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# ANNUAL DEVELOPMENT OBJECTIVES AND INTERMEDIATE RESULTS REPORT #4

**SUSTAINABLE LOCAL DEVELOPMENT PROJECT IN SERBIA**

Contract No.: AID-169-C-00-11-00102

Reporting Period: October 1, 2013 – September 30, 2014

**September 30, 2014**

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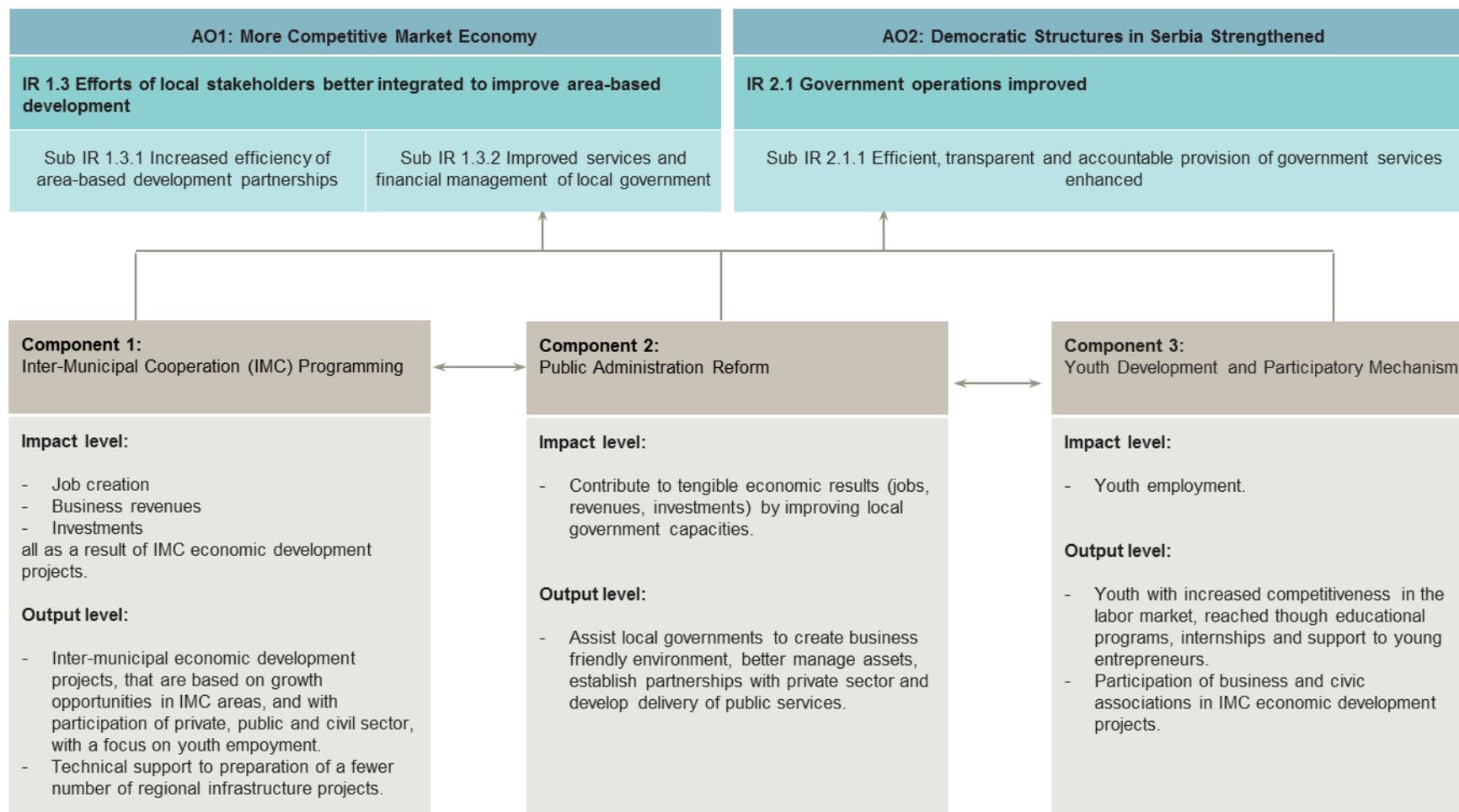
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## LIST OF ACRONYMS

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AO	Assistance Objective
B2B	Business-to-Business
BFC	Business Friendly Certification
CAC	Citizen Assistance Center
CBC	Cross Border Cooperation
COP	Chief of Party
COR	Contracting Officer's Representative
CSO	Civil Society Organization
CSR	Corporate Social Responsibility
EU PROGRES	The European Partnership with Municipalities
FTP	Food Technology Park
GoS	Government of Serbia
IMC	Inter Municipal Cooperation
IPA	Instrument for Pre-Accession Assistance (European Union)
IR	Intermediate Result
ISDAICON	Inter-Sectoral Development Assistance Coordination Network
LED	Local Economic Development
LG	Local Government
M&E	Monitoring and Evaluation
NALED	National Alliance for Local Economic Development
NCP	New Criteria Program
NES	National Employment Service
PMP	Performance Monitoring Plan
PPP	Public Private Partnership
PUC	Public Utility Company
RDA	Regional Development Agency
SAA	Stabilization and Association Agreement
SCTM	Standing Conference of Towns and Municipalities
SEIO	Serbia European Integration Office
SLAP	System of Long-listed Advanced Infrastructure Projects (hosted by SCTM)
STP	Science and Technology Park
STTA	Short-term Technical Assistance
USAID	United States Agency for International Development

## USAID's Sustainable Local Development Project in Serbia - Activity Framework



## 1. About the Performance Monitoring Plan

Five major events affected the performance reporting of the Sustainable Local Development Project, as outlined below:

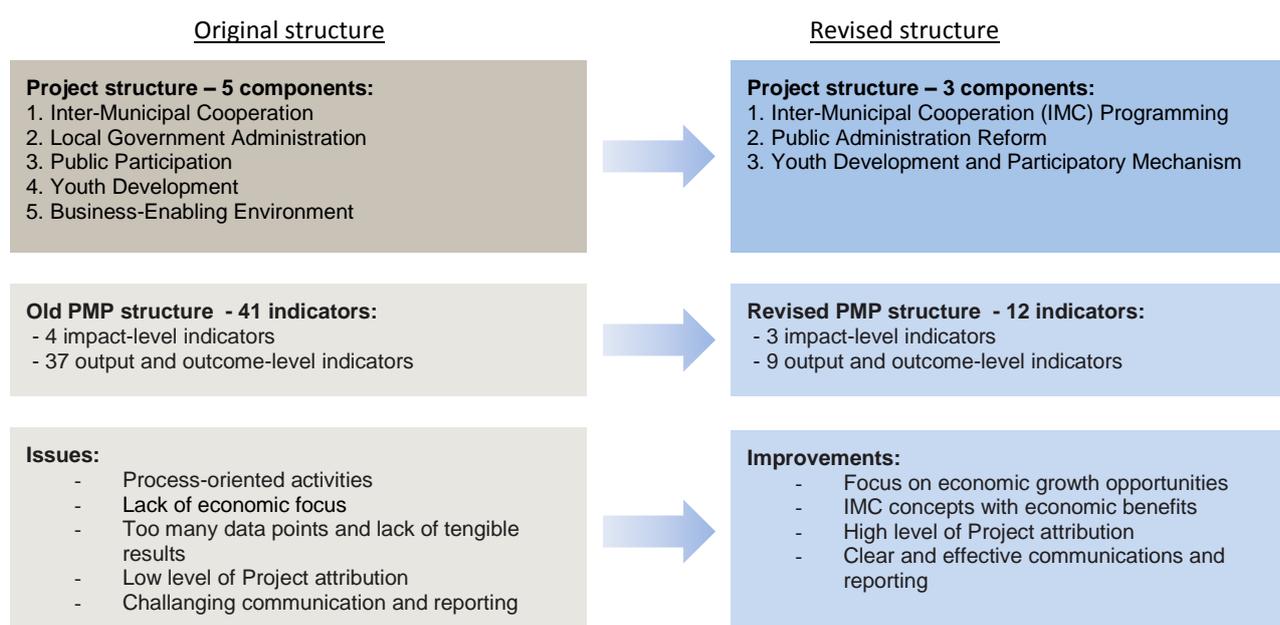
- a) **January 2013: The Project officially refined its approach** by focusing on the economic side of the inter-municipal partnerships.

The Project has been re-organized from five to three components, and now has a clear focus on activities that are economically feasible, add jobs and increase business sector revenues, as well as help youth to become more competitive on the labor market. The main operational mechanism for these activities is the New Criteria Program (NCP) – an Inter-Municipal Cooperation (IMC)-based economic development plan, created to assist business development through support to activities that will attract FDI and expand revenues of the SME sector through innovations and increased competitiveness.

Project components:

1. Inter-Municipal Cooperation (IMC) Programming - assisting IMC partners to add jobs by supporting private sector expansion.
2. Public Administration Reform – building institutional and technical knowledge and skills for comprehensive IMC economic development.
3. Youth Development and Participatory Mechanism – forging partnerships between the public, private and civil society sectors to grow local economies, increase participatory decision-making and curb youth outmigration and unemployment.

- b) **April/October 2013: USAID approved a new Performance Monitoring Plan (PMP).** The revision is described in short below:



*At the level of impact*, the revised PMP measures a volume of business sector revenues, investments, and job creation resulting from these investments, as well as employment of directly assisted youth.

*At the output level*, the PMP monitors implementation of the IMC economic development projects. The main implementation goal is to employ available Project resources, i.e. Component 2 and 3 technical capacity, short-term technical assistance (STTA), subcontracts and grants to support various aspects of IMC economic development concepts and projects.

c) **June 2013: The mid-term evaluation of the Project provided recommendations**, which were in line with the concerns and challenges identified and raised by the Project team before the evaluation. In terms of performance management, the Project team plans to work on the following:

- Reporting on the impact will be based on the Project's direct contribution to two groups of economic results—(1) investments attracted and (2) expansion of the business sector—which all lead to job creation.
- Proper performance measuring will require that the Project develop a mini-plan for monitoring and evaluation, adapted to each of the eight NCPs. More detail is provided in Section 2 of this report.

d) **September 2013: The USAID Mission in Serbia refined its Country Development Strategy.**

In September 2013, the Project adjusted its PMP to the latest USAID Country Development Strategy (CDS), its strategic goal of "Serbia's Stability and Euro-Atlantic Integration Advanced" and development objectives "DO1: Accountability of Key Democratic Institutions Strengthened", and "DO2: Conditions for Broad-Based Inclusive Economic Growth Improved".

e) **August 2014: The Project proposed to streamline economic impact reporting.**

The Project proposed to streamline economic impact reporting and bring economic impact indicators in compliance with the SOW requirement (introducing reporting on one cumulative indicator that will measure the effects of both investment attraction activities and support to the business sectors in inter-municipal cooperation areas).

## 2. Summary of Results

The fourth Annual DO and IR Report is the PMP status report of the Project's performance indicators as of September 30, 2014. It covers the fourth year of project implementation for the period of October 1, 2013 – September 30, 2014.

The structure of the PMP for the Sustainable Local Development Project and the current status of the indicator are presented in the table below:

*Table 1. Status of SLDP Indicators*

Level	Indicator	LOP target	Sep 2014 target	Mar 2014 status
IMPACT	1. Number of business-sector jobs created in participating municipalities as a result of the Project's IMC activities (USAID IR Ind. 2.2.3 Number of Jobs Created in Targeted Regions)	2,000	1,000	<b>4,454</b>
	2. Volume of business revenues in Project supported sectors (USAID IR Ind. 2.2.1 Value of Annual Revenues of USAID Client Companies in Targeted Regions)	\$120 million	\$60 million	<b>\$ 1.29 million</b>
	3. Direct private and public sector investments into the Project-supported IMC areas	\$120 million	\$60 million	<b>\$ 120 million realized, and \$ 97 million committed</b>
OUTCOME / OUTPUT	4. Number of inter-municipal economic development projects implemented, which meet the critical path milestones	20	16	<b>20</b>
	5. Number of business friendly municipalities	17	17	<b>15</b>
	6. Number of municipalities that have established or improved management practices	32	25	<b>28</b>
	7. Number of PPPs created in the delivery of public services	7	5	<b>5</b>
	8. Number of youth with increased competitiveness in the labor market (USAID Sub IR 2.2.2.1 Number of Targeted Beneficiaries with Increased Competitive Skills )	1,050	780	<b>1,234</b>
	9. Number of major infrastructure inter-municipal projects assisted in the process of applying for the EU and GOS financing	5	3	<b>6</b>
	10. Number of locally elected and appointed officials, CSO members, media and the business community trained	1,750	1,500	<b>2,467</b>
	11. Number of corporate social responsibility initiatives supported	4	2	<b>2</b>
	12. Number of initiatives involving dialogue between the public, private and civil sectors	58	45	<b>46</b>
	USAID Sub IR 2.2.1.1 Number of Business Services increased in Targeted Regions	8	8	<b>8</b>
USAID Sub IR 2.2.2.2 Number of USAID Client SMEs Receiving Capacity Building Assistance to Export (Standard PPR)	N/A	N/A	<b>38</b>	

**Key Accomplishments in FY 2014:**

- \$120 million of private and public investments were realized in partner municipalities with the Project's assistance, and another \$97 million of investments are expected in the next year or two, based on contracts signed with companies that plan to invest into greenfield and brownfield sites. As a result of these investments, 3,899 new jobs were created.
- 76 young people found jobs as a result of the Project-supported activities in FY 2014, which adds up to 555 youths employed within the Youth Development Component, through projects implemented with grant assistance to two civil society organizations (CSOs). Through CSO Smart Kolektiv, SLDP created internship and entrepreneurship opportunities for young people across the Nis, Novi Sad, Kraljevo and Subotica-led IMC areas (covering 17 municipalities). The Project also worked with the CSO Group 484 to train and help youth find employment and start their own businesses in 12 municipalities in the Novi Pazar, Vranje and Uzice-led IMC areas.
- Delivered main designs and completed reconstruction of an Agriculture Education Center in Sombor. The Center will enhance the skills of farmers and agribusinesses to increase production efficiency and product quality, introduce new crop varieties, and apply innovative cultivation technologies.
- Procured equipment for an expanded Public Health Institute laboratory in Subotica; improving the Institute's testing capacities, and allowing farmers in the region to test for more varieties of pesticides present in territorial food production.
- Opened 31 greenhouses as part of Project-driven Horticulture Incubator Program in the Zrenjanin-led IMC Area to expand the production of highly profitable vegetables in the region. Three months after the start of the Youth Horticulture Incubator Program, 16 young incubator tenants in Kikinda and Novi Becej have successfully completed the first cultivation season in greenhouses; produced 20 tons of vegetables and made their first sales.
- Established two ICT Cluster Academies in Novi Sad and Nis (in partnership with the Vojvodina ICT Cluster and the Nis Cluster of Advanced Technologies) to equip young and unemployed people with the knowledge and skills required by IT sector employers. 68 youths have enrolled in the two Academies to learn IT skills currently unavailable on the labor market, such as programming and software development. To date, eight interns were employed by ICT companies who participated in the internship program.
- Denim sector STTA, Ms. Margaret Bishop, recommended ways for growing the sector in the region and introduced Novi Pazar denim companies to representatives of the U.S. 'Ozone' company, who visited Novi Pazar to present their eco-friendly alternative to stonewashing jeans. With Project assistance denim sector partners also attended the Berlin Bread and Butter Trade Fair. Since then, in cooperation with the German Chamber of Commerce (DE International), the Project has been working on attracting potential buyers, who were contacted at the fair, to Novi Pazar denim factories. The Project is assessing the available space in Belgrade for a store for interested companies.
- Footwear sector STTA, Mr. Jordan Saliman, assisted Vranje and Novi Pazar -led IMC Area Companies to present their products at two trade fairs in Germany and establish business links with international shoe producers. The Project also assisted in creating a unique visual identity (Serbian Shoes brand) and promotional materials for the Kostana Vranje shoe clusters.
- Furniture sector STTA, Mr. Jeff Baron, determined that priority support should be given to manufacturers who can become a part of larger supply chains. The Project is facilitating links between IKEA and possible Serbian suppliers. The STTA also identified factories interested in outsourcing part of their production to Eastern Europe as potential partners for firms in this region.

- The Project equipped the Novi Pazar Vocational Design School with the OptiTex and C-Design programs for 3D design. The programs enable the development of new clothing models much faster and at lower costs, and will also allow students at school to learn textile design using the most up-to-date technology.
- The Project concluded the first and began the second round of a Joint Investment Promotion Coaching Program. The first round consisted of workshops aimed at improving the skills of local government officials to attract Foreign Direct Investment (FDI) via best international practices. The focus of the second round of FDI coaching is on food processing as a majority of participating local governments support agriculture as a priority sector. The first round of the FDI Program culminated with a study tour to the Czech Republic, one of the most successful Eastern European countries in attracting foreign investors. A follow-up “FDI Investment Tour” to Italy, facilitated by the Italian business association Confindustria Serbia, was also organized for LGs that have market ready locations to offer investors. Select municipalities from all eight IMC Area have participated in the Program.
- The Project continued supporting the Youth On-the-Job Training (OJT) program for job-seeking graduates under the age of 30. The program helps private companies in the manufacturing and service sectors, with five or more employees, to quickly find qualified staff, reducing the time and cost it takes for the selection and recruitment of new employees; 162 interns were placed in 33 companies across 14 municipalities, and 56 of them were employed during the reporting period.
- Through a \$100,000 grant to the National Association of Youth Workers (NAPOR) the Project has worked to build the capacities of local youth office (YO) and civil society organization representatives from all eight inter-municipal cooperation (IMC) areas. In September, 31 youth officers and youth CSO representatives were certified as having completed a multi-modular training course thus advancing their professional skills in delivering youth services more effectively. The trainings aim to reduce the gap between young peoples' existing competencies and labor market needs.
- The Project developed a web-based Local Economic Development (LED) distance learning course for IMC Area representatives (<http://elearning.skgo.org/?p=53>). Sixty-one officials from 22 municipalities have completed the course, learning about the legal and institutional context of local government economic responsibility, instruments for managing LED, private sector development, investment attraction, and public-private partnerships.
- The Project assisted various infrastructure projects, including:
  - The development of two industrial zones in Beocin and Temerin. A geotechnical report and technical analysis with preliminary cost estimate for Beocin completed in January 2014, and detailed designs were developed for all project components and delivered to the municipality. In Temerin, a location permit has been issued for an access road. Geotechnical report and Geodetic Survey were developed and preliminary design and feasibility study are to be completed by the end of the year.
  - Handing over Detailed Infrastructure Development Designs for a new industrial zone to the Vranje local government. These documents will enable future development of the Bunusevac Industrial Zone and will help in attracting new foreign investors.
  - Funding a geodetic survey and certified cadastre topographic plan in order to assist in converting the local Ponikve Airport for commercial use.

### 3. Detailed Report on the Status of Indicators

Indicator	LOP target	Sep2014 target	Sep2014 status
1. Number of business-sector jobs created in participating municipalities as a result of the Project's IMC activities	2,000	1,000	4,454

**Definition:** Business sector jobs created in partner cities/municipalities as a result of Project efforts to develop and implement business opportunities and to engage private and public sectors. The indicator will capture the following:

- (a) Jobs created as a result of the private sector investments and jobs created as a result of increased revenues of the private sector, due to Project assistance.
- (b) Jobs found by young people assisted by the Project. The Project will provide intensive assistance to approximately 1,050 young people, and it is expected that 450 of them will be hired by the end of Project implementation.

**Status:** 4,454 new jobs were created since the beginning of the Project (3,899 as a result of the private sector investments, and 555 within youth development activities). In FY2014, a total of 3,975 new jobs are reported.

**Comments and Project's contribution:**

76 young people found jobs during the reporting period as a result of Project-supported activities within the Youth Development Component. Through CSO Smart Kolektiv, SLDP created internship and entrepreneurship opportunities for young people across the Nis, Novi Sad, Kraljevo and Subotica-led IMC areas (covering 17 municipalities). During the reporting period, the final group of 47 youth completed internships and 20 signed employment contracts. In the last 6 months, 56 youths found jobs as a result of the On-the-job training implemented by the local subcontracting partner, Cromer Group. As a result of these Project-supported activities, a total of 555 youth found employment during this reporting period.

The investments in the cities of Nis, Leskovac, Subotica, Novi Sad and Zrenjanin, and municipalities of Beocin, Doljevac, Novi Becej, Priboj, Merosina resulted in employment of 3,899 people, mostly in foreign companies who begun their business operations in Serbia. This figure is based on the amounts reported by LED offices, and estimated level of attribution of the Project assistance to these local governments' capacities to create business friendly environment, upgrade local services and capacities, learn how to present local business sector and resources, and negotiate investment conditions. For more information about Project's attribution see Indicator 3 below.

Indicator	LOP target	Sep2014 target	Sep2014 status
2. Volume of revenues of companies in sectors supported by the Project. <sup>1</sup>	\$ 120 million	\$ 60 million	\$ 1.29 million

**Definition:** The indicator will measure the change in annual revenues of businesses in IMC areas, sectors and sub-sectors of economy that participate in and benefit from the Project-supported activities. Businesses are legal entities registered in the Republic of Serbia. They can belong to categories of entrepreneurs, agriculture producers, small and medium enterprises or large enterprises, as defined by local categorization

**Status:** The business revenues of four denim producers in Novi Pazar increased by \$1.29 million in 2013. These results are directly related to the Project's assistance to the targeted business sectors.

The Project contacted 38 partner firms with a request to fill out the questionnaire about sales in the first six months of 2014. The 12 that did report back on their figures do not present a sufficient sample for a reliable analysis. The main reason for low response rate is that businesses usually do not prepare semi-annual financial reports, which is why the Project has adjusted its questionnaire to include annual sales information and will report on these numbers in the next reporting cycle.

In addition to the questions about revenues and employees, this survey asked about relevance and quality of the Project's assistance. Among those who responded, the Project's contribution and quality of assistance has been highly valued.

With the exception of Novi Pazar denim producers, all other businesses who participated in the Project activities could have impact on sales in 2014. The main impact analysis in March 2015 will provide data for 2014.

In FY2014 the Project Team expects an increase in business revenues of approximately 60 companies that receive assistance through the following activities:

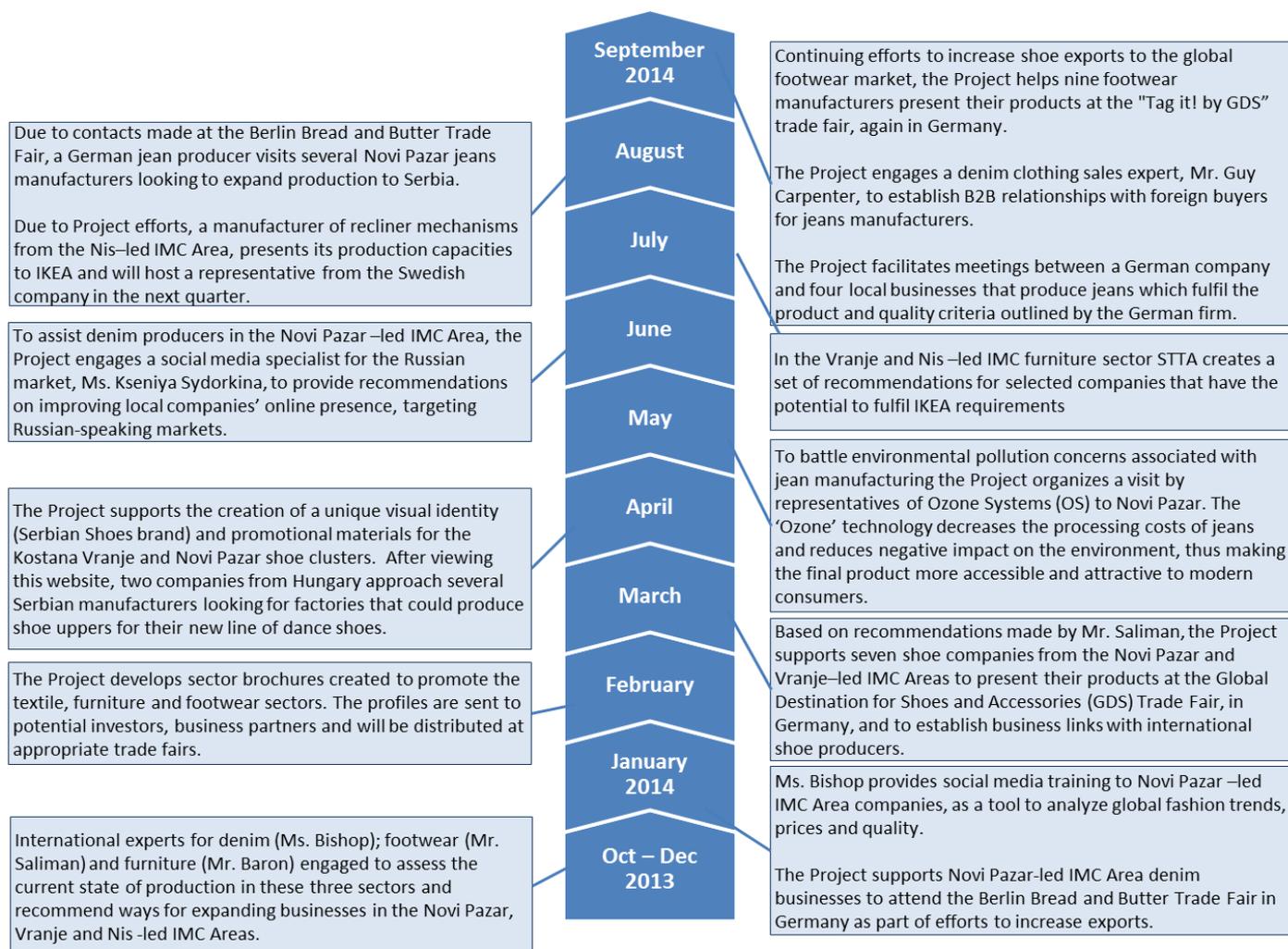
- Assistance to denim sector includes STTA work on marketing plans; recommendations for improving production process and for increasing competitiveness; new market research; improvements in jeans manufacturing technology to decrease pollution; and participation in the Bread & Butter Fair in Berlin, Germany. The pool of denim producers assisted by the Project consists of 10 companies in the Novi Pazar-led IMC area. To assist denim producers in the Novi Pazar –led IMC Area, the Project is engaging a social media specialist for the Russian market, Ms. Kseniya Sydorkina, to provide recommendations on improving local companies' online presence, targeting Russian-speaking markets. The Project is engaging a denim clothing sales expert, Mr. Guy Carpenter, to establish B2B relationships with foreign buyers for jeans manufacturers. The Project is facilitating meetings between a German company and four local jeans producers who are able to fulfil product and quality criteria outlined by the German firm.
- Assistance to the footwear sectors in the Novi Pazar and Vranje-led IMC areas includes an analysis of the production process quality and competitiveness; B2B links with potential international buyers; development of a unique visual identity and participation

<sup>1</sup> In August 2014 the Project proposed that PMP will be revised to have one Economic Impact Indicator, counting both investments and business revenues; with SOW's EOP target of \$240 million and combined FY14 target of 120 million. This change will be incorporated in the Project reporting once the PMP revision is submitted and formally approved by USAID.

in the GDS Fair in Dusseldorf, Germany. Continuing efforts to increase shoe exports to the global footwear market, the Project is helping nine footwear manufacturers present their products at the "Tag it! by GDS" trade fair, again in Germany. At the moment, 10 footwear producers participate in this activity.

- Due to Project efforts to assist the furniture sector, a manufacturer of recliner mechanisms from the Nis-led IMC Area, presents its production capacities to IKEA and will host a representative from the Swedish company in the next quarter.
- Herbs and forest fruit products in the Novi Pazar-led IMC area: Initial assessment completed by an international STTA. Based on the recommendations, SLDP will facilitate links with Serbian companies to develop a local supply chain and explore connections with foreign buyers and potential investors.
- In food production sector in South Serbia, the Project works on building the capacity of Nis Food Processing Support Center and Leskovac Technology and the Food Processing Center (FTP). It includes web-based database for supply-demand data exchange and support in designing training program. Equipping the testing production line will help companies develop new products and expand product varieties. Food processors that benefit from the activity will be large and small as well as existing and newly arrived businesses. In Leskovac, at least 10 food producers will use FTP services. The Project is helping producers to establish links with foreign buyers; the first contracts were signed at the time of development of this report.
- RDA Zlatibor completed a value chain analysis, identified products and services with high marketing potential, and presented its recommendations in February 2014. The next step is to form a pool of 10 Hotel/Restaurant/Cafe (HoReCa) sector companies and 10 local suppliers that will work on increasing competitiveness and volume of local purchases.
- The Project provided equipment for an agricultural products quality testing and export certification laboratory in Subotica, and supported the establishment of a Training Center in Sombor, opened in September 2014. The Project is also providing technical support to local apple producers to gain a certificate for geographic indication. An increase in sales (both domestic and international) of agricultural products is expected in late 2014 and during 2015.
- SME sector in the Kraljevo/Cacak-led IMC area will be supported through employment of Impuls Center capacities. In FY2014, in conjunction with the Government of the Czech Republic, the Project undertook an analysis of ways to increase utilization of the 3-D printing machine by local SMEs. Recommendations of the assessment will be implemented in FY2015, focusing on management and networking.
- The main goal of the assistance provided to the Vojvodina Metal Cluster (VMC) is to increase the volume of business opportunities by providing a system that will help VMC member companies understand the needs and reduce the response time on international inquiries. SLDP engaged an international STTA to conduct an assessment of the VMC and its members on ways to expand their market, increase sales and create new jobs. By September 2014, 54 firms participated in VMC activities. Four of them have received assistance in achieving international certified standards; 30 firms received training, while others participate in innovation, networking and knowledge exchange activities – all organized within the grant provided by the Project.

**Scope and chronology of the Project’s business sector assistance in FY2014:**



Indicator	LOP target	Sep2014 target	Sep2014 status
3. Direct private and public sector investments into the Project-supported IMC areas	\$ 120 million	\$ 60 million	\$120,862,000

**Definition:** Dollar value of direct investment associated with the inter-municipal economic development projects, undertaken with the Project's support. Greenfield and Brownfield investment, and investments into expansion of capacities of any parts in value chains supported by the Project will be counted. Both investments from the private and public sectors will be counted.

**Status: \$120,862,000 of realized private and public investments** (\$101,825,000 from private and \$19,037,000 from public sector);

In addition, investments worth \$97 million are expected, based on contracts signed.

*Table 2. Summary of realized and committed investments in the Project's partner municipalities*

Investments (€)				# of Jobs as Result of Investment			
Realized		Committed		Created		Expected	
Private	Public	Private	Public	Private	Public	Private	Public
<b>TOTAL:</b>							
\$152.577.981	\$19.628.142	\$140.991.175	\$3.147.	5.272	0	9.984	0
<b>Attributable to the Project:</b>							
\$101.825.453	\$19.037.186	\$95.654.380	\$1.992.587	3.899	0	7.945	0

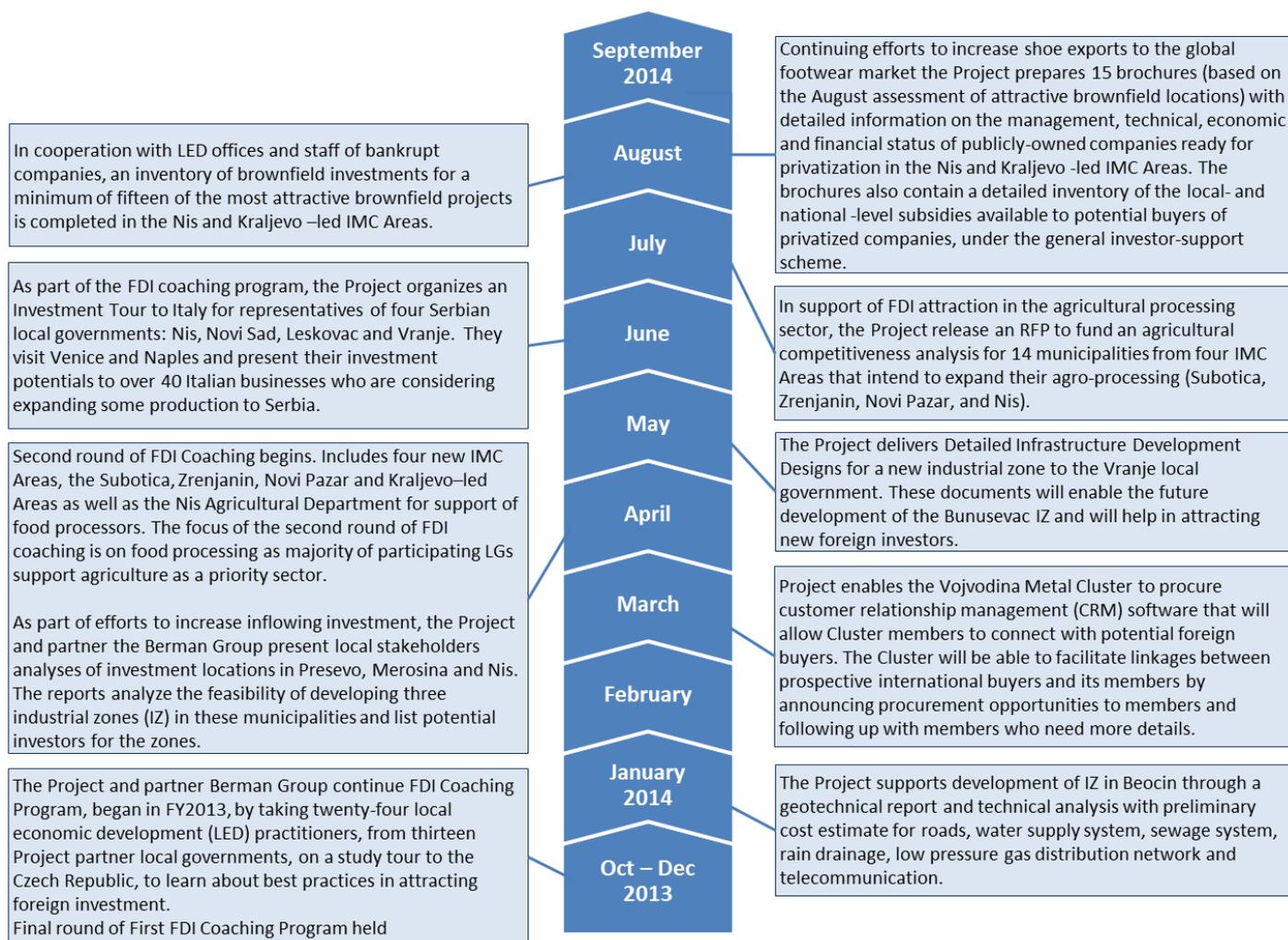
### Comments and Project's contribution

In order to estimate the level of Project contribution to investments in partner cities and municipalities, the Project made three categories, each with a proposed percentage of attribution:

- 20% attributable to the Project for investments that took place before the FDI coaching; where municipal LED offices played significant role and where the Project worked on building municipal capacity for LED.
- 50% for investments that took place in the previous one year period, or the investors made commitments by signing land lease or land purchase contracts; where the Project contributed by providing necessary technical documentation for industrial zones; where LED office staff attended FDI coaching; where other indirect support was provided to the sectors of economy where the investments took place.
- 100% for investments that will be realized during and after the Project's direct assistance for increasing municipal FDI capacities (FDI coaching) and targeted sectors, and where the Project's contribution and quality of assistance has been highly valued by municipal LED offices.

In order to obtain municipal LED offices' opinion about the Project's contribution, the Project organized a survey among the LED offices who reported investment results.

**Scope and chronology of the Project’s FDI attraction assistance in FY2014:**



More details about investments are available in Annex A to this report.

Indicator	LOP target	Sep2014 target	Sep2014 status
4. Number of inter-municipal economic development projects implemented that meet the critical path milestones	20	16	20

**Definition:** An inter-municipal economic development project is defined as a business opportunity identified and implemented in the Project supported IMC areas that engage the private, public and civil sectors in order to create jobs. (For more on the indicator definition see Revised PMP, dated April 15, 2013)

**Status:** Within eight New Criteria Programs, there are 12 IMC economic development projects in different stages of implementation.

**Comments:** The list of IMC economic development projects is as follows:

Vranje-led IMC:

- Project 1. Investment attraction
- Project 2. Increasing sales and exports of footwear sector SMEs

Nis-led IMC:

- Project 3. Building capacity of Nis Food Processing Support Center
- Project 4. Leskovac Technology and Food Processing Center
- Project 5. Investment attraction in Nis-led IMC area
- Project 6. ICT Academy

Uzice-led IMC:

- Project 7. Value chain development between tourism industry buyers and potential vendors in the IMC area
- Project 8. Investment attraction in the IMC area

Subotica-led IMC:

- Project 9. A laboratory for agriculture products in Subotica
- Project 10. An agricultural training center in Sombor
- Project 11. Investment attraction (FY2014)

Zrenjanin-led IMC:

- Project 12. Establishing Agriculture Business Incubator
- Project 13. Investment attraction (FY 2014)

Novi Pazar-led IMC:

- Project 14. Increasing sales and exports of denim sector SMEs
  - Project 15. Increasing sales and exports of furniture sector SMEs
  - Project 16. Increasing sales and exports of footwear sector SMEs
- (New project opportunity: Herbs and forest fruit products – TBD)

Novi Sad-led IMC:

- Project 17. Market expansion of Vojvodina Metal Cluster
- Project 18. Investment attraction
- Project 19. ICT Academy

Kraljevo-led IMC:

- Project 20: Support to Impuls Center Kraljevo and Technology Park Cacak

Indicator	LOP target	Sep2014 target	Sep2014 status
5. Number of business friendly municipalities	17	17	15

**Definition:** Number of municipalities with NALED's business friendly certificate at the end of the project implementation, including the following:

- (a) At least 17 participating local governments assisted in achieving business friendly standards by the Project. This means that the Project provided technical assistance and the LG successfully responded to at least one NALED's recommendation, resulting in meeting at least one additional BFC criterion.
- (b) At least 17 local governments in Serbia are certified and/or re-certified after the Project completion. Certification and re-certification attained through NALED's Business-Friendly Certification program.

**Status:** 15 municipalities are business-friendly certified;  
25 municipalities were assisted by the Project in BFC process; and  
11 municipalities have been invited for re-certification.

#### Comments and Project's contribution

The Project provides direct technical assistance for achieving BFC standards and FDI coaching to 25 partner municipalities.

Indicator	LOP target	Sep2014 target	Sep2014 status
6. Number of municipalities that have established or improved management practices.	32	25	28

**Definition:** The number of local governments that manage assets more sustainably, practice good governance techniques and have integrated business-related service initiatives into IMC development plans and projects.

In practice, any municipality that made at least three of the following improvements will be counted:

- 1) improved asset management (if a local government replicated Uzice best-practices through mentoring)
- 2) improved management and monitoring of public utility companies
- 3) inventory, prioritization and commercialization of brownfield investments
- 4) improvements made by municipalities in accordance with the BFC standards (if there is at least one improved capacity, measured by the BFC criteria)
- 5) established/supported business related services/procedures (including agribusiness) (if a local government supported the establishment of a mechanism that helps business sector to grow).

**Status:** By September 2014, a total of 28 local governments were assisted in their efforts to improve at least three of the above listed management practices.

#### Comments and Project's Contribution

An overview of the capacity building activities can be found in the Annex B of the report.

Indicator	LOP target	Sep2014 target	Sep2014 status
7. Number of PPPs created in the delivery of public services	7	5	5

**Definition:** A Public-Private Partnership (PPP) is a cooperative venture between the public and private sectors that meets clearly defined public needs through an appropriate allocation of responsibilities, resources, risks and rewards among the partners. A PPP must involve some measurable private partner contribution to the cooperative venture in terms of cash contributions, monetized in-kind contributions, and/or non-cash leverage.

**Status:** Two PPPs established in FY2014 / Five since the beginning of the Project.

### Comments and Project's Contribution

During FY2014, two partnerships have been created in Zrenjanin-led IMC. The Youth Horticulture Incubator Programs are designed and being implemented with contributions and risk-sharing of the Project (grant assistance for equipment, technical assistance), incubator tenants whose in-kind contribution should be taken into account, and local governments of Kikinda and Novi Becej, contributing with agriculture land and infrastructure.

The horticulture incubators were established with the Project support in May and June 2014 to help unemployed young people begin cultivation of highly profitable vegetables. The Incubator Program was designed to reduce the time and cost of establishing youth farm start-ups and to encourage diversification of regional produce. Even though the IMC area has a well-developed agricultural production, area producers concentrate on grains, which bring less revenue per hectare than vegetable production.

Three months after the start of the Youth Horticulture Incubator Program, 16 young incubator tenants in Kikinda and Novi Becej have successfully completed the first cultivation season in greenhouses; produced 20 tons of vegetables and began to make their first sales.

In Novi Becej, four young farmers are already seeing increase in revenues from their sales of tomatoes and peppers at the local markets. In Kikinda, 12 young incubator tenants harvested a total of 11 tons of cornichon cucumbers, half of which was sold to a known buyer in Germany, the "Mamminger Konserven" company, a food processor specialized in production of gherkins. Local farmers' association from Kikinda, „Banatska Lenija", a mentoring organization for young incubator tenants, helped them identify the most lucrative product with the highest market demand, and organized buy-off of produced cucumbers.

If greenhouse vegetable producers remain competitive and prove reliable suppliers, they may build a base of raw materials substantial enough to attract German and other potential food processing investors.

Previously, three PPPs were reported: One between the Municipality of Beocin and LaFarge. In this reporting period, the Project is able to report an additional two PPPs -- established within Youth Development component.

A Guide for Developing Successful PPPs has been published by NALED in February 2014, with the Project's support. The Project is recognized by the Serbian Chamber of Commerce (SCC) as the key technical partner for PPP-related issues in 2014. The Project provided assistance opening of the SCC Center for PPPs and Investment Attraction; and organization of the National PPP Conference, both planned for May 2014.

Indicator	LOP target	Sep2014 target	Sep2014 status
8. Number of youth with increased competitiveness in the labor market	1,050	780	1,234

**Definition:** Young men and women, age 15 to 30, participating in one of the two Project supported activities, aimed at increasing their competitiveness on the labor market:

- (a) a minimum of 250 youth internships piloted and successfully implemented, where at least 30% of targeted interns are involved in the IMC new criteria programs.
- (b) a minimum of 800 youth program participants in Project-supported educational programs.

**Status:** Since the beginning of the Project, a total of 782 youths participated in the Project-supported educational programs, and 452 internships were implemented with the Project support.

During the reporting period, 282 youths successfully completed internships, and 25 participated in educational programs only, which adds up to a total of 1,234 youths since the beginning of the Project. These programs have increased youth competitiveness on the labor market.

#### Comments and the Project contribution

In FY2014, the Project provided grants to Cromer Group (Internship program resulted with 166 internships), and Vojvodina and Nis ICT Clusters (resulted with 69 internships). Previous results came from activities supported by the Project grant fund to Smart Kolektiv and Group 484 in 2012 and 2013.

Indicator	LOP target	Sep2014 target	Sep2014 status
9. Number of major infrastructure inter-municipal projects assisted in the process of applying for the EU and GOS financing.	5	3	6

**Definition:** A major infrastructure project is defined as "heavy investments, i.e. basic infrastructure, water and waste water systems, solid waste management, or road infrastructure." It also includes business enabling infrastructure, such as brownfields, greenfields, power supply, and gas infrastructure. The Project will provide technical support to at least five such projects on inter-municipal level, in order to improve status of their technical preparedness and increase probability of their financing.

**Status:** The Project's assistance completed in six; another three projects are being supported by the Project.

#### Comments and Project contribution

SLDP intervention completed:

- Project: Regional Waste Water Treatment South Morava River (Vranje IMC); Based on technical documentation developed by SLDP, EU/ PROGRES purchased effluent meters. Vranje constructed water effluents measurement station and started using the meters in Vranjska Banja, while Presevo, Bujanovac, and Vladicin Han have not yet constructed measurement stations. However, Vranje signed a contract with KfW (€15, 2 million euros) on

the construction of a Waste Water Facility in November 2013. In order to ascertain the necessary capacities of the Waste Water Facility, the Vranje Waterworks Company will use equipment installed in cooperation with SLDP and the EU/PROGRES project. Based on the contract already signed with KfW for the first phase of the project, Vranje will continue to work on the second phase of the waste water treatment project. The project has been recorded via the System of Long-listed Advanced Infrastructure Projects (SLAP) database.

- Project: Bypass road to the industrial zone Bunusevac, Vranje (Vranje IMC), geodetic survey and cadaster topographic plan was developed by SLDP; the first part of SLDP intervention in IZ Bunusevac is completed. The Project's assistance contributed to the other activities related to development of two IZs in Bunusevac, and Vranje. EU PROGRES Program funded detailed regulation plans for this industrial zone where two major investors (Geox and Ditre Italia) will build their facilities. The City of Vranje, with assistance from the Government of Serbia, will invest in its infrastructure in accordance with the agreement signed with GEOX shoe factory. The project has been entered into the SLAP database.
- Project: Recycling facilities on "Meteris" regional landfill, Vranje, (Vranje IMC), Regional plan of solid waste management was developed by SLDP. The project has been entered into the SLAP database.
- Project: Reconstruction of Water Supply System "Pusta Reka" Doljevac (Nis IMC). Feasibility Study for Water Supply System was developed with the Project's assistance. Based on the Study, Municipality will submit project proposal to Serbian government to reconstruct the regional water supply system Pusta Reka (project value based on the Study is approximately 8 million euros). The project has been entered into the SLAP database.
- Project: Infrastructure development Industrial zone Bunusevac, Vranje, (Vranje IMC) second part of SLDP intervention in IZ Bunusevac is ongoing. Geotechnical investigations and study, geodetic survey, and a technical analysis with preliminary cost estimate and detailed designs for IZ infrastructure were developed by SLDP until March 2014. Technical control of documentation has been and completed delivered to the City of Vranje. The project has been entered into the SLAP.
- Project: Agricultural Educational Center in Sombor (Subotica IMC); the Project supported the preparation of the main design for adapting the Inter-municipal Agricultural Educational Center in Sombor. Main design of reconstruction of Agricultural Training Center was delivered during February 2014 and technical control of project documentation was finished in March 2014. Agricultural Training Center reconstruction works were completed in the period April – August 2014. Based on project documentation developed by SLDP, the Agricultural Extension Service (funded by the Serbian Government) allocated approximately \$135,000 for reconstruction works. A Draft Annual Training Program of the Agricultural Training Center is completed. The training center was opened in August 2014 with a first set of three-day lectures delivered by University of Tennessee, Institute of Agriculture professors

#### Ongoing:

- Project: New Industrial Zone in Temerin (Novi Sad IMC). Feasibility study and design for the Service Road in the New Industrial Zone in Temerin. Geotechnical report and geodetic survey are completed. Preliminary design and feasibility study is completed and submitted to the Province of Vojvodina Revision Committee for technical control. Detailed design and design

for temporary traffic signaling during the road construction will be developed in October. The project will be entered into the SLAP database in November 2014.

- Project: New industrial zone in Beocin (Novi Sad IMC). The Project is supporting the completion of (a) geotechnical report; (b) technical analysis with preliminary cost estimate; and (c) detailed designs for all project components. Geotechnical report and technical analysis with preliminary cost estimate were done in January 2014 and detailed designs are completed. The project will be entered into the SLAP database in October 2014.
- Project: Industrial zone Cukarka, Presevo (Vranje IMC). Pre-feasibility study is drafted, and draft study presented to the local government. Future development of this project depends on the changes to the legal framework, including the state-level Law on Restitution of Pastures and Rangelands to Villages. Having in mind that this is an obstacle for many local governments (LGs) in Serbia, the Project is work in partnership with the SCTM on improvements to the Law.
- Based on NCP economic development activities, the Project is continuing to support IMC infrastructure projects. In 2013 the SLDP team identified those projects that could benefit from SLDP assistance in accessing the EU or Government of Serbia (GOS) funding, either through new NCP activities or jointly, with partners such as the European Partnership with Municipalities (EU PROGRES). Where relevant the SLDP is coordinating with the Standing Conference of Towns and Municipalities (SCTM) and EU/Municipal Infrastructural Support Program (EU/MISP) to meet all requirements to enter SLDP-supported infrastructure projects into the SLAP database. Such effort will ensure the projects in the SLAP database are prioritized for EU or GOS funding. It is relevant to know that the SLAP and ISDACON databases are now in subordination, SLAP is the first step and ISDACON is the second step for "Strategic Important Projects" for IPA funding. Based on prepared project documentation and dependent on the maturity of the project, local partners could also apply for Serbian state budget funding.

Indicator	LOP target	Sep2014 target	Sep2013 status
10. Number of locally elected and appointed officials, CSO members, media and the business community Trained	1,750	1,500	2,467

**Definition:** Locally elected and appointed officials, members of CSOs, media and business community participate in any project-sponsored training and/or have their skills/knowledge improved through the technical assistance provided by the Project.

**Status:** 857 participants attended the Project's training events (363 female participants) during the reporting period. Since the beginning of Project implementation, total participation in Project-sponsored trainings has been 2,467. Out of that number, 1,091 were female participants (44.2%).

**Comments:** The complete training database is available upon request.

Indicator	LOP target	Sep2014 target	Sep2014 status
11. Number of corporate social responsibility initiatives supported	4	2	2

**Definition:** Number of CSR initiatives supported, demonstrating a sustainable mechanism(s) to monitor and improve local business environment.

Corporate Social Responsibility (CSR) is a company's sense of responsibility towards the community and environment (both ecological and social) in which it operates. The goal of CSR is to embrace responsibility for the company's actions and encourage a positive impact through its activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere who may also be considered as stakeholders. Companies express this citizenship through, for example (1) their waste and pollution education processes and (2) by contributing educational and social programs.

**Status:** Two CSR initiatives completed in FY2013

#### Comments and Project's contribution in FY2014

Within the assistance provided to four IMC areas for marketization of Brownfield sites and their privatization, the Project will create mentorship links between successfully privatized companies and those to be privatized in 2014 and 2015, within the same sectors of economy. This type of in-kind contribution provided by mentoring companies (professional contacts, types and models of privatization, mentorship) will present an innovative model of corporate social responsibility.

Indicator	LOP target	Sep2014 target	Sep2014 status
12. Number of initiatives involving dialog between the public, private and civil sectors	58	45	46

**Definition:** This indicator measures initiatives to dialogue with the public, including those not oriented towards job creation. However, as this is an important indicator of LG transparency and accountability the Project will continue to report and follow significant attempts to dialogue with the public (conferences, public hearings etc.). There is a challenge in capturing all initiatives to dialogue with the public, for example in-office visits are very hard to gather due to limited Project and LG resources.

**Status:** 46 initiatives since the beginning of Project implementation.

#### Comments and Project's Contribution

13 new initiatives are relevant for this reporting period:

1. NALED Fourth Annual PPP Summit, November 2013
2. Third Annual Summit of Mayors and Businessmen (New Economy, Business Info Group), October 2013
3. New Economy 2014 (New Economy, Business Info Group), December 2013
4. Ozone: New Eco-friendly Alternative to Stone Washing, Public Presentation, Novi Pazar, February 2014

5. RDA Zlatibor Local Products Key for Improving Tourism Regional Value Chain, February 2014
6. Ten launch events announcing the On-The-Job Training Program in October and November 2013 in Subotica, Sombor, Novi Sad, Zrenjanin, Nis, Leskovac, Vranje, Cacak, Novi Pazar, and Uzice, with representatives of the SME sector, municipal LED offices, National Employment Service, local chambers of commerce and RDAs.
7. NAPOR – cross-sectorial (public, private, civil) dialogue on development of a tool for recognition of young people's competences gained through non-formal education tailored to meet employer's needs for recruitment and harmonized with EU practices
8. BOS – model for cooperation of employers, local governments, and National Employment Service with VET schools in a process of VET schools' enrollment strategies planning – 3 (Prijeplje, Subotica, Vranje)
9. NICAT – ICT cluster Academy which curriculum is made according to private sector needs – primarily taking into account cluster members needs and cooperation with academic institutions in implementation of theoretical modules. Cluster member companies hosting Academy attendees in internship part of the Academy curriculum.
10. VOICAT - the same as NICAT
11. Legal framework of factoring - presentation prepared with BEP Project for representatives of businesses and local governments of Novi Pazar-led IMC area.
12. Three events organized with German Chamber of Commerce.
13. Initiative for changes of the Law on Planning and Construction involved representatives of both private and public sectors.

**ANNEX A**  
**Overview of Investments in the Project Partner Cities and Municipalities**  
**(and Level of the Project's attribution)**



## ANNEX B

### Overview of Capacity Improvements in Project-assisted Local Governments

**Table: Overview of capacity improvements in the Project's partner local governments in the period January 2011 – September 2014**

Capacity improvement City/ municipality	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization of <u>brownfield investments</u>	4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)	5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).
<b>Vranje</b>	Based on mayor's proposal/request, organized initial training for asset management – as a result, WG for property registering finally has started to work	Within the framework of the asset management training, organizes on-the-job consultation on new legal requirements for establishment of the PUC's evidence on assets.	Prepared inventory of the potential brownfield companies (financial, legal, technical data) to be used as a material for investors' teasers and business offering packages Prepared detailed economic/ financial analyses on unsuccessful privatization of the Vranje Company "Zavarivac" within grant that was provided to NALED.	FDI coaching improved municipal capacity for targeted marketing.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training.
<b>Bujanovac</b>	Provided support in resolving legal deficiencies in assigning land lot for construction of the Economics Faculty (financed through EU grant)	Within the framework of the asset management training, organized on-the-job consultation on new legal requirements for establishment of the PUC's evidence on assets.	On-going support in marketization of the "Vrelo Prohorovo" Bujanovac Spa	Support provided in data basis development, investment brochure preparation, changing web page structure, improving technique for distribution of investment promotion materials and establishment of the one-stop shop for construction permitting. Bujanovac successfully passed evaluation phase in BFC in July 2013. FDI coaching improved municipal capacity for targeted marketing	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Preševo</b>	Based on request from Presevo municipal administration provided training for implementation of the	Within the framework of the asset management training, organized on-the-job consultation on new legal	Established web site which will serve for marketization and promotion of all interesting brownfield projects in	FDI coaching improved municipal capacity for targeted marketing	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through

Capacity improvement City/ municipality	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u>	4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)	5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).
	Law and Rulebook on Legalization – as a result, municipal administration more efficiently provide legalization services to businesses and citizens	requirements for establishment of the PUC's evidence on assets	all 32 cities and municipalities.		SCTM training and distance learning training Support to Presevo LEDO to initiate policy activity and change Law on pastures in order to allow for establishment of the new industrial zone in Presevo.
Vladičin Han	Resolving proprietary issues in providing land lot for German investor (led bulbs); mentored by Uzice in introducing modern asset management practices	Within the framework of the asset management training, organized on-the-job consultation on new legal requirements for establishment of the PUC's evidence on assets.	On-going technical assistance in resolving proprietary issues / obstacles to marketization of the brownfield projects Prepared inventory of the potential brownfield companies (financial, legal, technical data) to be used as a material for investors' teasers and business offering packages	SCTM provides support to LEDO (TA within SLD grant) to improve quality of the databases (greenfield, brownfield), promotional materials and techniques for targeting potential investors and strategies for communication with existing businesses.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
Niš	Analyses of the opportunities for new investments on land lots used by three companies in financial difficulties  Support to establishment of the production/educative grapefruit center in a form of PPP	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	For three brownfield projects action plans developed, most important institutional and legal issues resolved and process of promotion and marketization initiated.	FDI coaching improved municipal capacity for targeted marketing	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training; Supported by NALED in development of the PPP project initiative (establishment of the Fruit Growing Regional Research and Development Center)
Leskovac	Analyses of the opportunities for new investments on land lots used by three companies in financial difficulties		Teasers provided for three companies and/or part of the companies in Leskovac (Nevena, agricultural land in Nevena and Danilo Boskovic).	Support provided in preparing presentation for BFC verification visit. Leskovac was awarded BFC in march 2014.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
Gadžin Han	Support in institutional set-up for property inventorying; mentored	TA provided - management practices aligned with new regulatory	Prepared inventory of the potential brownfield companies (financial,		Strengthened capacities of the LEDO and municipal officials in investment

<b>Capacity improvement</b>	1. improved <b>asset management</b>	2. improved <b>management and monitoring of public utility companies</b>	3. better managed inventory, prioritization and commercialization <b>of brownfield investments</b>	4. improvements made by municipalities in accordance with the <b>BFC standards</b> (if there is at least one improved capacity, measured by the BFC criteria)	5. <b>established/supported business related services/procedures (including agribusiness)</b> (if a local government supported the establishment of a mechanism that helps business sector to grow).
<b>City/ municipality</b>					
	by Uzice in introducing modern asset management practices	framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	legal, technical data) to be used as a material for investors' teasers and business offering packages.		attraction and retention – through SCTM training and distance learning training
<b>Doljevac</b>	Support for institutional set-up for property inventorying. Support to establishment of the Agricultural/Greenmarket Center in Pukovac as a potential PPP	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	Prepared inventory of the potential brownfield companies (financial, legal, technical data) to be used as a material for investors' teasers and business offering packages.	FDI coaching improved municipal capacity for targeted marketing	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training; Supported by NALED in development of the PPP project initiative (Regional Market Center)
<b>Merošina</b>	Support for institutional set-up for property inventorying; mentored by Uzice in introducing modern asset management practices	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	On-going technical assistance in resolving proprietary issues / obstacles to marketization of the brownfield projects	SCTM provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors. FDI coaching improved municipal capacity for targeted marketing.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Novi Sad</b>	Support for institutional set-up for property inventorying.	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).		SCTM provides support to LEDO (TA within SLD grant) to adequately identify and implement PPP projects. FDI coaching improved municipal capacity for targeted marketing.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Temerin</b>				FDI coaching improved municipal capacity for targeted marketing.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Beočin</b>	Initial support for institutional set-up for property inventorying.			Support provided in data basis development and preparing Business Attitude Survey. FDI coaching improved municipal	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning

Capacity improvement City/ municipality	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u>	4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)	5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).
				capacity for targeted marketing	training On-going support in implementation of the IZ (PPP with Lafarge) – resolving proprietary issues and development of the planning documents
S. Karlovci				FDI coaching improved municipal capacity for targeted marketing.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
Novi Pazar	Support for institutional set-up for property inventorying; mentored by Uzice in introducing modern asset management practices	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	On-going technical assistance in resolving proprietary issues / obstacles to marketization of the brownfield projects	SCTM provides support to LEDO (TA within SLD grant) to improve quality of the databases (workforce, companies, available greenfield and brownfield locations), promotional materials and techniques for targeting potential investors	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training, Support to City to efficiently address imminent waste water challenge with denim producers (pre-treatment facility installation)
Sjenica	Support for institutional set-up for property inventorying	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).		SCTM provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
Tutin	Support for institutional set-up for property inventorying	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).		Strengthening capacities of the Tutin to apply for BFC was made through first phase of the PPP project developed by NALED.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training Supported by NALED in development of the PPP project initiative (purchasing, processing

Capacity improvement City/ municipality	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization of <u>brownfield investments</u>	4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)	5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).
					and packaging of the forest fruit, mushrooms and medical herbs)
Kraljevo	<p>Support for institutional set-up for property inventorying</p> <p>Analyses of the opportunities for new investments on land lots used by two companies in financial difficulties.</p> <p>Analyses on establishment of the PPP in attraction of the private investor to the private location Riccone Outlet Owned by private company but strategically important for City.</p>	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).	Teasers provided for two companies and/or part of the companies in Kraljevo (Magnohrom and also Socially owned Matarusla banja SPA)	Support provided in data basis development, facilitation of the process of adoption of the strategic document (City Economic Development Strategy), changing web page structure, and improving techniques for distribution of investment promotion materials.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
Čačak	<p>Analyses of the opportunities for new investments on land lots used by two companies in financial difficulties.</p> <p>Analyses on establishment of the PPP in attraction of the private investor to the private location Riccone Outlet Owned by private company but strategically important for City.</p>		<p>Teasers provided for two companies and/or part of the companies in Cacak – Riccone and Tehnos.</p> <p>Prepared analyses on successful privatization of the Mining Rudnik within the brownfield project implemented by NALED.</p>	Through work with brownfields City acquires new skills and practices in marketization of the brownfield companies.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
G. Milanovac					Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning

<b>Capacity improvement</b>	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u>	4. improvements made by municipalities in accordance with the <b>BFC standards</b> (if there is at least one improved capacity, measured by the BFC criteria)	5. <b>established/supported business related services/procedures (including agribusiness)</b> (if a local government supported the establishment of a mechanism that helps business sector to grow).
<b>City/ municipality</b>					training
<b>V.Banja</b>	Support for institutional set-up for property inventorying.			Support provided in data basis development, facilitation of the process of adoption of the strategic document (City Economic Development Strategy), changing web page structure, and improving technique for distribution of investment promotion materials.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Raška</b>		Potential PPP project on recycling yard has been supported with analyses of the financial, operational and technical preconditions for establishment of the project and benefits for both sides.	Analyses of the opportunities for new investments on land lots used by two companies in financial difficulties.		Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training Supported by NALED in development of the PPP project initiative (Recycling Yard)
<b>Užice</b>	Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities	Jointly with SCTM TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).		SCTM provides support to LEDO (TA within SLD grant) to improve HR strategy and to analyze technical capacities of the LEDO with recommendations for improvements	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Čajetina</b>	Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities			SCTM provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>N.Varoš</b>	Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities.	TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more			Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning

Capacity improvement City/ municipality	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u>	4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)	5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).
		<p>transparency and clearer criteria for subsidizing PUCs).</p> <p>Potential PPP project on co-generation has been supported with analyses of the financial, operational and technical preconditions for establishment of the project and benefits for both sides.</p>			<p>training</p> <p>Supported by NALED in development of the PPP project initiative (Biomass Co-Generation Project)</p>
<b>Prijepolje</b>	<p>Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities.</p>	<p>TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).</p>	<p>Potential PPP brownfield project aimed to attract strategic investor in the area of management of the regional cool storages/chambers has been supported with analyses of the financial, operational and technical preconditions for establishment of the new company and benefits for both sides.</p>		<p>Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training</p> <p>Supported by NALED in development of the PPP project initiative (Regional Cooling Chamber)</p>
<b>Priboj</b>	<p>Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities</p>	<p>TA provided - management practices aligned with new regulatory framework (quarterly reporting, performance indicators, and more transparency and clearer criteria for subsidizing PUCs).</p>	<p>International STTA provided in marketization of the largest brownfield potentials.</p>	<p>SCTM provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors</p>	<p>Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training</p>
<b>Subotica</b>	<p>Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities</p>		<p>Support to revitalization of the former military barracks Kosta Nadj in Subotica (provided legal assessment and action plan for negotiation with RoS Property Directorate)</p>		<p>Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training</p>
<b>Sombor</b>	<p>Facilitated role of the Uzice as an asset management mentor for</p>				<p>Strengthened capacities of the LEDO and municipal officials in investment</p>

<b>Capacity improvement</b>	1. improved <u>asset management</u>	2. improved <u>management and monitoring of public utility companies</u>	3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u>	4. improvements made by municipalities in accordance with the <b>BFC standards</b> (if there is at least one improved capacity, measured by the BFC criteria)	5. <b>established/supported business related services/procedures (including agribusiness)</b> (if a local government supported the establishment of a mechanism that helps business sector to grow).
<b>City/ municipality</b>	group of SLD municipalities.				attraction and retention – through SCTM training and distance learning training
<b>Kanjiza</b>	Facilitated role of the Uzice as an asset management mentor for group of SLD municipalities.		Initial meetings held and LEDOs become acquainted with mechanisms needed for preparing opportunities for new investments on land lots and brownfield companies in financial difficulties.	Initial assistance to Kanjiza.	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training Supported by NALED in development of the PPP project initiative (Agro-industrial Logistic Center)
<b>Zrenjanin</b>	Mentored by Uzice in introducing modern asset management practices; supported by NALED in development of the PPP project initiative (Terra Panonica)  In addition to, prepared analyses of the unsuccessful privatization of the pharmaceutical company Jugoremedija (NALED's grant) with recommendations for improvements.	Prepared analyses on possibilities for PPP investment in Banja/Spa Rusanda which also highlights basic deficiencies and suggest venues for improvement in utility sector which is needed for investment.	Initial meetings held and LEDOs become acquainted with mechanisms needed for preparing opportunities for new investments on land lots and brownfield companies in financial difficulties.	SCTM provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Kikinda</b>	Mentored by Uzice in introducing modern asset management practices		Initial meetings held and LEDOs become acquainted with mechanisms needed for preparing opportunities for new investments on land lots and brownfield companies in financial difficulties.	Project provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials and techniques for targeting potential investors	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through SCTM training and distance learning training
<b>Novi Bečej</b>	Initial support in property registration and introducing modern asset management		Initial meetings held and LEDOs become acquainted with mechanisms needed for preparing	Project provides support to LEDO (TA within SLD grant) to improve quality of the promotional materials	Strengthened capacities of the LEDO and municipal officials in investment attraction and retention – through

<p><b>Capacity improvement</b></p>	<p>1. improved <u>asset management</u></p>	<p>2. improved <u>management and monitoring of public utility companies</u></p>	<p>3. better managed inventory, prioritization and commercialization <u>of brownfield investments</u></p>	<p>4. improvements made by municipalities in accordance with the <u>BFC standards</u> (if there is at least one improved capacity, measured by the BFC criteria)</p>	<p>5. <u>established/supported business related services/procedures (including agribusiness)</u> (if a local government supported the establishment of a mechanism that helps business sector to grow).</p>
<p><b>City/ municipality</b></p>	<p>practices</p>		<p>opportunities for new investments on land lots and brownfield companies in financial difficulties.</p>	<p>and techniques for targeting potential investors</p>	<p>SCTM training and distance learning training</p>