

IPA III Results Framework Indicator Methodology Note

1. Indicator code and name
IPA III RF 3.1.1.2: Length of distribution lines constructed or upgraded with EU support
2. Technical details
<p><u>OPSYS and Results Dashboard code:</u> 67988.</p> <p><u>Unit of measure:</u> Kilometre (km)</p> <p><u>Type of indicator:</u> <i>Quantitative; Numeric; Actual (ex-post); Cumulative (not annual).</i></p> <p><u>Level of measurement:</u> This is an output indicator. It would logically be associated with an output such as "Improved and resilient to climate change energy infrastructure".</p> <p><u>Disaggregation:</u></p> <ul style="list-style-type: none"> • The indicator must be disaggregated by: i) new distribution lines (constructed) and ii) additions, modifications, and upgrades of distribution lines (upgraded). • Where relevant / possible, please disaggregate by: location (rural/urban/regional) <p>Any disaggregation should be agreed with the relevant ministry or IP in advance</p> <p><u>DAC sector codes:</u></p> <p><u>Main associated SDG:</u> SDG 7 - Affordable and clean energy.</p> <p><u>Other associated SDGs:</u> SDG 9 - Industry, innovation and infrastructure.</p> <p><u>Associated IPA III Level 1 indicator:</u></p> <ul style="list-style-type: none"> • Energy Intensity Level of Primary Energy (source: Eurostat online data code: nrg_ind_ei) (Ind. 3.1.1). <p><u>Associated IPA III Level 3 indicators:</u></p> <ul style="list-style-type: none"> • Amount and share of EU-funded external assistance contributing to: (a) climate change (adaptation and mitigation), (b) protecting biodiversity, c) combating desertification, (d) protecting the environment (Aid to Env) • Amount and share of EU-funded external assistance directed towards digitalisation • Leverage of EU blending and guarantee operations financed by EU external assistance, measured as: (a) Investment leverage ratio, (b) Total eligible financial institution financing leverage ratio, (c) Private financing leverage ratio.
3. Policy context and Rationale
<ul style="list-style-type: none"> • IPA III PF: Window 3 - Green Agenda and Sustainable Connectivity, Thematic Priority 2: Transport, digital economy and society, and energy. • Chapter of the Acquis: the main concerned chapters of the EU <i>acquis</i> under this section are chapter 15 (Energy) and chapter 21 (Trans-European networks), distributed in clusters 2 (Internal Market), 3 (Competitiveness and Inclusive Growth) and 4 (Green agenda and sustainable connectivity). • The indicator also corresponds to the EFSD+ Investment Window 2- Energy

The [Energy Community Treaty](#) created in 2006 an internal market in electricity and natural gas bringing together the 28 Member States of the European Union (EU) and 6 European states and territories in the Balkans (Albania, Bosnia and Herzegovina, Macedonia, Montenegro, Serbia and Kosovo).

The EU completed the overhaul of its energy policy framework towards an Energy Union in 2019 which enables the transition to clean energy and sets the EU on the path towards achieving its Paris Agreement commitments. The [Clean energy for all Europeans](#) package encompasses policy regulations to make the electricity market more interconnected, flexible and consumer-centred, to ensure the security of electricity supply in crisis situations (risk-preparedness in the electricity sector); to strengthen the role and functioning of ACER - the Agency for the Cooperation of Electricity Regulators; to set the path for Europe's transition towards clean energy sources.

IPA III support will place a strong emphasis on energy market integration (including within the framework of the Energy Community Treaty), decarbonisation and just transition, increased digitalisation of the system and smart grids, demand-side and supply-side, energy efficiency, including modernisation of district heating, and energy security.

The Trans-European Networks for Energy (TEN-E) strategy, which is focused on linking the energy infrastructure of EU countries, is part of the legislative framework of the Energy Community and has to be adopted by all parties. For the members of the Energy Community Treaty, projects included either in the list of [projects of the Energy Community interest](#) ("PEICs") or in the list of projects of Mutual Interest (PMI) will be given a priority status.

4. Values to report

All of the following values must be determined according to the definitions provided in Section 5 below.

- **Reporting values in the logframe:**
 - **Baseline value:** The value assumed by the indicator at time t0, against which progress will be assessed.
 - **Reporting of current value** is done at least once a year: actual latest value on the total number of km by the time of reporting and according to the applicable definitions provided in section 5 of the note. Values will be reported cumulatively across the whole implementation period.
 - **Final target value:** estimated total number of km by the target year and according to the applicable definitions provided in section 5 of the note.
- **Intermediate targets (milestones).** A tool has been developed in OPSYS to automate the generation of intermediate targets¹.

¹ This has been done in the framework of the **Intervention Performance Assessment**. Two composite indicators have been developed to provide an overall assessment of an intervention's current implementation and future prospects. These scores will be calculated for all NEAR interventions participating in the annual results data collection exercise.

- The **implementation score** reflects the relevance, efficiency and effectiveness already achieved by the intervention. The information on relevance is provided by the Operational manager's response to a question in a survey. The information on efficiency and effectiveness is provided by the logframe data, if sufficiently available, or the response to a question in a survey, if not.

- For outputs, the intermediate targets are generated using a linear interpolation between the baseline and target values because it is assumed that outputs materialise sooner and more progressively over implementation (than outcomes).
- For outcomes, the expected progression over the course of implementation will vary across interventions. During the creation of a logframe, the expected outcome profile must be selected (OPSYS offers four options²) and this selection triggers the generation of intermediate targets for all 30 June and 31 December dates between the baseline and target dates for all output and outcome quantitative indicators. All automatically generated intermediate targets values and dates can be subsequently modified by the Operational Manager or the Implementing Partner with the approval of the Operational Manager.

5. Calculation of values

The value for this indicator is calculated by counting the kilometres (km) of constructed or upgraded lines, using the Technical Definitions and Counting Guidance provided below. Please double check your calculations using the Quality Control Checklist below.

Technical Definitions

- **Length:** [EFSD+] the total linear kilometres of new, reconstructed, rehabilitated, or upgraded distribution lines that have been commissioned with EU support.
- **Distribution lines:** the transport of electricity on high-voltage, medium-voltage and low-voltage distribution systems with a view to its delivery to customers but does not include supply³. [EFSD+] Where local definitions do not exist, any line with a voltage below 33 KV can be considered distribution.
- **Distribution upgrades:** the additions, modifications, and upgrades to the utility's distribution system at or beyond the point of interconnection necessary to abate problems on the utility's distribution system caused by the interconnection of small generating facilities (such as distributed photovoltaic systems).
- **Eligibility criteria:** To be eligible for IPA III support, large infrastructure projects should feature in the National Single Project Pipeline of the beneficiaries and produce no significant harm to climate and environment. IPA III-supported investments should be in line with the [Economic and Investment Plan for the Western Balkans](#) and other relevant EU policies, including the Green Agenda for the Western Balkans and relevant macro-regional strategies.

Counting Guidance

- **Reference to possible double-counting:** in principle there shouldn't be a risk of double-counting since the same line can only benefit from either new construction or upgrade. However, if different types of distribution upgrades are delivered successively over more than a reporting year during the same intervention, then there is a risk of double counting that the IP should manage by counting the line just once and by providing an explanation in the progress reports.

Quality Control Checklist

1. Has double counting been avoided as indicated in the Counting Guidance above?

- The **risk score** reflects expectations regarding the most probable levels of relevance, efficiency, effectiveness and sustainability to be achieved by the intervention in the future. In this case, all the information is provided by the Operational manager's responses to questions in a survey.

² a. Constant: The outcomes are achieved continuously throughout implementation; b. Accelerating: The outcomes are achieved towards the end of implementation; c. At the end: The outcomes are mostly achieved at the end of implementation; d. None of the above.

³ [Directive \(EU\) 2019/944](#)

<ol style="list-style-type: none"> 2. Have all relevant disaggregations been reported? 3. Has the baseline and final target been encoded with the right dates? 4. Did you encode the latest current value available? 5. Did you use the comment box to inform on the values encoded?
<p>6. Examples of calculations</p>
<p>The EU supports renewable energy solutions in partnership with the European Investment Bank in a candidate country. IPA will help the national regulators to appraise the feasibility studies required to apply to EIB's credit lines. Loans will be used to install new small generating facilities based on renewable energy sources and to upgrade the existing distribution grid to adapt to the interconnection of the new facilities. The intervention foresees the upgrading of 200 km of distribution lines. In year 1, distribution upgrades involved 20 km of lines; in year 2, upgrades helped adapt an additional 100 km of distribution lines.</p> <p><u>Values:</u></p> <p>Baseline value Year 0: 0 km</p> <p>Target value: 200 km</p> <p>Current value Y2: 120 km (20 km in Y1 + 100 km in Y2)</p> <p><u>Methods:</u></p> <p>There is no risk of double counting.</p> <p>All km of lines upgraded are claimed as EU contribution because EU funds played an instrumental role in accessing EIB loans.</p>
<p>7. Data sources and issues</p>
<p>Data sources in the logframe:</p> <ul style="list-style-type: none"> • Data for this indicator must derive directly from the intervention; i.e. intervention monitoring and reporting systems from implementing organisations (e.g. governments, international organisations, non-state actors, ...). • Other possible sources include studies carried out in the framework of the interventions and external monitoring and/or evaluation reports. <p>Data source categories specified in OPSYS:</p> <ul style="list-style-type: none"> • EU intervention monitoring and reporting systems (Progress and final reports for the EU-funded intervention)
<p>8. Reporting process & Corporate reporting</p>
<p>Who is responsible for collecting and reporting the data?</p> <ul style="list-style-type: none"> • The implementing partner (i.e. the entity responsible for delivering the infrastructures improvements) will need to ensure the counting starts at the lowest level of intervention and is reported upwards and aggregated for the entire intervention in the framework of regular monitoring and reporting systems. • Data verification: <ul style="list-style-type: none"> ○ For indirect management by beneficiary countries, the National IPA Coordinator will verify the data. ○ For other modes of implementation, the Operational Manager in HQs/EUD will verify the data.

- It is then the responsibility of DG NEAR to receive and verify data for this indicator from all relevant interventions and to eventually ensure aggregation within and across all IPA Beneficiaries.

This indicator is used for corporate reporting in the following contexts:

- *IPA III via the Annual Report*

This indicator has been included in the following other Results Measurement Frameworks:

- *EFSD+*

9. Other uses

IPA III RF 3.1.1.2 can be found in the following groups of EU predefined indicators available in OPSYS, along with other related indicators:

- Energy (E);
- European Fund for Sustainable Development (EFSD);
- European Fund for Sustainable Development PLUS (EFSD+);
- IPA III RF Window 3: Green agenda and sustainable connectivity (IPA III W3); Sustainable cities (SustCities)

For more information, see: [Predefined indicators for design and monitoring of EU-funded interventions | Capacity4dev \(europa.eu\)](#)

EU Platform for Blending in External Cooperation: EUBEC 1.1 (AF 2016)

10. Other issues

This indicator is also an EFSD+ indicator. The contents of this note have been adapted to be used in IPA III RF, therefore, they are not necessarily applicable to other contexts as the specifications of the EU acquis are not always in application in third countries eligible to EFSD+ funds.