

# Aid Matters

Newsletter on Development Assistance in Serbia



Република Србија  
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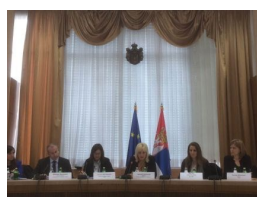
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## Third IPA Monitoring Committee (IPA MC) Meeting held in Belgrade



By: IPA MC Meeting was held in Belgrade on February 21<sup>st</sup>, 2017. The meeting was co-chaired by Ms Jadranka Joksimović, Minister without portfolio in charge of EU integration and Ms Genoveva Ruiz Calavera, Director for the Western Balkans at the Directorate-General for European Neighbourhood Policy and Enlargement Negotiations of the European Commission. Other meeting participants included H.E. Michael Davenport, Head of the Delegation of the EU to the Republic of Serbia, representatives of EU Delegation to the Republic of Serbia, representatives of national institutions being part of the system for management of IPA and IPA II, representatives of national institutions, civil society organizations representatives. IPA MC is being held annually with the focus on reviewing the progress in implementation of IPA at the level of overall IPA instrument (IPA I and IPA II). Meeting participants discussed the implementation of projects financed through IPA and IPA II including the implementation status of cross-border cooperation programmes. Special attention was paid to challenges identified in the implementation of projects in the areas of water supply and wastewater treatment. The Committee highlighted the necessity for further enforcement of national structure for management of EU financial assistance, as well as importance of the



retention of staff being engaged within that structure. The progress in preparation for the entrustment of IPARD management was also considered. The IPA MC members also discussed the progress in the process of programming of all future projects that will be financed through IPA II, and stated that the National Investment Committee (NIC) and the Single Project Pipeline (SPP) can be considered as an example of good practice. Meeting participants were informed on implementation of the Sector Budget Support to Public Administration Reform Sector, as well as the status of preparation for the implementation of

Sector Budget Support to Education Sector and to domain of Integrated Border Management. Activities regarding the visibility of IPA were presented as well as the functioning of mechanism for coordination of donor assistance in the Republic of Serbia.

defined responsibilities and implementation, deadlines, which will contribute to the efficiency and effectiveness of IPA assistance in the Republic of Serbia.

Biogas Conference will be organised on the 1st of March 2017 in cooperation with the Biogas association Serbia and the Ministry of Agricultural and Environmental Protection and the Ministry of Mining and Energy together with the Serbian-German Development Cooperation Programme „Development of a Sustainable Bioenergy Market in Serbia“. The panel discussion “Development of the biogas market in Serbia – Impact of incentives on sustainability” has the objective to trigger discussion on possible future incentive measures for the biogas industry in Serbia.

### Did you know?

The European Union has allocated around 11.1 million Euros through IPA 2012, IPA 2014 and the Solidarity Fund for flood relief in Obrenovac and for the strengthening of the flood prevention system.

## Innovative Approach to Taxpayer Education

By:



giz

In cooperation between the Serbian Tax Administration and the GIZ Public Finance Reform project the TV campaign "Porez plati da ti se dobrim vrati" (rhymes in Serbian and means: pay taxes in return for something good) has been launched nationwide via two national television channels, TV Prva and B92. The campaign aims to raise awareness about the importance of paying taxes and thus contributes to the fight against the shadow economy which is one of the Serbian government's declared priorities in 2017. Flanking the activities in the field of taxpayer education, com-



munication trainings for the Tax Administration were conducted, especially with regard to new media. In order to make paying taxes easier, the project has supported the introduction of e-services and e-filing, accompanied by extensive video tutorials explaining the procedures. As shown by the independently conducted representative Serbian Tax Survey, the satisfaction with the electronic services of the Tax Administration was rated as satisfactory or very satisfactory by 72% of taxpayers in 2016. This is a remarkable result, considering the fact that this number has increased by 25 percentage points since the last survey in December 2015.

## Swedish development cooperation with Serbia

By: Embassy of Sweden

Swedish development cooperation in Serbia is regulated through the Results Strategy for Sweden's reform cooperation with Eastern Europe, the Western Balkans and Turkey. It covers the period 2014-2020 and its primary goal is to assist Serbia in its reform process in order to integrate the country with the European Union. The strategy covers cooperation regarding market capacity building, efficient public administration and human rights and improved environment and climate. During 2016 Sweden disbursed just under 10 Million Euros for financing various projects in Serbia. New programs from 2016 initiated with the Ministry of Interior, State accountability Institution and Standing Conference of Towns and Municipalities confirmed Sweden's strong commitment to support efficient public administration and delivery of high quality public services. Through the support in these areas Sweden's strong support and commitment to the EU reforms has been reconfirmed both on local and central level. The cooperation with civil society organizations (CSOs) active in Serbia is also an important part of the development cooperation. During 2016 several agreements with



CSOs were signed thus continuing strong Swedish support in the area of human rights, environment, gender equality and building a strong and active civil society. Special emphasis was put on women's rights both in the cooperation with public partners and with CSOs in line with the Swedish Feminist Foreign Policy. Another highly prioritized area of Swedish support is improved environment and climate. Sweden is the largest bilateral donor to Serbia and during 2016 agreements were signed with the Serbian government for the continuation of three large programs regarding environment related to the EU accession process with a special focus on solid waste management and waste water treatment. The plan is to continue the cooperation with a clear focus on support of EU integration reforms and the bilateral funds available has increased to now reach almost 11 million Euros for 2017. On top of this there are also special Swedish funds available for regional projects that include Serbia as well as other financial instruments such as loans and guarantees that can be used for development cooperation in Serbia.

## Serbian Farmers Adapt to Climate Change

By: FAO



In autumn 2016 UN FAO launched climate change adaptation trainings for farmers in 7 East Serbian municipalities: Boljevac, Kladovo, Knjaževac, Majdanpek, Negotin, Surljig and Zaječar. Trainings were developed to help farmers build resilience for climate change impact on agriculture by changing their current practices. Trainings are financed through the EU assistance for flood relief Programme, and carried out with active involvement of the local administration and agriculture extension services. There are six different themes, covering the main types of agriculture production: crop and vegetable production, fruit growing, livestock, usage of agriculture machinery and farm management. Participants, 589 farmers by January, learned about best practices, new agriculture technologies, new cultivars and hybrids, plant protection, natural resources conservation and many more. Trainings run

in a lively manner and feedback was overwhelmingly positive. In March the total number should reach 42, however it has been requested to continue the programme in the future. Read the story: <http://rs.one.un.org/content/unct/serbia/en/home/upcoming-events/upcoming-events/serbian-farmers-adapt-to-climate-change.html>



Climate change adaption training in usage of agriculture machinery. Kladovo, October 2016. Photo-FAO, Ljiljana Isic

## Putting Cranes Back to Work

By:



Back in 2011, when USAID and the Ministry of Construction embarked on the reform of construction permitting — Serbia ranked

176th of 183 countries in the World Bank's Doing Business report in this category. Administrative procedures and charges related to construction permits were a key impediment to business development. Construction permitting was widely seen as a hotbed of corruption and a source of various economic inefficiencies. The construction permitting process used to take over 240 days and required about 52 interactions between the investor and 20 dif-



ferent public sector entities. With assistance from USAID, a law enacted in December 2014 in Serbia shortened the time required to issue a license to 28 days. A few months later, the government launched a one-stop-shop consolidated procedure, and by January 2016, the e-permitting system came online. The new law also lowered administrative costs of construction, creating considerable savings for investors. Serbia now ranks 36th of 190 countries in the World Bank's Doing Business report with respect to construction permitting—a jump of 103 places compared to 2016. For more on the impact of this reform effort, please read: <http://bit.ly/2kqf4a8>

# Overview of the Environment and Climate Change Sector

By:



Министарство пољопривреде и  
заштите животне средине  
REPUBLIC OF SERBIA  
Ministry of Agriculture and  
Environmental Protection

As far as the EU accession process and sectoral policy reform goes, Environment and climate

change represent the most complex and challenging sector of our society, especially when it comes to the administrative, financial, technical and legislative needs. More than a 700 different legal acts, more than 10 billion euros required for the environmental approximation. The most significant components of the environmental approximation are water supply, waste water treatment and sewage, and waste management. Together, these three, so called "heavy investment directives", make about 80% of total approximation. Serbia currently has around 8% of waste water treatment, in about 44 WWTPs out of which 6 are operational. The goal of 99% will be reached once Serbia has roughly 320 WWTPs and invest up to 5 bill. euros in these facilities. With 3500 dumpsites, 9 regional waste management centres, 60% of waste collection coverage and only 5% recycling rate, there is a long way to go in waste management as well and 1 billion euros to invest. Up to now, the EU had, through IPA, invested significant

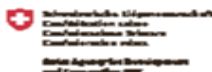
means into development of environmental infrastructure. WWTPs in Vrbas, Sabac, Leskovac, water supply systems in Rasina and Morava, landfills in Sremska Mitrovica, Uzice, Pirot and Subotica, are some of the projects in which EU and Serbia had been building cooperation, environmental development and mutual experience. EU IPA II funds had allocated around 160 million euros for environment and climate change projects. These funds will, alongside co-financing from the national instrument for environmental financing, Zeleni fond (Green fund), bring Serbia closely to fulfilling challenging EU environmental acquis. WWTPs in Brus and Blace will bring clean waters to regional water supply system of 250 000 citizens, WWTP in Kraljevo will, together with WWTP Raska, preserve Ibar river and valley, and WWTP in Nis, our largest infrastructure project will take out 20 000 tonnes of sludge from Nisava and Danube annually. Regional waste management systems in Novi Sad, Kragujevac, Ub and Zrenjanin, together with remediation of Veliki Backi kanal and re-cultivation of dumpsites in Jagodina region, will significantly improve the living standards and health of Serbia's citizens and bring Serbia closer to EU environmental standards.

## In Brief

World Health Organization (WHO) assesses health system challenges and opportunities to improve noncommunicable disease outcomes. For more info, click here: <http://rs.one.un.org/content/unct/serbia/en/home/upcoming-events/-health-organization-assesses-health-system-challenges-and-.html>

## SMALL BUSINESSES AGAINST CHRONIC UNEMPLOYMENT

By:



The internet portal Trading Economics, which compares key economic indicators for 196 countries around the world, has ranked Serbia 39th with respect to unemployment. The current national data shows that alarming 14 percent of work age population remains unemployed. By embarking upon processes of European integration, Serbia has put an increase in employment at the top of its national development priority agenda. In contribution to these efforts, the European Union and the Government of Switzerland, through the European PROGRES development programme, support a range of activities that contribute to job creation in 34 municipalities in the southeast and southwest of the country. Professional training programmes are implemented in ten of these municipalities while professional practice in local self-governments or with appropriate employers will be attended by 260 people, of which at least 150 are expected to get jobs. In 2016 Government of Serbia recognised the importance of Small and Medium enterprises in creation of jobs and declared a Decade of Entrepreneurship. Accordingly, the Programme, through support of self-employment, helped 22 young people and 45 new female entrepreneurs, with EUR 183,307 and EUR 357,000 respectively,

to contribute to the development of local economies with start of their own businesses. Additionally donors of European PROGRES supported more than 17 micro and small-sized enterprises which will create 40 new jobs through production upgrades. In accordance with the National Employment Plan, the mentioned support is targeting primarily the most vulnerable population -



young people up to 30 years of age, people with lower levels of education, the Roma, persons above 50 years of age and the long-term unemployed. Recently, EU announced that the focus of its future support will be the sector of micro, small- and medium-sized enterprises calling them

"drivers of the economy". Being that in EU countries 85 percent of jobs are generated in the private sector the name and the planned investments seem well deserved.





# Serbia to receive €284 mill from IPA for cross-border cooperation


By:  Belgrade, 23 Feb 2017 – Minister without portfolio responsible for European integration Jadranka Joksimovic opened a regional forum on cross-border cooperation in Belgrade. She underlined that the Serbian government invests the same energy and dedication to the part of work related to the use of IPA funds as to the opening of chapters in negotiations on EU accession. Joksimovic, who is also national IPA coordinator, pointed to the importance of the programmes of cross-border cooperation for the strengthening of good neighbourly relations and regional stability and highlighted the need for a more efficient use of IPA funds intended for those programmes. We are working together on increasing visibility of IPA funds and thus making the European path clearer to citizens, she stated. Joksimovic recalled that until 2014 Serbia had programmes of cross-border cooperation with eight countries of the region and worked on them with great success. Until 2020 Serbia will have at its disposal €284 million from IPA funds of the EU for programmes of cross-border cooperation with Bosnia-Herzegovina, Montenegro, Romania, Bulgaria, Hungary, Macedonia, Croatia and two transnational programmes of cooperation – the Danube programme and the Adriatic-Ionian programme.



## Upcoming Event

⇒ European Integration Office of the Republic of Serbia has launched a competition for three best student papers in the field of European integration and the Serbian accession process. The main goal of this competition is to encourage young academics to engage in substantiated debate regarding the membership of our country to the European Union. Fee amounts for three best student papers are 85,000, 55,000 and 35,000 dinars Final Paper Submission Deadline: April 20<sup>th</sup>

## Second Chances

By:  Uros Savkovic did not stand trial for theft, the court issued a diversion order – mandating regular attendance at school and weekly visits to the Kneginja Ljubica day-care centre. Uros is taking part in the Second Chance programme, which aims to advance the rights of the child by strengthening the justice and social welfare systems. It is implemented by UNICEF in partnership with Serbia's justice and social welfare ministries, with funding from the European Union. The pro-



A one-on-one relationship: Uros has begun to recognise the positive qualities in himself and others - thanks to Ms counsellor, Ivan.

gramme aims to get children back on track by moving them away from the judicial system – and towards solutions to improve their long-term prospects. Diversion orders usually involve community work, regular school attendance, counselling sessions – or a combination of all three. The early evidence suggests that participants are less likely to fall on the wrong side of the law in the future. Read the story on: [https://www.unicef.org/serbia/media\\_28811.html](https://www.unicef.org/serbia/media_28811.html)

## About Aid Matters Newsletter

Aid Matters Newsletter on development assistance to Serbia is developed by the Sector for Planning, Programming, Monitoring and Reporting on EU Funds and Development Assistance of the Office for the EU Integrations of the Republic of Serbia.

The newsletter aims at improving communication between stakeholders and exchange of information relevant to development assistance activities in the Republic of Serbia.



If you wish to contribute, subscribe or unsubscribe, please send an e-mail to Nataša Kalaba, [nkalaba@seio.gov.rs](mailto:nkalaba@seio.gov.rs)

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