

OPERATIONAL CONCLUSIONS – RGF Monitoring Committee – Serbia

2 October 2025

Monitoring mechanisms of the Facility

1. In line with Article 25 of the Facility Agreement, the Ministry of European Integration (MEI) should ensure regular and systemic monitoring, as well as effective tracking and reporting throughout the implementation of the Reform Agenda, with transparent and accessible information.
2. In addition to the Monitoring Committee and the established reporting channels under the Reform and Growth Facility, the progress of the Reform Agenda can also be monitored in the context of the regular dialogue in particular across the relevant Sub-committees established in the framework of the Stabilisation and Association Agreement. Where relevant, complementarities may also be followed in the IPA Monitoring Committee. Operational Conclusions from these fora, where related to the Reform Agenda, should be in line with the operational conclusions stemming from the RGF Monitoring Committee.
3. The requirements of each step are described in the text of the step and in the Reform Agenda, which defines what the beneficiary must implement to meet the requirements of the step, as well as the stated baselines and sources of verification.
4. In case it proves necessary to adjust the sources of verification, the adjustments will be proposed by the beneficiary to the Commission without delay. Where the beneficiary recognises that a step or a source of verification is insufficiently defined, the beneficiary will proactively and promptly liaise with the Commission to align on the interpretation of what constitutes adequate achievement of the step or the source of verification. The Commission will provide guidance (*continuous*).
5. The Commission will monitor implementation gaps in a timely manner, proactively engaging with the beneficiary, in a transparent way. Recommendations will be communicated promptly to ensure that any gaps are addressed in due time.
6. In line with the provisions set out in the Facility Agreement, partial achievement is allowed only in the case of quantitative indicators and targets. If the step is not fulfilled by the original deadline set out in the Reform Agenda or within the twelve months (or twenty-four months for reform steps due in December 2024), the authorities will resubmit the step for the Commission's assessment in the next available reporting window and up until the end of the grace period of the related step. Only at the end of the grace period, partial achievement can be considered, with partial disbursements taking place after assessment. (*continuous*).
7. Where a step has been achieved, the beneficiary shall ensure its irreversibility, in line with Art. 17.4 of the Facility Agreement, and will timely report to the Commission in case its implementation is interrupted.
8. For future RGF Monitoring Committees, the selection of participants from Civil Society Organisations (CSOs) will be carried out in accordance with the agreed Rules of Procedure. The Secretariat will select representatives from CSOs to ensure a balanced mix of sectoral expertise.

9. To facilitate this, the Secretariat will request the National Convention on the European Union (NCEU) to nominate representatives from civil society organisations. The proposal will be sent to the Secretariat at least one month ahead of the relevant meeting. In this respect, if considered appropriate and upon agreement, the Co-Chairs invite additional civil society representatives.
10. The national authorities will ensure transparency and maintain open channels of communication with civil society and other stakeholders, including but not limited to by sharing the results of achievements and involving civil society during the implementation, supporting civil society in their monitoring efforts. The active participation of all relevant CSOs in consultative processes on the respective reform steps will be coordinated by the NCEU. The co-chairs will continue to ensure that all relevant stakeholders, including civil society, have access to the necessary supporting documents in advance of future monitoring committee meetings, in order to be able to contribute effectively to monitoring activities. Civil society will provide additional comments in writing to Serbia's 2024 Annual Report.

Horizontal issues affecting implementation

11. MEI will ensure sufficient and timely communication with line ministries, for example, in providing all relevant documents and requirements, such as the need for translations of supporting documents to ensure effective coordination and implementation of the steps and in order to meet the reporting requirements
12. Technical-level meetings will be held regularly in order to allow for detailed exchanges regarding the implementation of the Reform Agenda.
13. MEI will map all the steps where staffing is required, either as a final result or as part of an intermediary step, and ensure, in collaboration with the Ministry of Finance, the allocation of funding through the 2026 and 2027 state budget planning exercise which is due in the second half of this year (by the end of 2025).
14. For steps that require alignment with EU *acquis*, MEI will ensure that legislation is shared with the Commission for consultation in a timely manner, after a public debate has been conducted and before the draft law is approved by the Government. The draft legislation shall be accompanied by official translations and accompanied by Tables of Concordance and a summary of public consultations.
15. The necessary time for the Commission services to review the draft legislation must be factored in, including the need to ensure that the Commission's feedback is addressed and the required changes integrated by the Government before sending the proposal to the Parliament. The Commission will make an effort to review the legislation swiftly, but depending on the workload, complexity and quality of the draft submitted by Serbia, the review process by the Commission should be expected to last an average of 3 months. Reviews of draft legislation can only begin once a comprehensive package is provided, including all translations and tables of concordance and a summary of public consultations. The MEI will formally submit the legislation for consultation and coordinate with the relevant line institutions for any necessary further input (*continuous*).

Any amendments made during the parliamentary process must be clearly highlighted and communicated. It is crucial that such changes do not compromise alignment with the EU *acquis*, as this could affect the achievement of the reform step (*continuous*).

16. The National RGF Coordinator will proactively identify reform steps that require prior consultation of the Commission services or other relevant bodies and clearly communicate the expected submission dates to line ministries. This will allow for proper planning and ensure timely coordination (*continuous*).
17. The National RGF Coordinator, together with line institutions, will plan ahead for consultation with the Commission, as well as other relevant bodies, and allocate sufficient time for the review process, to ensure that the entire legislative cycle, including drafting, public consultation, government procedures, the consultation process, incorporating feedback, any further consultation on feedback, time for Parliament approval, and publication in the Official Gazette, is factored into the timeline.
18. The National RGF Coordinator will collaborate with the Ministry of Finance and all other ministries and institutions involved in RGF implementation to align financial resources with the planned reforms. They will jointly ensure that line institutions budget funds for implementation of all 2026 and 2027 steps, including also possible technical assistance that cannot be supported through the IPA III instrument. The Ministry of Finance will ensure that the 2026 and 2027 state budget planning exercise, will prioritise Reform Agenda steps and the medium-term planning process already reflects the budget needed for implementation of 2027 steps.
19. The National RGF Coordinator will conduct a systematic gap analysis to identify steps where no previous technical assistance has been provided and assess whether technical expertise is required, proactively communicating these gaps early on and implementing the relevant measures to detect and prevent double funding.
20. The National RGF Coordinator will supplement the gap analysis with the donor mapping exercise, which is expected to be finalised to provide a clear and transparent overview of where external assistance is already being deployed, following the principles and instructions indicated in the guidance note shared by the Commission. Once completed, the donor mapping must be shared with the Commission to ensure coordination and avoid overlaps in support.
21. To facilitate this, the RGF MC encourages donors/ development partners to regularly provide detailed information on ongoing and planned support in a timely manner to MEI.
22. Following the publication of the Commission's assessment on the achievement of the reform steps, the RGF Coordinator and the Commission will discuss the assessment on the implementation of the steps, with an aim to provide further guidance on those steps not considered achieved.

Audit and control systems

23. The institutions implementing the Reform and Growth Facility are responsible for ensuring appropriate internal control and audit functions. The National RGF Coordinator, along with the institutions responsible for fulfilling audit functions and/or their coordination, will coordinate effectively to carry out audits on the functioning of internal controls, risk management and governance processes of involved institutions, and where relevant, the Audit Authority will carry out audit of the implementation of steps in line with a risk assessment approach. The Commission

will provide specific feedback and relevant clarifications on the role of the Anti-fraud coordination service (AFCOS) under the RGF.

24. Each Declaration of Assurance is expected to rely on the management declarations provided by heads of concerned institutions and will include a summary of audits conducted so far, ensuring transparency and accountability in the monitoring and implementation process.
25. In line with the provisions of Article 12(8) and Article 9(1) of the Facility Agreement, the Commission initiated the necessary procedures to perform a systems audit of the internal control systems. The National RGF Coordinator was informed on 18/09/25.

Western Balkans Investment Framework (WBIF)

26. While the WBIF investment pipeline is indicative and allows for adjustments to reflect project maturity and emerging priorities, it is essential to maintain a certain level of stability in the pipeline to ensure its effectiveness for planning and funding allocation. The RGF Coordinator will clearly identify and confirm which projects are sufficiently mature to be submitted for financing under WBIF and will submit an updated indicative investment pipeline after its adoption by the Capital Investment Committee, without further delay.
27. The institutions implementing the Reform and Growth Facility are responsible for ensuring adequate mainstreaming of climate change and environment, throughout the identification, selection and implementation of WBIF investments, in line with Article 3(2) of the Facility Agreement.
28. The Commission, and IFIs will review the WBIF project support mechanism, including all relevant procedures and take necessary steps in order to accelerate relevant actions to implement important infrastructure projects in an efficient and effective manner, and to ensure that support to projects through WBIF mechanisms remains ambitious.

Communication and visibility

29. The national authorities confirmed that the implementation of the Communication and Visibility Plan is ongoing, and that the planned communication activities will be carried out without delay, providing sufficient funds and resources, and ensuring timely feedback and alignment of key public messaging in consultation with the Commission.
30. The National RGF Coordinator shall provide regular updates on the state of play of communication and visibility activities on the RGF.
31. The Commission will constantly monitor the implementation of the Communication and Visibility Plan based on the information provided by the National RGF Coordinator.