEP projects and has put forth a set of recommendations to further strengthen the Programme.



Four new KEP assignments have been approved in 2011 with a CEI Fund contribution of 160,000 EUR. The total value of these projects amounts to almost 700,000 EUR. The four projects target two KEP areas of intervention: enterprise development and capacity building. Two projects are directly targeted at recipients in two countries: Macedonia and Montenegro. The other two assignments have a regional dimension: one involving all of the non-EU CEI Member States and one directing its know-how to organisations in the Western Balkan countries.

### Financial Facilities for SMEs: Training and Capacity Building for Business Support Organisations in non-EU Member States of the Central European Initiative - FIT4SMEs II

The assignment is the second part of a larger programme developed by Informest seeking to strengthen the capacities of business support organisations (BSOs) in recipient countries from the non-EU CEI Member States. The project aims to enable BSOs to provide comprehensive assistance to small and medium-sized enterprises (SMEs) in the area of access to finance, especially with regard to instruments made available by international financial institutions (IFIs). The main goal of the project is to train the staff of 30 selected BSOs in the area of SME-dedicated financial instruments made available by IFIs and other international financiers. Drawing from outputs of the first part of the programme, the current assignment will enable the preparation of practical trainings with the aim to further familiarise recipients with available financial facilities, the role of local financial intermediaries, requirements for accessing funding by SMEs, and others. Moreover, the project will also provide the opportunity to analyse successful case studies and identify a number of SMEs which, in the next phase of the programme, will receive dedicated assistance for the preparation of business plans in order to have access to necessary funding.

**Reference number:** 1206KEP.008-11  
**Know-how donor:** INFORMEST, Italy  
**Know-how beneficiaries:** business support organisations (BSOs) in non-EU CEI Member States  
**Area of intervention:** Enterprise development  
**Implementation dates:** October 2011 – March 2012  
**Project total cost:** €81,160  
**CEI co-financing:** €40,000

### Public Accountants Certification Training (PACT) in Macedonia<sup>2</sup>

PACT is a two-year project with the core objectives to: a) complete the second cohort of both levels and certification programme for public sector accountants in line with the best international practices and standards; and b) institutionalise training and certification within each participating country. Public Accountants Certification Training is a programme through which the Center of Excellence in Finance (CEF) aims to establish and maintain international standards in public sector accounting, raise the status of the profession in line with EU countries and enhance the beneficiary countries' ability to implement a modernised management accounting approach. Based on this agenda, a regional training and certification programme is established and a new generation of public finance staff is rendered capable of contributing to improved transparency and accountability, enabling the development of good governance. The first stage of the project was financed by the World Bank Group, the Ministry of Foreign Affairs of Slovenia, and the Ministry of Finance of Macedonia and was successfully completed in May 2011. The Government of Macedonia estimates that the number of graduates from the programme is not yet sufficient for the Ministry to successfully and independently run of the programme. Therefore, the Ministry requested the continuation of the programme (cohort II) to increase the number of trained students. Such development would facilitate building the local training capacity as well as provide a think tank of accountants in public sector capable of planning and implementing necessary reforms. It is thus expected that upon the completion of the cohort II training, the Ministry would take over the full ownership of the programme.

**Reference number:** 1206KEP.009-11  
**Know-how donor:** Center of Excellence in Finance, Slovenia  
**Know-how beneficiaries:** Ministry of Finance, Macedonia  
**Area of intervention:** Capacity building  
**Implementation dates:** January 2012 - December 2014  
**Project total cost:** €285,549  
**CEI co-financing:** €40,000

### Training of Internal Auditors in Public Sector - Level#1, Cohort#1 in Montenegro

Internal audit is a key element of public financial management and public sector governance. The proposed programme, delivered by the Center of Excellence in Finance (CEF), was designed with the assistance of a qualified consultant, the Chartered Institute of Public Finance and Accountancy (CIPFA). It aims to enhance countries' ability to implement a modern accounting approach, to establish and maintain an effective internal audit function in the public sector, and to improve the quality of public financial management. The Ministry of Finance of Montenegro requested the implementation of TIAPS – Training of Internal Auditors in Public Sector in order to address a perceived lagging in related skills. The objective of the project will be to introduce a professional qualification training programme for public sector internal auditors in Montenegro in line with the best international practices and standards. Participants will follow a modular curriculum and, upon its completion, will be able to continue their professional development. The training offered through this project will enable participants to eventually acquire either the State Internal Auditor Title (Certificate) or the Verified State Internal Auditor Title (Diploma).

**Reference number:** 1206KEP.010-11  
**Know-how donor:** Center of Excellence in Finance, Slovenia  
**Know-how beneficiaries:** Ministry of Finance, Montenegro  
**Area of intervention:** Capacity building  
**Implementation dates:** January 2012 - December 2013  
**Project total cost:** €225,112  
**CEI co-financing:** €40,000

### Evaluating SME Policy Implementation in the Western Balkans

The project aims to help develop policies that support the small and medium-sized enterprise (SME) sector in the Western Balkans, in particular through the elaboration of the SME Policy Index 2011. The SME Policy Index is the key monitoring and assessing tool for SME policy in the region. The OECD Investment Compact develops the Index in a joint effort with the European Commission (EC), the EBRD and the European Training Foundation. The Index assesses such sector related dimensions as: education and training for entrepreneurship; cheaper and faster ways to create a start-up; better legislation and regulation; availability of skills; taxation and financial matters; e-business models, etc. The current, and third, SME policy assessment cycle, to be co-funded by the CEI, is based on a new assessment grid and is conducted in parallel by governments as well as by independent consultants of the pre-EU accession region. The preliminary results of the combined assessments will be presented and discussed at the consultative bilateral meetings with key SME stakeholders of the Western Balkans. In addition, a company survey, developed by the OECD together with the EC, will be conducted in the beneficiary economies, and is expected to help to assess the effects of the implementation of SME policies on enterprises. Lastly, the project will be finalised by the drafting and publication of the 2011 Report on the Implementation of the Small Business Act (SBA). The CEI KEP grant will focus on the assessment of the impact of SME policy measures. The OECD will use the additional funds to provide advice and training on the impact evaluation system. The grant will cover consultative services and one closing workshop, at which the results of the impact assessment will be presented and discussed with the beneficiary countries.

**Reference number:** 1206KEP.011-11  
**Know-how donor:** OECD Investment Compact for South East Europe + EU CEI Member States  
**Know-how beneficiaries:** Ministries of Economy and SME Agencies of involved Countries (Regional – Western Balkans)  
**Area of intervention:** Enterprise development  
**Implementation dates:** February 2012 – July 2013  
**Project total cost:** €102,150  
**CEI co-financing:** €40,000

<sup>2</sup> The project was originally approved under the title "Capacity Building in Public Accounting (CBIPA) in Macedonia"

## KEP Austria

KEP AUSTRIA represents a specific component of the KEP, which has been supported since 2008 by the Austrian government through the funding of the Austrian Development Cooperation (ADC). KEP AUSTRIA has become a prominent and recognised feature in CEI activities. In 2008-2011 a total of 19 KEP AUSTRIA projects have been approved, with an overall value of 1.1 million EUR. The projects usually take the form of a bilateral action between a country providing know-how and a country benefitting from it. So far the most active providers of know-how have in KEP AUSTRIA projects been Austria and Italy, while the most represented beneficiary countries Croatia, Macedonia and Serbia. The programme functions on the basis of competitive Call for Proposals.

In 2011 a new KEP AUSTRIA Call for Proposals was launched by the Executive Secretariat in the CEI Member States, registering 44 applications and approving 7 best-evaluated projects. The CEI contribution for projects approved under 2011 Call for Proposals amounts to 200,000 EUR, with a total value of 0.5 million EUR.

The countries providing know-how in these projects are: Austria, Bulgaria, Italy, Romania, Slovakia and Slovenia. The beneficiary countries, receiving the know-how, are: Albania, Bosnia and Herzegovina, Macedonia, Moldova, Montenegro and Serbia. The projects mostly focus on the following sectors: European integration and capacity building; Sustainable agriculture and rural development; and Sustainable energy.

Furthermore, this year the CEI Secretariat published a “KEP AUSTRIA Project Report 2008-2010”, illustrating projects implemented in the first three years of the running of KEP AUSTRIA programme. The report provides concrete examples of projects implemented over the last years. “KEP AUSTRIA Project Report 2008-2010” is a user-friendly manual providing a show-case of supported actions and a first-hand information about the results achieved. Despite being projects of small and medium size, still in the Western Balkans and the Eastern Neighbourhood CEI countries (Belarus, Moldova and Ukraine) KEP AUSTRIA projects are able to achieve concrete results in terms of upgrading of functioning, procedures and staff in the beneficiary institutions.

### Donji Vakuf Biomass District Heating Feasibility Study

The Feasibility Study for the biomass district heating in the Municipality of Donji Vakuf (Bosnia and Herzegovina) will assess the feasibility of such heating services by a private operator to the Municipality of Donji Vakuf. The Beneficiary of the Project is the Municipality of Donji Vakuf, while the services are provided by the companies from Austria and Bosnia and Herzegovina. Currently, there is no district heating system in this Municipality. Significant amounts of wood biomass will be used as a primary fuel for heating, which creates new market opportunities as well as opportunities for Public-Private Partnerships. The Study will indicate the legal, institutional, financial and structural improvements for the future biomass district heating system. Moreover, the proposed investment could be legally and institutionally implemented by an appropriate model of Public-Private Partnership, to be decided depending on the amount of financing required and the risk related with the operation.

**Reference Number:** 1206KEP.001-11  
**Donor country:** Austria  
**Recipient country:** Bosnia and Herzegovina  
**Area:** Sustainable energy  
**Implementation period:** July 2011 – December 2011  
**Total cost:** €69,550  
**CEI contribution:** €30,000

### Development of a System of Wines with Geographical Indications

The reform of the EU wine sector has brought about several changes. The reform of the Common Wine Market Organisation in 2008 gives greater importance to wines with geographical indication. A completely new system of protection of origin has been established: Protected Designations of Origin (PDO) and Protected Geographical Indications (PGI). Establishing and controlling such a system constitutes a new challenge for every wine growing country, not only EU-members but especially for those preparing an accession. Taking this into consideration, it can be stated that the introduction of a PDO and PGI system would be the basis for a successful future wine sector. The Ministry of Agriculture of Austria aims to improve the knowledge of all institutions and administrative staff dealing with the wine sector in Albania to be able to better manage the wine sector, especially in relation to the preparation of Albania for the EU accession.

**Reference Number:** 1206KEP.002-11  
**Donor country:** Austria  
**Recipient country:** Albania  
**Area:** European integration and capacity building  
**Implementation period:** July 2011 – December 2011  
**Total cost:** €74,800  
**CEI contribution:** €32,000

**“Western Balkans: Getting closer to the EU - Strengthening the capacity of the state institutions to meet the integration challenges today**

The Bulgarian Diplomatic Institute, together with its partner, the “Hanns Seidel” Foundation in Bulgaria, will implement this regional project involving the Ministries of Foreign Affairs of the following recipient Western Balkan countries: Bosnia and Herzegovina, Macedonia, Montenegro and Serbia. The proposed project consists of four separate training seminars conducted by the Bulgarian Diplomatic Institute (BDI) in each of the four recipient countries. The four seminars will be similar in content and expected results and will target state officials, occupying high level positions in the state administration of the respective countries, more specifically dealing with issues related to European integration, Regional cooperation and Economic development. The accent will be put on the role and responsibilities of the national administration for managing and speeding up the process of European integration. The main result of the project will be the formation of a trained-up team of 30 senior state officials in each recipient country, familiarized with the challenges and impediments on their way to EU accession but also with the methods and techniques, used by Bulgaria in overcoming them. The overall expectation is that the whole group of a 120 trainees, after the project, will more effectively tackle the urgent issues of the European accession and will energize and push forward all the processes related to that national priority.

**Reference Number:** 1206KEP.004-11  
**Donor country:** Bulgaria  
**Recipient country:** Bosnia and Herzegovina, Macedonia, Montenegro and Serbia  
**Area:** European integration and capacity building  
**Implementation period:** September 2011 – September 2013  
**Total cost:** €54,894  
**CEI contribution:** €20,000

**Harmless disposal of animal waste in four municipalities in Serbia**

The strategic orientation of Serbia is to join the EU and a series of reforms that were implemented have brought changes in political, economic and social life. One of the greatest challenges of the application of EU standards and procedures in the field of agriculture and the environmental protection is the problem of safe disposal of animal waste. Possible solution to this problem could be achieved through instruments of the EU, such as cross-border cooperation programs (IPA CBC Programme). Within the framework of the CBC program in 2009, six calls were announced in which the municipalities could compete for grants with proposals for construction of systems for animal waste collection. However, this did not happen, because the local governments, as potential applicants, are not ready for this type of projects. The aim of this project is, therefore, to create conditions and capacity for rational, economically viable and sustainable solution for the removal of animal waste in 4 local governments in Serbia. This will be done through the introduction of European standards (implementation of EU regulations and amendments to local decisions), instruments (transfer of know-how from the EU CEI partners, a waste management plan and the application of CBC programs of EU) and practice (partnership of public and private sector with the participation of all stakeholders).

**Reference Number:** 1206KEP.007-11  
**Donor country:** Slovenia  
**Recipient country:** Serbia  
**Area:** European integration and capacity building  
**Implementation period:** October 2011 – October 2012  
**Total cost:** €88,060  
**CEI contribution:** €32,000

**Application of photogrammetric techniques for updating of cadastral data in the Republic of Moldova**

The Republic of Moldova has registered only 80% of all properties and the cadaster maps cover about 80 % of the territory of the country, which means that about 20% of the property rights are not a part of the public information system. The procedures within the old cadaster registration system were not well defined and it is estimated that up to 60 % of the registration records are incorrect. This project represents an alternative solution for cadastral maps renewal, based on photogrammetric techniques and the possibility for extraction of features to be added to the cadastral map from different overlaid sources such as aerial aerophotos, digital terrain models, satellite images, scanned old maps and field surveys. The project will be executed using the experience of the Romanian company Blom Romania which successfully implemented many cadastral and analysis works. The main objective of this project is to use a different method that can lead to a faster access to land related information, better quality, better positional and temporal precision, wide range of information and better security of the ownership. In order to promote the updating of the cadastral maps and cadastral register in the entire Moldova, the knowledge obtained through the pilot project shall be transferred to the local cadastral offices by training, coaching and advice.

**Reference Number:** 1206KEP.005-11  
**Donor country:** Romania  
**Recipient country:** Moldova  
**Area:** European integration and capacity building  
**Implementation period:** July 2011 – December 2012  
**Total cost:** €80,000  
**CEI contribution:** €32,000



### Meeting of EU standards through rural tourism development in Timok Region

Timok Region is a region of rural type, located in the eastern part of Serbia, with not satisfactory socio – economic characteristics: high unemployment rate, ageing, outflow of young people, etc. On the other hand, abundance of natural wealth and healthy environment in the Region represents a potential for development of rural tourism and tourism based on hospitality and originality of rural households. Development of rural tourism was therefore identified as one of the main development directions in the Development strategy of the Region. Currently, the rural tourism development potential is insufficiently utilized. The project thus aims to create the conditions for development of rural tourism in compliance with EU trends and standards in order to bring income and jobs to this marginalized region. This will be achieved by elaborating a Regional strategy for rural tourism development in the Timok Region, by involving all relevant stakeholders (both public and private) in strategy elaboration and implementation and by improving the capacities and the cooperation of the stakeholders for the implementation of the strategy.

**Reference Number:** 1206KEP.003-11  
**Donor country:** Slovakia  
**Recipient country:** Serbia  
**Area:** Sustainable agriculture and rural development  
**Implementation period:** October 2011 – October 2012  
**Total cost:** €63,876  
**CEI contribution:** €23,000

### Slow Tourism: promoting sustainable and responsible tourism in Bosnia and Herzegovina

The project aims at spreading sustainable and responsible tourism in Bosnia and Herzegovina in order to promote the value of local territories, while protecting natural and cultural resources. This will be done through the establishment of a non-profit association in Bosnia and Herzegovina (“Slow Tourism Bosnia and Herzegovina” - STBiH), engaged in the improvement of the hospitality and the services offered by tourism enterprises. The aim is to increase the awareness of local communities about the protection and valorisation of their territories. In order to promote the establishment of the association “Slow Tourism Bosnia and Herzegovina” – STBiH, as completely independent association, Slow Tourism Italia (STA), know-how donor, will provide its advice and support to the Municipality of Zepce and its municipal institution Development Agency Zepce. Once established, STBiH will participate in the wider Slow Tourism Movement, an international network that provides expertise for elaborating and implementing sustainable tourism practices and destinations. The Chamber of Commerce of Doboj will also be involved as a project partner and founder of STBiH, in order to facilitate the involvement and participation of local tourism enterprises.

**Reference Number:** 1206KEP.006-11  
**Donor country:** Italy  
**Recipient country:** Bosnia and Herzegovina  
**Area:** Sustainable agriculture and rural development  
**Implementation period:** September 2011 – September 2012  
**Total cost:** €31,000  
**CEI contribution:** €15,000

## 5.3. EU Funded Projects

The CEI has been active in the field of EU project-design and management since 2004. Currently, it is involved in five projects, out of which in three as Lead Partner, with an overall amount of 6.5 million EUR.

In 2011 two EU projects were finalized: WINS ICT and InConcerto. As to the latter, the CEI asked for an anticipated termination as it was not possible to financially sustain the project activities in the following years due to lack of funding by one of the partners. In the meantime, a new project entitled ATTAC, funded by the South-East Europe Programme, officially started in January 2011.

Throughout the year, 14 new project-proposals have been submitted to various EU funding programmes such as: INTERREG IVC, Intelligent Energy Europe, IPA Regional Programme, Central Europe Programme, MED Programme, South-East Europe Programme, Italy-Slovenia Cross-border Programme and Seventh

Framework Programme for Research and Technological Development (FP7). Two proposals have been approved, namely the project “Sustainable Energy Efficient Mobility Options in Tourist Regions in Europe (SEEMORE)”, funded by the Intelligent Energy Europe Programme, and the project “Improving Cooperation in South-East Europe by Actions for Strengthening the Regional Cooperation Council”, funded by the IPA Regional Programme. The latter represents a recognition of the CEI competences and role as promoter of regional cooperation for European integration. It will actually start in January 2012 and envisage an intense calendar of activities aiming at strengthening the RCC Secretariat: study tours to other international organisations, capacity-building seminars, stakeholder conferences as well as the introduction of most innovative ICT tools, will be some of the initiatives proposed by the CEI, in its capacity of project manager. The ultimate aim is to promote the enhancement of regional cooperation between and among the countries of South-East Europe. The results of the other proposals are expected in mid 2012.

### CERES - CEI Research Fellowship Programme

**EU Programme:** Seventh Framework Programme for Research and Technological Development (FP7) – Marie Curie Actions  
**Duration:** 01/04/2009 – 30/11/2012  
**Area:** Science and Technology (mobility of researchers)  
**Participating countries:** CERES is open to all CEI countries  
**CEI role:** Lead Partner  
**Total cost:** €1,008,000  
**Budget administered by the CEI:** €1,008,000

The Project aims at awarding 30 incoming fellowships (12 months each) to experienced researchers from CEI countries through annual calls for applications. Researchers are selected by an ad hoc Committee, whose composition follows the “European Charter for Researchers and Code of Conduct for their Recruitment”. Fellows are given the opportunity to carry out research in one of the five partner institutions (International Centre for Theoretical Physics – ICTP; International Centre for Genetic Engineering and Biotechnology – ICGEB; International School for Advance Studies – SISSA; Synchrotron ELETTRA; Cluster in Biomedicine - CBM) which altogether cover a large spectrum of highly relevant scientific research such as physics, maths, genetics, biotechnology, neuroscience, nano-science, bioinformatics.

In 2011 the CERES Selection Committee met on 30 May at the CEI Headquarters. Ten research applications were selected in the context of the third CERES call. Selected fellows are from Poland, Serbia, Hungary, Bosnia and Herzegovina, Slovenia, Ukraine and Croatia. They will carry out their research project in one of the host institutions which compose the CERES partnership. In line with the Marie Curie Actions’ main goal, this experience will represent a significant step forward in their scientific career, and a contribution to the overall objective of a society based on innovation and mobility of knowledge.

On 19 October 2011 the CEI hosted two representatives of the Research Executive Agency, i.e. the body created by the European Commission managing large parts of the Seventh Framework Programme for Research and Technological Development (FP7). The meeting was divided in two sessions: one in the morning at the CEI premises, focused on management and administrative issues; one in the afternoon at the International Centre for Theoretical Physics (ICTP), where the REA officials had the chance to meet three CERES fellows. CERES was positively assessed in terms of both management and number of fellowships awarded; moreover, the CEI was encouraged to further strengthen CERES by taking part in future FP7 calls.

The third CERES Project Meeting was held in Trieste on 15 November 2011. The Agenda of the meeting contained items such as the organisation of the last call 2012, financial issues and feedback from selected fellows (questionnaires and scientific reports). Moreover, the Programme Partners agreed to ask for an extension of the duration of CERES until March 2014. Finally, preliminary steps were undertaken in view of the preparation of a new project-application on the second edition of the CERES Programme that will be submitted in February 2012 to the Seventh Framework Programme for Research and Technological Development (FP7).

### SEETAC - South East European Transport Axis Cooperation

**EU Programme:** South East Europe Programme  
**Duration:** 01/04/2009 – 01/03/2012  
**Area:** Transport  
**Participating countries:** Albania, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Greece, Hungary, Italy, Montenegro, Romania, Serbia, Slovakia, Slovenia, Ukraine.  
**CEI role:** Lead Partner  
**Total cost:** €2,380,553.53  
**Budget administered by the CEI:** €2,000,553.53  
**Website:** [www.seetac.eu](http://www.seetac.eu)

The SEETAC – South East Europe Transport Axis Cooperation – project is funded under the South East Europe Programme. Among its partners, SEETAC gathers institutions in the field of transport and environment, such as the Ministries of transport of Austria, Bulgaria, Greece, Italy, Romania and Slovenia, the Ministry of Environment of Italy, institutions of EU candidates and potential candidates countries from Albania, Croatia, Macedonia, Montenegro as well as the South East Europe Transport Observatory (SEETO). It also involves relevant research centres such as EURAC, the University of Thessaloniki and Informest. The project aims at analysing possible integration between the Western Balkans (WB) and the EU transport systems in order to generate transport continuity and infrastructure development in the European area and beyond, thus implicitly leading to a rising competitiveness and economic development with the ultimate aim of integrated the WB countries in the European single market. Moreover, the project contributes to the solution of the cross-border bottlenecks and the lack of harmonization among the participating countries. It tackles both the administrative problems, such as missing institutional and legal transnational framework, as well as common safety, security and environmental standards, harmonisation of transport modes. SEETAC works in line with the existing EU policies (i.e. EU Transport acquis, EU transport network, negotiations of the EU-Western Balkan Transport treaty, Green Paper on Future TEN-T Networks, conditions within the Stabilisation and Association Process, EU environmental policy and the

list of existing priority projects developed by SEETO) and aims at feeding the discussion on possible synergies between the TEN-T Priority Projects and their extension to the Western Balkan countries. It also offers significant advantages to all partners in terms of spatial planning and regional cooperation and integration, and contributes to solving the existing problems in the traffic sector. A close cooperation among the main actors will facilitate to match the investments, plan cross-border projects and agree on measures for the elimination of non-physical barriers, thus raising awareness of political decision makers and public opinion on the aims and priorities in the region.



SEETAC Presentation at the EU Parliament in June 2011

After the initial consultation and meetings with the European Commission (EC), a number of technical meetings in the framework of SEETAC took place in Brussels with the DG Mobility and Transport. This ensured a major support to the project in its activities concerning the development of a joint database related to the transport in South East Europe. Moreover, SEETAC's cooperation concerned the TEN-T revision and possible project's contribution to it. As a matter of fact SEETAC proposed to the EC the inclusion of the Western Balkans in the core network. Furthermore, the project was involved in the development of the Danube strategy, in collaboration with the Slovene Transport Ministry.

Day to day project management activities are always carried out in the context of this ambitious project. In the course of 2011 project, technical and steering committee meetings were held in Trieste, Brussels and Rome, when a number of prominent personalities expressed their full support for the project, such as for example by the Regional Minister for Mobility and Transport of Friuli Venezia Giulia Autonomous Region, Mr. Riccardo Riccardi on the occasion of the Trieste meeting.

Beside these activities the CEI used several opportunities to present the SEETAC on several events organised by EU institutions. Together with almost 300 attendees, on 12 May the CEI participated, as Lead Partner of the SEETAC project, at the Annual Conference of the South East Europe Programme in Sofia, Bulgaria. The event

was an opportunity to present the developments of the Programme along the lines of the EU policy for regional development. The CEI participation in the event was aimed at learning about the development of the EU strategy in the region, meet potential partners and discuss new project ideas. The CEI intends to develop more projects in this area of Europe.

Furthermore, the SEETAC Project was successfully presented at the European Parliament in Brussels for the second time on 28 June. The meeting was an opportunity for the CEI to discuss the above-mentioned possible extension of the EU Core Network to the Western Balkans and to highlight the technical inputs of the SEETAC project in this complex process. The EC regards the Western Balkans as a strategic transit way for reaching the Black Sea and Turkey. It therefore fully supports the idea to include the WB countries - which will sooner or later become EU members - in the core network planning. The main objective is to establish a European Core Network, by creating a synergy between the "Western Balkans Core Network" and the EU Core Network.

Last but not least, the SEETAC project was recently selected as one of the best transport projects implemented within a Transnational Cooperation Programme. In this regard, the coordinators of the Project were invited to showcase its achievements, results and future challenges during the Joint Transnational Conference in Katowice on 15-16 September. Bringing together the 13 transnational programmes currently operating in the framework of the European Territorial Cooperation objective, for the first time ever, this unique event, demonstrated how transnational cooperation helps to improve quality of life in European regions. The conference featured high level speakers and panels including EC representatives and Polish Ministries. It was arranged in cooperation with, and hosted by, the Silesian Region and the city of Katowice and was in the framework of the Polish Presidency of the EU Council. The event reached almost 1000 people (including the online audience participating via live stream). The SEETAC project was presented during Workshop 2: "Transport-Sustainable, Innovative, Practical and Money-saving Cooperative Solutions for the EU to Move Forward". SEETAC's contribution to the removal of operational cross-border barriers (legal and institutional) was highlighted as well as its impact on the daily lives of the South East European citizens.

SEETAC remains one of the flagship projects of the transnational cooperation programme South East Europe, since it aims at integrating the Western Balkan countries in the European Transport system.

**ADRIA – A Accessibility and Development for the Re-launch of the Inner Adriatic Area**

**EU Programme:** Crossborder Cooperation Programme Italy – Slovenia 2007-2013  
**Duration:** 01/01/2010 – 31/12/2013  
**Area:** Cross-border Cooperation, Transport  
**Participating countries:** Italy, Slovenia  
**CEI role:** Lead Partner  
**Total cost:** €3,289,00.00  
**Budget administered by the CEI:** €3,289,000.00  
**Website:** www.adria-a.eu

The Project aims at contributing to the accessibility and transport reorganisation through development of an effective integration of the transport systems – railroad, public local transport, intermodality railroad/flights and railroad/sea - on the metropolitan area between the Italian and Slovenian territories. The main goal is to define the missing links in the Italian and Slovene railway infrastructural network, thus guarantee a single transport model for the whole territory. The project also foresees the creation of an EGTC (European Grouping for Territorial Cooperation) capable of ensuring cooperation in territorial and transport planning even after the conclusion of the project. The main activities will regard studies, analysis and surveys on transport, passenger demand, economic, financial and environmental impacts, feasibility and preliminary infrastructural project studies for the missing railway links, integrated multimodal transport model, etc. The project’s partnership embraces 27 partners among which the Italian and Slovene Ministries of Transport and Environment, local administration authorities (Regions, Provinces and Municipalities), the main passenger traffic generators (ports and airports) under the guidance of the CEI Secretariat as project Lead Partner.



ADRIA-A Presentation at the EU Parliament in May 2011

One of the most demanding tasks foreseen by ADRIA-A has already been achieved: the creation of the first EGTC between Italy and Slovenia. On 11 May the Italian Prime Minister has formally authorized the establishment of the European Grouping for Territorial Cooperation. This big achievement is the fruit of an extensive work between the three involved municipalities -Gori-

zia, Nova Gorica, Sempeter-Vrtojba- with the Slovene and Italian governments.

Also within this project, day to day project management activities are carried out. In the course of 2011 numerous project, technical and steering committee meetings have been held on various locations.

The project was also presented on a number of events. On 31 January, in the context of EC consultations on the Baltic Adriatic Corridor, the ADRIA-A Project was presented as the south terminal of the Baltic Adriatic Corridor. The meeting chaired by the Vice-President of the European Commission in charge of transport, Siim Kallas was attended by the President of Carinthia Gerhard Dorfler, representatives of Lower Austria Region, Styria Region, Friuli Venezia Giulia and Veneto Region and other relevant stakeholders.

Furthermore, the ADRIA-A Project was successfully presented at the European Parliament on 23 May in Brussels during an event co-organized by the CEI and hosted by Hon. Antonio Cancian (Member of the Transport and Tourism Committee of the European Parliament). The overall objective of the meeting was to present the first results of the project and discuss future actions. The event was attended by several Italian and Slovene Members of the European Parliament (MEPs). On the previous day the ADRIA A partnership met on the premises of the Representative Office of the Friuli Venezia Giulia Autonomous Region to the European Union in Brussels in order to kick start the activities of the Forum of the metropolitan cities.

The CEI together with the University of Trieste organized a two-session gathering linked to the ADRIA-A project on 22 September at the CEI Headquarters. The morning session focused on “Cross-border policies for passenger mobility in the regions of the northern Adriatic”. The second session was dedicated to “The future of the Italian-Slovenian Transport Cooperation in the Ten-T revision Context”. The event was part of a wider initiative, organized by the University of Trieste - the XXXV Congress of Economics and Industrial Policy. This year’s edition, namely “Institutional Change, Competitiveness and Industrial Policies: the Example of the North-east”, took place at the University of Trieste on 23-24 September.

The ADRIA-A project also foresees the preliminary studies for the missing links between the Slovene and Italian railroad system. In particular, the line Gorizia-Nova Gorica-Vrtojba will be planned, together with the electrification of the Nova Gorica-Sezana line and the planning of the railroad connection between Trieste and Koper. In this regard important steps have been done. On 16 September

the Friuli Venezia Giulia Autonomous Region, project partner of ADRIA-A, signed a convention with Rete Ferroviaria Italiana for the planning of the missing links on the Italian territory. On the other side, the Slovenian Ministry of Transport, also project partner, in December 2011 launched the public tender for the selection of the company that will prepare the planning on the Slovenian railways. Through the project, the existing railway line will be analysed in order to use it in an optimal way, with enhancement actions, aiming at eliminating missing links and bottlenecks, by introducing service programmes, classified at different levels, and by identifying service stations, stops and interexchange points.

### WINS-ICT Western Balkan Countries INCO-NET Support in the Field of ICT

**EU Programme:** Seventh Framework Programme for Research and Technological Development  
**Duration:** 01/01/2009 – 28/02/2011  
**Area:** ICT  
**Participating countries:** Albania, Austria, Belgium, Bosnia and Herzegovina, Croatia, Germany, Greece, Italy, Macedonia, Montenegro, Romania, Serbia, Turkey, United Kingdom.  
**CEI role:** Partner  
**Total cost:** €1,103,631.00  
**Budget administered by the CEI:** €27,392.00  
**Website:** [www.wins-ict.eu](http://www.wins-ict.eu)

The Project aims at strengthening Science and Technology cooperation between the EU and the Western Balkan countries by deepening the bi-regional strategic relations in the field of ICT and promoting the participation of Western Balkans ICT research actors in the FP7. The main output of the Project will be an improved policy dialogue in the field of ICT, reflecting the Western Balkans countries' needs and priorities in future ICT Work Programmes and thus providing the ground for enhanced participation from the target region. The consortium consisted of 15 highly complementary partners of ministries, academia, leading institutions in the relevant fields from EU Member States, Accession Candidate Countries and from the Western Balkan region.

The WINS ICT project was successfully concluded with the Second Review meeting held in Zagreb on 3 February. The meeting was attended by all project partners, who contributed to the review of all project activities and results obtained. Even though CEI's role was rather marginal, it cooperated with other partners and provided results dissemination. The project enabled the creation of synergies between the WINS ICT and the CERES project and the promotion of the CEI's Science and University Network among the WINS ICT partners. The project also successfully contributed to the setting up of a stable bilateral policy dialogue platform, to the

enhancement of Western Balkans countries capabilities and to the promotion of Western Balkans countries excellences with respect to participation in publicly-funded European Research Area programmes, especially the FP7 ICT. This was achieved through the analysis of the current EU-WBC policy framework and prospects for policy optimization as well as through training, coaching, networking and brokerage events, where around 1000 EU researchers were directly informed about Western Balkans countries ICT opportunities either through existing networks or personal contacts at dissemination events. These results were highly appreciated by reviewers. In this context, the CEI played an important role in the dissemination and communication of the results of the WINS-ICT Project among its relevant institutional stakeholders in CEI Member States and also contributed to the setting up and organisation of the Dialogue Fora, meant to foster political dialogue in the region.

### SUGAR – Sustainable Urban Goods Logistics Achieved by Regional and Local Policies

**EU Programme:** INTERREG IV C  
**Duration:** 01/11/2009 – 28/02/2012  
**Area:** City Logistics  
**Participating countries:** Italy, Belgium, Bulgaria, Czech Republic, France, Greece, Poland, Spain, Slovenia, United Kingdom.  
**CEI role:** Partner  
**Total cost:** €3,475,295.00  
**Budget administered by the CEI:** €73,510.00  
**Website:** [www.sugarlogistics.eu](http://www.sugarlogistics.eu)

The Project focuses on the problem of inefficient and ineffective management of urban freight distribution, a critical component of the overall urban transport system and a primary source of vehicle pollutant emissions. It promotes the exchange, discussion and transfer of policy experience, knowledge and good practices in the field of urban freight management, with regards to policy and planning levers, between advanced and less experienced city sites. The Project bases its approach on the study of EU good practices for the development of tools to support policy making, including training sessions, workshops and joint planning events, as well as the development of city logistics publications and training products.

The CEI's role in the project consists mainly in disseminating and promoting SUGAR results and outcomes among CEI Member States, creating synergies with other EU projects, managed by the Office for EU Funded Projects. In this way, already in 2010 some synergies were established with the SEETAC project and a joint event was organised in Tirana in November 2010. The CEI participated in all project activities, included the project meeting

held in Brussels (3-6 May) and in Palma de Mallorca (22-24 September). The final project conference was held on 13 December, in Bologna, Italy.

**ATTAC – Attractive Urban Public Transport for Accessible Cities**

**EU Programme:** South East Europe Programme  
**Duration:** 01/01/2011 – 31/12/2013  
**Area:** Improvement of accessibility  
**Participating countries:** Germany, Hungary, Italy, Bulgaria, Greece, Romania, Slovakia, Slovenia  
**CEI role:** Partner  
**Total cost:** €2,452,130.00  
**Budget administered by the CEI:** €171,160.00

The project aims at improving the coordination in promoting, planning and operating urban and agglomeration public transport networks in order to better integrate ATTAC cities and regions into the South East Europe (SEE) transport backbone as effective main and intermediate nodes of trans-national accessibility and to reduce bottlenecks in European transport corridors. Therefore, the intention is to introduce attractive and sustainable public transport solutions and services in ATTAC cities which will contribute to raising the share of public transportation modes at ATTAC locations, creating a framework for a seamless journey to all passengers with special regard to commuters and long distance travellers.

Two project meetings took place so far (May, September) and both were held in Miskolc, Hungary, where the Lead Partner is located. The meetings' aim was to launch the activities and to assign concrete tasks to each partner. The CEI's role concerns the coordination of the Extended Transfer Programme to the wider SEE area,

which will facilitate a productive process of knowledge sharing and dialogue between internal and external stakeholders and partners. It will therefore ensure the dissemination and transfer of ATTAC results to other SEE locations.

**5.4. Cooperation Activities**

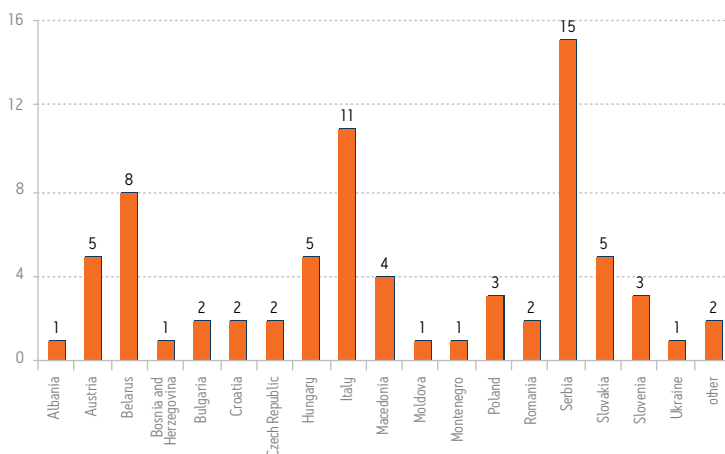
The CEI Cooperation Activities (CAs) are multilateral small-scale projects, in some cases linked to a larger project. CAs are one of the main instruments through which the priorities of the CEI Plan of Action are implemented. They are entirely financed out of the CEI Cooperation Fund to which all Member States contribute annually, according to an agreed scale of contributions.

Since the start of its operations in 2002, the CEI Cooperation Fund has co-financed - with an amount of about 6.5 million EUR - more than 650 Cooperation Activities for a total value of about 42.5 million EUR. It is estimated that the overall mobility generated by the Cooperation Fund in its nine years of activity is of about 30,000 people.

**Cooperation Activities approved in 2011**

In 2011 74 CAs have been approved. The total CEI contribution to these CAs amounts to about 500,000 EUR, or 13.2% of the total cost of the projects representing a total value of around 3.8 million EUR. In terms of areas, intercultural cooperation including minorities has been the most tackled area, followed by science and technology. As to the geographical context, the highest number of projects was submitted by Serbia (15) followed by Italy (11) and Belarus (8), while 59% of the applications were submitted by non-EU CEI Member States.

*Geographical distribution of CAs*



*Sectoral distribution of CAs*

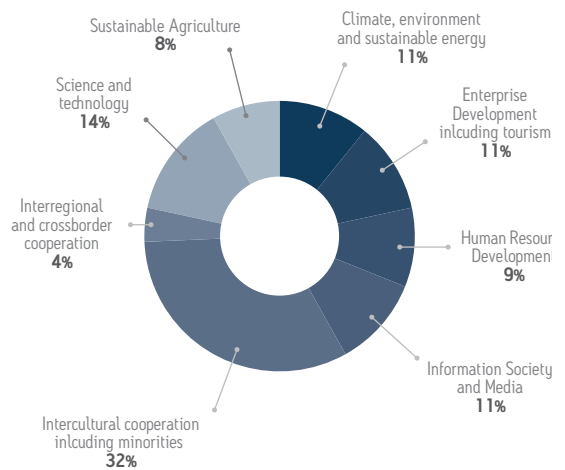


Table 2 CEI Cooperation Activities approved in 2011

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
1	1202.073-10	Brokerage event "Strengthening an innovative SMEs Framework through Network of business incubators"	Directorate for development of small and medium sized enterprises, Montenegro	Montenegro	Enterprise Development including Tourism	May 2011, Podgorica	14,040.00	4,500.00
2	1202.075-10	CEI Young Artists in Cultural Dialogue & Exchanges - workshops, master-classes, performances	Jeunesses Musicales, Romania	Romania	Intercultural Cooperation including Minorities	5-14 May 2011, Bucharest	91,530.00	8,000.00
3	1202.081-10	Low-cost solar cells, 2011: Opportunities and challenges for green energy	Engineering Institution of Macedonia	Macedonia	Climate, Environment and Sustainable Energy	May 2011, Skopje	27,920.00	7,500.00
4	1202.097-10	Modern Beekeeping Practice In South-East Europe – A Step Toward EU	Ecological Centre Staniste (Habitat), Serbia	Serbia	Sustainable Agriculture	November 2011, various locations	15,980.00	6,925.00
5	1202.099-10	Europe Next Generation	Central European Seminar (CES), Austria	Austria	Human Resource Development	May to October 2011, Austria and Slovenia	47,000.00	9,000.00
6	1202.100-10	Regional cooperation for postproduction, distribution and exhibition of feature films	Romanian Film Promotion, Romania	Romania	Intercultural Cooperation including Minorities	7-9 June 2011, Cluj-Napoca	30,150.00	8,000.00
7	1202.105-10	"Leadership and the European Foreign Policy" Ohrid Executive Training Summer School of Developing a Diplomat of 21 Century. Strengthening of the Capacities of the Diplomatic Academies in the Region	Ministry of Foreign Affairs, Macedonia	Macedonia	Human Resource Development	15-18 June 2011, Ohrid	33,670.00	8,000.00
8	1202.106-10	5th CEI Venice Forum For Contemporary Art Curators– Continental Breakfast 2011	Trieste Contemporanea Committee, Italy	Italy	Intercultural Cooperation including Minorities	June 2011, Venice and Trieste	53,860.00	12,000.00
9	1202.108-10	17th International Festival of Local Televisions, Kosice, Slovakia	City TV Foundation, Slovakia	Slovakia	Information Society and Media	8-11 June 2011, Kosice	180,500.00	10,000.00
10	1202.109-10	4th International Conference for Entrepreneurship, Innovations and Regional Development 2011 (ICEIRD 2011)	National Centre for Development of Innovations and Entrepreneurial Learning, Skopje, Macedonia (NCDIEL), Macedonia	Macedonia	Enterprise Development including Tourism	8-10 May 2011, Skopje	53,458.00	9,000.00
11	1202.111-10	7th NESY European Winter School on Neutrons and Synchrotron Radiation, Planneralm (Austria)	Leoben University, Austria	Austria	Science and Technology	6-12 March 2011, Planneralm	33,000.00	5,000.00
12	1202.010-11	Vulnerability and Adaptation to Climate Change: Priorities and their Implementation	Research Unitary Enterprise Belarusian Research Centre 'Ecology'	Belarus	Climate, Environment and Sustainable Energy	27-28 September 2011 postponed to 26-27 January 2012	19,850.00	4,000.00
13	1202.012-11	CEI Round-Table Discussions at Vitenica	Slovene Writers' Association	Slovenia	Intercultural Cooperation including Minorities	6 September 2011, Trieste; 8 September 2011, Lipica	89,790.00	15,000.00
14	1202.014-11	Awareness building on Sustainable Development: Energy and Climate Changes	Eko Invest	Bosnia and Herzegovina	Climate, Environment and Sustainable Energy	June 2011, Trebinje	23,900.00	3,000.00
15	1202.019-11	Conference: Young journalists and authors' rights	Forum of European Journalism Students – FEJS Macedonia	Macedonia	Information Society and Media	4-5 November 2011, Ohrid	33,560.00	6,000.00

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
16	1202.021-11	FEMAN 2011 - 11th European Cultural Festival of the Nations and National Minorities & the International Conference "Schengen – behind and in front of the border "	FEMAN – Slovak – European cultural association	Slovakia	Intercultural Cooperation including Minorities	24-30 August 2011, Kosice	48,810.00	4,000.00
17	1202.023-11	Fourth Central European Symposium on Plasma Chemistry	Faculty of Physics, University of Belgrade	Serbia	Science and Technology	21-25 August, 2011, Zlatibor	34,550.00	4,500.00
18	1202.025-11	Microbiological biotechnology – the scientific intensive domain of modern knowledge	Institute of Microbiology and Biotechnology	Moldova	Science and Technology	6-8 July 2011, Chisinau	28,720.00	6,000.00
19	1202.026-11	Whose World? Transnationalism and Glocalisation in the 21st Century	Student International Exchange Network SIEN Foundation	Hungary	Intercultural Cooperation including Minorities	14-24 July 2011, Pecs	32,900.00	5,000.00
20	1202.040-11	Workshop on Well-posedness of Optimization Problems and Related Topics	Institute of Mathematics and Informatics, Bulgarian Academy of Sciences	Bulgaria	Science and Technology	September 12-16, 2011, Borovets	24,155.00	6,000.00
21	1202.044-11	Bridges of Media Education 2011	Department of Media Studies Faculty of Philosophy, University of Novi Sad	Serbia	Information Society and Media	10-17 July 2011, Novi Sad	32,278.00	7,000.00
22	1202.052-11	6th International Student Film Camp "Interaction 2011"	Independent Film Centre "Filmart", Pozega	Serbia	Intercultural Cooperation including Minorities	11-29 August 2011, various locations	38,007.00	5,000.00
23	1202.055-11	Second edition of the Kinookus Gastro Film Festival	Association KINOOKUS	Croatia	Intercultural Cooperation including Minorities	14-18 September 2011, Ston	45,004.22	4,000.00
24	1202.066-11	Two Open Weeks of Plavo pozoriste	Theatre Laboratory Plavo pozoriste	Serbia	Intercultural Cooperation including Minorities	18-30 July 2011, various locations	24,915.00	6,000.00
25	1202.067-11	Fest Anca – international animation festival	ANCA, o. z.	Slovakia	Intercultural Cooperation including Minorities	1-3 July 2011, Bratislava	55,000.00	5,000.00
26	1202.068-11	High level expert meeting in energy	Ministry of Mining and Energy	Serbia	Climate, Environment and Sustainable Energy	October 2011, Belgrade	29,055.00	11,000.00
27	1202.069-11	Maremetraggio	Associazione Maremetraggio	Italy	Intercultural Cooperation including Minorities	1-9 July 2011, Trieste	312,000.00	7,000.00
28	1202.071-11	Next Generation Biofuels: From Research through Policy to Industry. A Challenge for the Central European Initiative in view of European Integration	University of Debrecen	Hungary	Climate, Environment and Sustainable Energy	23-25 May 2011, Budapest	44,661.00	15,000.00
29	1202.078-11	SEEMO South East and Central Europe Media Handbook (SMH) Edition 2011	South East Europe Media Organisation (SEEMO) - International Press Institute (IPI), Vienna	Austria	Information Society and Media	January – November 2011	64,500.00	8,000.00
30	1202.001-11	Advanced School on Understanding and Prediction of Earthquakes and other Extreme Events in Complex Systems	The Abdus Salam International Centre for Theoretical Physics, ICTP	Italy	Science and Technology	26 September – 8 October, 2011, ICTP, Trieste	12,420.00	3,500.00



ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
31	1202.002-11	XXth DOK_SIS 2011 International Conference, Document Management System (DMS)	media.doc Association	Slovenia	Information Society and Media	28-30 September 2011, Kranjska gora	40,492.00	5,000.00
32	1202.005-11	Science Academies in the Central and Eastern Europe and their Role in Knowledge-based Society	National Academy of Sciences of Belarus	Belarus	Science and Technology	13 -14 October 2011, Minsk	33,920.00	5,000.00
33	1202.006-11	CEI HRD Forum "Incentives Supporting Higher Participation of People in Lifelong Learning – Good Practice Examples"	National Training Fund	Czech Republic	Human Resource Development	24-25 November 2011, Prague	27,770.00	11,400.00
34	1202.007-11	Organic production - a model of sustainable agriculture	Regional Chamber of Commerce Novi Sad	Serbia	Sustainable Agriculture	13 October 2011, Novi Sad	15,883.00	4,200.00
35	1202.009-11	XII CEI Youth Forum	Ministry of Youth and Sport	Serbia	Human Resource Development	2-4 November 2011, Subotica	36,521.50	7,000.00
36	1202.013-11	VII International Forum of Aquileia Euroregion: The European "Mosaic" and New World Empires - REALPOLITIK UNITING REGIONS	Mitteuropa Association	Italy	Interregional and Crossborder Cooperation	21 October 2011, Gorizia	38,455.00	6,000.00
37	1202.016-11	International research and practice conference "Experience of saving historical-cultural heritage and cross-border cooperation in the field of cultural tourism"	Vitebsk State University	Belarus	Enterprise Development including Tourism	23-25 November 2011	11,010.00	4,500.00
38	1202.028-11	Literature in flux – via Danube	HALMA, the European network of literary centers	Austria	Intercultural Cooperation including Minorities	not specified	28,830.00	4,000.00
39	1202.032-11	4-th Congress of Oncologists of the Republic of Belarus	N.N. Alexandrov National Cancer Centre of Belarus	Belarus	Science and Technology	17-18 November 2011, Minsk	39,786.00	4,000.00
40	1202.033-11	Maia Workshops	Fabulafilm srl	Italy	Intercultural Cooperation including Minorities	26-30 September 2011, Viterbo	45,150.00	10,000.00
41	1202.045-11	Perspectives of development of valuation activity	Belarusian State Technological University	Belarus	Science and Technology	15-18 October 2011, Minsk	23,279.00	5,000.00
42	1202.046-11	IV Youth Meeting of Central European Countries on the Topic "Right to Dialogue"	Associazione Poesia e Solidarietà (Association Poetry and Solidarity)	Italy	Intercultural Cooperation including Minorities	23-25 September 2011, Trieste	26,765.00	4,000.00
43	1202.047-11	Young Visual Artists Awards Exhibition and Symposium	Foundation – Center for Contemporary Art, Bratislava; Young Visual Artists Awards, New York	Slovakia	Intercultural Cooperation including Minorities	3-4 October 2011, Bratislava	40,000.00	6,000.00
44	1202.048-11	8th DRC (Danube Rectors' Conference) Summer School on Regional Co-operation: "EU Strategy for the Danube Region - Perspectives for the future"	Institute for the Danube Region and Central Europe (IDM)	Austria	Human Resource Development	3-10 July 2011, Vienna	43,160.00	5,000.00
45	1202.049-11	17th CEI International Summer School of Cervia "Beyond Enlargement. The Wider Europe and the New Neighbourhood"	IECOB Institute for Central Eastern Europe and the Balkans (Istituto per l'Europa Centro-Orientale e Balcanica)	Italy	Human Resource Development	4-17 September 2011, Cervia	83,915.00	12,000.00
46	1202.050-11	Training course against Racism, Racial Discrimination and Xenophobia	International Development Alliance	Bulgaria	Intercultural Cooperation including Minorities	8-14 October 2011, Balatonmariafürdo	19,512.00	5,000.00

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
47	1202.053-11	Carrying out of the international seminar devoted to questions of status assessment of lakes ecosystems in the Central and Eastern Europe and experience from development of Lake Management Programme in EU-countries	Central Research Institute for Complex Use of Water Resources (CRICUWR)	Belarus	Climate, Environment and Sustainable Energy	12-17 September 2011, Minsk	14,370.00	4,390.00
48	1202.054-11	Central European Forum 2011	Project Forum, civic association	Slovakia	Intercultural Cooperation including Minorities	16-18 November 2011, Bratislava	144,320.00	7,000.00
49	1202.056-11	Innovation Forum	Republican Centre for Technology Transfer	Belarus	Enterprise Development including Tourism	13-14 October 2011, Minsk	42,496.00	4,000.00
50	1202.057-11	Capacity Building and Networking in Maternal, Newborn, Child and Adolescent Health	European School for Maternal, Newborn, Child and Adolescent Health – Trieste	Italy	Science and Technology	4–15 July 2011, Trieste	42,269.00	5,000.00
51	1202.058-11	Organization and holding of the international artistic project “Hundred Faces”	National Centre of Artistic Creativity of Children and the Youth (Belarus)	Belarus	Intercultural Cooperation including Minorities	3-6 November 2011, Minsk	30,150.00	4,000.00
52	1202.059-11	Media in Western Balkans during transition; Its challenges and future	Albanian Council on Foreign Relations (ACFR)	Albania	Information Society and Media	July-December 2011	61,250.00	7,000.00
53	1202.061-11	21st International Folk Music Festival “Mikolajki Folkowe”	Association of Folk Culture Animators	Poland	Intercultural Cooperation including Minorities	8-11 December 2011, Lublin	23,410.00	4,000.00
54	1202.062-11	Marketing and branding products and services in the rural areas	HRVATSKI FARMER d.d., Croatia	Croatia	Sustainable Agriculture	13-15 October 2011, Zagreb	84,570.00	7,000.00
55	1202.065-11	Building Central European partnership among NGOs in order to halt biodiversity loss through addressing resource use	CEEweb for Biodiversity	Hungary	Climate, Environment and Sustainable Energy	14-16 September 2011, Budapest	17,660.00	6,000.00
56	1202.073-11	Innovative opportunities for wholesale market operations using “intellectual logistics”	CEI Wholesale Markets Foundation	Poland	Sustainable Agriculture	2-6 October 2011, various locations in Ukraine	44,134.00	7,000.00
57	1202.074-11	International workshop: Strengthening forest products marketing between environmental constraints and society needs in South-East Europe	Slovenian Forestry Institute	Slovenia	Enterprise Development including Tourism	November 2011, Bled	37,106.00	7,000.00
58	1202.076-11	Alpbach Summer School on European Integration (ASSEI) – Belgrade	Club Alpbach Belgrade	Serbia	Human Resource Development	8-18 September 2011, Belgrade	37,700.00	7,000.00
59	1202.077-11	Facilitation of policy design in the agriculture, rural development and food sector in SEE trough provision of a platform for policy dialogue – Agriculture Policy Forum 2011	Regional Rural Development Standing Working Group (SWG)	other	Sustainable Agriculture	12-15 October 2011, Split Croatia	64,290.00	5,320.00
60	1202.063-11	Border dialogues - the 2nd annual Forum for Crossborder Cooperation in a Wider Europe	Institute for Stability and Development	Czech Republic	Interregional and Crossborder Cooperation	26-29 October 2011, various locations	84,560.00	8,000.00
61	1202.004-12	When East Meets West	FVG Audiovisual Fund	Italy	Intercultural Cooperation including Minorities	19-21 January 2012, Trieste	88,580.00	10,000.00

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
62	1202.013-12	Trieste Film Festival	Alpe Adria Cinema	Italy	Intercultural Cooperation including Minorities	19-25 January 2012, Trieste	385,000.00	15,000.00
63	1202.036-12	Cross-border Roma Solidarity	Former State Fostered Children's Association	Hungary	Intercultural Cooperation including Minorities	various	55,038.00	8,000.00
64	1202.038-12	Cleaning up the present – brightening up the future!	Creativa Natura NGO	Serbia	Climate, Environment and Sustainable Energy	1-3 March 2012, Sirig and Backi Jarak	34,180.00	7,000.00
65	1202.045-12	Included not isolated	Association for regional development Pro-Active	Serbia	Intercultural Cooperation including Minorities	February 2012, Temerin	35,020.00	6,000.00
66	1202.052-12	The Global Entrepreneur: supporting the development of a new model of SME and Start-Up	Confcommercio Trieste – Gruppo Giovani Imprenditori	Italy	Enterprise Development including Tourism	26-27 April 2012, Trieste	10,000.00	1,340.00
67	1202.062-12	Cooperation in Rural Micro Societies	Association for Social Stability	Serbia	Sustainable Agriculture	16-19 February 2012, Begec	35,040.00	7,000.00
68	1202.075-12	Online Advocacy – how can business and civil sector use internet communication for lobbying	Serbian Lobbyist Association	Serbia	Information Society and Media	30 March 2012	25,550.00	7,000.00
69	1202.082-12	Sustainable Wine Culture Tourism: Training for Trainers	Council of Europe Directorate of Culture and Cultural and Natural Heritage, Directorate General IV	other	Enterprise Development including Tourism	26-31 March 2012 Chisinau and Purcari, Moldova - Odessa Region, Ukraine	45,062.60	10,000.00
70	1202.086-12	In search of creative government: developing a training program for better management of public knowledge-based organizations	Initiative for Regulatory Innovation, Central European University	Hungary	Interregional and Crossborder Cooperation	January-December 2012	46,790.00	5,280.00
71	1202.090-12	Educational Meeting – workshops “Feljastra ando them” (Roma – Window into the world)	EIP - Association for Euro-integrative programs	Serbia	Intercultural Cooperation including Minorities	27-29 January 2012	33,460.00	6,000.00
72	1202.091-12	Growing Diamonds – The Next Generation of Entrepreneurs. A series of master classes, conference and publication to enhance the development and promotion of entrepreneurship in CEE countries moving to a free economy	PIF Foundation	Poland	Enterprise Development including Tourism	February and March 2012	40,970.00	8,000.00
73	1202.094-12	Fifth Petrov International Symposium on High Energy Physics, Cosmology and Gravity and the First Thirring School on Modern Problems in Astroparticle Physics	Bogolyubov Institute for Theoretical Physics (BITP) of National Academy of Sciences of Ukraine (NASU) and Walter Thirring International Institute for Mathematical Physics, Astrophysics and Nuclear Investigations (TIMPANI)	Ukraine	Science and Technology	April-June 2012, various	30,000.00	5,000.00
74	1202.100-12	Capacity Building Programme in Internet Governance (IG) for Central Europe (CE)	Diplo Centar (Serbia) in cooperation with DiploFoundation (Switzerland/Malta)	Serbia	Information Society and Media	February-October 2012	55,238.00	9,358.00
TOTAL							3,777,845.32	498,713.00

## 5.5. Feature Events

### CEI Venice Forum for Contemporary Art Curators

Contemporary public art practice was the core issue of the fifth CEI Venice Forum for Contemporary Art Curators, held in connection with Biennale Opening Days, on 1 June at the Headquarters of the UNESCO Regional Office in Venice by the “Trieste Contemporanea” Committee in cooperation with the CEI. Commissioners of national pavilions of the Venice Biennale, curators and experts of contemporary art from the CEI region and beyond gathered in Venice for a lively debate on the current curatorial practices. Special focus was put on public art and its implications in terms of type of sites, community involvement and collaboration. Pressing issues such as policymaking in the cultural field were also tackled from the various country perspectives. CEI Secretary General Ambassador Gerhard Pfanzelter, opening the Forum together with Mr. Engelbert Ruoss, Director of the UNESCO Office in Venice, emphasised that over the years, the Forum has been able to successfully promote an ongoing dialogue in the field of contemporary art. Thanks to this initiative, which represents one of the CEI flagship activities, effective networks encompassing a high number of institutions from various countries have been established, generating experience sharing and project partnerships. This year’s Forum has received the patronage of Ms. Androulla Vassiliou, EU Commissioner for Education, Culture, Multilingualism and Youth.

### CEI Dubrovnik Diplomatic Forum

High ranking academics, experienced foreign service officers and young diplomats gathered on 2 - 4 June on the occasion of the 14th CEI Dubrovnik Diplomatic Forum organised by the Croatian Diplomatic Academy in cooperation with the CEI. This CEI feature event aims at developing better understanding through an exchange of views on various aspects of diplomacy and diplomatic training. The Forum was opened by Ambassador Gerhard Pfanzelter who introduced the main theme of the event: “EU and its Neighbours: Prospects and Challenges”. In his introductory speech, he highlighted the role of the CEI in promoting regional cooperation with the aim of accelerating the EU integration process. He also pointed out



Participants at CEI Dubrovnik Diplomatic Forum

that the CEI found itself in a unique geographical position to act as a bridge between different EU macro-regions. Participants paid special attention to the main EU external action policies and instruments such as the Black Sea Strategy, the Eastern Partnership, the EU Enlargement process, the European Neighbourhood Policy, and the Union for the Mediterranean. This year’s Forum was also attended by representatives from non CEI Member States: Azerbaijan, Algeria, Egypt, Malta, and Russia.

### CEI International Summer School

Forty students and civil society activists from CEI region and beyond gathered in Faenza from 4-17 September on the occasion of the 17th edition of the CEI International Summer School “Beyond the Enlargement. The Wider Europe and the New Neighbourhood”. On 14 September, CEI Alternate Secretary General, Giorgio Rosso Cicogna, participated in the Panel on Regional Strategies: the CEI, the EU and the Role of Civil Society Organisations. A special session was also dedicated to the perspectives for the establishment of a CEI Network of Civil Society Organisations (CEI CSONet). The request for establishing a Network of this kind is an initiative put forward on the occasion of the last year’s Summer School in Cerivia in September 2010 by around 60 representatives of NGOs and citizens’ associations operating in the CEI region. They addressed the CEI with a request for the acknowledgement of the Network in order to strengthen the activities of the civil society sector at regional level.

### CEI Youth Forum

This year’s XI CEI Youth Forum held on 2-4 November in Subotica (Serbia) under the Serbian Presidency was organised by the Ministry of Youth and Sport of the Republic of Serbia. The event gathered representatives of national institutions in charge of youth as well as of non-governmental organisations from 16 CEI Member States. Under the theme “The Role of Information in Youth Policy



Participants at CEI Youth Forum

Context”, participants had the chance to discuss issues regarding the nature of human communication as well as the influence of media in creating and presenting information. CEI Deputy Secretary General, Zoran Jovanovic, welcomed participants on behalf of the CEI. The discussions resulted in the elaboration of a Final Declaration.

### CEI Human Resource Development Forum

The CEI Human Resources Development Forum was held on 25 November in Prague back to back with the meeting of the CEI Network of Focal Points on Human Resource Development. Under the theme “Incentives Supporting Higher Participation of People in Lifelong Learning, Good Practice Examples”, senior human resource development executives and experts from 13 CEI Member States - together with the above-mentioned Network - had the chance to provide information and exchange views on the current state of Lifelong Learning in their respective countries. The event witnessed presentations and discussions which helped to identify possible ways of enhancing lifelong learning development in CEI countries. The CEI Focal points, who gathered on the day before, i.e. 24 November, evaluated the previous forums and table proposals of important HRD and education issues for the CEI Plan of Action 2013-15. In this regard, participants agreed to send the recommended themes by 20 December 2011 both to the National Training Fund in Prague, organiser of the event, and to the CEI Secretariat. The HRD Forum is co-financed by the CEI and the Ministry of Foreign Affairs of the Czech Republic.



CEI Focal Points on Human Resource Development

## 5.6. Prizes and Awards

### CEI Award at Trieste Film Festival

In the framework of the Trieste Film Festival 2011, 20-26 January, the CEI Award for outstanding contributions to filmmaking in Central and Eastern Europe was given to the renowned Slovak film director, Dusan Hanak. The award (3,000 EUR) usually focuses on special merits in the promotion of the dialogue of cultures as well

as the preservation of cultural identities. Dusan Hanak was born in 1938 in Bratislava. He started to make feature films after the Soviets invaded Czechoslovakia in August 1968. Most of them were banned from screening immediately after their completion. However, when the communist regime fell in 1989, the director's works won acclaim and awards at various international festivals. His filmography includes 322 (1969), The Pictures of the Old World (1972), Rose Dreams (1976), I Love, You Love (1980), Silent Joy (1985), and Paper Heads (1995). The Trieste Film Festival has established itself as a point of reference and excellence for the film industry in Central and Eastern Europe. This year, the festival was opened by the Academy Award winner, Danis Tanovic, who won an Oscar in 2002 with “No Man's Land”. The CEI has also co-sponsored the Festival's Eastweek project. Thirty young directors and scriptwriters from Central and Eastern European cinema schools took part in project and had the opportunity to attend seminars and special showings. Cooperation among film production companies and the funding opportunities available at national, regional and European level was the focus of another CEI co-funded initiative held this year in the field of cinema, the “When East meets West” project.



Ambassador Pfnzelter presents CEI Award to Dusan Hanak

### CEI Award at International Competition “Premio Trio di Trieste”

On the occasion of the 12th International Competition for Chamber Music Ensembles “Premio Trio di Trieste”, which took place in Trieste from 23 to 28 May, the CEI Award for Outstanding Performance (3,000 EUR) was assigned to the Duo Enescu (Alina Bercu and Dragos Manza) from Romania. The “Premio Trio di Trieste” is an international competition open to groups with piano and string instruments considered both by specialized press and sector experts as one of the major competitions at international level.

### CEI Fellowship for Writers in Residence

This year's CEI Fellowship for Writers in Residence, in the framework of the 26th Vilenica International Literary Festival, 7-11 September, was awarded to Ognjen Spahic from Montenegro by the Fellowship jury. Ognjen Spahic, born in 1977 in Podgorica, has published two collections of short stories and won the 2005 Mesa Selimovic Prize and the 2011 Ovid Festival Prize for the best work of fiction translated into Romanian for the novel *Hansenova djeca* (Hansen's Children, 2004). This novel was also translated into Slovene by Dean Rajcic and published by *Studentska založba* in Ljubljana this year. His works have been translated into several languages. Since 2006, the CEI Fellowship for Writers in Residence has been presented by the CEI in collaboration with the Slovene Writers' Association, as part of the Vilenica Festival. The Fellowship seeks to encourage cross-border cooperation and promotion in the field of literature for young writers from non-EU CEI Member States. The Fellowship, which is endowed with a cash award of 5,000 EUR, is intended to be used for a three-month residence in any CEI Member State of the candidate's choice. During this period, the author is expected to work on the project indicated in the application form.



Ognjen Spahic

### CEI SEEMO Award for Outstanding Merits in Investigative Journalism

The international jury of the CEI SEEMO Award for Outstanding Merits in Investigative Journalism, which met on 26 September at the CEI Headquarters and examined 26 nominations from 13 CEI countries, decided to assign the CEI Award (5,000 EUR) to the Polish journalist Włodzimir Kalicki. His last success in investigative journalism was the tracking down in Germany of a famous painting by the Polish nineteenth century artist, Aleksander Gieryski. That work of art, entitled "A Jewish Woman with Oranges", was stolen from the National Museum in Warsaw during WWII. It was one of the most relevant paintings in the history of Polish art; searched, in vain, for many years after the war. Kalicki's investigations helped Poland regain priceless items of huge value to the national culture.

Furthermore, his articles highly contributed to disseminating information about the loss of the Polish cultural heritage during WWII. Moreover, the Jury decided to award a special investigative journalism diploma to Artan Hoxha (Albania) for his brave and professional coverage of police brutality during Albania's January 2011 anti-government protest and penetrating documentaries on some of the wildest gangs in gangland Albania in the 1990s; to Dijana Suboticki (Serbia) for her work on investigative stories along the news and reports, covering failures, misuse of power and corruption at local and regional level, but also as a message to journalists working on investigative stories at local level; to Matej Surc and Blaz Zgaga (Slovenia), authors of the first of the book trilogy "In the name of the state", for their investigative work on arms trade in Slovenia in 1990, based on consistent research of the arms dealings, supported by numerous documents and verified by credible sources as well as on a cross border investigative cooperation, which is an added value to the whole story.



Awarding Ceremony

## 5.7. University Network

The CEI University Network (CEI UniNet) aims at facilitating cooperation among the universities and other institutions of higher learning through the mobility of students and teaching staff. It is promoted through the implementation of Joint Programmes (i.e. PhD and Master's courses, summer schools, seminars and workshops). A Joint Programme should involve at least two Universities from different CEI Member States and fall within one of the following areas of cooperation (approved at the last Executive Board meeting – 4 June 2010, Budapest):

- Advanced Biotechnology
- Economics
- Environment and Sustainable Development
- ICT
- Infrastructure and Logistics
- Regional Development, Public Administration (including Governance Model)

The CEI University Network General Assembly Meeting - taking place every three years - was hosted by the Adam Mickiewicz University - Centre for European Integration in Poznan on 3 June 2011. Representatives of the CEI UniNet Executive Board and Coordinators of selected Joint Programmes had the chance to meet and exchange views on past and future activities. Special focus was put on the results of the Call for proposals 2010: Participants reaffirmed that the CEI UniNet was a unique instrument for promoting cooperation across the CEI Region and that there was an ever increasing demand especially from non EU Member States. In this regard, they agreed on the fact that the funding issue was the main priority for the future and that efforts in elaborating “ad hoc” project proposals ought to be made in accordance with the selection criteria of EU Programmes. The next call for proposals, to be launched at the beginning of 2012, will be elaborated along these lines. Next year’s Executive Board meeting will be held at the Odessa National Maritime University.



Participants at CEI UniNet General Assembly Meeting

### Joint Programmes approved in 2011

Among the 27 proposals submitted within the CEI UniNet Call for Proposals launched in 2010, 11 post-graduate level courses have been selected this year with a total CEI contribution amounting to 92,700 EUR, provided by Italy.

Table 3 Joint Programmes approved in 2011

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
1	1005.001-011	The Challenges of the Internationalisation: Broad Horizons for Enterprises and Capital in Belarus and Ukraine	Belarussian State University	Belarus	Economics	3-9 October in Belarus and on 10-16 October in Ukraine	68,620	10,000
2	1005.002-011	2nd CEI seminars on standardization method for the control of fish parasites' impact on biodiversity of nature reserve lakes in Central Europe.	IBER BAS, Institute of Biodiversity and Ecosystem Research	Bulgaria	Environment and sustainable development	10-21 August in Albania, Bulgaria and Macedonia	12,000	6,000
3	1005.006-011	Summer School in Policy Making and Politics at the Local Level: V4 countries and other CEE countries in comparative perspective	Technical University of Kosice	Slovakia	Regional development and urban planning; public administration and governance models	19 June - 3 July 2011 in Slovakia	80,947	10,000
4	1005.010-011	Summer School on “Life- long Entrepreneurship Education – Path towards Sustainable Development in the Transition Countries”	Shkodra University “Luigj Gurakuqi”, Faculty of Economics – Shkoder	Albania	Economics, environment and sustainable development	June 01st – July 18th 2011 in Albania, Belarus and Montenegro	18,400	8,000
5	1005.012-011	International Summer University on European Integration Studies	Institute for Social and European Studies Foundation – Corvinus University of Budapest	Hungary	Economics, environment and sustainable development; regional development and public administration	June 25 – July 9, 2011 and September 1, 2011 – June 30, 2012 in K�szeg, Hungary	30,800	7,000
6	1005.013-011	“Risk-Management in European Transport/Logistical Systems involving both EU and non-EU CEI Member States”	Odessa National Maritime University (Ukraine)	Ukraine	infrastructure and logistics	June-July, 2011 in Szczecin, Poland; September, 2011 in Odessa, Ukraine; October, 2011 in Varna, Bulgaria	49,699	8,000
7	1005.016-011	Summer School on “ICT and Innovative Strategies for Sustainable Development - Application in the West Balkans”	University of Montenegro, Faculty of Maritime Studies – Kotor	Montenegro	environment and sustainable development; ICT	June - July 2011 in Albania, Montenegro and Serbia	19,700	7,700

ID	Reference Number	Title	Organiser	Country	Sector	Envisaged implementation	Total estimated cost	Approved CEI contribution
8	1005.017-011	Summer School Faculty of Management Koper International Summer School 2011	University of Primorska, Faculty of Management Koper	Slovenia	economics	2 June - 8 July 2011 in Slovenia	50,975	9,000
9	1005.021-011	The Balkan Travelling Summer School (BTSS): CEI Balkan Travelling Summer School on Professional Skills Development of Doctoral Candidates: PhD for industry or academia?	The Adam Mickiewicz University (Poznań, Poland) in collaboration with the Babes-Bolyai University (Cluj-Napoca, Romania) and the University of Trieste (Italy)	Poland, Romania, Italy	economics	30 August - 8 September 2011 in Bulgaria and Macedonia	48,000	9,000
10	1005.022-011	Master Studies in Product Lifecycle Management	University of Novi Sad	Serbia	environment and sustainable development; ICT	February 2011 (1 year)	30,200	10,000
11	1005.025-011	Summer School on CLIMATE CHANGE AND NATURAL RESOURCE MANAGEMENT	University of Zagreb	Croatia	environment and sustainable development	Spring/Summer 2012	26,300	8,000
TOTAL							435,641	92,700

## 5.8. Science and Technology Network

The CEI Science and Technology Network (STN) operates through the renowned international research centres based in Trieste, known as the Lead Institutions (LIs): the International Centre for Genetic Engineering and Biotechnology (ICGEB), the International Centre for Science and High Technology of UNIDO (ICS-UNIDO), the International Centre for Theoretical Physics ABDUS SALAM (ICTP), the International School for Advanced Studies (SISSA), the Synchrotron ELETTRA, the Consortium Area Science Park and the Cluster in Biomedicine (CBM), as well as their partner / affiliated institutions in other CEI countries. The Network aims at strengthening scientific and technological cooperation and at providing support to the organisation of PhD courses, training programmes, workshops and research activities in fields such as theoretical and applied physics, biogenetics, neurosciences and applied mathematics. Moreover, young scientists from CEI countries, in particular from non-EU CEI Member States, are offered the chance to attend such activities and carry out scientific research in one of the above-mentioned institutions.

Although in 2011 the main activity carried out in the framework of the Science and Technology Network was the CEI Research Fellowship Programme (CERES), thoroughly described in chapter 5.3., the members of the Science & Technology Network have been involved in a number of institutional activities organized by the CEI Secretariat, with the financial support of Italy.

The Annual Meeting of the Executive Board of the Science & Technology Network was held at the CEI Headquarters on 16 February 2011:

all participants agreed that, as financial resources are shrinking, it would be necessary to explore all possibilities of additional financial resources, in particular EU funding. In this regard, the CEI will act as a broker / promoter of project applications jointly prepared with the scientific institutions of the Science & Technology Network. This procedure will soon be implemented in order to draft the proposal on the second edition of the CERES Programme, whose deadline for submission is scheduled on 15 February 2012.



CEI STN Executive Board Meeting

On the occasion of the CEI Ambassadors' Conference in March 2011, a visit to the Network's Lead Institutions was organized: CEI Ambassadors in Rome and Italian Ambassadors in CEI Member States had the chance to acknowledge the excellence of the "Trieste Science System". In June 2011, a meeting gathered various stakeholders and R&D experts at the CEI Headquarters for a preliminary exchange of views towards the elaboration of an integrated regional project on "Next Generation Biofuels and Bio-refineries", a project that the CEI



intends to promote in the near future. A further visit to ELETTRA and FERMI Laboratories and to ICGEB was organized in the framework of the Meeting of CEI Ministers of Science and Technology, held in Trieste on 19 October 2011.

Furthermore, the CEI has supported four activities organized by the Lead Institutions. In April, the CEI co-sponsored the “International School on Nuclear Security”, organized by ICTP and the International Atomic Energy Agency (IAEA), aiming to provide participants with the necessary knowledge to meet obligations under the international nuclear security legal framework, to identify and remedy threats against nuclear security by using radiation detection strategies and to respond to incidents involving nuclear and other radioactive material. In May, the CEI co-financed the international workshop “Investing in Gorizia”, organized by Area Science Park: this event was useful to launch the new technology centre named “technoArea” Gorizia, an aggregator of entrepreneurial projects meant to promote economic and technology-based business with a strong focus on research and innovation. Again in May, the CEI sponsored the “15th Young Neuroscientists Meeting” organized by the International School for Advanced Studies (SISSA) and attended by 80 young researchers from Slovenia, Croatia and Italy. Finally, in July 2011 the CEI co-financed the “Summer School on Active and Healthy Ageing” organized by the Cluster in Biomedicine (CBM).

## 5.9. Solidarity Fund

The CEI Solidarity Fund is used to enable the participation of many representatives and experts, predominantly coming from the non-EU CEI Member States, in various conferences, seminars, symposia, workshops, training courses or other kinds of events either organized or sponsored by the CEI. This Fund represents a valuable instrument to foster cohesion and to strengthen the CEI project-oriented activities to the benefit of the CEI Member States. In 2011, thanks to the Italian contribution to this Fund (8,212 EUR), the CEI has supported the participation of a number of experts in several CEI events as well as project-oriented activities.

## 5.10. BIOM-ADRIA Programme

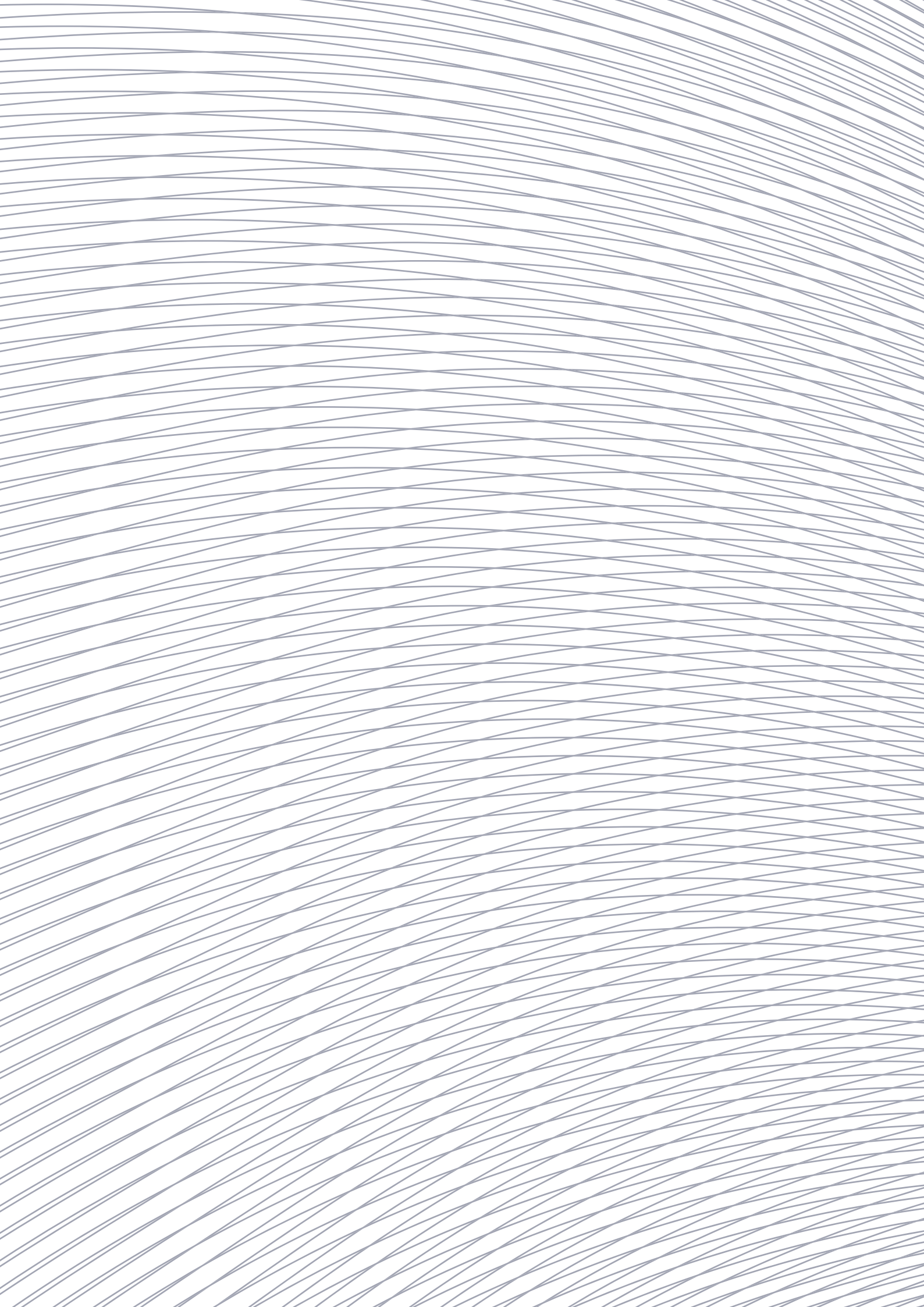
The BIOM-ADRIA Programme is a CEI initiative committed to the use of primary biomass, with specific focus on the use of the agricultural wastes by a direct combustion process. The activities of the Programme are focused on a broader use of agriculture by-products by a direct combustion process as a short-medium term strategy for

territory distributed, thermal energy and electric power co-generation in selected CEI Member States. With respect to the Programme implementation, three phases could be identified:

1. BIOM-ADRIA 1 Project: Feasibility Study, completed by both the preliminary design of the energy system as a whole and the related functional/process specifications for the realisation of a biomass-fed co-generative Energy System (project already successfully implemented with the support of EU INTERREG IIIA funds).
2. BIOM-ADRIA 2 Project: Demonstration Phase in Serbia, in which a first-of-a-kind co-generating prototypical plant is designed, constructed and operated, together with all the related fuel cycle services. In this phase, the reference design of the Padinska Skela CHP (PS-CHP) Demo Plant was prepared and presented to possible donors. At the end of 2010 interest was expressed by SECO (Swiss State Secretariat for Economic Affairs) and a grant financing amounting to 6.8 million EUR was committed by the Swiss Government for the construction/operation of a 5 MW powered co-generative Energy System in Belgrade. The City of Belgrade, assured 1.5 million EUR for financing the hot water distribution network, thus a total budget of 8.3 million EUR is now available for the Demo Plant realisation, Biomass fuel cycle optimisation and Energy Efficiency interventions. According to the construction schedule, the PS-CHP Demo Plant should start with its operation within December 2013.
3. BIOM-ADRIA 3 Project: On the basis of the expected BIOM-ADRIA-2 Project positive results – which should demonstrate the technical and economical advantages of the proposed solution - the realisation of a family of similar energy systems will be proposed, aiming at assuring a significant generation of both thermal energy and electric power distributed on the territory.

A significant outcome from the CEI commitment to all phases of the Programme needs to be particularly outlined, that is the creation of a Team of Experts, who will serve as a tool for expertise for expected further developments.





**CEI Member States:** Albania, Austria, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Italy, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia and Ukraine.

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