

Template:	Norwegian and Non-Norwegian NGOs	Revision no.:	1
Amendment/Addendum	Grant Management Regime I, II and III	Date:	01.03.2016

**ADDENDUM NUMBER 1 TO AGREEMENT BETWEEN THE NORWEGIAN MINISTRY OF FOREIGN AFFAIRS AND THE COMMISSION FOR PROTECTION OF COMPETITION CONCERNING INCREASING ECONOMIC GROWTH THROUGH SUPPORT TO PROMOTION OF COMPETITION POLICY, SRB-17/0014**

ПРИМЉЕНО: 17-07-2019			
Орг. ј-д.	БРОЈ	Прилог	Врста:
7/0	-02	-59/2019	-4

## **1 BACKGROUND**

- 1.1 The Norwegian Ministry of Foreign Affairs (MFA) represented by the Royal Norwegian Embassy in Belgrade (the Embassy) and the Grant Recipient (jointly referred to as the Parties) has entered into an agreement dated 1 November, 2017 (the Agreement) concerning "Increasing economic growth through support to promotion of competition policy", SRB-17/0014 (the Project).
- 1.2 The Grant Recipient has submitted a request to MFA dated 12 July, 2019 regarding additional financial support to the Project, extension of the Support Period, and budget reallocation, with which MFA has decided to comply.
- 1.3 The Parties have agreed to amend the Agreement through this addendum number 1 (the Addendum), which shall be an integrated part of the Agreement.

## **2 EXTENSION OF THE SUPPORT PERIOD**

- 2.1 The Support Period set forth in the Agreement shall hereby be extended to 31 May 2020.

## **3 ADDITIONAL GRANT**

- 3.1 MFA shall, subject to Norwegian parliamentary appropriations and on the terms and conditions of the Agreement and this Addendum, provide an additional grant not exceeding NOK 65,495 (Norwegian Kroner sixty-five thousand four hundred ninety five) (the Additional Grant).
- 3.2 The Additional Grant shall be used exclusively to finance new components of the Project, as specified in the budget attached as Annex A to this Addendum, and in the Budget reallocation request and justification during the Support Period.
- 3.3 The Additional Grant shall be disbursed upon signing of this Addendum.

## **4 BUDGET REALLOCATION**

A budget reallocation request has been submitted on 12 July 2019, whereby substantial savings have been made and new activities have been proposed, with which the Embassy has decided to comply.

## **5 REMAINING CONDITIONS OF THE AGREEMENT**

- 5.1 All other provisions of the Agreement shall remain unchanged and in force.

## **6 ENTRY INTO FORCE AND DURATION**

- 6.1 The Addendum shall enter into force on the date of the last signature, and remain in force until all obligations arising from it have been fulfilled.

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This Addendum has been signed in two -2- original copies in the English language, whereof the Parties keep one each. In the event of any discrepancies between this English language version and any later translations, the English language version shall prevail.

Place: Belgrade

Date: 16/7. 2019



for the Norwegian Ministry of Foreign Affairs.

Janne Marit Knutrud

Deputy Head of Mission

Embassy in Belgrade



for the Commission for Protection of Competition,

Miloje Obradovic

President

Attachments:

Annex A: Revised budget

Annex B: Logical framework

Financial report of project - Increasing economic growth through support to promotion of competition policy	Currency - EUR				Agreed amount of Embassy grant (latest approved budget)	Spent Embassy grant as at 30 April 2019	Contracted (agreed amount per service contract)	Savings	New budget (projection)	CPC Contribution	Explanation of budget items
	Costs	Unit	# of units	Unit rate							
1.Human resources											
1.1 Project manager (100% of working time)	Per month										Public procurement- the most favourable offer  The project team estimated that there was no need to extend the contract with the project manager. The current contract is valid until March 2020.
		24	1600	38 400,00	38 400,00	12 403,74	24 000,00	14 400,00	24 000,00	0	
1.2 Senior Legal expert	Per day										
		30	120	3 600,00	3 600,00	2 736,45	2 736,45	863,55	2 736,45	0	
1.3 Junior Legal expert	Per day										
		40	80	3 200,00	3 200,00	2 432,52	2 432,52	767,48	2 432,52	0	
1.4 International Expert - forensic trainer	Per trainee										
		20	1000	20 000,00	20 000,00	4 144,30	4 144,30	15 855,70	4 144,30	0	
1.4.a Expert forensic trainer	Training per public procurement specification										Public procurement- the most favourable offer
				31 650,00					31 650,00	0	
1.5 Advocacy and public debate trainer	Per workshop										Public procurement- the most favourable offer
		15	120	1 800,00	1 800,00	1 608,62	1 608,62	191,38	1 608,62	0	
1.6 Short term experts-panelists	Per person/day										Public procurement- the most favourable offer
		45	120	5 400,00	5 400,00	4 676,66	4 750,00	650,00	4 750,00	0	
Subtotal Human Resources (grant recipient)					72 400,00	72 400,00	28 002,29	39 671,89			
2. Travel											
2.1. Travel of project staff and experts											
2.1.1 International travel for International expert	Per flight										This was the obligation of the supplier of equipment per tender documentation
		2	450	900,00	900,00	0,00	0,00	900,00	0,00	0	

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2.1.2 Local transportation	Per km											The actual transportation took place with the use of one mini-van, whereas it was planned that individual panelists would use their own cars.
		10 000	0,22	2 200,00	2 200,00	715,51	715,51	1 484,49	715,51	0		
2.1.3 Per diems for missions of international experts to Serbia (for mission for the purposes of delivery of trainings of International expert)	Per day/expert	18	158	2 844,00	2 844,00	0,00	0,00	2 844,00	0,00	0		This was the obligation of the supplier of equipment per tender documentation
2.1.4 Per diems for local missions in Serbia	Per day/expert	24	100	2 400,00	2 400,00	0,00	0,00	2 400,00	0,00	0		In line with the tender documentation, this expense falls on the account of the consultant
2.2. Travel of the project beneficiary(ies)												
2.2.1 Local travel	Per km	10000	0,22	2 200,00	2 200,00	0,00	2 200,00	0,00	2 200,00	0		In line with the tender documentation, this expense falls on the account of the consultant
2.2.2 Per diems	Per person/day	24	100	2 400,00	2 400,00	0,00	0,00	2 400,00	0,00	0		
<b>Subtotal Travel</b>				<b>12 944,00</b>	<b>12 944,00</b>	<b>715,51</b>	<b>2 915,51</b>	<b>10 028,49</b>	<b>2 915,51</b>	<b>0,00</b>		
3. Investments, equipment and supplies												
3.1 Purchase of equipment or supplies												
3.1.1 Forensic hardware												
3.1.1.1 Special digital forensic lap-top	Per item	6	3500	21 000,00	21 000,00	12 246,47	12 246,47	8 753,53	12 246,47	0		Public procurement- the most favourable offer
3.1.1.2 Forensic Duplicator Kit	Per item	3	1600	4 800,00	4 800,00	4 719,88	4 719,88	80,12	4 719,88	0		
3.1.1.3 Forensic imager Kit	Per item	3	4500	13 500,00	13 500,00	11 546,68	11 546,68	1 953,32	11 546,68	0		Public procurement- the most favourable offer
3.1.1.4 Forensic work Station	Per item	1	20000	20 000,00					20 000,00	0		
3.1.2 Forensic software												
3.1.2.1 License for Guidance Software EnCase V8	Per item	12	800	9 600,00	9 600,00	9 580,57	9 580,57	19,43	9 580,57	0		
3.2 Procurement of works and services												
3.2.1 Construction works etc.												
3.3 Rent of equipment												
3.3.1 Projector translation eq., car etc.	Per day	8	250	2 000,00	2 000,00	0,00	0,00	2 000,00	0,00	0		
<b>Subtotal Equipment</b>				<b>50 900,00</b>	<b>50 900,00</b>	<b>38 093,60</b>	<b>38 093,60</b>	<b>10 807,40</b>	<b>50 900,00</b>	<b>0,00</b>		
4. Office costs												
4.1. Consumables	Per month	24	50	1 200,00	1 200,00	0,00	1 200,00	0	1 200,00	0		
4.2 Accounting services	Per month	24	100	2 400,00	2 400,00	1 503,43	2 400,00	0	2 400,00	0		
4.3. Other services												

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4.3.1 Utilities (telephone)	Месячно										
		24	100	2 400,00	2 400,00	0,00	0,00	2 400,00	0,00	0	
4.3.2 Web-site design and maintenance	Lump sum	1	5000	5 000,00	5 000,00	0,00	5 000,00	0,00	5 000,00	0	
4.4 Bank charges	Per month	24	80	1 920,00	1 920,00	0,00	0,00	1 920,00	0,00	0	
<b>Subtotal Office costs</b>				<b>12 920,00</b>	<b>12 920,00</b>	<b>1 503,43</b>	<b>8 600,00</b>	<b>4 320,00</b>	<b>8 600,00</b>	<b>0,00</b>	
<b>5. Other activity costs</b>											
5.1 Printing of publications											
5.2 Translation, interpreters	Per day	8	300			0,00	0,00			2 400,00	
<b>5.3 Event costs</b>											
5.3.1 Rent of venue (for the public debates and workshops with stakeholders under Outcome 1)	Per day	10	300	3 000,00	3 000,00	0,00		3 000,00	0,00	0,00	
5.3.2 Refreshments/catering for public debates and workshops with stakeholders under the Outcome 1 (at least 10 events)	Per person/day	200	20	4 000,00	4 000,00	447,26	4 000,00	0,00	4 000,00	0,00	
5.3.3 Refreshments and catering for the participants (CPC staff) of the trainings	Per person	200	20	4 000,00	4 000,00	0,00	4 000,00	0,00	4 000,00	0,00	
5.3.4 Moderator of the public debates and events	Per event	10	200			0,00				2 000,00	
<b>5.4 Other</b>											
5.4.1 Social media strategy design		1	2 500,00	2 500,00	2 500,00	2 494,44	2 494,44	5,56	2 494,44	0	
5.4.2 Communication Expert - for online communication	Per month	24	1 200,00	28 800,00	28 800,00	0,00	16 871,79	11 928,21	16 871,79	0	
5.4.3 Copywriting and maintenance of content on social network accounts	Per month	24	600	14 400,00	14 400,00	5 722,92	13 602,91	797,09	13 602,91	0	
5.4.4 Design and production of animation videos for the visibility purposes	Per unit	3	2 000,00	6 000,00	6 000,00		6 000,00	0,00	6 000,00	0	
<b>5.5 The development of crises communication strategy of the CPC and accompanying procedures and guidelines, along with provision of the related training (crises communication) for the CPC management and Professional Service, as well as provision of training for the CPC management and staff on public appearance</b>											
5.5.1 Crises communication strategy of the CPC		1	8 000,00	8 000,00					8 000,00	0	
5.5.1.1 Crises communication procedures and guidelines		1	3 000,00	3 000,00					3 000,00	0	
5.5.2 Training sessions for the CPC Council members, the President and Division heads on PR crises management (with modules including case studies and evaluation)	Per training	2	1 340,00	2 680,00					2 680,00	0	
5.5.3 Training sessions for the CPC Professional Service staff on PR crises management (with modules including case studies and evaluation)	Per training	3	1 340,00	4 020,00					4 020,00	0	
5.5.4 Training sessions for the CPC Council members, the President and Division heads on public appearance (with tailor-made advice on daily situations and final evaluation)	Per training	2	1 340,00	2 680,00					2 680,00	0	
5.5.5 Training sessions for the CPC Professional Service staff on public appearance (with final evaluation)	Per training	3	1 340,00	4 020,00					4 020,00	0	

In line with the tender documentation, this expense is borne by the main project consultant

Venues were secured free of charge

Public procurement - the most favourable offer

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5.5.6 Training Session for the GPC Professional Service Station public appearance outside the GPC business premises	Per training	1	6 780,00	6 780,00					6 780,00	0
<b>ADDITIONAL ACTIVITIES TOTAL</b>				31 180,00					31 180,00	0,00
<b>Subtotal Other costs, services</b>				<b>62 700,00</b>	<b>62 700,00</b>	<b>8 664,62</b>	<b>46 989,14</b>	<b>15 730,86</b>	<b>78 149,14</b>	<b>4 400,00</b>
<b>Subtotal direct eligible costs</b>				<b>211 864,00</b>	<b>211 864,00</b>	<b>76 979,45</b>	<b>136 250,14</b>	<b>75 613,86</b>	<b>219 080,14</b>	<b>4 400,00</b>
<b>6. Audit costs</b>										
6.1 Expenditure verification (Audit) - required for all projects exceeding 20,000 EUR	Lump sum	1	2000	2 000,00	2 000,00	797,45	1 600,00	400,00	1 600,00	0
<b>Total</b>										

Public procurement- the most favourable offer

NB: The Applicant is responsible for the correctness of the financial information provided.

Additional funds requested: 6816,14

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#### RESULTS FRAMEWORK:

LEVEL	EXPECTED RESULT	INDICATORS	Indicator data				Data source of verification	Comments
			BASELINE Y0	TARGET Y1	TARGET Y2	FINAL TARGET YX		
IMPACT	To improve enforcement and increase awareness of the competition policy in Serbia.	Progress in this area (Chapter 8 - Competition Policy) acknowledged in the EU's country progress report for Serbia	2016: "The CPC needs to strengthen its enforcement record...". <sup>1</sup>	2018 (July): "The CPC has further strengthened its enforcement record".	2019: N/A <sup>2</sup>	2020: "The CPC has significantly strengthened its enforcement record".	European Commission Serbia Report(s) 2016, 2018, 2020	
OUTCOME 1	To promote the solutions from the new Draft Law on the Protection of Competition.	Number of solutions to the new Draft Law proposed to the Ministry in charge.	2017: 0	2018: >30		2018: >30	CPC website	
OUTPUT 1.1	CPC skills for promotion of the new Draft Law on Protection of Competition enhanced.	Number of CPC employees who actively participate in promoting the Draft Law.	2017: 0	2018: >10		2018: >10	CPC work reports	
OUTPUT 1.2	The understanding	Number of useful comments from the	2017: 0	2018: >10	2019	2019	Reports from the public discussions	

<sup>1</sup> European Commission Serbia Report 2016. p.38. [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key\\_documents/2016/20161109\\_report\\_serbia.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/key_documents/2016/20161109_report_serbia.pdf)

<sup>2</sup> The next EC report for Serbia is expected in July 2018, and the next one in 2020.

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	of key stakeholders of the proposed solutions in the new Law on Competition achieved	key stakeholders attending public discussions/workshops on the proposed solutions to the new Draft Law on Protection of Competition.					for the business community and the public; Reports from the workshops for media	
OUTCOME 2	To increase detection rate of competition infringements	Increase in the detection rate of infringement cases on annual basis	2017: N/A	2018: 5%	2019: 10%	2019: 10%	CPC Annual Reports	Baseline will be determined in early stages of the Project.
OUTPUT 2.1	Technical CPC capacities for detection of the competition infringements raised.	The CPC forensic software upgraded.  The CPC forensic hardware upgraded.  New forensic workstation obtained.	2017: 0  2017: 0  N/A	2018: 1  2018: 1  N/A	   2019: 1	2018: 1   2019: 1	The CPC work reports. Forensic hardware/software.  The CPC work report. New forensic workstation.	This is a binary presented indicator, where 0 = it is not upgraded, and 1 = it is upgraded
OUTPUT 2.2	CPC staff (further) trained to use the new technical equipment for detection of competition	Number of the CPC staff who obtain certificate of training	2017: 0   N/A	2018: 20   N/A	   2019: 3	2018: 20   2020: 3	Number of certificates obtained   Number of	   *Explanatory



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	infringements						certificates obtained	note: this output is envisaged as additional training for 3 CPC employees (as described in the Justification for reallocation of savings/ grant of additional funds)
OUTCOME 3	To raise the level of competition culture and awareness among key stakeholders in Serbia	Percentage of the public and stakeholders who understand competition rules and policy, as well as the role of CPC in protecting competition	2017: TBD	2018:	2019	2019: TBD	EU Progress Report for Serbia 2018  Foreign Investors Council White Book  Three brief pop-up surveys / questionnaires distributed by CPC staff to attendees of public events on competition related topics.	

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OUTPUT 3.1	Public outreach and visibility of the CPC increased	CPC website developed and launched	2017: 0	2018: 1	2019	2019: 1	The CPC website.	This is a binary presented indicator, where 0 = it is not developed, and 1 = it is developed. The CPC new website will be modern and user friendly.
OUTPUT 3.2	Competition rules explained and the CPC visibility and presence in the social networks enhanced	Strategy for the presence of the CPC in the social media/ networks designed and implemented (Copywriting, designing, monitoring, reporting, maintaining LinkedIn profile, content publishing and other communication with the followers (Community Management))  Short animation videos at the social media/networks with	2017: 0	2018: 1	2019	2019: 1	CPC social network profiles	This is a binary presented indicator, where 0 = it is not developed, and 1 = it is developed. The CPC new website will be modern and user friendly.

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		the aim to raise awareness on the importance of competition policy designed and published						
		CPC staff coached on how to maintain social media networks						
OUTCOME 4	To raise the capacities of the Commission for dealing with crisis situations and appearing in public	Higher level of preparedness of the CPC staff and governing bodies for dealing with crisis situations and increased quality of their appearance in public	2019: 0	2019: 0	2020: 1	2020: 1	Training reports  Press clipping reports (the mention and appearance of the CPC in media)	This is a binary presented indicator, where 0 = it is not developed, and 1 = it is developed.
	Enhancing operational efficiency of the CPC	Enhanced operational efficiency of the CPC						
OUTPUT 4.1	Crisis communication strategy created	Strategy developed by PR experts or agencies	2019: 0	2019: 0	2020: 1	2020: 1	Crisis communication strategy itself	This is a binary presented indicator, where 0 = it is not

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								developed, and 1 = it is developed.
OUTPUT 4.2	Crises communication procedures and guidelines developed based on the crisis communication strategy	Crises communication procedures and guidelines developed by PR experts or agencies	2019: 0	2019: 0	2020: 1	2020: 1	Crisis communication procedures and guidelines	This is a binary presented indicator, where 0 = it is not developed, and 1 = it is developed.
OUTPUT 4.3	Training on crises PR and on media appearance for the CPC President, Council members, Division heads and the CPC staff designed and organised	Number of participants from the CPC present at the crises PR and media appearance training  Video material	2019: 0	2019: 0	2020: 1	2020: 1	Evaluation forms and/ or questionnaires distributed to all the training participants	

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