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SEMI-ANNUAL PROGRESS REPORT #5

**SUSTAINABLE LOCAL DEVELOPMENT PROJECT
APRIL 1 – SEPTEMBER 30, 2013**

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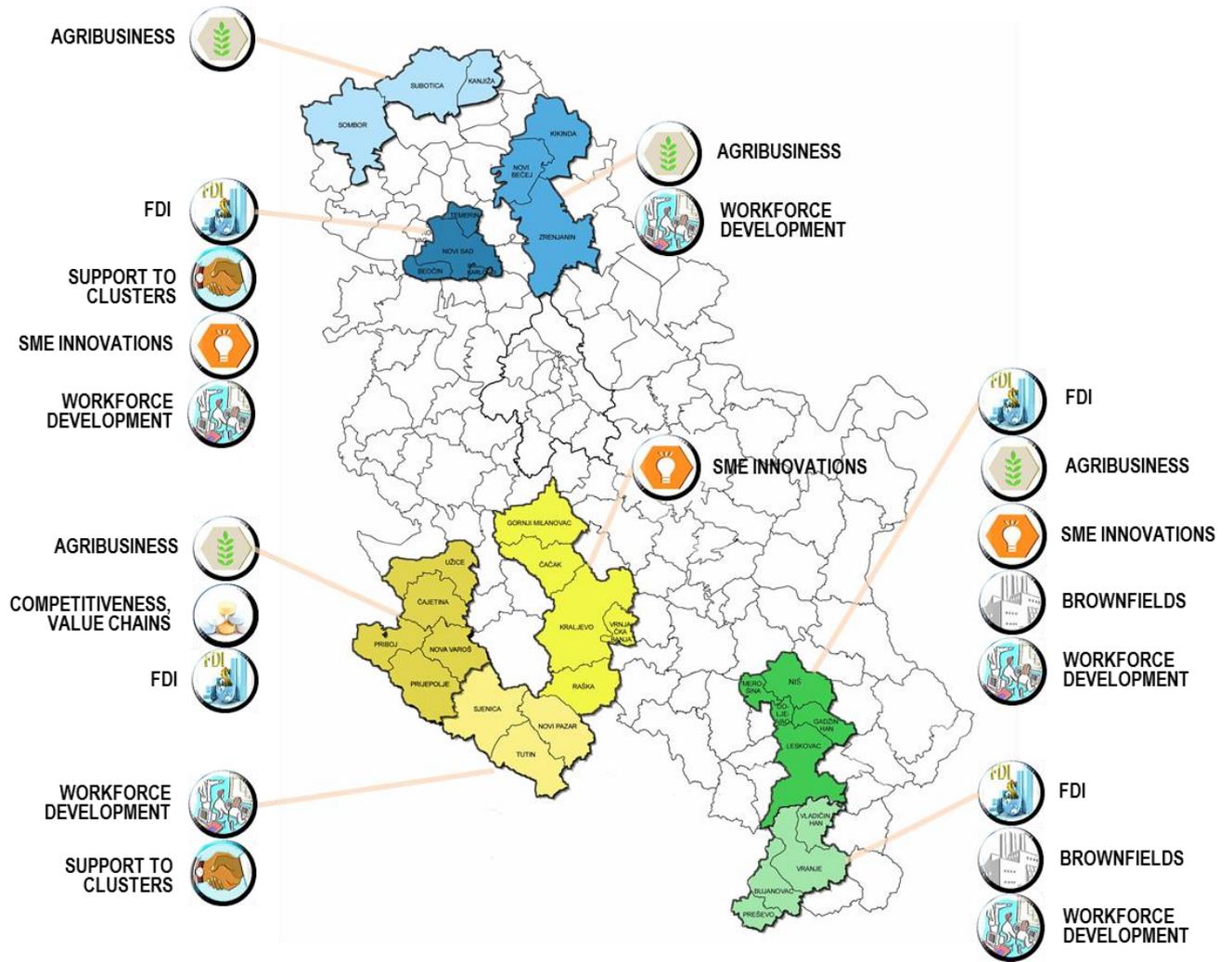
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ACRONYMS

BEE	Business enabling environment
BFC	Business Friendly Certification
CB	Capacity building
CIP	Capital Investment Planning
CSO	Civil society organization
DARD	Department for Agriculture and Rural Development of the City of Nis
EU	European Union
EU PROGRES	European Partnership with Municipalities
FDI	Foreign direct investment
GoS	Government of Serbia
Ha	Hectares
IMC	Inter-municipal cooperation
IMCA	Inter-municipal cooperation area
KOMS	Serbian Youth Umbrella Organization
LED	Local economic development
LG	Local Government (applies to a city or a municipality)
LMT	Local Mobile Career Guidance Teams
MERD	Ministry of Economy and Regional Development
MEMSP	Ministry for Environment, Mining, and Spatial Planning
MISP	Municipal Infrastructure Support Program
MoE	Ministry of Education
MoF	Ministry of Finance
MPALSG	Ministry of Human and Minority Rights, Public Administration and Local Self Government
MoU	Memorandum of Understanding
MYS	Ministry of Youth and Sport
NALED	National Alliance for Local Economic Development
NAPOR	National Association of Youth Workers
NARD	National Agency for Regional Development
NiCAT	Nis Cluster of Advanced Technologies
NCP	New Criteria Program
NES	National Employment Service
NGO	Non-governmental Organization
PMP	Performance monitoring plan
PPP	Public-private partnership
PGoV	Provincial Government of Vojvodina
Project	USAID Sustainable Local Development Project
PPF4	Project Preparation Facility 4
PUC	Public Utility Company
RDA	Regional Development Agency
RSEDP II	Regional Socio-Economic Development Program
SCTM	Standing Conference of Towns and Municipalities
SEDA	Sandzak Economic Development Agency
SEIO	Serbia European Integration Office
SK	Smart Kolektiv
SLAP	System of Long-listed Advanced Infrastructure Projects
SME	Small- and medium-sized enterprise
STP	Cacak Science and Technology Park
STTA	Short-term technical assistance
TA	Technical assistance
WG	Working Group
WP	Work plan
YBS	Youth Business Serbia

Map of Serbia: The Project's assistance in the areas of inter-municipal cooperation
 Goal: Add jobs by expanding the private business sector with demand-driven assistance.



Shared themes: agribusiness, FDI attraction, brownfields, support to clusters, SME innovations, workforce development.

1. EXECUTIVE SUMMARY

The FY2013 Semi-Annual Progress Report covers the April 1 – September 30, 2013 period of implementation of the Sustainable Local Development Project in Serbia (“Project”). During this period, the Project was focused on initiatives that will lead to adding jobs by expanding the private sector in eight inter-municipal cooperation (IMC) areas.

Key accomplishments during the reporting period include:

- Eight IMC economic development programs, or New Criteria Programs, were developed based on identified private sector growth opportunities. Collectively, the Project committed to add at least 2,000 new jobs, \$120 million of new investments and an increase of business sector revenues by \$120 million by June 2015. Commitment of the IMC partners to the development concepts has been reached, and all plans have been approved by USAID.
- 479 young people found jobs as a result of the Project-supported activities 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.
- Launched the “Agriculture Entrepreneurship Incubator” Program to help unemployed youth in the Zrenjanin-led IMC area start their own agribusiness and grow highly profitable vegetable crops. The program will give young unemployed persons the knowledge and practical skills on how to run a small agribusiness and grow vegetables in greenhouses and open fields.
- Launched agribusiness expansion program in the Subotica-led IMC area, to increase domestic sales and exports of agricultural products and generate new jobs. The Project and representatives of the three Vojvodina municipalities, Subotica, Sombor and Kanjiza, signed an agreement for the joint implementation of this economic program. The Project will assist Subotica in equipping a laboratory that will test food for quality control and, as needed, for export licenses.
- Three Public-Private Partnerships (PPP) were established with the Project’s support: one PPP between the Municipality of Beocin and the Lafarge Company, and two between commercial banks and public sector partners. The Project facilitated the set-up and contributed to the sustainability of the partnerships between ERSTE and UniCredit banks, national-level institutions (National Employment Service, Ministry for Youth and Sport), CSOs (Group 484 and Smart Kolektiv) and donors (USAID/SLDP) aimed at increasing employment among young people who wish to become entrepreneurs. These activities are also recognized as corporate social responsibility (CSR) initiatives, where ERSTE Bank provided non-commercial credit lines for start-ups, while UniCredit Bank provided approximately \$19,000 of direct grants to young entrepreneurs.
- Completed assessment of local textile industry in the Novi Pazar-led IMC Area and provided recommendations for expanding the denim sector and attracting investors. Also, evaluated the denim sectors in Ukraine, the United Arab Emirates and Turkey to determine the possibility of introducing products from the Novi Pazar IMC area to those countries.
- Completed an assessment of local furniture manufacturers in the Novi Pazar and Vranje-led IMC areas (covering seven municipalities). Based on assessment results, the Project will provide recommendations on how to increase the sale of locally manufactured furniture and expand the market for these products.
- The Project and its partner organization the National Alliance for Local Economic Development (NALED) selected eight public-private partnership (PPP) concepts to receive expert and mentor assistance for further development and implementation.

2. PROGRESS DURING Q3 and Q4 of FY 2013

Component 1: Inter-Municipal Cooperation Programming

Objective 1.1: Improve IMC economic development by guiding work on projects that add jobs to the territory

Activity 1.1.1. Identify and select IMCA projects by meeting the New Criteria and advancing them to the level of project approval

On April 12th, 2013, USAID approved eight New Criteria Programs (NCPs) identified by the Sustainable Local Development Project Team, one in each inter-municipal cooperation area. The Project immediately began drafting requests for proposals (RFPs) and grants and STTA Scopes of Work (SoW) in order to launch NCP activities. During the reporting period a majority of Component 1 activities were aimed at expanding the private sector by raising competitiveness and increasing inflowing investment. Each NCP aims to increase economic growth and is focused on the following themes: agribusiness; SME innovation; FDI attraction; strengthening clusters; brownfield redevelopment; and workforce development. In addition, the Project explored business expansion opportunities by seeking to improve competitiveness in the IMC territories.

Activity 1.1.2. Support the programming, preparation and implementation of IMC infrastructure projects to leverage the European Union (EU) and the Government of Serbia (GoS) funding

Along with the eight overarching NCPs, the Project is currently supporting four infrastructure activities:

1. *The Industrial Zone Bunusevac*. Located three kilometers from Vranje, the zone was established through the conversion of a military training facility and a transfer of military land to Vranje. Earlier in the year, the Project funded the development of a topographic plan for a bypass road. In this reporting period, the Project is assisting with the preparation of detailed infrastructure designs.

Current status of the project: the RFP has been approved, will be signed in early October.

2. *The Industrial Zone in Temerin*. Temerin Municipality is located 19 km from Novi Sad and intends to develop an industrial zone in the Backi Jarak settlement. For that purpose, a detailed regulation plan has already been prepared. The zone's 28.6 ha will be used for light industry, small businesses, and storage purposes. The \$60,000 anticipated value of the Project's support includes preparation of documentation for the construction of the service road and connection to the state road.

Current status of the project: the RFP is in the approval process, the location permit has been issued; the Project is awaiting an environmental assessment.

3. *Water Supply System Doljevac – feasibility and economic viability for the reconstruction and additional construction of the water supply system “Pusta reka”*. A feasibility study will help the Doljevac Municipality plan a secure and continuous supply of potable water for the entire population in the prescribed quantity (according to consumption standards), quality and pressure. The Project is providing \$43,000 for the development of the Feasibility Study and an estimated \$25,000 for revision of the existing technical design (the reconstruction of the existing water network made of asbestos). Based on the study, the municipality will submit a project proposal to the Serbian Government to reconstruct the regional water supply system (project value based on the Study is approximately eight million euros).

Current status: the completion of works is foreseen for August 2013. During the reporting period, a first draft of the study was completed and sent to the members of the working group for comments.

4. *Adaptation of an Inter-municipal Agricultural Educational Center in Sombor*. The Project is supporting the preparation of the main project for adapting the Inter-municipal Agricultural Educational Center in Sombor (Subotica-led IMC Area). An estimated value of this initiative is \$70,000. The requested

assistance includes the development of an architectural design for facility refurbishment, development of a list of didactic materials and educational tools, equipping the facility with furniture and educational tools.

Current status of the project: Preparation of an RFP is in progress.

Objective 1.2: Sustain IMC capacity to succeed in investment attraction and business growth necessary to enhance regional economic competitiveness

Activity 1.2.1. Support key areas of IMC economic growth dedicated to job expansion1.

The New Criteria Programming defines Component 1 job expansion work by focusing on both specific IMC area activities and goals shared by a number of IMC areas. Some elements of this work deal with what can be categorized as traditional competitiveness work with clusters of firms and value chains, while others deal more with building the capacity of territories to add more jobs.

Under Activity 1.2.1, below we review what has been done in the reporting period to help build the capacity of territories to add more jobs; while specific competitiveness activities are described under Activity 1.2.2.

1. Agribusiness Expansion:

As part of a drive to expand the private sector and create jobs, the Project engaged an international expert to examine the strengths and capabilities of the Serbian food sector and recommend steps for growing value-added food processing in the Zrenjanin, Nis and Subotica -led IMC Areas. The initial analysis highlighted the potential for growth in the dried, pureed, or concentrated fruit industry. Despite existing challenges to growing a successful, value-added food processing industry, the Project intends to combine Serbia's agricultural traditions with the necessary food processing business expertise in order to attract investment into targeted IMC Areas. As a parallel activity, a supply-side analysis of the farming capabilities in these regions was carried out to determine the amount of potential supply of produce to those processors who are interested in moving into new or expanded markets (more details can be found under Activity 1.2.2. in the *Business-Growth Tools* section).

a. In the Zrenjanin-led IMC Area, the Project developed a farm incubator program for unemployed youth. The activity focuses on expanding the production of highly profitable vegetables in the region. It promotes the diversification of agricultural production and hones entrepreneurial and practical skills of new young farmers by allowing them to run a small farm business and grow vegetables in greenhouses and open fields. The farm incubator program is comprised of two main components: an educational component, which provides trainings and mentorship in entrepreneurship and vegetable growing; and a resource-based component, which provides land, infrastructure, equipment, and greenhouses. The program will reduce the time and cost of establishing farm start-up businesses. And, the program features greater support to young farmers during the early stages of development and phases out support as their farm matures. The Ministry of Youth and Sports will provide trainers for the entrepreneurship part of the educational component, and help promotion of the program in target municipalities through local youth offices.

The Project developed an agreement on the implementation of the Program, which requires city councils to provide land and infrastructure for the incubators, and assigns responsibilities for managing the incubators in a transparent, knowledge-optimizing way. The agreement was signed at the Zrenjanin City Hall on September 9th by the mayors of Zrenjanin, Kikinda, and Novi Becej and the Project Chief of Party. After the official launch, young unemployed persons were invited to apply, public calls have been released in the local media, and other promotional activities have started. Training will be organized in mid-October, the selection of incubator tenants in November, and the installation of greenhouses and opening of incubators in March/April 2014.

b. In the Nis-led IMC Area, a key element of agribusiness expansion is the development of a demand-driven network of local food processors and farmers, through establishment of a regional Food Processing Support Center (FPSC). Food production in South East Serbia generally does not follow market demand, as producers are supply-driven, concentrating on maximizing yields rather than on market needs. The recent agricultural supply-side study and market demand analysis on processed food, performed by Project consultants, have shown that there is a potential to develop new processed foods to increase sales in both national and export

markets. The Department for Agriculture and Rural Development (DARD) of the City of Nis believes that this can be achieved by focused institutional support and coordination to help food processors identify new and profitable market opportunities and to help farmers adjust their production to better meet the needs of processors. Therefore, together with partner municipalities, DARD plans to establish and manage a regional FPSC. The Project STTA delivered a presentation of best practices for supporting food processing industries throughout the world. DARD staff requested capacity-building support with business planning, as this could be an important service for the FPSC to provide. Based on field work, the consultant developed a draft proposal of a feasible operational model for the FPSC, with an action plan and outline of training needs for future staff and management of the center. After finalization of draft documents, the consultant will make a second visit to Serbia in November to assist DARD to implement the proposed FPSC model and deliver part of the identified trainings to future staff.

c. In the Subotica-led IMC Area, the Project intends to diversify the IMC's agricultural offerings through innovation and modernization of producers' capabilities. The Project initiated the main design for the reconstruction of the IMC Agricultural Educational Center's premises in Sombor. The purpose of the IMC Agricultural Educational Center will be to enhance the knowledge and skills of farmers and agribusinesses to increase production efficiency and product quality, introduce new varieties and cultivation technologies. The Center will also have a vocational agricultural education component for young unemployed people to help them acquire farming skills and become registered farming households. The Project will select a subcontractor to develop conceptual and detailed designs for the reconstruction of the existing facilities into new functional unit to be used for the Agricultural Educational Center. Another initiative within this IMC Area is equipping a laboratory in Subotica for testing residues of agrochemicals in agriculture products and food. By broadening the range of pesticides that can be scanned, this laboratory will benefit all farmers of the region who now travel hours away to test their produce. The RFP for the procurement of the necessary equipment is ready for publication. The Project's Environmental Compliance Specialist has completed the Environmental Review Checklist, and USAID approval for environmental compliance on both activities is pending..

Local Products for the Local Industry

In order to add jobs and support the growth of the Uzice-led IMC Area economy, the Project has awarded an approximately \$60,000 grant to the Zlatibor Regional Development Agency (RDA), to determine the possibility of creating a supply chain of local products for the local tourism industry. As the major source of revenue in rural areas is farming, the Project will link local farms with the IMC Area's leading sector- tourism (a complete list of all Project grants is available in Annex H).

At present, local retailers as well as approximately 26 hotels and 120 restaurants within the IMC Area utilize insignificantly locally available products, as they are compelled to buy more standardized goods. As a result, small producers and processors are largely excluded from the market. Through the grant, RDA Zlatibor will: analyze local tourism industry demand for local products, perform a supply scan of what is sold and what could be sold locally and provide recommendations for feasible linkages between the demand and supply of local tourism industry products. RDA Zlatibor will also create an action plan for the implementation of the top three recommendations.

Additionally, the Project completed an analysis on the potential of an inter-municipal agricultural logistic center in Kanjiza. This initiative will be further developed as one of the National Alliance for Local Economic Development's (NALED) PPP grants (more information under the Component 2 section) in terms of developing an action plan to establish a sustainable center. Under the Project grant, an investment conference is planned to present the logistic center action plan.

The Project is also supporting apple growers in the IMC Area to acquire geographical certificates of origin for the Subotica-Horgos Apples, in order to better brand and market their regional produce. This economic program will benefit agricultural producers, cold storage operators and distributors/ exporters from the entire IMC area by increasing sales and exports, and regional competitiveness. An STTA has been working on the development of a Study for the Protection of Geographical Indication of Apples Produced on the Subotica-Horgos Sand. The final draft study has been sent to the IMC working group for review. The next step is to create an association of apple growers from the Subotica-Horgos Sand area that will be the authorized user and owner of the protected geographical indications of apples on sand.

d. In the Novi Pazar-led IMC area, the Project engaged a consultant to assess the potential for introducing high-value non-traditional crops in Raska, Vrnjacka Banja, Tutin, Sjenica, and Novi Pazar to give small-scale farmers options to diversify their cropping systems. Certain niche crop varieties could be introduced and sustained in target municipalities due to their geographic position, soil composition, and fragmented farming

plots. For example, the findings showed a potential for growing selected medicinal and aromatic plants, forest and berry fruits (such as chokeberries and blueberries), as well as organic production of some traditional crops (potatoes, buckwheat). Following these recommendations, the Project will assist further programs aimed at diversifying regional agricultural products. In January 2014, the Regional Center for Agricultural Development in Sjenica will start providing advisory support to producers who want to switch to new crops. The Center's laboratory for water and soil testing will provide analysis necessary for establishing fields with new crops. The Project plans to support the Center to introduce accreditation of the laboratory and to raise the capacity of the Centers staff to provide services to farmers.

2. SME Innovation and Science-Business Dialogue (Kraljevo and Nis-led NCPs):

The Project provided technical assistance to the Science Technology Park in Cacak (STP Cacak) to help develop strategic and operational documents, such as a mid-term business plan and an annual action plan. The Project developed a business plan for the STP, which includes an action plan for the first year of operation and an organizational model of the Park. In the upcoming period, the Project will support management training for the STP that will develop STP professionals' skills, improving their knowledge and allowing them to better assist SMEs in innovating and becoming competitive.

The Project also assisted the STP Cacak leaders establish relationships with the Serbian Innovation Fund so to define opportunities and determine the Fund's future role in the development of the science and technology park. To this end, the Project assisted organization of two meetings, presenting the fund to local business and encouraging them to apply for funding of their innovative products. As a result, the deadline for applying for this funding has been extended by a month, to the end of October.

In Kraljevo, the Project's cooperation with the ImPuls Center was mostly on hold because the Center was finishing obligations under the founding EU grant. Nevertheless, one of the activities supported by the Project has been the development of the Center's web site. The web site, which is to serve also as a promotional tool, is expected to be launched in October. As a next step, the Project will support development of monitoring and evaluation scheme to test the impact of the Center's services as well as an impact analysis for work the ImPuls Center accomplished under its EU grant, in order to gauge the type of assistance the Project should offer.

In Nis, work with the Nis Cluster of Advanced Technologies (NiCat), the high technology cluster of businesses, and the Electronic Faculty of the Nis University, began by preliminary introductions, presentations and discussions of collaboration that would result in the Faculty becoming a venue for business innovations. In November, with Project support, the NiCat cluster manager who is also linked directly to the Nis LED Office, which is the Project's key partner in FDI attraction, will participate in the USAID Regional Competitiveness Initiative (RCI) organized week-long Information Technology Study Tour and Business to Business networking event in New York. The focus of the trip is to build institutional linkages and facilitate exchange of best practices, including an increase in trade and investments – goals fully in line with the Project's New Criteria Programming.

3. FDI Coaching:

The Project continued its Joint Investment Promotion Coaching Program, holding workshops aimed at improving local government officials' skills to attract Foreign Direct Investment (FDI) via best international practices. The Berman Group is implementing the Program, while specialist representatives from the Serbian Investment and Export Promotion Agency (SIEPA), the National Alliance for Local Economic Development (NALED), the Standing Conference of Towns and Municipalities and the German Chamber of Commerce are engaged to lead coaching sessions and present FDI attraction models

During the reporting period, the Project held two of four coaching workshops for select Local Economic Development professionals from the Novi Sad, Uzice, Nis and Vranje-led IMC Areas. The workshops focused on building participants' understanding of basic concepts of FDI, expanding participants' abilities to attract investors by building on their communities' strengths (comparative advantage) and developing specific proposals for investors based on targeted sectors. Fifty-one local government LED practitioners attended the two sessions. They learned about the latest investment trends and were assisted to identify possible sector appropriate investment opportunities. The trainings also highlighted the importance of FDI as crucial to job generation in Serbian communities. By the end of the program, the participants will learn how to identify potential investors and how to

package different offers to different categories of investors. The workshops include a study tour to the Czech Republic, one of the most successful Eastern European countries in attracting foreign investors, scheduled for October. The study tour will allow the participants to familiarize themselves with best-practice examples.

Activity 1.2.2. Plan, organize and deliver assistance package on inter-municipal competitiveness, investment attraction and business growth tools and techniques

The Project completed the planning for the next phases of competitiveness activities concerning all NCPs. During the

Under Activity 1.2.2., the Project completed the following competitiveness work:

1. Investment Attraction:

During the reporting period in the Nis-led IMC area, the Project team and Berman Group partners assessed investment potentials and level of readiness of different locations, recommending competitive locations in Nis, Leskovac, Doljevac and Gadzin Han. In addition, the Project assisted Nis-led IMC cities to identify and describe 23 brownfield locations for possible development through inflowing investment (more information about the Project's work on brownfields available in the Component 2 section of the report). Within the above-mentioned FDI coaching program, participating IMCs selected market ready locations and developed tools for investment attraction. The Project will motivate and encourage LED Offices to be proactive in FDI activities and, with the support of the Serbian Investment and Export Promotion Agency (SIEPA), will assist in introducing companies from targeted sectors to potential investors through direct mailing.

Improving Partner Negotiation and Sales Skills

During September 2013, the Project trained 30 business representatives from more than 20 Serbian companies in negotiation and sales skills to prepare them for meetings with potential buyers in Ukraine. Funded by the Serbian Chamber of Commerce, the 20 companies sent representatives to Ukraine to visit Auchan, a French retail chain and one of the biggest chains operating on the territory of the ex-Soviet Union. With a free-trade agreement between Serbia and Russia, Belarus, Kazakhstan and Ukraine (the last one expected to be signed by the end of 2013), the companies seek to establish business links with potential partners from these countries. In line with its goals to raise competitiveness, create jobs and help businesses increase revenues, the Project partnered with the Serbian Chamber of Commerce, providing the participants a clear, practical and applicable knowledge in negotiations and sales, enabling them to increase their companies' exports and reach new customers. Among the participants visiting the Auchan retail chain were eight companies from the Project's IMC areas: Lucic Group from Sombor, Vitamin from Kanjiza, Banini from Kikinda, Pionir from Subotica, YUMIS and Benlian Food from Nis, the Pester Agro Cluster from Novi Pazar, and SEDA representatives.

It should be noted that select infrastructural projects have the potential to attract investment, but to do so require initial technical documentation for preparation of market ready property; this is the case, for example, in the Novi Sad –led IMC Area (Beocin and Temerin). By focusing on promoting market-ready locations, and through its FDI Coaching Program, the Project is helping IMC Areas attract potential investors to industrial zones.

In the Uzice-led IMC area, the Project and its Berman Group partners analyzed the potentials of the Ponikve Airport and surrounding territory. This land site requires significant time and resources to become investment-ready. On the condition that a Memorandum of Understanding (MOU) is signed, obligating the City of Uzice to prepare the General Regulation Plan and other relevant documents by October 2014, the Project will support financially the development of a geodetic survey and certified cadaster topographic plan, with which the location could be assigned the Plan of General Regulation – a prerequisite to preparing the site for investors.

2. Business-Growth Tools:

a. In the Subotica and Nis-led IMC areas, an STTA performed a supply-side capacity analysis to support the establishment of an agribusiness logistical center in Kanjiza and a Product Development Research Laboratory at the Food Technology Park in Leskovac. The Project's local STTA assessed and provided two supply-side portions of an economic feasibility analysis, gauging the potential benefit of establishing an IMC logistical center

in Kanjiza, utilizing in part or in whole the clean industrial zone known as Horgos (“the logistic center”). The analysis was presented in the Nis and Subotica-led IMC areas in July 2013.

The Logistic Center in Kanjiza will be developed under the NALED’s PPP grant, through which the Center will develop a specific action plan. The Project will also provide TA or funds to implement any PPP investment if an opportunity presents itself. In September, the Project also began assisting a Product Development Research Laboratory within the Food Technology Park in Leskovac. The first Food Technology Park in Southern Serbia was established earlier in 2013, as a PPP between seven food-processing enterprises, the City of Leskovac and the Faculty of Technology. The Project will assist in developing the Research Laboratory for the Park, allowing it to decrease costs and become more competitive.

b. In Vojvodina’s agricultural IMC Areas, the Project fielded a local STTA to prepare the *Study for the Protection of Geographical Indication of Apples Produced on the Suboticko-Horgoska Sand*. The final draft study has been sent to the IMC working group for verification and feedback. The next step is to create an association of apple growers from the Suboticko-Horgoska Sand area that will be an authorized user and owner of the protected geographical indications of apples on sand.

c. In the Novi Pazar-led IMC, the Project engaged an international textile expert to assess the current state of production and recommend ways for growing the denim sector in the IMC Areas. Preliminary recommendations include the introduction of forecasting trends to compete with the industry, use of certificates of fabric origin, introduction of social media marketing; as well as waste-water treatment as a key area of production for improvement (treatment of contaminated water must be improved).

The STTA also assessed the denim sectors in Ukraine, United Arab Emirates and Turkey to determine the possibility of introducing products from the IMC Area to foreign markets. Key recommendations for Novi Pazar denim manufacturers include subcontracting to major Turkish companies via already established business relations, launching a social media presence in Russia (Belarus, Ukraine, Kazakhstan), establishing a relationship with wholesalers in Dubai so to access the Middle East/Sub-Saharan Africa markets and presenting annually at the main trade shows in Berlin, Istanbul and Dubai so to increase company and brand awareness. In the upcoming period, the Project and SEDA will work with the Association on developing a marketing plan, providing recommendations on expanding Asstex’s market presence in Russia and other countries, as well as strengthening partners’ sales and negotiation skills for trade fairs.

Within the Novi Pazar- and Vranje ICM Areas, the Project also engaged an international footwear expert in the Vranje and Novi Pazar -led inter-municipal cooperation (IMC) area shoe sectors, to determine the possibility of increasing Serbian exports to the global footwear market. A footwear expert visited manufacturers to assess the quality of their products and determine the possibility of introducing shoes from Serbia to other markets (see textbox). Early recommendations include that shoe manufacturers should: form clusters to offset costs and gain the ability to produce in bulk, launch a marketing campaign and develop a social media plan as well as participate in annual trade shows and fairs where manufacturers can develop links with wholesalers from the US, EU and Russia.



An international expert assessing footwear quality in one of the factories visited in the Novi Pazar and Vranje-led IMC Areas.

Additionally, an international STTA has been approved to advise Science Technology Park Cacak members, management and associated stakeholders (university, business associations, city administration) on how to accelerate practical innovation and competitiveness by bridging the gap between business and science in the region. This STTA will make recommendations that will be the foundation for further consulting activities intended to create working relationships between the science and business communities.

Objective 1.3: Spread and imbue the institutional and technical knowledge gained, through successes of inter-municipal economic development

Activity 1.3.1. Network formation and knowledge distribution on IMC principles and LED professionalism

The Project communications focused on the organization of public events with key government and business stakeholders at the national, regional and local levels. The implementation of NCPs throughout IMC partner areas was also supported through media relations.

At the national level, in June 2013, in cooperation with the (grantee) Business Info Group (BIG), the Project organized a conference in Belgrade, titled “*Serbia on the Road to the EU – the Impact on Economy*”. The Serbian Prime Minister, the Governor of the National Bank and the Minister of the Regional Development and Local Government were among the speakers, as well as the U.S. Ambassador to Serbia, Michael Kirby. The event attracted over 20 national media representatives, and was attended by over 140 guests from the public, business and civil society sectors. The conference initiated a dialogue among decision-makers on issues impeding economic growth and job creation in Serbia, such as lack of innovation and labor force inadequate to the labor-market demand. The event also marked the launch of a new economic monthly magazine, “Nova ekonomija” (transl. the *New Economy*) published by BIG. During the reporting period, three editions of the New Economy were published, and the articles covered Project-relevant topics, such as innovation, job creation, youth entrepreneurship support, and labor.

In this six-month period two issues of the Project e-newsletter “Info Buzz” were produced and distributed to over 300 addresses of local and international Project partners. The Project continued to have positive media coverage of its activities and the web site - www.lokalnirazvoj.rs - remained an important and up-to-date source of Project-relevant information.

Component 2: Public Administration Reform

Objective 2.1: Improve capacity of municipalities to effectively manage services and capital investment projects of inter-municipal significance

Activity 2.1.1. Supporting local governments (LG) to effectively manage own assets

During this reporting period, asset management activities focused on two areas: providing solid institutional grounds for asset inventorying and management for local governments; and assisting with the smooth implementation of ongoing infrastructure and development projects which were stuck in complicated and burdensome bureaucratic procedures.

The Project supported local governments that demonstrated political support (clear commitment from the mayor) for implementation of activities that lead to the establishment of functional and effective asset management. Both Novi Pazar and Tutin, for example, provided official letters of interest, signed by their respective mayors confirming their support. The Project provided assistance specifically designed to fit the institutional, technical and financial capacity of each municipality to build institutional skills necessary for the use of municipal assets for investment attraction and job creation. In the coming period, the Project will continue to provide technical assistance on request, enabling municipalities to effectively unlock economic development projects stuck in burdensome administrative procedures.

In the Nis-led IMC Area, the Project provided initial assistance in negotiations for a possible ownership transfer of the Center for Grape and Fruit Growing from the Government of Serbia to the City of Nis. Once the transfer is completed, Nis, as the owner, will be able to: a) transform the now dormant Center into a professional, modern institution that will serve as a catalyst for agricultural development in the region -- both for fruit research and extension services; and b) sell surplus land to interested investors. The Project provided an assessment of the current institutional setting and recommendations for its transformation, emphasizing the benefits to fruit and grape production in South Serbia. Negotiations with the Property Directorate of the Republic of Serbia and with the Ministry for Agriculture are expected to begin in October 2013.

The Project also focused on helping partner local governments and other development partners (EU PROGRES, German GIZ, EU Delegation/IPA funding) to address major proprietary challenges that hinder economic

development activities. In Bujanovac, the Project provided analysis and recommendations to resolve zoning and property ownership challenges related to the construction of a new building for the Economic Faculty in Bujanovac. An Economic Faculty was opened in 2011, housed within the renovated Bujanovac Cultural Centre; the space does not meet the Faculty's growing needs. The EU PROGRES Project earmarked 400,000 EUR for construction of new facilities for the Faculty; however, as the zoned plots do not belong to the municipality, the Project assisted Bujanovac in initiating the administrative transfer of the plots. As a first step, the Project supported Bujanovac in preparing a request for declaring the land of public interest. On August 25, the Serbian Government accepted Bujanovac's request and declared the land of public interest. During Q1 of FY 2014, the Project will continue assisting the municipality to transfer the land needed for construction of a new faculty.

In May, the Project also supported Uzice in training representatives from four IMC Areas in asset inventory and management. The city hosted 24 local economic development officers from eight municipalities (Novi Pazar, Sjenica, Nis, Gadzin Han, Merosina, Bujanovac, Zrenjanin and Kikinda) who were presented with best practice models from the Uzice City Administration as well as local public enterprises. Uzice presented its catalogue of public assets (vacant land, infrastructure and commercial property) as well as how concrete administrative challenges can be overcome in preparing assets for commercialization. Through this activity, the Project ensured a wide transfer of technical and administrative knowledge, experience and know-how among partner cities and municipalities, necessary for accelerating economic development and attracting investors.

In early June, the Project completed a Rulebook on Administration of Asset Inventorying and Management, which has since become a part of the Standing Conference of Towns and Municipalities (SCTM) internet-based repository of model ordinances, and has been used in SCTM trainings on asset management organized in August and September 2013 for all Serbian local government.

Activity 2.1.2. Facilitating establishment of results-based management in public utility sector

In the final implementation stage of this activity, the Project successfully introduced a results-based management system in the selected public utilities in all eight IMCs. In May, the Project organized trainings for mid-level municipal administrative staff (Heads of the Finance and Budget Department and Heads of the Department of General Administration) and the management of Public Utility Companies (PUCs) in Novi Pazar, Tutin, Nova Varos, Prijepolje and Priboj. The training covered topics such as: Monitoring of PUC performance indicators (Excel tool) – presentation and practical exercise; Harmonization of PUC statutes (founding acts) with the new Law on Public Enterprises; Short-, medium- and long-term planning of PUCs – new legal framework and templates; The methodology for calculating the cost of municipal services.

By utilizing management tools provided by the Project, local governments and PUCs will be able to independently, as of October 2013, agree on quarterly and annual financial and operational targets based on key performance indicators. The municipalities included in the Project's PUC monitoring activity will be among the first LGs in Serbia to implement provisions of the new Law on Public Enterprises adopted on December 17, 2012. The new Law introduces performance management as an obligation of public enterprises across the country and institutionalizes quarterly reporting based on performance indicators for the 2013 budget.

Activity 2.1.3. Sustaining NALED's Business Friendly Certification as a national standard of measurement in certifying LGs administrative capacities as significant to businesses

During the reporting period, the Project continued support to partner cities and municipalities who are committed to gaining Business Friendly Certification (BFC). Those cities and municipalities are: Kraljevo, Vrnjacka Banja, Beocin, Kikinda, and Novi Becej (certification); and Vranje and Bujanovac (regional re-certification). In the second week of September, the Project succeeded in resolving the lengthy and unproductive process of strategic planning in Kraljevo, which has lasted for years and prevented the city from obtaining a BFC. The Project addressed the problem directly with the mayor, and following this meeting, the Project's BFC specialist met with key city executive officials to specify each city department's responsibilities. Deadlines were agreed and we expect that Kraljevo will write an updated LED Strategy with an action plan for implementation in the coming period. In May and June, the Project's BFC specialist successfully assisted Bujanovac to pass BFC verification. We expect that Bujanovac will receive a regional business friendly certificate no later than February 2014. The on-going support to cities and municipalities in the BFC process is now supplemented with initial research of

existing BFC criteria, provided by the Project, with the consent of the National Alliance for Local Economic Development (NALED). During the reporting period, the Project began facilitating the collection of data from cities and municipalities on the applicability and validity of existing certification and re-certification criteria.

Activity 2.1.4. Strengthening inter-municipal capacities for Brownfield management

In the previous period, Nis expressed an interest in partnering with the Project and re-developing potential local brownfields. The main brownfield priorities in Nis are the Nis Brewery and the “Pomoravlje” and “Jastrebac” companies. In May and June, the Project prepared an overview with pros and cons for pursuing bankruptcy procedures and filing for restructuring of the Nis Brewery. As a result, Nis now has legal justification and an action plan for transforming the Brewery. Preliminary bankruptcy procedures have been initiated for the brewery, based on a July 2013 analyses by the Project. In Q1 of FY 2014, an RFP will be issued for a highly specialized strategic and management consultant who will prepare marketing plans and teasers for the brewery and “Pomoravlje” and “Jastrebac” companies. The consultant will be also asked to contact targeted industries and provide an inventory of potential investors. The Project will work only with IMC Areas and municipalities who express a commitment to accelerating brownfield procedures through concrete project proposals.

Activity 2.1.5. Introducing better regulatory management through reducing administrative barriers in pilot IMCs

In the past six months the Project has shifted focus from general regulatory management issues to administrative efficiency challenges that are directly related to job retention and attraction and implementation of NCPs. The Project will offer tailor-made approaches that will promote and sustain administrative efficiency as a cross-cutting theme in each Component II activity—asset management, brownfield promotion, PUC monitoring and Business Friendly Certification. In Q4, an initial assessment was conducted on the quality of the construction licensing process in the Project’s partner local governments; as the establishment of effective, fully fledged, one-stop-shops for construction licenses is one of the key criteria for Business Friendly Certification. Furthermore, during the reporting period, most Project-partner IMC Areas have expressed an interest in upgrading their construction licensing procedures. Thus, based on a FY 2013 assessment, in the coming period the Project will work with select pilot local governments interested in re-establishing institutional structure for construction licensing and in simplifying licensing procedures.

Objective 2.2: Improve capacities of the newly elected and appointed local officials to effectively utilize local economic development mechanisms and tools and advance legal framework that spurs inter-municipal cooperation

Activity 2.2.1. Supporting elected and appointed municipal officials to effectively manage LED function

In April, the Project initiated a 10-month grant with the Standing Conference of Towns and Municipalities (SCTM) for the project “LEDER - Local Economic Development - Educational Response.” The goal of this grant is to train at least 200 newly elected or appointed local officials (members of the municipal assemblies and municipal councils from 32 cities and municipalities) to properly understand the legal and institutional context of local economic development (LED), and to effectively manage LED function in at least eight (8) concrete development activities in support of NCPs.

Prior to the trainings, the SCTM piloted an online baseline assessment of the overall capacities of Project partner local governments to perform LED functions. Based on this analysis, the Project developed an assessment report on current LED capacities. Following this, in May and June, the SCTM developed a training curriculum and selected the first three IMC Areas (Nis, Novi Sad and Novi Pazar) for trainings. The initial workshops were held at the end of June in Nis and Novi Sad.



Local Economic Development officials work together during the SCTM “Local Economic Development - Educational Response” program.

The third round of trainings was organized in July for the Novi Pazar-led IMC Area. In September the SCTM organized an additional three rounds of trainings for the Kraljevo, Zrenjanin and Subotica –led IMC Areas. In September SCTM selected eight small LED related projects to be supported with limited technical assistance: technical support will be provided to LED offices in Zrenjanin, Novi Sad, Merosina, Vladicin Han, Uzice, Cajetina, Priboj, Novi Pazar and Sjenica to update databases (of existing companies, new investors, agricultural producers, brownfield and greenfield locations), to upgrade promotional materials, to advance SME services within the LED Offices in these communities.

Activity 2.2.2. Providing distance learning course on effective LED management

Within the same grant, the Project provided support to the SCTM in developing distance learning courses closely tied to the implementation of NCPs. The web-based platform on LED was rolled out during Quarter 4. The distance learning platform is projected to assist at least fifty (50) LED practitioners from all eight Project IMC areas to enhance their knowledge and skills to effectively utilize LED mechanisms and tools, attract investment and generate new jobs. In September, the SCTM selected local trainers for the courses. The SCTM also developed a manual for trainers and performed training of trainers on distance learning methodologies and techniques. In the next quarter, the SCTM will launch a distance learning course on LED that will have four modules: LED legal and institutional context, instruments for LED, investment attraction and public private partnerships. This course will also be available after the completion of the grant for all LED practitioners in Serbian local governments through SCTM's distance learning platform.

Activity 2.2.3. Providing technical assistance to national level counterparts in creating and modifying major laws, policies and/or regulations related to inter-municipal economic development

In mid-June, the Project completed the first draft of a gap analysis with findings and recommendations related to shortcomings and deficiencies in institutional procedures and capacities at the national and local level that prevented local governments from taking full control over their own assets. The study will enable the Ministry of Regional Development and Local Self-Government and the European Union Delegation (EUD) to design a comprehensive asset management technical assistance program, financed by EUD, to be launched in late 2013 aiming to support cities and municipalities to more efficiently establish asset inventories and begin property management. The technical assistance will be financed through EU IPA funds. In September 2013, the gap analyses was presented to the Standing Conference of the Towns and Municipalities which is foreseen to be a key ally of the Project in advocating for necessary changes.

Objective 2.3: Strengthen sustainable local economic development environment through private service delivery (PPPs)

Activity 2.3.1. Fostering the establishment of sustainable public-private partnerships

In the past six months, the National Alliance for Local Economic Development (NALED) continued working on developing viable PPPs as part of a Project grant. In April, three B2G sessions were organized in Novi Sad, Nis and Kraljevo. These roundtables gave business representatives and potential investors the opportunity to present their ideas to the Project's IMC Areas. Within these events local representatives learned more on prospective investors' ideas, preferences and expectations concerning PPP projects. In June, NALED organized a competition for best public-private partnership concepts among the 32 Project's cities and municipalities. Local governments were invited to submit mature, feasible and financially sustainable PPP concepts which would be selected based on several criteria: level of preparedness, innovative approach, impact on existing economy, whether public contribution has been provided/secured, probability of investment etc.

Eight initiatives (from Raska, Nis, Tutin, Nova Varos, Prijepolje, Doljevac, Kanjiza and Zrenjanin) were selected by NALED out of twenty-nine submitted PPP concepts. The majority of proposals (six of eight) seek to establish agri-business PPPs. For example, in Prijepolje the PPP idea proposed looks to establish a regional cold storage facility. In the next four months, selected proposals will receive targeted mentorship support from NALED's pool of technical experts (engineers, financial experts, PPP lawyers) in developing concrete and detailed implementation plans. These plans will then be presented to local and international companies at an investors'

conference to be organized by NALED in mid-November 2013. Selected PPP initiatives will create additional jobs and investments in local communities.

Component 3: Youth Development and Participatory Mechanism

Objective 3.1: Foster entrepreneurship among youth and create long-term employment for young innovators, first-time job seekers, adolescents and young adults who have acquired labor market needed skills.

During this reporting period two outstanding achievements have been accomplished in the Youth Development Component. First, as a result of Project-supported activities by CSOs Smart Kolektiv and Group 484, 479 young people found employment. The second achievement is the realization of two PPP's through Project-supported CSO, Smart Kolektiv and Group 484, who developed partnership with national-level institutions (National Employment Service, Ministry for Youth and Sport and the Erste and UniCredit banks (More information can be found in Annex C, Status of Performance Indicators).

Activity 3.1.1. Creating enabling environment for Youth Development and Active Labor Market Measures through building cooperation with relevant institutions

During the reporting period, the Project continued its cooperation with the National Employment Service (NES), working to foster youth development and create new employment opportunities. The Project will continue working with NES, especially in helping career seeking youth find jobs. In Q3 and Q4, the Project also looked to incorporate youth employment activities within NCP programming. To this end, the Project and Ministry of Youth and Sport (MYS) signed a MOU in Zrenjanin focusing on developing the agricultural activities in the IMC. In the past six months, the Project assessed several additional opportunities for assisting youth to find jobs through IMC Area economic development activities:

a. Within the Zrenjanin-led IMC Area activity "Diversification of Agriculture – New Jobs for Rural Youth" the Project came to an agreement with the MYS to help carry out a campaign for rural youth, including the development of educational models focused on open field vegetable production, greenhouse production, and basic training for farm management. The Project will also support the creation of agriculture start-ups for vegetable production, primarily targeting rural youth and providing these young people with access to land, equipment and infrastructure.

b. The Project is in negotiation with representatives of the Novi Sad ICT cluster and Nis NiCAT regarding Project assistance in training a more qualified work force for the needs of the ICT industry in both cities. The activity will most likely be implemented through direct grant assistance, as the two clusters are the only qualified providers of a practical, corporate-based curriculum for ICT engineers and programmers. The Project expects that this grant will be issued in Q1 of FY14.

c. Within the Novi Pazar-led IMC Area, the Project completed an assessment of the textile industry and is now exploring the possibility of providing local youth with improved textile vocational education, including courses in textile innovation, through support to the Design High School in Novi Pazar. As the textile (denim/jeans) industry employs almost 13,000 people in this IMC Area, the Project is looking to utilize the High School to educate youth in dry jeans finishing, an environmentally friendly final production step, that would lead to both a higher quality product and higher sale value.

Activity 3.1.2. Smoothing the school- to-work transition through the support to the National Career Guidance Strategy Implementation at the IMCA level

During this six-month reporting period, the Project continued to support the National Career Guidance Strategy by working to ease the school-to-work transition for young people and striving to enhance mechanisms for career guidance, counseling and youth development. In cooperation with the Belgrade Open School (BOS), the Project built on its achievements in the previous year and continued supporting 10 Local Mobile Career Guidance Teams (LMT) formed in the Zrenjanin, Novi Pazar and Vranje-led IMC areas. The teams consisted of school counselors, Youth Office coordinators and NES representatives. This career guidance program aims to curb youth out-

migration and to provide youth with the necessary knowledge and skills to secure work in their communities. This activity also aims to fight the high unemployment rate among young people by providing quality career guidance to youth when they are choosing future education and career prospects. As part of the program, the LMTs reached approximately 1,114 young people with career education and counseling activities such as, job shadowing visits as well as visits to job fairs and basic career advising from trained youth workers.

Also building on Project sponsored career guidance trainings, educational institutions in the Novi Sad IMC area have gone the extra step of creating career guidance centers within six schools funded through their own budgets. As a result of the training provided by the Project, these schools will provide relevant and up-to-date information and guidance to students interested in furthering their education or finding jobs. These newly established career guidance teams assist in implementing two recently adopted laws, the Education Systems Foundations and the Secondary School Laws. Both laws stipulate that it is the school's duty to furnish students with information about additional education and employment prospects and to provide career counseling.

Finally, at the beginning of Q3, the Project initiated assistance to the Novi Sad IMC in career guidance activities within the Educational Center (EC) in Novi Sad (part of the Novi Sad IMC economic development project). While the initial goal was to fully establish a Career Guidance Center within the EC and provide career guidance services to high school students, the EC has determined that it does not have the capacity to provide its services to a large number of students and will therefore focus on developing career guidance programs in various education institutions. The EC held four training modules designed to enable participants to learn about basic career advising techniques and institutions, such as the Futog Agricultural School and School of Mechanical Engineering, to develop tailored models for advising prospective students.

Activity 3.1.3. Implementation of youth employment interventions with focus on supporting entrepreneurship development and youth internships in the private sector

During the reporting period the Project completed its work with CSO Smart Kolektiv (SK). Together with SK, the Project supported youth to acquire business skills and gain internship and entrepreneurship experience to enable them to successfully enter the labor market. As part of this endeavor, the Project supported the Youth Business Serbia (YBS) program, implemented by SK, in partnership with the Project, the NES and Erste Bank. Through YBS, the Project matches labor supply and demand by connecting local talent with local businesses, and educating and training young people in skills needed on the market. Thus far, two internship cycles have been completed enabling 37 youth to find jobs out of 67 placed in internships. Results from the final, third, cycle of internships will be available in December (for a closer look at a young entrepreneur in the YBS Program, see Annex G – Success Stories).



SK also provided support to existing young entrepreneurs through business mentoring and training and assisted aspiring young entrepreneurs by helping them find financing assistance for their business ideas (15 youth start-ups have gained access to finances through this activity). As part of the entrepreneurship assistance, 193 youth were trained in topics ranging from business idea development to finance and management, while 53 received business plan consultancy. These activities resulted in 29 new jobs being created, 24 within existing business, while 5 young people opened their own firms.

During the reporting period, the Project also supported the founding of the Association of Young Entrepreneurs of Serbia (AYES) in order to create a better business environment for young people wanting to establish and run their own companies (see textbox). The Project prepared the Association's statute and assisted in planning for and holding the founding assembly. AYES will help young entrepreneurs develop businesses through trainings, mentorship and networking support, provide information on available funding and advocate for members' interests with

policymakers. In the coming period the AYES, with Project assistance, will develop a business plan, a marketing strategy and establish connections with similar entrepreneurial organizations both domestic and foreign.

Activity 3.1.4. Support youth led social enterprises

During the reporting period, the Project supported CSO Group 484 to complete its activities in the Novi Pazar, Vranje and Uzice-led IMCs (encompassing twelve municipalities). Group 484 and the Project worked to train and help youth find employment and establish companies with mentorship guidance by local and international experts who transferred know-how acquired in the foreign labor market. A total of 278 youth were trained in topics ranging from business idea development and social entrepreneurship to obtaining funding for scientific projects. Furthermore, as a result of the activity, 48 youths gained practical experience through internships in 28 companies, institutions and organizations. By the end of Group 484's comprehensive training, internship and entrepreneurship program, 41 young people have found permanent employment. Also within the program, Group 484 approved fifteen small grants for business start-ups. Group 484 assisted 17 youth teams in refining their entrepreneurial ideas through trainings on business planning, determining products and markets, and preparing financial plans. Participating students then developed business plans. The 15 best plans were selected to receive 1,200 euros each in start-up grants through the Project and a joint Group 484/UniCredit Foundation initiative

Objective 3.2: Strengthen the role of civil society with local governments and businesses, tailored to address inter municipal economic development and youth programming

In accordance with Project priorities for FY13 and in consultation with USAID, the Project and USAID mutually agreed that both Activities (3.2.1 and 3.2.2) under Objective 3.2 will either not be implemented during FY 2013 or that the Project will look to incorporate activities involving the civil society sector and public participation within economic development and NCP projects.

During Q3 and Q4, the Project concluded its direct support to CSOs apart from economic development activities which aim to create jobs and grow business. Previous direct support to CSOs focused on forging more inclusive, transparent and accountable IMC governance mechanisms. Nine grants to leading CSOs in the Novi Sad, Zrenjanin, Kraljevo, Uzice, Nis, Vranje and Novi Pazar-led IMC areas were awarded completing activities and yielding the following results during the reporting period:

- An internet based anti-corruption platform jointly developed for the Zrenjanin and Novi Sad-led IMCAs
- Two regional conferences held on labor market characteristics and EU pre-accessions fund for local stakeholders and citizens in the Nis-led IMC Area
- Four street actions (i.e., info-booths, handing out brochures) on environmental protection and promotion of citizen involvement in the Vranje-led IMC Area
- A 'Resource Centre for Participatory Democracy' established in the in Kraljevo -led IMC Area to serve as a regional educational center for the civil sector.
- A regional cluster of CSOs established for inter-municipal cooperation.
- Public debates instituted as a mechanism for recognizing the priorities of the local community in Tutin, part of the Novi Pazar IMC Area.

3. SIGNIFICANT CHALLENGES ENCOUNTERED AND ACTIONS TAKEN

Challenge: The use of grants as a mechanism for delivering economic consulting is a challenge for the Project. The NCPs require a commitment of resources for skilled STTAs and professionals that can devise competitiveness solutions for both cluster and regional competitiveness needs. In order to achieve impact and success in consulting areas requiring technical economic and business expertise, the Project's allocation of funds for grants to funds for LOE and subcontracts is disproportionate.

Action Taken: To overcome this challenge, the Project requested and USAID approved several sole-source grants for specific purposes of which the grant-eligible community was limited. During the next stage of consulting needs, however, even sole-source grants may not be as effective as would be subcontracts or STTAs, where the Project could rigorously control and lead design and performance by proven consultants. The Project is in discussions with USAID to reallocate funds.

Challenge: In the past 6 months, the most significant challenge was caused by the reconstruction of the Serbia Government which provoked a political change in the Ministry for Regional Development and Local Self-Government. This Ministry is a key stakeholder in the Project's policy and advocacy activities at the central level. In the previous two years, the Project has achieved an excellent level of cooperation with the previous Ministry, with the Project's legislative and policy activities supported by the Ministry. While the Project has continued to work with the Ministry, the level of cooperation with incoming personnel is yet to be determined and the Project team must work in order to build a similar level of relations with the new Ministry.

Action taken: In terms of establishing a good working relationship between the Project and the Ministry for Regional Development and Local Self-Government, the Project will build alliances with the Standing Conference of Towns and Municipalities and NALED in order to strengthen its negotiating capacities and position in advocating for necessary legislative and strategic changes.

4. HIGHLIGHTS OF ACTIVITIES PLANNED FOR FY2014 Q1

Component 1:

- Management training for Science and Technology Park in Cacak.
- Tailored marketing plan for denim producers and training on social media.
- Assistance to the Food Processing Support Center to help producers semi-process their foods by drying and other operations that will make processors more inclined to buy local products
- Support the establishment of a Product Development Research Laboratory at the Food Technology Park in Leskovac.
- Conduct FDI coaching program for additional 4 IMCs with special focus on agriculture and food processing
- Assist the city and region of Sjenica in establishing a product testing laboratory, within the Regional Center for Agricultural Development in Sjenica.
- Finalization and approval of the following grants:
 - Assistance to Novi Pazar-led IMC private sector firms in manufacturing sectors to expand existing markets and penetrate new markets – SEDA.
 - SME Development and Innovation for Metal Processing Industry – Vojvodina Metal Cluster.
 - Multi-modular training for young entry level professionals in ICT sector, ICT Cluster Academy – Vojvodina ICT Cluster.
 - Study on establishment of Regional Industrial Workforce Continuous Development Center Vranje – Confindustria.

Component 2:

- An additional three workshops on local economic development for three IMC Areas.
- NALED's "International Investor Conference"
- Establishment of one-stop-shops for construction licensing
- Providing marketing support to brownfield companies in the Nis-led IMC Area

Component 3:

- Draft eight inter-municipal labor gap reports
- Release RFP for on-the-job trainings in eight IMCAs. As internship practice was very successful measure in the implementation of CSO Smart Kolektiv and Group 484, the Project has decided to implement a similar activity in all IMCs during FY14.
- Conduct open call for unemployed rural youth – agriculture incubator tenants
- Certify Youth Office Coordinators and community youth leaders in Youth Development

Table: RESULTS ACHIEVED AGAINST FY 2013 WORK PLAN TARGETS

	Objectives and activities		Status	Comments
Component 1				
1.1	Improve Inter-Municipal Economic Development by Guiding Work on Projects that Add Jobs to the Territory			
	1.1.1	Identify and select IMCA projects meeting the New Criteria and advance them for project approval.	Finished	Various ongoing and completed activities: a supply and demand assessment, surveying the current business climate and level of activity, potential investors, assessing possible export locations.
	1.1.2	Support the programming, preparation and implementation of IMC infrastructure projects to leverage EU and GoS funding.	Ongoing	Four projects supported: (See Activity 1.1.2.)
1.2	Sustain IMC capacity to succeed in investment attraction and business growth necessary to enhance regional economic competitiveness			
	1.2.1	Support the key areas of IMCA economic growth dedicated to job expansion.	Ongoing	Topics of assistance: •Agribusiness
	1.2.2	Plan, organize and deliver assistance package on inter-municipal competitiveness, investment attraction and business growth tools and techniques.	Ongoing	•SME innovation •FDI coaching •Workforce development •Support to clusters
1.3	Spread and imbue the institutional and technical knowledge gained through successes of inter-municipal economic development.			
	1.3.1	Network formation and knowledge distribution on IMC principles and LED professionalism.	Ongoing	• Second SLDP Newsletter issued • A conference organized with Business Info Group (grantee) •More than ten COP field visits, presentations of job-adding projects, consultations. •Very intensive STTA field work.
Component 2				
2.1	Improve capacity of LGs to effectively manage services and capital investment projects of inter-municipal significance.			
	2.1.1	Supporting local governments to effectively manage own assets.	Ongoing	Activity continued from FY2012. Assistance provided to Novi Pazar, Sjenica, Nis, Gadzin Han, Merosina, Bujanovac, Zrenjanin and Kikinda.
	2.1.2	Facilitating establishment of results-based management in the public utility sector.	Finished	In FY 2013 cities and municipalities in Uzice and Novi Pazar IMC were enabled to adequately use monitoring/indicator system and to efficiently manage PUCs performance. Assistance provided to Novi Pazar, Tutin, Nova Varos, Prijepolje and Priboj.
	2.1.3	Sustaining NALED's Business Friendly Certification as a national standard of measurement in certifying LGs and IMCAs as a significant ally to businesses.	Ongoing	Assistance extended to Kraljevo, Vrnjacka Banja, Beocin, Kikinda, and Novi Becej (certification); and Vranje and Bujanovac (regional re-certification)
	2.1.4	Strengthening inter-municipal capacities for brownfield management.	Ongoing	Process successfully piloted in Nis, Subotica and Bujanovac.
	2.1.5	Introducing better regulatory management through reducing administrative barriers in pilot IMCAs.	Finished	Activity will be re-organized as a cross-cutting theme and implemented through all other Component II activities.
2.2	Improve capacities of the newly elected and appointed local officials to effectively utilize local economic development mechanisms and tools and advance legal framework that spurs inter-municipal cooperation.			
	2.2.1	Supporting elected and appointed municipal officials to effectively manage LED function	Ongoing	The activity is implemented with SCTM. Three trainings organized for local officials in Nis, Andrevlje/Novi Sad and Novi Pazar.
	2.2.2	Providing distance learning course on effective LED management	Ongoing	The Project awarded a grant to SCTM for organizing its first fully interactive web-based LED distance learning course
	2.2.3	Providing technical assistance to national level counterparts in creating and modifying major laws, policies and/or regulations related to inter-municipal economic development.	Ongoing	The Project-supported policy work: • Prepared comprehensive analyses on contracts with practitioners that would enable Ministry of Labor to amend Labor Law and introduce adequate and precise provisions to protect both contract parties; and

				• analyses for Ministry of Regional Development and Local Self Government on gaps in implementation of the Law on Public Property
2.3	To .strengthen sustainable local environment through private service delivery (PPPs)			
	2.3.1	Fostering establishment of the sustainable public-private partnerships	Ongoing	• NALED has chosen eight prospective PPP projects for assistance
Component 3				
3.1	To foster entrepreneurship among youth and to create long-term employment for young innovators, first-time job seekers, adolescents and young adults who have acquired labor market needed skills.			
	3.1.1	Creating enabling environment for Youth Development and Active Labor Market Measures through building cooperation with the relevant institutions.	Ongoing	Activities on several fields with National Employment Service, Ministry of Youth and Sports, and local partners – Youth Offices.
	3.1.2	Smoothing the school to work transition by the support to the National Career Guidance Strategy Implementation at the IMCA level.	Finished	Activities continued from FY2012; grant to Belgrade Open School (BOS) completed; the work expanded in Novi Sad -led IMC Area.
	3.1.3	Implementation of youth employment interventions with focus on supporting entrepreneurship development and youth internships in the private sector.	Finished	Smart Kolektiv grant completed, third cycle of internships is in progress and will end in December.
	3.1.4	Supporting youth led social enterprises	Finished	Group 484 approved fifteen small grants for business start-ups
3.2	Strengthen the role of civil society with local governments and businesses, tailored to address inter-municipal economic development and youth programming.			
	In accordance with Project priorities for FY13, and in consultation with USAID, the Project and USAID mutually agreed that Objective 3.2 and activities under this objective will not be implemented during this fiscal year.			

ANNEX A – ACCRUALS (APRIL 1, 2013 – SEPTEMBER 30, 2013)

(Deleted)

ANNEX B – QUARTER 3 AND 4 EVENT & MONITORING PLAN

Event Type	Location	Planned Representational Level	Actual Representational Level	Days	Start	End	Monitoring Plan	Monitoring Date	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	
COP presentation of Novi Pazar-led NCP to director of Sandzak Econ. Dev. Agency (SEDA)	Novi Pazar	none	none		May 20	May 20															
Asset management training	Vranje, Nis and Uzice IMCAs	none	none		May 20	May 22															
Monitoring Training for Public Utility Company (PUC) personnel	Uzice	none	none		May 23	May 23															
Presentation of draft university demand assessment to the Inter-Municipal Cooperation Area Working Group	Uzice	none	none		May 24	May 24															
COP presented Vranje-led IMC NCP to Mayor of Bujanovic , Mayor of Presevo , and Vranje and Bujanovac LED representatives	Vranje, Bujanovac, presevo	none	none		May 27	May 27															
COP meeting with Mayor of Nis and US Ambassador	Belgrade	Ambassador, COR	Ambassador, COR		May 28	May 28															
Training for youth officers, councilors, teachers in career guidance	Temerin	none	none		May 29	May 29															
COP presentation of Kraljevo-led IMCA NCP to Cacak Deputy Mayor and business reps.	Cacak	none	none		May 29	May 29															
COP presentation of Uzice-led IMCA NCP to Mayor of Uzice and RDA Zlatibor	Uzice	none	none		May 30	May 30															
Belgrade Open School roundtable career guidance event	Vranje	none	none		June 7	June 7															
COP presentation of NCP to mayors of Sjenica, Tutin, Novi Pazar	Sjenica, Tutin, Novi Pazar	none	none		June 10	June 11															
COP presentation of Zrenjanin-led ICM Area NCP to mayor od Novi Becej	Novi Becej	none	none		June 13	June 13															
Presentation of Open World Study Tour	Belgrade (M.D. Residence)	MD, COR	MD, COR		June 18	June 18															
Standing Conference of Towns and Municipalities- LED training for municipal officials	Nis	none	none		June 20	June 21															
Presentation of study visits under Group 484 grant	Tutin	none	none		June 20	June 20															
Standing Conference of Towns and Municipalities- LED training for municipal officials	Novi Sad	none	none		June 25	June 26															
Presentations of Group 484 results for Vranje-led IMC Area, and awarding of start-up grants	Vranje	none	none		June 26	June 26															
Presentations of Group 484 results for Uzice-led IMC Area, and awarding of start-up grants	Uzice	none	none		June 27	June 27															
Project supported Business Info Group Conference, "Serbia on the Road to the EU- Impact on the Economy?"	Belgrade	Ambassador, MD, COR	Ambassador, MD, COR		June 27	June 27															
Presentations of Group 484 results for Novi Pazar-led IMC Area, and awarding of start-up grants	Tutin	none	none		June 28	June 28															

Quarterly Event and Monitoring Plan

Sustainable Local Development

Third Quarter (July 1- September 30), FY 2013

									July				August				September				
Event Type	Location	Planned Representational Level	Actual Representational Level	Days	Start	End	Monitoring Plan	Monitoring Date	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	
National Alliance for Local Economic Development- BFC Award Ceremony	Belgrade			1	July 1	July 1															
Standing Conference of Towns and Municipalities – LED training for municipal officials	Novi Pazar	none	none	2	July 1	July 2															
Foreign Direct Investment Coaching by Berman Group, for four IMC Areas (Novi Sad, Nis, Vranje and Uzice)	Andrevlje	none, COR	none	2	July 3	July 5															
STTA presentation of key agriculture supply side findings for Nis IMC Area	Nis TBC	none, COR	none	1	July 11	July 11															
COP Meeting with Mayor of Gadzin Han	Gadzin Han	none, COR	none	1	July 16	July 16															
COP Meeting with Bujanovac and Presevo LED offices and attending Steering Committee of the European Partnership with Municipalities Programme – EU PROGRES	Bujanovac	none, COR	none	1	July 17	July 17															
Meetings with Nis Agricultural Department // ICT cluster	Nis	none	none	1	July 18	July 18															
COP meeting with State Secretary from Ministry of Youth and Sports and NAPOR to discuss joint activities	Belgrade	none, COR	COR	11	July 22	July 22															
COP meeting with Director of the Business Incubator Center	Belgrade	none	none	1	July 23	July 23															
COP meeting with Serbian Chamber of Commerce and national committee for vocational education to ascertain possible cooperation efforts	Belgrade	none, COR	none	1	July 24	July 24															
CoP meeting with Mayor of Leskovac and his team	Leskovac	none, COR	COR	1	July 30	July 30															
CoP visit to Novi Sad Training Center and brownfield location in Sremski Karlovci	Novi Sad, Sremski Karlovci	none	none	1	August 9	August 9															
STTA site visits to assess possibility for the establishment of the regional food processing center	Nis IMCA	none	none	5	August 5	August 10															
Component 3 attending Youth Day Roundtable	Belgrade	none	none	1	August 12	August 12															
Meeting with local stakeholders to plan media campaign for Zrenjanin NCP	Zrenjanin	none	none	1	August 15	August 15															
Visit to Novi Pazar –led IMC Area and meeting with Ministry of Education reps, Design School and denim cluster reps. to plan for joint activities for work force development	Novi Pazar	none	none	1	August 20	August 20															
STTA site visits to assess possibilities for market expansion of the furniture sector in the N. Pazar and Vranje regions	N. Pazar and Vranje IMCA	none	none	6	August 19	August 25															
Foreign Direct Investment Coaching by Berman Group, for LED Office representatives from four IMCAs (Novi Sad, Nis, Vranje and Uzice, 16 municipalities)	Zlatibor	COR	COR	2	August 28	August 30															

Event Type	Location	Planned Representational Level	Actual Representational Level	Days	Start	End	Monitoring Plan	Monitoring Date	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	
Workshop: presentation of the results of international expert assistance for market expansion of the furniture sector in N Pazar and Vranje-led IMC areas	N.Pazar	none	none	1	August 29	August 29															
Press conference: MoU signing and launch of the "Farm Incubator Program for Rural Youth Entrepreneurs" in Zrenjanin-led IMC area	Zrenjanin	none, COR	none	1	September 9	September 9															
STTA site visits to assess possibilities for market expansion of the footwear sector in the N. Pazar and Vranje regions	N. Pazar and Vranje IMCA	none	none	14	September 14	September 27															
Project and SCTM training on local economic development	Vrnjacka Banja	none	none	2	September 17	September 18															
Project and SCTM training on local economic development	Uzice	none	none	2	September 19	September 20															
Negotiation and sales training for B2B meeting in Ukraine	Belgrade	none	none	1	September 20	September 20															
Promotion of 'Agriculture Entrepreneurship Incubator' IMC program	Kikinda	none, COR	none	1	September 20	September 20															
Berman Group meetings with Uzice and Priboj mayors and LED representatives to discuss joint Project activities	Uzice IMCA	none	none	2	September 24	September 25															
CoP meeting with Kikinda mayor	Kikinda	none	none	1	September 25	September 25															
STTA for SME/Innovation to assist in developing ties between the science and business communities visitis Innovation Fund, Buss. Incubator of Tech. Faculty	Belgrade	none	none	4	September 25	September 29															
Comp. 2 meeting with German Chamber of Commerce to discuss possible assistance in Novi Pazar IMC Area waste water treatment	Belgrade	none	none	1	September 27	September 27															
COP meeting with Friends of Sandzak	Belgrade	none, COR	COR	1	September 27	September 27															

ANNEX C – STATUS OF PERFORMANCE INDICATORS

Status of Performance Monitoring Indicators

Indicator	LOP target	Sep2013 target	Sep2013 status
1. Number of business-sector jobs created in participating municipalities as a result of the Project's IMC activities	2,000	300	479

Definition: Business sector jobs created in partner cities/municipalities as a result of the Project's 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: 479 young people employed.

Comments and Project's contribution: While the first tangible economic results from NCPs are expected in the next six to nine months, the Project reports an encouraging increase in youth employment, which came from the youth development activities with the Project partners. A total of 107 youths was employment (43 of those attending internship programs, and 64 of those participating in entrepreneurship programs organized by Smart Kolektiv and Group 484 -- both supported through the Project's grants fund. An additional 372 young people found jobs through the agency owned by Mr. Darko Mitrovic, a young entrepreneur from Novi Sad, whose agency provides HR service, linking businesses and job-seeking young people. Mr. Mitrovic applied for the Smart Kolektiv's entrepreneurship support program and received both mentorship and training assistance. In the course of a single year, he contributed to employment of 372 young people, age 15 to 30 years, and increased slightly the number of his own employees. Mr. Mitrovic is also a founding member of the Association of Young Entrepreneurs, an organization that is receiving Project's support.

Indicator	LOP target	Sep2013 target	Sep2013 status
2. Volume of business revenues in the Project supported sectors	\$ 120 million	\$ 20 million	\$ 0

The following New Criteria Programs were designed in FY2013 to increase volume of business revenues:

Nis IMC – The goal of this concept is to increase the IMC's dollar value of processed food products sold by at least 15 percent by June 2015. The Project's key partner in this endeavor is the City of Nis, primarily its Agriculture Department and LED office.

- Project 1: Building capacity of Nis Food Processing Support Center and Leskovac Technology and Food Processing Center.
- Activities: Web-based database for supply-demand data exchange; support in designing training program.
- Beneficiaries: The universe of food processors who benefit from the activity will be consisted of large and small existing and newly arrived businesses.
- Results: First results are expected in March 2014, while more tangible results are expected by the end of calendar year 2014.

Uzice IMC – This concept, titled “Uzice Regional Value Chain,” is designed to increase purchases of IMCA products and services by the Anchor Tourism Industry by 10 percent by June 2015. The key partner in this project is the Regional Development Agency (RDA) Zlatibor.

Project 1: Value chain development between tourism industry buyers and potential vendors in the IMC area.
Activities: Value chain analysis; follow up activities to promote local products with market potential.
Results: RDA Zlatibor will complete value chain analysis by the end of December 2013, and it is expected that products and services with high marketing potential will be identified. The Project will then work on increasing competitiveness of the selected products and services, which will lead to increased sales by the end of calendar year of 2014.

Subotica IMC – The goal of this concept, “Subotica IMC Agribusiness Expansion,” is to increase sales (export and domestic) of agricultural products by 10 percent by June 2015. This concept will engage the LED offices of three IMCA LGs around three specific projects:

Project 1: A laboratory for agriculture products in Subotica.
Activities: Provision of equipment for the Laboratory for testing the quality of agricultural products and export certification in Subotica. The Project is also providing technical support to local apple producers to gain a certificate for geographic indication, and organize sales mission.

Project 2. An agricultural training center in Sombor
Activities: Equipping the training facility.

Project 3. A logistics/distribution center for agricultural goods in Kanjiza.
Activities: Support to PPP for the logistics/distribution center through NALED grant; technical assistance for distribution of products to Belgrade wholesale market.

Beneficiaries: Agriculture producers in Subotica IMC area.

Results: The first results could be expected by June 2014, while more tangible results will be recorded at the end of 2014.

Zrenjanin IMC – This concept is named “Diversification of Agriculture – New Jobs for Rural Youth,” and its goal is to increase IMC production of vegetables ultimately marketed to processors by 20 percent by June 2015. Key partners in this activity include the Zrenjanin, Kikinda and Novi Becej LGs, two associations of agricultural producers: Banatska Lenija and Carska Basta; and the extension service of the Ministry of Agriculture.

Project 1: Establishing Agriculture Business Incubator
Activities: TA for the Agribusiness Incubator operations; equipping three municipal incubators; demand analysis.
Beneficiaries: Producers of vegetables and food processors (existing and new).
Results: Increased sales and new jobs are expected from the Agribusiness Incubators in Zrenjanin, Kikinda and Novi Becej in late 2014 (after the first full season).

Novi Pazar IMC – The “Novi Pazar – Entrepreneurship that Sells” concept aims at increasing total exports of the sectors assisted by the Project by 10 percent by June 2015, and the key partner in this activity is the Sandzak Economic Development Agency.

Project 1: Increasing sales and exports of denim sector SMEs.
Activities: international STTA; sector analysis and recommendations;

Project 2: Increasing sales and exports of furniture sector SMEs.
Activities: international STTA; sector analysis and recommendations;

Beneficiaries: Denim, furniture and food producers.

Results: First results are expected in early FY 2014. Data on sales will be collected in cooperation with SEDA. Sales data for 2012 will be baseline.

Novi Sad IMC – The goal of this concept, “Metro Novi Sad: First Place for Business,” is to add 1,500 new jobs to the IMC area as a result of activities set in motion by the Project by June 2015.

Key partners: ICT Cluster, Metal Cluster, LED Office Beocin and LED offices in Novi Sad, Temerin and Sremski Karlovci.

Project 1: Market expansion of Vojvodina Metal Cluster
Activities: Increase the volume of business opportunities by providing a system that will help VMC member companies understand needs and decrease response time to international inquiries.

Beneficiaries: Firms that belong to VMC

Results: Increased volume of purchased products will be achieved in 2014. The sales data for 2013 will be baseline.

Kraljevo IMC – “Competitiveness through Innovation” is the concept that aims to support at least 50 innovations, which will lead to new SME sales in the marketplace by June 2015. Key partners are Impuls Center Kraljevo, Technology Park Cacak, and LED municipal offices.

Project 1: Support to Impuls Center Kraljevo and Technology Park Cacak.
Activities: The Project will work on building a culture of dialogue and innovative collaboration between SME and academia, and Berman Group will initiate analysis of a potential Technology Park and develop the operational concept. As part of one SoW Kraljevo will be part of Research Serbia's science/engineering/business gap.

Beneficiaries: SMEs who use Impuls Center services for developing products and innovations, and SMEs who cooperate with Cacak Technology Park.

Results: Increased SME competitiveness through innovation, while increased sales are expected by the end of 2014. The data for SME sales in 2012 will be used as a baseline.

Indicator	LOP target	Sep2013 target	Sep2013 status
3. Direct private and public sector investments into the Project-supported IMC areas	\$ 120 million	\$ 20 million	\$ 0

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: No investments attributable to the Project

Comments and Project's contribution:

Since spring 2013 the Project provides FDI coaching, combined with other activities within all three components to build capacities of municipal LED offices for targeted marketing and advanced techniques in investment attraction. In FY2013 the project held two (of four) investment promotion coaching workshops for select Local Economic Development (LED) professionals from the Novi Sad, Uzice, Nis and Vranje inter-municipal cooperation (IMC) areas (encompassing 18 municipalities). 26 participants learned the latest investment trends and how to build on their communities' strengths (comparative advantage) and develop specific proposals for investors based on targeted sectors.

It should be noted that the value of funds allocated from donors for the ten approved municipal projects, which were prepared in FY 2012 though assistance provided by the Project, is estimated at \$3,011,000. (\$2,032,000 from IPA EU; \$670,000 from Czech Development Agency; \$309,000 from GoS)

Recognizing the importance of the Cross Border Cooperation (CBC) Program for Serbian communities, and working with the Serbian European Integration Office, the Project supported its partner municipalities to apply for the EU CBC funds in early 2012. The Project organized a month-long training and provided hands-on expert assistance to assist them to prepare project proposals according to the EU application standards. The first result was approval of the project "Improvement of business and educational cooperation between Bulgarian and Serbian Furniture clusters", proposed by the Center for Development of Jablanica and Peinja Districts.

Additionally, SLDP assisted RDA Banat in promoting the projects through the Vojvodina Brussels Office, leading to approval of funding for six projects.

SLDP provided a value chain analysis and marketing plan, based on which the Czech Development Agency, the EU Progress and the Serbian Government have released funding for three projects of Novi Pazar Agribusiness Center.

Indicator	LOP target	Sep2013 target	Sep2013 status
4. Number of inter-municipal economic development projects implemented that meet the critical path milestones	20	8	12

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 available in the Annual DO and IR Report, which is submitted as a separate document.

Indicator	LOP target	Sep2013 target	Sep2013 status
5. Number of business friendly municipalities	17	12	16

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: 16 municipalities are business-friendly certified;
19 municipalities are assisted by the Project in BFC process; and
12 municipalities have been invited for re-certification.

Comments and Project's contribution: The Project provides direct technical assistance and FDI coaching to 19 partner municipalities.

Indicator	LOP target	Sep2013 target	Sep2013 status
6. Number of municipalities that have established or improved management practices.	32	17	13

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 2013, a total of 13 local governments were assisted in their efforts to improve at least three of the above listed management practices.

Comments:

An overview of the capacity building activities can be found in the Annual DO and IR Report, which is submitted on September 30 as a separate document.

Indicator	LOP target	Sep2013 target	Sep2013 status
7. Number of PPPs created in the delivery of public services	7	3	3

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: Three PPPs established.

Comments: One PPP between the Municipality of Beocin and LaFarge. Two PPPs established within Youth Development component: The Project facilitated set-up and contributed to the sustainability of the partnerships between commercial banks (Erste and UniCredit respectively), national-level institutions (National Employment Service, Ministry for Youth and Sport), civil society organizations (Group 484 and Smart kolektiv) and donors (USAID/SLDP) aimed at increasing employment among young people who are seeking to become entrepreneurs. The Program is an excellent example of cooperation between the public and private sector whose ultimate objective is employment increase. The Project has provided mentoring support, internship opportunities and trainings to selected young entrepreneurs.

Within NALED’s activity funded by the Project, called “Public-private partnership as development potential,” a total of eight potential PPPs are identified. The goal of this project is to provide technical assistance for the development of action plans for PPP project ideas, thus enabling local governments to participate in such business arrangements with the private partners.

Indicator	LOP target	Sep2013 target	Sep2013 status
8. Number of youth with increased competitiveness in the labor market	1,050	450	927

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 757 youths participated on the Project-supported educational programs, and 170 internships were implemented with the Project support.

Comments and the Project contribution: The Project provided grants to Smart Kolektiv and Group 484 in 2012 and 2013.

Indicator	LOP target	Sep2013 target	Sep2013 status
9. Number of major infrastructure inter-municipal projects assisted in the process of applying for the EU and GOS financing.	5	2	2

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: Two completed. One ongoing. Two planned.

Comments and Project contribution:

SLDP intervention completed:

1) Regional Waste Water Treatment South Morava River (Vranje IMC);

2) Topographic plan for bypass road to the industrial zone Bunusevac in Vranje; 1st part of SLDP intervention completed. Another project pending. The Project's assistance contributed to the other activities related to development of two Industrial Zones in Bunusevac, Vranje. EU PROGRES Program funded detailed regulation plans for this industrial zone, where two major investors will build their facilities. The City of Vranje, with assistance from the Government of Serbia will invest in its infrastructure, in accordance to the agreement signed with GEOX shoe factory.

Ongoing:

1) 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 regional water supply system Pusta Reka (project value based on the Study is approximately 8 million euros).

Planned:

1) Feasibility study and design for the Service Road in the New Industrial Zone in Temerin. Status is pending (location permit issued; environmental assessment pending).

2) Agricultural Educational Center in Sombor (Subotica IMC) - Preparation of the conceptual and detailed designs for the reconstruction of the Center will be supported with the Project. RfP will be issued in October 2013.

The Project is supporting the above listed five infrastructure projects through its NCP activities. The Project's goal is to assist the IMCAs in applying for the EU and the Government of Serbia (GOS) financing, and all five of the abovementioned activities do fulfill this requirement. However, as not all of these projects are expected to enter the SLAP/ISDAICON database, in 2014 the team will identify projects that can use the Project's assistance to get them over that last hurdle before they can access the EU or GOS funding, whether through new NCP activities or jointly with partners, such as the European Partnership with Municipalities (EU PROGRES).

There is also the possibility of overlap between infrastructure projects and the Project goal of creating viable PPPs. Should an infrastructure project also be a PPP it will be counted as both an infrastructure project and PPP; these activities are not mutually exclusive and they can create more jobs than a pure infrastructure project.

Finally, there is an ongoing debate about the validity of the SLAP Database. In the past year, the SLAP system did not prove to be a central project database; rather, it was utilized as one of several

ways to list project candidates for IPA funding. Therefore, it is difficult to predict the project pipeline mechanism that will be used for EU financing.

Indicator	LOP target	Sep2013 target	Sep2013 status
10. Number of locally elected and appointed officials, CSO members, media and the business community Trained	1,750	1,205	1,610

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: Since the beginning of the Project implementation total participation on the Project-sponsored trainings was 1,610. Out of that number, 45.2% are female participants.

During FY2013, the total number of trainees was 655, out of which 429 in the last six months.

Comments: The complete training database is available upon request.

Indicator	LOP target	Sep2013 target	Sep2013 status
11. Number of corporate social responsibility initiatives supported	4	0	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

Comments and Project's contribution:

- 1) ERSTE Bank established a credit line for youth entrepreneurs and distributed approximately 100,000 euros under special conditions that include lower interest rates with no collateral or guarantees needed. Additionally within this program, called "Super Step", the bank provides advice and mentorship for business planning.

During 2013, the Project worked to create internship and entrepreneurship opportunities for young people across the Nis, Novi Sad, Kraljevo and Subotica –led inter-municipal cooperation areas (covering 17 municipalities). Together with implementing partner and SLDP grantee Smart Kolektiv (SK), the Project supported youth to acquire business skills and gain internship and entrepreneurship experience thus enabling young people to successfully enter the labor market.

This internship and entrepreneurship assistance program was carried out in partnership between Smart Kolektiv, Erste Bank and the National Employment Service, with support from the Ministry of Youth and Sports and demonstrates that cooperation between the public and the private sectors is a winning combination for tackling youth unemployment in Serbia.

- 2) Unicredit Bank provided financial assistance and actively participated in the activities organized by the CSO Group 484 and the Project in 2012 and 2013. This initiative aimed at training and helping youths find employment and establish companies with mentorship guidance by local and international experts who transferred know-how acquired in the foreign labor market. Within the program, Group 484 provided entrepreneurship assistance for 19 youth teams who worked on developing business ideas, 15 of which received in-kind start-up grants. The program covered 12 municipalities in the Novi Pazar, Vranje and Uzice–led inter-municipal cooperation areas. Unicredit Bank awarded twelve grants, each valued at 1,200 euros, while the Project provided three grants of the same value.

Indicator	LOP target	Sep2013 target	Sep2013 status
12. Number of initiatives involving dialog between the public, private and civil sectors	58	30	33

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: 33 initiatives since the beginning of the Project implementation

Comments: Twelve (12) initiatives in the first six months of FY2013 (no new initiatives in the last six months):

1. Economic forum in Nis
2. Economic forum in Vranje
3. Economic forum in Kraljevo
4. Economic forum in Novi Pazar
5. Economic forum in Uzice
6. Two forums, in Cajetina and Priboj to determine local and regional priorities, making process of setting priorities for sustainable development more visible and to engage citizens with it.
7. Sandzak Committee for protection of Human Rights and freedoms held conference on the topic "Financing CSO from the local budgets"
8. BID, Palgo and NSJ CSOs organized the final conference "Corruption and Local Economic Development."
9. Three round tables, titled Diaspora as a Resource for Local Development – Uzice, Novi Pazar and Vranje
10. Promotion of 6 local mobile teams in Kikinda, Vranje, Novi Pazar, Sjenica, Vladicin Han and Bujanovac
11. Youth Business Serbia award
12. Promotion of KOMS youth networking guide.

ANNEX D – IMC NEW CRITERIA PROGRAM REPORTS

SUBOTICA –led IMC Area New Criteria Program Report

Subotica, Sombor and Kaniza



Subotica IMC Agribusiness Expansion

The goal in this New Criteria Program (NCP) is increase sales (export and domestic) of agricultural products by 10% by June, 2015.

The Subotica -led IMC Area has been developing an integrated, economic agribusiness program. Agribusiness is a key sector in the region, employing approximately 62,22% of the employed population in Subotica, and agricultural land covers 87,20% of the territory of Subotica, 82,65% of Sombor, 74,9% in Kaniza. Expansion of the agribusiness sector into new markets will increase the need for employees and will increase overall jobs in the IMC area.

Overview of NCP Activities:

In the past year and with the Project’s assistance, the Subotica –led IMC Area has examined the need to increase the business of its agribusiness private sector in order to increase employment in the IMC territory. The Subotica –led IMC Area has unveiled three projects, one in each city member, for substantially strengthening the supply side of the entire agribusiness sector. These projects are:

- a. A logistic and modern distribution center for agricultural goods, to be constructed in Kanjiza;
- b. An agricultural produce laboratory to be established in Subotica; and
- c. An agricultural training center for new farmers and farmers who need new skills in Sombor.

Other supply side ideas that have been discussed are the need for geographical certificate of origin that would assist branding and marketing of regional produce, a growth in food processing on land in the IMC area, and an interesting set of ideas regarding the development of new cultivar varieties to be added to the region’s agricultural product mix. In total, the supply side ideas are well-reasoned and understood within the IMC, and all things being equal, are necessary ingredients of increasing the yield potential of the IMC’s agribusiness sector.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Agricultural Demand Analysis	February 25 - April 30, 2013	Prepared demand analysis with recommendations on how to proceed with developing potential buyers and buyer networks, and on the product and service improvements necessary to meet that demand	Final report delivered



Activity	Time Frame	Deliverables	Status
Agricultural Supply Analysis	April 15 - April 30, 2013	An analysis on the supply-enhancing and growth potentials for establishment of an inter-municipal agriculture logistic center using one part or the whole available area of the zone of clean industry Horgoš. Analysis should include economic elements related to the agriculture sector in the Subotica IMC and the expected economic benefits in the context of envisioned project.	Final report delivered
		Mapping of products utilized by food processors in Subotica, Sombor, Kanjiža with selection of imported supplies that can be found within local producers	
		Integrated market demand and supply analyses with outlined feasible opportunities for agriculture products in the context of the future logistic center in Kanjiža	
		Recommendation for business expansion for products which have big interest in foreign markets in cooperation with external STTA responsible for research of foreign market demand for food processing products	
Protection of Geographic Indication	February - September 2013	Study on protected products in accordance with the regulation of the Institute for Intellectual Property and Ministry of Agriculture, Water Management and Water – Apple produced on Suboticko-Horgoska sand	Implementation in progress
		Assist in organization of local stakeholders with aim to form authorized user of products with protected name – Apple produced on Suboticko-Horgoska sand	
Agricultural produce laboratory in Subotica	TBD	Agricultural produce laboratory established in Subotica	RFP prepared. Waiting for approval of SLDP IEE.
Inter-municipal Agricultural Educational Centre in Sombor	TBD	Prepared Main project of adaptation - change of function and merging of agricultural objects into an office building which would be a unified functional whole of Inter-municipal Agricultural Educational Centre.	Preparation of RFP in progress (additional info needed from the Municipality of Sombor)
Asset Management and Brownfield Re-Development	May - December 2013	Questionnaire for USAID SLDP cities and municipalities on existing challenges in property inventorying and management	Implementation in progress
		Gap analysis that will inform national decision makers (e.g., Ministry for Regional Development and Local Self-Government) on main challenges in implementation of the laws that regulate public property	
		Assist at least four selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities selected in line with new development criteria	



Activity	Time Frame	Deliverables	Status
<p>Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools</p>	<p>May 1, 2013 - April 30, 2014</p>	<p>Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities :</p> <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED 	<p>Implementation in progress</p>
		<p>Development and maintenance of web-based distance learning platform:</p> <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed 	
		<p>Development and implementation of the web-based distance learning course on LED:</p> <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	
<p>Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development</p>	<p>January 25, 2013 - January 24, 2014</p>	<p>Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Subotica IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders)</p>	<p>Implementation in progress</p>
		<p>Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)</p>	
<p>Development of Youth Business Serbia Program</p>	<p>August 20, 2012 - August 15, 2013</p>	<p>Grant supports youth to acquire useful skills and gain work experience through internship and entrepreneurship development.</p>	<p>Final report submitted</p>
<p>On the job training</p>	<p>September 2013 - July 2014 (TBC)</p>	<p>On the job training for 200 (TBC) training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic programe.</p>	<p>Reviewing activity SoW prior to publishing RFP</p>
		<p>Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees</p>	
		<p>Matching on the job training participants with training providers</p>	



NOVI SAD –led IMC Area New Criteria Program Report

Novi Sad, Temerin, Beocin, and Sremski Karlovci

FDI



SUPPORT TO
CLUSTERS



Metro Novi Sad: First Place for Business

SME INNOVATIONS



WORKFORCE
DEVELOPMENT



The goal of this New Criteria Program (NCP) is to add 1,500 jobs as a result of activities set in motion by the Project by November 2015.

The Novi Sad -led IMC Area is economically vibrant with good infrastructure, a quality university, a high tech culture, strong businesses of all varieties, and physical beauty. As an economic package, the IMC Area is on the road to being a metro area business success story. The Novi Sad metro area will economically develop as all metro areas do, with the dominant and dynamic big city boosting the potential of its neighboring communities without *necessary* IMC coordination. The neighboring communities need to be smartly turned-out satellites, and benefits will come from their proximity. Realistically, in such a situation, the Project's most constructive role is to maximize those benefits and accelerate their arrival. To this end the Project will build good, related projects throughout the IMC Area in order to burnish the attractiveness of the metro area as a place for business.

Overview of NCP Activities:

The Project will work on discrete projects that will support the IMC landscape as a place for business. These include the following:

- a. Industrial Park Development in Beocin, Temerin, and Novi Sad: The preparation of industrial zone pockets in the above-listed municipalities as a priority, and the Project has initiated work on technical documentation and conceptual designs for the sites. This work will continue, but more importantly, the Project will switch gears to work on investment attraction activities for these sites.
- b. Brownfield Site Development: The IMC Area has several attractive brownfield sites that are caught in nonproductive traps, caused either by delays in privatization or the bankruptcy process or simple lack of good plans for development. The sites bound up by bureaucratic process will be analyzed for economic potential and opportunity lost through desuetude, and then included in a larger package of other similar sites from other IMCs to advocate for policy change at the central level. The sites stalled by lack of good ideas, such as one in Sremski Karlovci, which could be a very good business hotel and convention center to complement the regional business landscape, will receive technical business consultancy.
- c. Innovation in Metal Sector and Cluster: The IMC Area enjoys the presence of a number of small and medium sized metal producers with active foreign and local markets. The EU has invested heavily in the Vojvodina Metal Cluster, which boasts 116 members. This sector has potential for expansion if new markets can be penetrated. Particularly necessary is the introduction of innovation for creating new products and operational efficiencies. The Project will concentrate on improving innovation in the sector, taking advantage of the fact that innovation is a principal pillar of the Metal Cluster's mission. This activity has synergies with projected work in other IMC areas such as Kraljevo, in that it will encourage closer



connections and cooperation between Serbia’s science and engineering communities and the business community.

- d. Universalize the ICT Sector: The IMC Area touts itself as Serbia’s center of ICT talent (though other IMC Areas, such as Nis, will dispute the claim). Lacking, however, are sufficient numbers of ICT specialists and engineers, as well as sufficient linkage between ICT and other sectors in Serbia, such as the metal sector. Both gaps will be addressed through technical assistance and cooperation with the ICT association. An association-led effort to show how ICT provides solutions to all industries, as well as other means for universalizing IT and for developing a critical mass of individuals who bridge ICT and engineering specialties, is critical.
- e. Turn Young People On to Jobs that have Meaning: Novi Sad has established a Regional Education Center subsidized by the Provincial Government. The Project contributed in the past to this center and will be supporting the placement of a career guidance team inside the Center. We will coordinate the Team and the Center with the investment sector and ICT work mentioned above in order to help assemble a work force that can answer the call of Metro Novi Sad: First Place for Business.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Market Expansion of the Metal Sector	July - October, 2013	A sector assistance plan for use by Project staff based on the consultant’s assessment and observation of local firms, key stakeholders and potential markets, as well as on the roundtable discussion held with the sector members. The document shall contain specific recommendations for Project-supported actions and interventions to expand the market for metal processors in the Novi Sad region. The recommendations shall identify immediate opportunities for Project interventions as well as more remote actions that might ensue. The document shall also include recommendations on how to proceed with developing potential buyers and buyer networks, as well as inflowing investor opportunities and on the product and service improvements necessary to meet buyer and investor demand.	Draft SoW shared with USAID; identifying STTA candidates
		A list of potential input suppliers and buyers appropriate for producers in Novi Sad	
		Roundtable for Novi Sad area metal manufacturers on findings and next steps	
SME Development and Innovation for Metal Processing Industry	TBD	VMC Innovation and Business Development Centre - InnoBuddy	Application under evaluation
ICT Cluster Academy	TBD	Multi-modular training for young entry level professionals in ICT sector	Application is under preparation
Joint Investment Promotion Coaching	June 2013 - March 2014	Capacity of municipalities to provide well organized and highly professional services to investors developed	Implementation in progress
		Workshop training materials	



Activity	Time	Deliverables	Status
Program			
Preparation of the technical documentation for the new industrial zone in Beočin	TBD	Prepared technical documentation for the backfilling works and the construction of the following infrastructure: roads, water supply system, sewerage system, rain drainage, low pressure gas distribution network; and telecommunications	RFP published. Proposals are under evaluation
Preparation of the technical documentation for the new industrial zone in Temerin	TBD	Prepared technical documentation for the construction of the service road and connection of the service road to State Road No. 101	RFP prepared. Waiting for comments and consent from Temerin (and request to publish RFP without the location permit). Waiting for approved SLDP IEE.
Preparation of the technical documentation for the new industrial zone in Novi Sad	TBD	TBD	Waiting for submission of final SoW
SME/Innovation - developing ties between the science and business communities	September 25 - December 31	Report containing conclusions about the potential for developing strong, pragmatic ties between the science and business communities in Kraljevo - led IMC area, and, most importantly, concrete recommendations for future Project activities to link the two communities. The recommendations for the Project should be in the form of a road map that details the specific IMC and national-level activities the project should support to develop a mutually reinforcing partnership between the science and business communities in the IMC area.	Implementation in progress
Bridging the Gap between Business and Science Analysis Development - Phase I	March 15 - May 10, 2013	List of higher education, R&D institutions, business associations, chambers of commerce, on-going donor projects, local initiatives, etc. for science/business cooperation	Final report delivered
		List of identified key public partners and their roles and responsibilities	
		Report on existing strategic and legal framework for science-business cooperation (identifying gaps and/or legal obstacles, if any)	
		Concept paper on possibilities for application of applied science to support businesses in IMC regions	
Bridging the Gap between Business and Science Analysis Development - Phase II - TBD	July 15 – December 31 2013 (TBD)	Research memorandum on the best practices and different models used by universities and research institutes in other countries to assist their business communities. Sort of a menu off activities and tools used by others to bring their science/engineering communities more in touch with the business needs or private industry.	SoW for second phase will be redefined
		Further identification of the applicable scientific devices/patents/inventions and their applicability within different sectors	



Activity	Time	Deliverables	Status
		Facilitated up to 10 workshops, developed white book with recommendation and action plan to be undertaken by the Project and working group in bridging the gap between business and science and raising awareness on importance of for measuring academic work in cooperation with business.	
		Support of Project technical staff and task force to develop set of indicators within current legal requirements regarding criteria for appointment, re-appointment or promotion of scientists and researchers	
Business Friendly Certification	June - December 2013	Assisting Municipality of Beočin to comply with business friendly certification requirements	Implementation in progress
Asset Management and Brownfield Re-Development	May - December 2013	Questionnaire for USAID SLDP cities and municipalities on existing challenges in property inventorying and management	Implementation in progress
		Gap analysis that will inform national decision makers (e.g., Ministry for Regional Development and Local Self-Government) on main challenges in implementation of the laws that regulate public property	
		Assist at least four selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities selected in line with new development criteria	
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities : <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED 	Implementation in progress
		Development and maintenance of web-based distance learning platform: <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed 	
		Development and implementation of the web-based distance learning course on LED: <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Novi Sad IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders)	Implementation in progress
		Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)	



Activity	Time	Deliverables	Status
Career Guidance	January 15 - Jun 15, 2013	<p>Technical support for educating partner educational institutions and youth offices for their role of the implementation of Career Guidance Strategy. Based on research and assessment at the IMC level, advice on the development of relevant partnerships among schools, employers, local government and other key stakeholders to implement Career Guidance strategy recommendations. Here the aim is to improve the quality of local students' career development and practical work experiences.</p> <p>Research and encourage collaborative approaches between local social partners and schools towards planning work placements in order to link theory learned with practical experience gained.</p>	Final report submitted
Development of Youth Business Serbia Program	August 20, 2012 - August 15, 2013	Grant supports youth to acquire useful skills and gain work experience through internship and entrepreneurship development.	Final report submitted
On the job training	September 2013 - July 2014 (TBC)	On the job training for approx. 200 training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic program.	Reviewing activity SoW prior to publishing RFP
		Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees	
		Matching on the job training participants with training providers	



ZRENJANIN –led IMC Area New Criteria Program Report

Zrenjanin, Kikinda and Novi Becej



AGRIBUSINESS

Diversification of Agriculture – New Jobs for Rural Youth



WORKFORCE
DEVELOPMENT

The goal of this New Criteria Program (NCP) is to increase production of vegetables ultimately marketed to processors, by 20% by November 2015.

The Zrenjanin –led IMC Area is a part of Banat region, a traditionally agricultural region with over 85% of its land dedicated to arable agriculture. This accounts for over 16% of the total arable land of Serbia. A significant portion of the land in the region is occupied by small farms, and this land portion represents a considerable resource that significantly under-performs against its potential. The under-performance of small farms is due to low usage of modern mechanized farming techniques, the limited size of the individual farms themselves, and insistence on cultivating grains rather than higher-value horticulture. Not surprisingly, young people are leaving these rural areas, leading in turn to depopulation and the aging of the small farming community. One way to address these issues and keep young people employed is to emphasize vegetable cultivation, which is more suitable to small parcels of land, to complement that effort by working to build a processing industry to buy the produce, and to begin employing young people in more value-added aspects of agribusiness.

Overview of NCP Activities:

The Project will work with the existing processors and potential newcomers to examine the potential and adapt to processing vegetables in order to create a more diversified product portfolio. The key concept activities will focus on horizontal agriculture diversification at two levels, production and processing. The diversification of crops will be driven by adding new high-value crops, vegetables, to existing cropping systems as a way to improve the overall productivity of a small farm and creation of new farms. Complementing this effort, the Project will support the creation of agriculture incubators, targeted at developing new farmers (basically youth). Such incubators will provide access to land, equipment and infrastructure for farm start-ups. Also, existing agriculture associations and cooperatives, as well as exiting agricultural extension experts, will be involved in project activities to support new vegetable producers through counseling and mentoring. On the processing side, local government, with Project technical assistance, will drive the attraction of new investors (foreign and domestic) in food processing industry. Local counterparts and the project will also work with existing agricultural processors on diversification of their food offerings and on expansion of their vegetable processing business. Activities include:

- Creating 3 agriculture working zones for potential investors in food processing industry – one in each partner local government
- Creating 3 agriculture incubators for protected vegetable growing (greenhouses) to train and foster the agricultural trade among unemployed rural youth and farm start-ups – one in each partner local government
- Joint activities in investment attraction of all three local governments.



The main goals of the agriculture incubator are:

- to promote vegetable production as an economic career for rural youth
- to increase the chance of success of start-ups in vegetable production
- to decrease the time and costs required to establish and grow a new agriculture business

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Agricultural Demand Analysis	February 25 - April 30, 2013	Prepared demand analysis with recommendations on how to proceed with developing potential buyers and buyer networks, and on the product and service improvements necessary to meet that demand	Final report delivered
Establishing Agricultural Business Incubator	TBD	Support to the process of establishment of agriculture incubators (management and organizational models, criteria for tenant selection, etc.)	Developing SoW
Equipping Business Incubators	TBD	Greenhouses purchased. Mentoring system between tenants of agricultural incubators and experienced agriculture associations developed.	Developing SoW
Asset Management Activity	April - June 2013	Rulebook on Administration for Asset Inventorying and Management and a Rulebook on Disposal of Municipal Property	Final report delivered
		Organized and prepared study-visits of the municipalities where activities selected in line with new development criteria have spatial component to the selected Mentor City	
		Provided tailor made permanent support and TA to municipalities where New Criteria Projects have spatial component to the selected Mentor City	
Business Friendly Certification	June - December 2013	Assisting Municipalities of Kikinda and Novi Bečej to comply with business friendly certification requirements	Implementation in progress
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities: <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED 	Implementation in progress
		Development and maintenance of web-based distance learning platform: <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed 	



Activity	Time Frame	Deliverables	Status
		Development and implementation of the web-based distance learning course on LED: <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Zrenjanin IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders, etc.)	Implementation in progress
		Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)	
Development of Career Guidance and Counseling Services through Inter-municipal Cooperation Mechanisms	November 15, 2012 - August 15, 2013	Forming of Local Mobile Team (LMT) for IMC in Zrenjanin and Kikinda. Development of Career Brochure with specific data on the educational profiles offered by the schools of secondary education in the Banat Region in cooperation with local NES branch and Youth Office. The brochure is region specific and informative to young people from Zrenjanin and Kikinda. The Brochure published electronically – online and via CDs.	Final report delivered
On the job training	September 2013 - July 2014 (TBC)	On the job training for approx. 200 training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic program.	Reviewing activity SoW prior to publishing RFP
		Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees	
		Matching on the job training participants with training providers	



KRALJEVO –led IMC Area New Criteria Program Report

Kraljevo, Cacak, Gornji Milanovac, Raska, Vrnjacka Banja

SME INNOVATIONS



Competitiveness Through Innovation

The goal of this New Criteria Program (NCP) is to promote at least 50 innovations that lead to new SME sales in the marketplace by November 2015.

The Kraljevo -led IMC Area's economic profile reveals manufacturing in diverse sectors, mostly by SME remnants of large Communist companies, with pockets of more sophisticated and export-oriented companies. A small-producer agricultural sector occupies territories more remote from the larger municipal centers. On the whole, the private sector economy is stagnant, bound by limited, customary markets and stiff competition. What is needed is that local producers increase their competitiveness by producing goods that markets want and that competitors cannot deliver more cheaply. This situation is a good one for using innovation to expand SME market opportunities. The IMC Area has experience with promoting SME innovation in the form of the IMPuls program, which introduced a university-run laboratory in Kraljevo to house Italian prototype and reverse engineering machines for designing new products. In addition, the IMC Area's SME Coordinating Committee is looking at creating a new Technology Center in Cacak. Given this momentum toward enhancing SME innovation in the IMC Area, the Project is anxious to develop further the relationship between science/engineering and business to promote SME innovation in the IMC area.

Overview of NCP Activities:

The Kraljevo IMPuls program is a fine model for building a culture of innovative collaboration between SMEs and academia. Using sector competitiveness tools, the Project will help SMEs in the metal, textile, food processing and wood-processing sectors, explore new markets and identify product and operational gaps that prevent serving those new markets. The Project will then work to create collaborative dialogue between scientists/engineers and SMEs to find innovative solutions to the gaps identified. To accomplish this, the following activities will be undertaken:

- a. Concrete design and use of the Technical Center in Cacak. At present, the Center is drifting without a distinct purpose or business plan. The Project will assist in the development of a plan, and then help implement the plan to accomplish concrete science/business collaboration.
- b. Working at the next level with the IMPuls program. IMPuls needs more work to prove its economic value. The Project will introduce more sustainable and market-based practices to maximize IMPuls' positive effect on IMC SMEs.

The Project will also pay attention to other types of activities, focusing on innovation.

- a. In Serbia, the science/business gap is not a problem exclusive to this IMC Area. The Project will work with the local governments of the IMC Area to improve national innovation policy through a concerted IMC (and perhaps inter-IMC) policy effort. We hope that identification of real business opportunities in the IMC Area, realized on the shoulders of business/science dialogue, will open new policy doors for promoting Serbia's competitiveness through innovation.
- b. The IMC Area is also a place of small farmers who lack markets. The Project will utilize the resorts of Kopaonik and Vrnjacka Banja to build demand for products that can be offered by IMC small agricultural producers. Innovation in crop products and post-harvest technologies will drive this effort to better supply recognized markets.



Up to Date Results:

Activity	Time Frame	Deliverables	Status
Development of the Cacak Technology Park	May 1 - July 15, 2013	Defined vision and goals of Cacak Technical Park	Business plan delivered
		Business plan that includes an action plan for the first year of operation and organizational model of the Park	
		Developed criteria for identifying and selecting target tenants and tenant industries	
		Recommendations on next steps for development of the Technology Park	
Web site development for promotion of ImPuls Center	July 10 - October 5, 2013	Web site developed and launched	Implementation in progress
Innovation in agricultural production - possibilities for introducing nontraditional crops that possess market potential in Raška and Vrnjačka Banja	April 8 - May 20, 2013	Recommendations about the possibility and practicality of expanding nontraditional crop cultivation, listing the type of crops that might be considered, the economic justification, assessment on the capacity of growers to cultivate such crops, and general assessment of what would need to be done on the supply side (training, post-harvest infrastructure, processing enhancements) to reach existing markets.	Final report delivered
SME/Innovation - developing ties between the science and business communities	September 25 - December 31	Report containing conclusions about the potential for developing strong, pragmatic ties between the science and business communities in Kraljevo - led IMC area, and, most importantly, concrete recommendations for future Project activities to link the two communities. The recommendations for the Project should be in the form of a road map that details the specific IMC and national-level activities the project should support to develop a mutually reinforcing partnership between the science and business communities in the IMC area.	Implementation in progress
Bridging the Gap between Business and Science Analysis Development - Phase I	March 15 - May 10, 2013	List of higher education, R&D institutions, business associations, chambers of commerce, on-going donor projects, local initiatives, etc. for science/business cooperation	Final report delivered
		List of identified key public partners and their roles and responsibilities	
		Report on existing strategic and legal framework for science-business cooperation (identifying gaps and/or legal obstacles, if any)	
		Concept paper on possibilities for application of applied science to support businesses in IMC regions	
Bridging the Gap between Business and Science Analysis Development - Phase II - TBD	July 15 – December 31 2013 (TBD)	Research memorandum on the best practices and different models used by universities and research institutes in other countries to assist their business communities. Sort of a menu off activities and tools used by others to bring their science/engineering communities more in touch with the business needs or private industry.	SoW for second phase will be redefined
		Further identification of the applicable scientific devices/patents/inventions and their applicability within different sectors	



Activity	Time Frame	Deliverables	Status
		<p>Facilitated up to 10 workshops, developed white book with recommendation and action plan to be undertaken by the Project and working group in bridging the gap between business and science and raising awareness on importance of for measuring academic work in cooperation with business.</p> <p>Support of Project technical staff and task force to develop set of indicators within current legal requirements regarding criteria for appointment, re-appointment or promotion of scientists and researchers</p>	
Asset Management Activity	April - June 2013	<p>Rulebook on Administration for Asset Inventorying and Management and a Rulebook on Disposal of Municipal Property</p> <p>Organized and prepared study-visits of the municipalities where activities selected in line with new development criteria have spatial component to the selected Mentor City</p> <p>Provided tailor made permanent support and TA to municipalities where New Criteria Projects have spatial component to the selected Mentor City</p>	Final report delivered
Business Friendly Certification	June 2013- December 31, 2013	Assistance to the City of Kraljevo and Municipality of Vrnjacka Banja to comply with business friendly certification requirements	Implementation in progress
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	<p>Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities:</p> <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED <p>Development and maintenance of web-based distance learning platform:</p> <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed <p>Development and implementation of the web-based distance learning course on LED:</p> <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	Implementation in progress
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	<p>Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Kraljevo IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders, etc.)</p> <p>Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)</p>	Implementation in progress



Activity	Time Frame	Deliverables	Status
Development of Youth Business Serbia Program	August 20, 2012 - August 15, 2013	Grant supports youth to acquire useful skills and gain work experience through internship and entrepreneurship development.	Final report submitted
On the job training	September 2013 - July 2014 (TBC)	On the job training for approx. 200 training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic program.	Reviewing activity SoW prior to publishing RFP
		Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees	
		Matching on the job training participants with training providers	
Management training for Cacak Technology Park	September 30th, 2013	TP Management Training Program with fully developed modules	SoW drafted, in holding status. Planned for October 2013 after Berman Group finishes work
	November 30th, 2013	Training Program implemented	
	December 15, 2013	Training manual developed	



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UZICE –led IMC Area New Criteria Program Report

Uzice, Cajetina, Priboj, Nova Varos and Prijepolje

COMPETITIVENESS,
VALUE CHAINS



Uzice IMC Area Regional Value Chain

AGRIBUSINESS



FDI



The goal of this New Criteria Program (NCP) is to increase purchases of IMC Area products and services by the Anchor Tourism Industry by 10% by November, 2015.

The Uzice –led IMC Area is a diverse, mountainous region, the economic integrative opportunities of which are nascent. The IMC Coordinating Committees have identified a mixed bag of individual projects that might be pursued, but a fully stitched together and integrated concept has been lacking. The Project has identified an over-arching economic program, which uses the tourist center of Zlatibor and its neighboring tourist resort areas (Tara, Mokra Gora and Zlatar) as an anchor industry for underdeveloped regional supply chains (the Anchor Tourism Industry). The Project does not intend to grow the tourism industry itself, which is already substantial and growing, but will leverage that industry’s needs in order to grow the business of diverse SMEs and farmers in the IMC area.

Overview of NCP Activities:

The Uzice -led IMC Area is characterized by three poorly developed municipalities in its southern portion and two municipalities that enjoy economic assets and growth, particularly in the tourism industry. Unemployment in the southern municipalities is 30% higher than the national average (23.6% national average unemployment rate), while in the northern municipalities, it is significantly below the national average (less than 18 %). The northern tourism industry has expanded 30% in revenues over the last five years, while no economic sector in the southern region has grown. The guiding principle of this Concept is to use the solid tourism industry of the northern municipalities to pull the private sector resources in the southern municipalities to develop. Value chain development between tourism industry buyers and potential vendors in the IMC Area will be the key focus of the technical work; the value chains will encompass the dairy, fruit and vegetable, textile, furniture and services sectors. Technical assistance that will in the long-run grow the value chain's reach and opportunities will be pursued:

- a. A demand study for a new university being contemplated for the region, to be located in Uzice. This analysis will focus on the idea of offering higher education curriculum that is allied to and matched with local business needs. Once the study is completed, The Project will determine how and whether to follow-up and participate in other activities concerning the establishment of the university.
- b. Investment-related activities regarding the suitability of selected property sites for inflowing investment of strategic value to the region. The Project will begin with a 350 hectare former military site in Uzice, and a brownfield site in Prijepolje.
- c. The Priboj truck factory, FAP, is a possible asset for investment and for the supply chain, but only if it is not sold to a strategic investor as a turn-key operation. If the GOS abandons the idea of exploiting the factory as a turn-key operation, the Project will examine the investment and value chain potential of its parts.



The other supply side ideas that have been discussed are diverse methods for increasing the capacity of small farmers to move their products to market. These include better cost and pricing information, more centralized produce certification centers, and warehousing and cold chain improvements. The Project will consider those only if justified by likely increase in demand for the products of food producers in the region.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Development of a Demand Assessment on Establishment of Integrated University in Uzice	March 13 - June 15, 2013	Demand assessment on establishment of an integrated university in Uzice	Final report delivered
Development of the tourism supply chain of the destinations of Tara, Zlatibor, and Zlatar by connecting the hotel industry and other tourism-related businesses with the different micro businesses in IMC Uzice	September 1- December 31 2013	The grant objective is to analyze the prospects for creating a supply chain of local producers to provide the Anchor Tourism Industry in Uzice IMC area with its needs. Grantee will Design of research methodology and research instruments, conduct analysis of Anchor Tourism Industry demand for local products and prepare supply scan showing what is sold and what could be sold locally to satisfy the various demands of the Anchor Tourism Industry, and prepare recommendations about feasible linkages between tourism industry demand and supply of local products that can be forged, including Action Plan for implementation of top 3 key recommendation supported by LGs	Implementation in progress
		Demand analysis and mapping of the region's (Zlatibor, Tara, Zlatar) demand for goods and services	
		Selection of three key sectors with the highest absorption capacities	
		Supply scan results showing what could be sourced locally to satisfy the demand of the tourism industry	
		Recommendations about feasible linkages and Action Plan for implementation of three key recommendations	
Joint Investment Promotion Coaching Program	June 2013 - March 2014	Capacity of municipalities to provide well organized and highly professional services to investors developed	Implementation in progress
		Workshop training materials	
Assessment of FDI location potentials	April 21 - April 27, 2013	Report/assessment of greenfield and brownfield sites for investment in the Uzice IMC area including recommendations	Final report delivered
Public Utility Company (PUC) Monitoring Activity	March 10 - May 31, 2013	Assistance to PUCs in Nova Varoš and Prijepolje to effectively monitor organizational, technical, and financial performance of its PUC	Final report delivered
		Organization of two workshops to acquaint PUCs and municipalities as founders with new legal framework for utility performance	
		Support to PUCs in developing quarterly performance reports provided	



Activity	Time	Deliverables	Status
Brownfield - FAP Priboj - assisting FAP plant in producing marketable and valuable products.	TBD	This activity is dependent on the action of the central government, and based on its decision to directly negotiate with possible investors the Project will determine the best course of action.	
Support to Planned Ponikve Airport	October 2013 - January 2014	Signed MoU with City of Uzice Geodetic survey and topographic plan for the Ponikve airport location	RFP published
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities: <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED Development and maintenance of web-based distance learning platform: <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed Development and implementation of the web-based distance learning course on LED: <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	Implementation in progress
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Užice IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders, etc.) Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)	Implementation in progress
TO DO Development (TOgether for DOMestic Development): Developing a competitive young workforce through cooperation with professional diaspora	July 2, 2012 - July 2, 2013	50 unemployed youth trained on business opportunities and social entrepreneurship 20 unemployed youth trained on opportunities for scientific project development and funding 15 unemployed youth placed in short-term internships with local companies 4 youth participate in study visit abroad 5 initiatives for creating training and employment opportunities 3 initiatives in the form of business plans and scientific projects created by youth for applying for a Grupa 484 grant and UniCredit Bank loan for social enterprises	Final report submitted



Activity	Time	Deliverables	Status
		10 youth employed for a minimum six-month period each Human resources database that links youth with diaspora (supply and demand workforce exchange)	
On the job training	October 2013 - July 2014 (TBC)	On the job training for 200 (TBC) training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic program. Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees Matching on the job training participants with training providers	Reviewing activity SoW prior to publishing RFP



NOVI PAZAR -led IMC Area New Criteria Program Report

Novi Pazar, Tutin and Sjenica



Novi Pazar: Entrepreneurship that Sells

The goal of this New Criteria Program (NCP) is to increase total exports of assisted sectors by 10% by November 2015.

The Novi Pazar –led IMC Area is traditionally well known for its commercial and entrepreneurial spirit. The active sectors within the IMC region are textiles, footwear, furniture and husbandry (dairy, meat), consisting of entrepreneurial small and medium-sized firms and farms. In general, these entities are optimistic about their future. However, the firms all believe that to expand they must improve their competitiveness, reduce operational costs, develop new products and access new markets. Supply-side drawbacks are the inadequate labor force and limited capital. In addition, the capacity of firms in the areas of management, marketing, sales, communication with and responsiveness to the customers, quality control, and market-sized volume of production is questionable. While a willing entrepreneurial culture is present within the IMC Area’s primary sectors, the working tools must be improved.

The Project wishes to build the competitiveness of the IMC Area’s entrepreneurial sectors through sector-wide work on production efficiencies and product portfolios, as well as through assistance in marketing, locating demand and locating investment.

Overview of NCP Activities:

Each of the key sectors has experienced cluster development work, and has identified particular constraints and gaps. The textile jean manufacturers produce volumes too small for the non-boutique buyers who are capable of providing long-term market security and confidence. In addition, the entire sector faces an environmental shut-down because it cannot afford environmentally safe washing equipment. Similarly, the shoe industry also produces in too small lots to satisfy the most stable and best-known buyers, and it cannot reach big markets to promote their wares. The furniture industry suffers a restricted market because of high transportation costs. And the husbandry industry is unaligned in its entire value chain, thus, limiting production. These are the examples of the problems for which the Project will try to find business solutions. The Project will bring foreign business consultants to work on these issues, and will make sure that their work complements to the work done locally. As in all competitiveness work, the methodology calls for identifying gaps and weaknesses that prevent market expansion, and then providing solutions.

The Project will cooperate with SEDA, supplementing its existing funding and expertise. The Project anticipates retaining foreign short-term technical assistance (STTA) for each sector in order to close identified competitiveness gaps with reliable business solutions. Finally, other technical assistance will be directed to supply-side flaws in the IMC Area, including a need for serious workforce development. Workforce development is linked to present and future business needs, investment-attraction that will



target outside anchor firms or strategic operational partners for the business sectors with which the Project will work, and small and medium enterprises (SME) credit schemes from municipal funds.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
<p>Assistance to private sector firms in manufacturing sectors to expand existing markets and penetrate new markets</p>	<p>July 2013 - October 2013 (TBC)</p>	<p>Design and implement a methodology for creating buy-in and participation by relevant private sector members and public officials</p>	<p>Application is under evaluation</p>
		<p>Design and implement a plan for facilitating discussions among stakeholders and deliver report of how the discussions proceeded and what conclusions were reached</p>	
		<p>Local officials informed and involved in the processes</p>	
		<p>Host, facilitate and assist in the information-gathering tasks of each international consultant that the Project will field as a sector specialist</p>	
		<p>Design the format of, handle the logistics of, and lead meetings and roundtables between sector and public official stakeholders and the Project's international consultants</p>	
		<p>Design, together with the Project, how approved interventions should be accomplished, and produce an intervention timeline</p>	
		<p>Proposal for what role the implementer should play in carrying out the planned interventions in the targeted sectors</p>	
		<p>Proposal for further work on interventions, which includes a draft monitoring and evaluation plan, listing indicators and reporting requirements for determining the impact of the various interventions. Together with the Project, execute monitoring and implementation plan</p>	
<p>Market Expansion of the Footwear Sector - identifying and minimizing the constraints to the sector on expanding existing markets and penetrating new ones</p>	<p>September 14 - October 2, 2013</p>	<p>A footwear sector assistance plan based on the assessment of local firms, key stakeholders, potential markets and international best practices, as well as the conclusions of the sector roundtable discussion held in coordination with SEDA. The plan should include specific recommendations for Project-supported actions and interventions on how to: expand the market for footwear; develop potential buyers and inflowing investment opportunities; and make product and service improvements necessary to meet buyer and investor demand.</p>	<p>Implementation in progress</p>
		<p>List of potential input suppliers and buyers appropriate for the footwear producers</p>	
		<p>Roundtables with footwear sector stakeholders on findings and next steps</p>	



Activity	Time Frame	Deliverables	Status
Market Expansion of the Denim Sector - identifying and minimizing the constraints to the sector on expanding existing markets and penetrating new ones	June 17 - June 30, 2013	A denim sector assistance plan based on the assessment of local firms, key stakeholders, potential markets and international best practices, as well as the conclusions of the sector roundtable discussion held in coordination with SEDA. The plan should include specific recommendations for Project-supported actions and interventions on how to: expand the market for denim; develop potential buyers and inflowing investment opportunities; and make product and service improvements necessary to meet buyer and investor demand.	Final report delivered
		List of potential input suppliers and buyers appropriate for the denim manufacturers	
		Roundtables with denim sector stakeholders on findings and next steps	
Solutions for Market Expansion of the Denim Sector	August - October 2013	<p>A brief memorandum of economic indicators to inform the best selection of countries and cities in which to conduct on-the-ground research. Upon selection of the final 3-5 countries for research, identify the primary shopping areas within the top 1-3 key cities, including shopping malls, major shopping streets, stand-alone mass merchandiser/big box stores, and any important street markets.</p> <p>Roundtable for Novi Pazar area denim manufacturers and other appropriate stakeholders, such as SEDA, on desk research and findings, explaining methodology for country selection and presenting next steps.</p> <p>As result of boots-on-ground-research, an analysis of disaggregated data by market and brand to identify patterns and best targets for future marketing efforts. This document will include data on collected contacts of potential wholesalers and retailers, brands interested in CMT, analysis of the price of the product, assessment of whether companies need factoring for those countries or not, and a profile of the competition they must beat.</p> <p>Based on this boots-on-the-ground work, the Consultant will connect potential suppliers and buyers with Novi Pazar manufacturers. The consultant shall also provide recommendations on the next steps the companies should take to further develop relationships with these suppliers, buyers and investors.</p>	Implementation in progress
Market Expansion of Furniture Sector – Identifying and minimizing constraints to the sector on expanding and entering markets	August 19 - September 3, 2013	A furniture sector assistance plan based on the assessment of local firms, key stakeholders, potential markets and international best practices. Recommendations for Project-supported actions and interventions on how to: expand the market for furniture; develop potential buyers and inflowing investment opportunities; and make product and service improvements necessary to meet buyer and investor demand.	Waiting for submission of final report
		List of potential input suppliers and buyers appropriate for the furniture producers.	
		Roundtables with furniture sector stakeholders on findings and next steps	



Activity	Time Frame	Deliverables	Status
Innovation in agricultural production - possibilities for introducing nontraditional crops that possess market potential in Sandžak region	April 8 - May 20, 2013	Recommendations about the possibility and practicality of expanding nontraditional crop cultivation, listing the type of crops that might be considered, the economic justification, assessment on the capacity of growers to cultivate such crops, general assessment of what would need to be done on the supply side (training, post-harvest infrastructure, processing enhancements, etc.) to reach existing markets	Final report delivered
Solving the waste water problems of the jeans manufacturers	TBD	Prepared analysis of the situation regarding the installation of facilities for pre-treatment of waste water in the jeans processing	SoW prepared
Public Utility Company (PUC) Monitoring Activity	March 10 - May 31, 2013	<p>Assist PUCs in Novi Pazar, Sjenica and Tutin to effectively monitor organizational, technical and financial performance of its PUC</p> <p>Organize two workshops to acquaint PUCs and municipalities as founders with new legal framework for utility performance</p> <p>Provide support to PUCs in developing quarterly performance reports</p>	Final report delivered
Asset Management Activity	April - June 2013	<p>Rulebook on Administration for Asset Inventorying and Management and a Rulebook on Disposal of Municipal Property</p> <p>Organized study visit to Uzice as a Mentor City for asset management</p> <p>TA to selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities that have spatial component</p>	Final report delivered
Asset Management and Brownfield Re-Development	May - December 2013	<p>Questionnaire for USAID SLDP cities and municipalities on existing challenges in property inventorying and management</p> <p>Gap analysis that will inform national decision makers (e.g., Ministry for Regional Development and Local Self-Government) on main challenges in implementation of the laws that regulate public property</p> <p>Assist at least four selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities selected in line with new development criteria</p>	Implementation in progress
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	<p>Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities :</p> <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED 	Implementation in progress



Activity	Time Frame	Deliverables	Status
		<p>Development and maintenance of web-based distance learning platform:</p> <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed <p>Development and implementation of the web-based distance learning course on LED:</p> <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • LED distance learning course, final testing and certification of participants completed 	
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Novi Pazar IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders, etc.)	Implementation in progress
		Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)	
TO DO Development (TOgether for DOMestic Development): Developing a competitive young workforce through cooperation with professional diaspora	July 2, 2012 - July 2, 2013	50 unemployed youth trained on business opportunities and social entrepreneurship	Final report submitted
		20 unemployed youth trained on opportunities for scientific project development and funding	
		15 unemployed youth placed in short-term internships	
		4 youth participate in study visit abroad	
		5 initiatives for creating training and employment opportunities	
		3 initiatives in the form of business plans and scientific projects created by youth for applying for a Grupa 484 grant and UniCredit Bank loan for social enterprises	
		10 youth employed for a minimum six-month period each	
		Human resources database that links youth with diaspora (supply and demand workforce exchange)	
Development of Career Guidance and Counseling Services through Inter-municipal Cooperation Mechanisms	November 15, 2012 - August 15, 2013	Forming of Local Mobile Team (LMT) for IMC, forming of career counseling center, training of the teachers in Novi Pazar. Hold roundtable to gather employers and students from high schools and open the debate on the employers' needs for skills, present the activities of the LMT, share best practices and specific experiences of young people who participated in job shadowing visits.	Final report delivered
		Career Workshops with Pupil Parliament Members, one-day job shadowing visits for pupils in order to assist young people to obtain knowledge and experience of different professions and occupations, young people will have the opportunity to observe particular professionals in their work environment.	
On the job training	October 2013 - July 2014 (TBC)	On the job training for 200 (TBC) training participants. Companies must be located in SLDP partner municipalities.	Reviewing activity SoW prior to publishing RFP
		Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees	
		Matching on the job training participants with training providers	



NIS –led IMC Area New Criteria Program Report

Nis, Leskovac, Merosina, Doljevac and Gadzin Han



AGRIBUSINESS

Grow South



FDI



BROWNFIELDS



WORKFORCE
DEVELOPMENT



SME INNOVATIONS

The goal of this New Criteria Program (NCP) is to increase the dollar value of processed food products sold by at least 15% by November 2015.

The government leaders of the Nis –led IMC Area all agree that it should be center of agribusiness and food processing, and the Project agrees. The Agricultural Department of Nis and the LED office of Leskovac have good agronomic capacities and advocate agribusiness as the key sector of future economic growth. The Nis LED office, though always looking to find industrial growth, supports the development of the IMC’s food processing sector. The Project will work to develop agribusiness expansion as the anchor of this IMC Area.

Overview of NCP Activities:

The Project’s activities will center on growing the IMC Area’s food processing sector by expanding the markets and capacities of existing processors, attracting new processors to the IMC territory, and helping producers organize themselves into efficient value chain vendors to the region’s processors. Specific activities are:

- a. Demand study for processed food that the IMC does or may be able to produce.
- b. Analysis of the supply-side capabilities of growers and processors to meet potential demand, and technical consulting to fill competitiveness gaps where identified. One such gap-filling activity under discussion is the establishment of a Food Processing Support Center for the Region, the intent of which would be to more closely align regional producers with local processors to secure integrated value chain efficiencies.
- c. Investment-related activities regarding the suitability of selected property sites for inflowing investment of agribusiness processing that is of strategic value to the region. Activities will include development of marketing concept for promotion of investment potentials, introduction of promotional tools and applied targeting of specific investors or investor types. These sites may be brown-field or green field, depending on the desirability of the land. If sites are more appropriate for investment from non-agribusiness investors, the Project will also provide consulting and technical assistance to land such investment.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Agricultural Demand Analysis	February 25 - April 30, 2013	Prepared demand analysis with recommendations on how to proceed with developing potential buyers and buyer networks, and on the product and service improvements necessary to meet that demand	Final report delivered



Activity	Time Frame	Deliverables	Status
Agricultural Supply Analysis	April 15 - April 30, 2013	An analysis on the supply-enhancing and growth potentials for establishment of an inter-municipal agriculture logistic center using one part or the whole available area of the Green Zone in Leskovac. Analysis should include economic elements related to the agriculture sector in the Niš IMC and the expected economic benefits.	Final report delivered
		Mapping of products utilized by food processors in Niš, Leskovac, Merosina, Doljevac and Gadzin Han with a focus on imported supplies that can be sourced locally	
		Integrated market demand and supply analysis with feasible opportunities for agriculture products in the context of the future logistic centers in Leskovac outlined	
		Recommendations for business expansion for products heavily in demand by foreign markets in cooperation with international STTA responsible for researching of foreign market demand for food processing products	
Establishment of Food Processing Support Center (FPSC) (Building a Sustainable Model of Management and Operation of Food Processing Support Center)	August 4 - August 17, 2013 October 27 - November 2, 2013	Business plan that includes an action plan for the first year of operation, and organizational model of the FPSC. Organizational model will propose services that need to be provided to future FPSC beneficiaries. Also, organizational model will propose executive body needed for implementation and daily work of the FPSC (number of people, professional background, etc). Also, it will propose tools and techniques needed for the FPSC to implement the plan.	Implementation in progress
		Recommended model of cooperation agreement for FPSC beneficiaries	
		Outline of recommended training program for FPSC management and technical staff	
		Report and recommendations for future activities for SLDP technical staff	
Bridging the Gap between Business and Science Analysis Development - Phase I	March 15 - May 10, 2013	List of higher education, R&D institutions, business associations, chambers of commerce, on-going donor projects, local initiatives, etc. for science/business cooperation	Final report delivered
		List of identified key public partners and their roles and responsibilities	
		Report on existing strategic and legal framework for science-business cooperation (identifying gaps and/or legal obstacles, if any)	
		Concept paper on possibilities for application of applied science to support businesses in IMC regions	
Bridging the Gap between Business and Science Analysis Development - Phase II - TBD	July 15 – December 31 2013 (TBD)	Research memorandum on the best practices and different models used by universities and research institutes in other countries to assist their business communities. Sort of a menu off activities and tools used by others to bring their science/engineering communities more in touch with the business needs or private industry.	SoW for second phase will be redefined
		Further identification of the applicable scientific devices/patents/inventions and their applicability within different sectors	
		Facilitated up to 10 workshops, developed white book with recommendation and action plan to be undertaken by the Project and working group in bridging the gap between business and science and raising awareness on importance of for measuring academic work in cooperation with business.	



Activity	Time Frame	Deliverables	Status
		Support of Project technical staff and task force to develop set of indicators within current legal requirements regarding criteria for appointment, re-appointment or promotion of scientists and researchers	
SME/Innovation - developing ties between the science and business communities	September 25 - December 31	Report containing conclusions about the potential for developing strong, pragmatic ties between the science and business communities in Kraljevo - led IMC area, and, most importantly, concrete recommendations for future Project activities to link the two communities. The recommendations for the Project should be in the form of a road map that details the specific IMC and national-level activities the project should support to develop a mutually reinforcing partnership between the science and business communities in the IMC area.	Implementation in progress
Asset Management Activity	April - June 2013	Rulebook on Administration for Asset Inventorying and Management and a Rulebook on Disposal of Municipal Property	Final report delivered
		Organized and prepared study-visits of the municipalities where activities selected in line with new development criteria have spatial component to the selected Mentor City	
		Provided tailor made permanent support and TA to municipalities where New Criteria Projects have spatial component to the selected Mentor City	
Bankruptcy and Liquidation - Supporting City of Niš to shape its role, as a main creditor, in bankruptcy case of Niš Brewery	June 1 - June 20, 2013	Analys of complete financial, proprietary and legal documentation received from Office for Local Economic Development in Niš Prepare analyses with arguments in favor or against pursuing two different tracks/options – initiating bankruptcy procedure and filling for restructuring of the Niš Brewery Presentation to the City of Nis officials on main findings and recommendations from the analyses	Analisis delivered
Assessment of FDI location potentials	April 21 - April 27, 2013	Assessment of greenfield and brownfield site for investment in the Nis IMC area including recommendations	Final report delivered
Joint Investment Promotion Coaching Program	June 2013 - March 2014	Capacity of municipalities to provide well organized and highly professional services to investors developed	Implementation in progress
		Workshop training materials	
Asset Management and Brownfield Re-Development	May - December 2013	Questionnaire for USAID SLDP cities and municipalities on existing challenges in property inventorying and management	Implementation in progress
		Gap analysis that will inform national decision makers (e.g., Ministry for Regional Development and LG) on main challenges in implementation of laws that regulate public property	
		Assist at least four selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities selected in line with new development criteria	
Technical documentation for water supply system	March 5 - August 20, 2013	Prepared feasibility study for the reconstruction and completing the construction of the water supply system “Pusta reka” and exploring the possibility of linkages with other regional systems.	Feasibility study prepared and delivered
ICT Cluster Academy	TBD	Multi-modular training for young entry level professionals in ICT sector	Application is under preparation



Activity	Time Frame	Deliverables	Status
<p>Increase capacities and skills of new officials in partner IMC LG to effectively utilize LED mechanisms and tools</p>	<p>May 1, 2013 - April 30, 2014</p>	<p>Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities :</p> <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED <hr/> <p>Development and maintenance of web-based distance learning platform:</p> <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed <hr/> <p>Development and implementation of the web-based distance learning course on LED:</p> <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	<p>Implementation in progress</p>
<p>Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development</p>	<p>January 25, 2013 - January 24, 2014</p>	<p>Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Niš IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders)</p> <hr/> <p>Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)</p>	<p>Implementation in progress</p>
<p>Development of Youth Business Serbia Program</p>	<p>August 20, 2012 - August 20, 2013</p>	<p>Grant supports youth to acquire useful skills and gain work experience through internship and entrepreneurship development.</p>	<p>Closed/finished</p>
<p>On the job training</p>	<p>October 2013 - July 2014 (TBC)</p>	<p>On the job training for 200 (TBC) training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic programme.</p> <hr/> <p>Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees</p> <hr/> <p>Matching on the job training participants with training providers</p>	<p>Reviewing activity SoW prior to publishing RFP</p>



VRANJE –led IMC Area New Criteria Program Report
Vranje, Bujanovac, Vladicin Han, and Presevo



FDI



BROWNFIELDS

Invest on Corridor 10



WORKFORCE DEVELOPMENT

The goal of this New Criteria Program (NCP) is to create at least 1,500 new jobs through at least five new inflowing investments in green- or brown-field sites by November 2015.

The Vranje -led IMC Area faces extreme high unemployment, the attraction of inflowing investment is the territory’s preferred method relief. The City of Vranje is the IMC area’s leader in this regard. It is systematically pursuing a long-term strategic goal of investment attraction on the back of its favorable location near main road arteries, a history of SME success in the shoe, textile and furniture industries, and a deliberate decision from several years ago to acquire and convert military land into investment-grade, industrial land.

Overview of NCP Activities:

This is an investment attraction program. The Project will supply a full range of necessary technical assistance, including consulting on investment promotion, targeting investors that fit the IMC Area’s profile of assets, training local business and government to present the best sales package for the IMC Area, and working to fill investor need gaps, such as for adequate trained labor and prepared investment sites. Vranje’s Local Economic Development (LED) Office will be a leader by example and skills set, and individual municipalities will experience the synergies gained from working together to attract investment to the region. Examples of specific activities are the following:

- a) Work force development and alignment with investor needs: The Project will provide technical consultancy to ensure that actual and likely inflowing investors have adequate work force to employ.
- b) Assist in development and implementation of Corridor 10 Investment Marketing Program
- c) Industrial zone development in various municipalities (and brownfield): The project will provide technical assistance on conceptual design of sites matched to feasible and likely investors, and will support site development and preparation.
- d) Technical assistance and training about the best practices for managing industrial parks and industrial zones.

Up to Date Results:

Activity	Time Frame	Deliverables	Status
Preparation of Technical documentation for Interior Traffic Road in the Industrial Zone	TBD	Technical documentation for Interior Traffic Road in the Industrial Zone	Geodetic survey and cadaster topographic plan delivered



Activity	Time Frame	Deliverables	Status
Main design for Vranje Industrial Zone "Bunuševac"	TBD	Prepared project documentation for the construction of the following infrastructure: roads, electricity supply, water supply system, sewerage system, rain drainage and telecommunication.	Proposals are under evaluation
Joint Investment Promotion Coaching Program	June 2013 - March 2014	Capacity of municipalities to provide well organized and highly professional services to investors developed Workshop training materials	Implementation in progress
Regional Industrial Workforce Continuous Development Center Vranje	TBD	Baseline study, identifying the situation and capacities in the area (workforce, institutional, educational, etc.), both existing and unmet, to ensure a successful Regional Workforce Continuous Development Center in Vranje implementation at regional and municipal levels Demand assessment study, identifying the existing and projected demand for the training center among existing and potential investors Cost-benefit analysis, providing analysis of qualitative and quantitative aspects of possible training center models in the context of identified baseline study and demand assessment study parameters Optimal model for the Regional Workforce Development Center in Vranje summarized in a Recommendation Report	Grant application under evaluation
Market Expansion of the Footwear Sector - identifying and minimizing the constraints to the sector on expanding existing markets and penetrating new ones	September 14 - October 2, 2013	A footwear sector assistance plan based on the assessment of local firms, key stakeholders, potential markets and international best practices, as well as the conclusions of the sector roundtable discussion. The plan should include specific recommendations for Project-supported actions and interventions on how to: expand the market for footwear; develop potential buyers and inflowing investment opportunities; and make product and service improvements necessary to meet buyer and investor demand. List of potential input suppliers and buyers appropriate for the footwear producers Roundtables with footwear sector stakeholders on findings and next steps	Implementation in progress
Market Expansion of the Furniture Sector - identifying and minimizing the constraints to the sector on expanding existing markets and penetrating new ones	August 19 - September 3, 2013	A furniture sector assistance plan, to include specific recommendations for Project-supported actions and interventions on how to: expand the market for furniture; develop potential buyers and inflowing investment opportunities; and make product and service improvements necessary to meet buyer and investor demand. List of potential input suppliers and buyers appropriate for Vranje furniture producers Roundtables with furniture sector stakeholders on findings and next steps	Waiting for submission of final report
Asset Management and Brownfield Re-Development	May - December 2013	Questionnaire for USAID SLDP cities and municipalities on existing challenges in property inventorying and management Gap analysis that will inform national decision makers (e.g., Ministry for Regional Development and Local Self-Government) on main challenges in implementation of the laws that regulate public property Assist at least four selected local governments to adequately resolve key proprietary challenges needed for implementation of the activities selected in line with new development criteria	Implementation in progress



Activity	Time Frame	Deliverables	Status
Asset Management Activity	April - June 2013	Rulebook on Administration for Asset Inventorying and Management and a Rulebook on Disposal of Municipal Property	Final report delivered
		Organized and prepared study-visits of the municipalities where activities selected in line with new development criteria have spatial component to the selected Mentor City	
		Provided tailor made permanent support and TA to municipalities where New Criteria Projects have spatial component to the selected Mentor City	
Business Friendly Certification	June - September 2013	Assisting City of Vranje and Municipality of Bujanovac in reviewing BFC standards / procedures and suggesting improvements in line with new legal and institutional framework	Implementation in progress
Increase capacities and skills of local officials in partner IMC LGs to effectively utilize LED mechanisms and tools	May 1, 2013 - April 30, 2014	Increase awareness, knowledge and skills of LG representatives on local economic development (LED) context and management, through two-day regional trainings "Local Economic Development - Legal and Institutional Context and Management" in each IMC and through coaching and consultative support in identification and implementation of specific LED related activities: <ul style="list-style-type: none"> • Full training curriculum including training materials • Eight regional trainings (one in each IMC) • Eight (one per IMC) concrete sets of LED related tasks/activities developed and supported • Two assessment reports on the performance of cities and municipalities in the area of LED 	Implementation in progress
		Development and maintenance of web-based distance learning platform: <ul style="list-style-type: none"> • Methodology and architecture of distance learning platform • Distance learning platform developed 	
		Development and implementation of the web-based distance learning course on LED: <ul style="list-style-type: none"> • LED distance learning curriculum and content fully developed • DL trainees selected and introductory workshops organized • LED distance learning course, final testing and certification of participants completed 	
Establishing Public-Private Partnerships as a Key Pillar to Sustainable Development	January 25, 2013 - January 24, 2014	Developing viable, innovative PPP ideas that enhance local economy by providing TA to public partners in Vranje-led IMC to develop and follow PPP action plans (help to identify stakeholders, participate in negotiations with stakeholders, etc.)	Implementation in progress
		Increase visibility of the PPP projects (preparation of public partners to introduce developed concepts at PPP investors conference and publication of the lessons learned)	
Development of Career Guidance and Counseling Services through Inter-municipal Cooperation Mechanisms	November 15, 2012 - August 15, 2013	Forming of Local Mobile Team (LMT) for IMC Vranje in Vladicin Han, Vranje and Bujanovac. Twenty one-day job shadowing visits for pupils in order to assist young people to obtain knowledge and experience of different professions and occupations. Round tables will gather employers and students from high schools and open the debate on the employers' needs for skills, present the activities of the LMT, share best practices and specific experiences of young people who participated in job shadowing visits.	Final report delivered
		Vladicin Han team organized Visit to the 57th International Fair of Technique and Technical Achievements	



Activity	Time Frame	Deliverables	Status
TO DO Development (TOgether for DOmestic Development): Developing a competitive young workforce through cooperation with professional diaspora	July 2, 2012 - July 2, 2013	50 unemployed youth trained on business opportunities and social entrepreneurship	Final report submitted
		20 unemployed youth trained on opportunities for scientific project development and funding	
		15 unemployed youth placed in short-term internships with local companies	
		4 youth participate in study visit abroad	
		5 initiatives for creating training and employment opportunities	
		3 initiatives in the form of business plans and scientific projects created by youth for applying for a Grupa 484 grant and UniCredit Bank loan for social enterprises	
		10 youth employed for a minimum six-month period each	
		Human resources database that links youth with diaspora (supply and demand workforce exchange)	
On the job training	September 2013 - July 2014 (TBC)	On the job training for approx. 200 training participants. Companies must be located in USAID SLDP partner municipalities and be active in sector relevant to Economic program.	Reviewing activity SoW prior to publishing RFP
		Publish open call in order to identify companies that are interested to increase its productivity by conducting on the job training and engaging additional employees	
		Matching on the job training participants with training providers	

ANNEX E – IMC AREA ONE-PAGERS



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Partners

SUBOTICA CITY

Population: 140,358
Unemployment: 23%

Economic Base: agriculture, food processing industry, tertiary sector of the economy, tourism

Ruling Coalition: DS, SVM, LSV, SPS
Mayor: Modest Dulic

SOMBOR CITY

Population: 85,569
Unemployment: 26%

Economic Base: agriculture, food processing industry, tourism

Ruling Coalition: DS, DSS, SPS, SVM, LSV
Mayor: Nemanja Delic

KANJIZA MUNICIPALITY

Population: 24,995
Unemployment: 30%

Economic Base: agriculture

Ruling Coalition: SVM, DS, LSV
Mayor: Mihaly Nyilas

Subotica-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in November 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

“Subotica IMC Agribusiness Expansion”

Goal: Increase sales (export and domestic) of agricultural products from the Subotica IMC area by 10% by end of June 2015.

The Project and representatives of IMC partner municipalities, signed agreements for the joint implementation of this program that aims to increase domestic sales and exports of agricultural products, and generate new jobs. The Project will assist Subotica in equipping a laboratory that will test food for quality-control, and as needed for export licenses. In Sombor, the Project will support the establishment of a training center for farmers, while Kanjiza will be assisted with a study on supply and demand for setting up a logistic and distribution center for agricultural goods.

In addition, the Project will support producers through the application process for geographical certificates of origin in order to better brand and market their regional produce. This economic program will benefit agricultural producers and processors from the entire IMC area, increasing regional competitiveness, enabling agribusiness expansion, and creating new jobs in the sector.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- Project and representatives of all three LGs signed an agreement for the joint implementation of agribusiness economic program. Assistance to Subotica in equipping a laboratory for food quality control begun
- Database of investors and brownfield locations was created in Sombor to advance steps to Business Friendly Certification achievement; Sombor was awarded the BFC certificate on December 4, 2012.
- Three public-private partnerships toolkits (for local infrastructure development, energy efficiency and parking services) were presented at a regional “Public Private Partnerships” Conference in Novi Sad
- “Business Enabling Environment – Brownfield” training conducted on evaluating potentials of brownfield locations, their prioritization and redevelopment
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- In partnership with the Serbian Intellectual Property Office and the Ministry of Agriculture, a workshop was organized to explain and promote geographic branding to regional agricultural producers and processors
- The study „Diversification of the agricultural production” and its recommendations were presented to representatives of IMC agriculture and rural development working group members, producer associations, regional educational and health institutions, and local governments
- Demand and supply analysis completed in support of agriculture producers and food processors
- To promote regional competitiveness and innovation through improved broadband infrastructure, a conference was held with high officials from the relevant Ministry, Provincial and local governments

Youth development and employment

- Four young interns employed during the second cycle of Smart Kolektiv’s Youth Business Serbia Program, while five interns were placed in four companies during cycle three
- Also as part of the Youth Business Serbia program, two business start-up ideas received Erste bank’s favorable credit (lower interest rate and no collateral).



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USAID Sustainable Local Development Project

Inter-Municipal Cooperation Area Partners

NOVI SAD CITY

Population: 381,388
Unemployment: 18%

Economic Base: tertiary sector of the economy, processing industry

Ruling Coalition: SNS,SPS, DSS
Mayor: Milos Vucevic

SREMSKI KARLOVCI MUNICIPALITY

Population: 8,839
Unemployment: 46%

Economic Base: agriculture, tertiary sector of the economy

Ruling Coalition: DS, SPS, LSV, URS
Mayor: Milenko Filipovic

BEOCIN MUNICIPALITY

Population: 16,086
Unemployment: 34%

Economic Base: industry, tourism, mining

Ruling Coalition: DS, SPS, LSV
Mayor: Bogdan Cvejic

TEMERIN MUNICIPALITY

Population: 28,275
Unemployment: 30%

Economic Base: industry, craftsmanship, agriculture

Ruling Coalition: DS, SPS, DSVM, DSS-NS, SVM and GG "Za prosperitet opštine Temerin"
Mayor: Vladislav Capik

Novi Sad-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in July 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

“Metro Novi Sad: First Place for Business”

Goal: Add 1,500 jobs to the IMC area as a result of activities set in motion by the Project by end of June 2015.

The IMC partners identified preparation of existing industrial zones in the area as a priority, and the Project has initiated work on technical documentation and conceptual designs for the sites. In the forthcoming period the Project will primarily focus on investment attraction for these sites. The IMC area also has several attractive brownfield sites that are nonproductive, either due to delays in privatization/bankruptcy process or simple lack of good plans for development. The sites will be analyzed for economic potential and then included in a larger package of other similar sites from other IMC areas to advocate for policy change at the central level.

The IMC area has many small and medium sized metal producers, with active foreign and local markets, however in need of new products and increased operational efficiency. The Project will focus on improving innovation in the sector by encouraging closer cooperation between science and business communities. The Project will also support the development of much needed human resources - ICT specialists and engineers, and on strengthening the linkage between ICT and other sectors in Serbia, such as the metal sector. Both gaps will be addressed through technical assistance and cooperation with the ICT Association, Vojvodina Metal Cluster and Regional Education Center in Novi Sad.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- The Project provided legal advice and support for establishment of partnership between Lafarge and Beocin, to create a new business park on land owned by the municipality, to meet the demand of new investors for adequate business space and generate new jobs in the region
- Created database of investors and brownfield locations in Beocin and Novi Sad in the process of Business Friendly Certification – NALED; Novi Sad was awarded BFC certificate in June 2012
- “Business Enabling Environment – Brownfield” training conducted on evaluating potentials of brownfield locations, their prioritization and redevelopment
- In cooperation with the Standing Conference of Towns and Municipalities, launched a comprehensive learning program for local economic development officials, aiming to increase their knowledge and skills in managing local economic development and attracting investments
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- Architectural design prepared for the regional Educational Training Centre for Professional and Working Skills in Novi Sad, to train graduates annually in skills in high business demand
- To promote regional competitiveness and innovation through improved broadband infrastructure, a conference was held with high officials from the relevant Ministry, Provincial and local governments
- The Project provided technical assistance to the Municipality of Beocin in process of preparation and adoption of a ten year Local Sustainable Development Strategy

Youth development and employment

- Fourteen young interns employed during the second cycle of Smart Kolektiv’s Youth Business Serbia Program, while sixteen interns were placed in seven companies during cycle three
- Also as part of the Youth Business Serbia program, two business start-up ideas received Erste bank’s favorable credit (lower interest rate and no collateral).



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Area Partners

ZRENJANIN CITY

Population: 122,714
Unemployment: 25%

Economic Base: agriculture, food processing, textile, metal and chemical industry

Ruling Coalition: SNS, SPS
Mayor: Ivan Bosnjak

KIKINDA MUNICIPALITY

Population: 59,329
Unemployment: 28%

Economic Base: agriculture, food processing, metal and chemical industry

Ruling Coalition: SNS, SPS, DSS, SVM
Mayor: Pavle Markov

NOVI BECEJ MUNICIPALITY

Population: 23,847
Unemployment: 42%

Economic Base: agriculture, tourism

Ruling Coalition: LDP, SNS
Mayor: Sasa Sucurovic

Zrenjanin-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in December 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

“Diversification of Agriculture – New Jobs for Rural Youth”

Goal: To increase IMC area production of vegetables ultimately marketed to processors by 20% by end of June 2015.

Even though it has a well-developed agricultural production and food processing industry, IMC area concentrates on processing of grains, which brings less revenue per hectare than vegetable production. The Project will work with existing and potential small producers to help them adapt to production of new, high-value crops - vegetables, in order to create a more diversified product portfolio, increase revenues and support establishment of new agriculture businesses.

Complementing this effort, the Project will support the creation of agriculture incubators, primarily aimed at young and unemployed farmers. These incubators will provide access to land, equipment and infrastructure for farm start-ups. Existing agriculture associations and cooperatives, as well as agricultural extension experts, will support new vegetable producers through counseling and mentoring.

On the processing side, local government, with Project technical assistance, will focus on attraction of domestic and foreign investors in the food processing industry. Additionally, the Project will assist in establishing agricultural working zones in each partner municipality.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- Assistance to RDA Banat in project preparation for EU funds resulted in funding of 225,000 euros approved for project “Education to Easier Employment – E3”
- Developed sustainable farm incubator model for rural youth entrepreneurs and distributed to LED offices in support of economic program activities; launched this farm incubator program with an open call for unemployed youths
- To promote regional competitiveness and innovation through improved broadband infrastructure, a conference was held with high officials from the relevant Ministry, Provincial and local governments
- Database of investors and brownfield locations was created in Kikinda and Novi Becej, to advance steps to Business Friendly Certification achievement
- Public-private partnerships toolkits for local infrastructure development, energy efficiency and parking services were created and presented at a regional conference in Novi Sad
- “Business Enabling Environment – Brownfield” training conducted on evaluating potentials of brownfield locations, their prioritization and redevelopment
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- On-the-job training provided to 10 municipal representatives for “Preparation of Terms of Reference for infrastructure projects”

Youth development and employment

- Four career guidance and counseling trainings held for eighteen youth service providers who started providing services to youth in the Zrenjanin-led IMC area
- Youth office from Zrenjanin published a “Guide for Future Students”



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Area Partners

KRALJEVO CITY

Population: 124,554
Unemployment : 34%

Economic Base: agriculture, trade,
processing industry

Ruling Coalition: SNS, SPS, URS, DSS
and GG 'Složno za Kraljevo'
Mayor: Dragan Jovanovic

CACAK CITY

Population: 114,809
Unemployment: 29%

Economic Base: agriculture, industry,
trade, tertiary sector of the economy

Ruling Coalition: NS, DSS, SNS, SPS,
URS
Mayor: Vojislav Ilic

GORNJI MILANOVAC MUNICIPALITY

Population: 44,438
Unemployment: 24%

Economic Base: industry, mining,
manufacturing

Ruling Coalition: SPS, DS
Mayor: Milisav Mirkovic

VRNJACKA BANJA MUNICIPALITY

Population: 27,332
Unemployment: 35%

Economic Base: tourism

Ruling Coalition: SNS, DSS, JS, URS
Mayor: Boban Djurovic

RASKA MUNICIPALITY

Population: 24,680
Unemployment: 40%

Economic Base: agriculture, tourism

Ruling Coalition: SPS, SRS
Mayor: Jovan Corbic

September 2013

Kraljevo-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in December 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

“Kraljevo IMC Competitiveness through Innovation”

Goal: *To develop at least 50 innovations that lead to new SME sales in the marketplace by end of June 2015.*

This IMC area has experience with promoting SME innovation through the IMPuls center of the Kraljevo Faculty of Mechanical Engineering that helps SMEs design and develop new products. The Project will support these efforts by further development of the relationship between science and business to increase SME competitiveness. SMEs in the metal, textiles, food processing and wood-processing sectors will be assisted to explore new markets and identify product and operational gaps that prevent serving those new markets.

Key Project activities are focused on: 1) Assistance to Technology Center in Cacak to become operational and able to help SMEs innovate and become competitive; 2) Further development of the IMPuls program - introduction of more sustainable and market-based practices to maximize its positive effect on SMEs; and 3) Improving the national innovation policy. In addition, the Project will assist small agricultural producers from the IMC area to better supply the resorts of Kopaonik and Vrnjacka Banja by introducing innovation in crop products and post-harvest technologies.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- IMPuls multi-media laboratory equipped (\$38,000 grant) to support entrepreneurs from the region to acquire new skills, improve knowledge, reduce production costs and apply innovation in their production processes; IMPuls website launched with the assistance of Project grant (\$5,000)
- The analysis of opportunities for linking R&D institutions with SME sector, involving more than 10 key stakeholders from public and private sectors, has been completed (25 days of expert assistance)
- IMC partners assisted in improving business environment through a NALED Business Friendly Certification (BFC) workshop
- Created database of investors and brownfield locations in Kraljevo and Vrnjacka Banja to advance steps to BFC achievement
- „Business Enabling Environment – Brownfield“ training conducted on evaluating potentials of brownfield locations, their prioritization and redevelopment
- Public-private partnerships toolkits for local infrastructure development, energy efficiency and parking services created
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- Regional Strategy of Tourism development completed
- Baseline assessment of business associations completed aiming at tailoring SLDP assistance to business sector needs, to support new job openings, increased production and export
- Business plan with annual operational plan for Technology Park in Cacak developed through technical assistance and mentoring
- Assessed potential for introduction of high-value non-traditional crops that can be grown by small-scale farmers

Youth development and employment

- Three young interns employed during the second cycle of Smart Kolektiv’s Youth Business Serbia Program, while twelve interns were placed in four companies during cycle three
- Also as part of the Youth Business Serbia program, two business start-up ideas received Erste bank’s favorable credit (lower interest rate and no collateral)



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Partners

UZICE CITY

Population: 78,018
Unemployment: 22%

Economic Base: metal and machine industry, textile and wood processing industry

Ruling Coalition: DS, SPS, LDP, NS
Mayor: Saša Milošević

CAJETINA MUNICIPALITY

Population: 14,726
Unemployment: 17%

Economic Base: tourism, agriculture, craftsmanship

Ruling Coalition: DSS
Mayor: Milan Stamatovic

NOVA VAROS MUNICIPALITY

Population: 16,758
Unemployment: 49%

Economic Base: tourism, agriculture

Ruling Coalition: SNS, DSS, GG
"Novi ljudi za Novu Varoš," NS, SDPS
Mayor: Dimitrije Paunovic

PRIJEPOLJE MUNICIPALITY

Population: 36,713
Unemployment: 52%

Economic Base: textile and wood processing industry, agriculture

Ruling Coalition: SDP, DS, SDA, SRS, DSS
Mayor: Emir Hasimbegovic

PRIBOJ MUNICIPALITY

Population: 27,127
Unemployment: 50%

Economic Base: automotive industry, agriculture, tourism

Ruling Coalition: SNS, DS, SPS, NS, SPO
Mayor: Lazar Rvovic

Uzice-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in December 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

"Uzice IMC Regional Value Chain"

Goal: *To increase purchases of IMC area products and services by the Anchor Tourism Industry by 10% by end of June 2015.*

As the tourism industry has already been substantial and growing in the region of center of Zlatibor and its neighboring tourist resort areas, the Project will focus on growing the business of diverse SMEs and farmers in the IMC area, to be able to answer the tourism-related demand. The guiding principle of this program is to use the solid tourism industry of the northern municipalities to pull the private sector resources in the southern municipalities to develop. Project assistance will concentrate on value chain development within the dairy, fruit and vegetable, textile, furniture and services sectors.

Additional projects (development of university and investor-attractive land sites) will also be pursued to increase regional competitiveness, increase investments and generate jobs in the region.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- Dairy sector analysis completed and recommendations provided on how to improve dairy production and operations in order to become more competitive in the regional market
- \$40,000 provided for the development of a study to review the demand for and guide the establishment of a University in Uzice, in order to help equip local youth with skills demanded by regional employers and decrease youth outmigration
- Guide for building permitting created and investor database updated in Nova Varos municipality to advance steps to Business Friendly Certification achievement
- „Business Enabling Environment – Brownfield“ training conducted for evaluating potentials of brownfield locations, their prioritization and redevelopment
- Public-private partnerships toolkits for local infrastructure development, energy efficiency and parking services were developed
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- Baseline assessment of business associations completed aiming at tailoring SLDP assistance to business sector needs, to support new job openings, increased production and export
- \$60,000 provided to the Zlatibor Regional Development Agency, to determine the possibility of creating a supply chain of local products for the local tourism industry

Youth development and employment

- Eight youth teams awarded business start-up grants (€1,200 each) as part of CSO “Group 484” activities



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Area Partners

NOVI PAZAR CITY

Population: 117,084
Unemployment: 54%

Economic Base: textile, road
construction, trade

Ruling Coalition: SDP, SNP, SNS,
DSS, NS
Mayor: Meho Mahmutovic

TUTIN MUNICIPALITY

Population: 36,054
Unemployment: 58%

Economic Base: furniture
production, trade, agriculture,
forestry

Ruling Coalition: SDA
Mayor: Semsudin Kucevic

SJENICA MUNICIPALITY

Population: 27,970
Unemployment: 45%

Economic Base: agriculture,
textile, food industry

Ruling Coalition: SDA, SDP, DS,
LDP, SPS, URS
Mayor: Hazbo Mujovic

Novi Pazar-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in July 2011. This year the Sustainable Local Development Project (the Project) began implementation of the following economic program:

“Novi Pazar: Entrepreneurship that Sells”

Goal: To increase total exports of assisted sectors by 10% by end of June 2015.

The IMC area is traditionally well known for its commercial and entrepreneurial spirit. The active sectors within the region are textiles, footwear, furniture and husbandry (dairy, meat), consisting of small and medium-sized firms and farms. In order to expand, they need to improve their competitiveness through reduction in operational costs, development of new products and access to new markets.

The Project will apply a sector-wide approach to increase production efficiencies and improve product portfolios. International business experts will be brought to assist in marketing, locating demand and investment. Other technical assistance will be directed to supply-side flaws in the IMC area, including a need for serious workforce development, linked to business needs.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- In cooperation with the Standing Conference of Towns and Municipalities, launched a comprehensive learning program for LED officials, aiming to increase their knowledge and skills in managing local economic development and attracting investments
- Value Chain Analysis and a Marketing Plan developed with recommendations on how to improve dairy production and increase regional competitiveness. Project assistance (50 expert days) builds on approximately \$1million investment from EU Progres, the Czech Development Agency, and the Serbian Government
- Tourism development workshop was held and Regional Tourism Development Strategy completed
- „Business Enabling Environment – Brownfield“ training conducted on evaluating potentials of brownfield locations, their prioritization and redevelopment
- In Novi Pazar and Sjenica Asset Management Baseline Assessment was conducted and recommendations provided on the next steps
- Public-private partnerships toolkits were created for local infrastructure development, energy efficiency and parking services
- Baseline assessment of public utility companies (PUC) in Novi Pazar and Sjenica was completed and training provided for introduction of PUC monitoring system
- Regional Development Agency for Eastern Serbia (RARIS) conducted (\$39,000 national-level grant) an analysis of available non-financial services for small and medium sized enterprises and recommended how they can be standardized and improved
- Project-supported (\$35,000 grant) study on regional biomass utilization was developed by SEDA proving large potentials of the Sandzak region for the use of biomass and other renewable energy sources as a tool for the overall regional development and investment attraction. Study was presented to international, national, regional and local stakeholders
- Baseline assessment of business associations completed aiming at tailoring Project assistance to business sector needs, to support new job openings, increased production and export
- Completed assessment of textile industry and provided recommendations for expanding the denim sector and attracting investors
- Assessed potential for introduction of high-value non-traditional crops that can be grown by small-scale farmers
- Completed assessment of local shoe, denim and furniture sectors to determine possibility of increasing sales and expanding markets for local products

Youth development and employment

- Four youth teams awarded business start-up grants (€1,200 each) as part of CSO “Group 484” activities



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Partners

NIS CITY

Population: 255,479
Unemployment: 37%

Economic Base: Electronic industry, machine industry, textile, agriculture, transport

Ruling Coalition: SNS, SPS, URS, DSS

Mayor: Zoran Perisic

LESKOVAC CITY

Population: 156,252
Unemployment: 44%

Economic Base: Chemical industry, agriculture, food industry, textile, wood processing industry

Ruling Coalition: SNS, SPS, DSS, URS, SDPS

Mayor: Goran Cvetanovic

MEROSINA MUNICIPALITY

Population: 14,812
Unemployment: 54%

Economic Base: Agriculture

Ruling Coalition: SNS, SPS
Mayor: Sanja Stajic

GADZIN HAN MUNICIPALITY

Population: 10,464
Unemployment: 44%

Economic Base: Agriculture, food industry

Ruling Coalition: SPS, JS, DS
Mayor: Sasa Djordjevic

DOLJEVAC MUNICIPALITY

Population: 19,561
Unemployment: 57%

Economic Base: Agriculture, food processing industry

Ruling Coalition: GG 'Goran Ljubic' part of URS
Mayor: Goran Ljubic

September 2013

Nis-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in July 2011. This year the Sustainable Local Development Project (the Project) began the implementation of the following economic program:

“Grow South”

Goal: To increase the Nis IMC's dollar value of processed food products sold, by at least 15% by end of June 2015.

The Project will focus on growing the IMC area food processing sector by expanding the markets and increasing the capacities of existing processors, attracting new processors to the region, and helping producers organize themselves efficiently to meet the demand of region's processors. The Project also performed an analysis of external demand for IMC area processed foods and supply potential to meet regional demand. Following key results of the analysis, the Project is in process of provision of expert's support in assessing the needs and constrains and capacities for applying sustainable model for Food processing support center operation. Project provided analysis of IMC area investment potentials as a precondition for investment attraction activities and is currently implementing FDI coaching program for advancing skills of LED professionals.

Summary of key Project activities include the following: a) Preparing a model for efficient operation of the Food Processing Support Center (to be created by expanding the services of the Department of Agriculture in Nis) and drafting model of cooperative agreements between food producers-processors; b) Creation of an online portal with associated software/mobile applications, for regional business network services outreach; c) Piloting project for realization of cooperative agreements aimed at increased food processing and sales; and d) development of marketing concept for promotion of regional investment potentials, preparation of promotional tools and attracting specific investors, primarily related to food processing

Additionally, the USAID Project provided support (\$43,000) for the development of the Feasibility Study for a regional infrastructure project water supply system “Pusta reka”.

UP-TO-DATE PROJECT RESULTS

IMC area economic growth activities

- In cooperation with the Standing Conference of Towns and Municipalities, launched a comprehensive learning program for local economic development officials, aiming to increase their knowledge and skills in managing local economic development and attracting investments
- Regulatory and administrative barriers to business growth in the IMC area analyzed by NALED and 21 recommendations advanced for improvement; Expert assistance provided to Merosina to implement recommendations related to: information on agricultural subsidies; register of most burdensome administrative procedures and deadlines for completing business related administrative procedures
- Public Private Partnership toolkits on local infrastructure development, energy efficiency and parking services completed and presented to local, regional and national stakeholders
- “Business Enabling Environment-Brownfield” training held on evaluating potentials of brownfield locations, their prioritization and redevelopment
- Project experts assessed economic potential of IMC area's brownfields and most promising locations are selected to receive legal and technical assistance for brownfield redevelopment. The sites will be also be included in a larger package of other similar sites from other IMC areas to advocate for policy change at the central level. Also a brownfield and liquidation expert supported Nis Brewery bankruptcy procedures, to make site investor friendly
- Three Public Utility Companies (PUC) instituted a standardized financial and technical performance reporting to municipalities, with the goal to improve PUC efficiency, thus enabling local governments to focus more on overall economic development and job creation

Youth development and employment

- Four young interns employed during the second cycle of Smart Kolektiv's Youth Business Serbia Program, while fourteen interns placed in five companies during cycle three
- Also as part of the Youth Business Serbia program, three business start-up ideas received Erste bank's favorable credit (lower interest rate and no collateral).



USAID Sustainable Local Development Project

Inter-Municipal Cooperation Area Partners

VRANJE CITY

Population: 87,228
Unemployment: 31.23%

Economic Base: Textile, furniture producing, leather and shoe industry, machine industry

Ruling Coalition: SPS, SNS
Mayor: Zoran Antic

BUJANOVAC MUNICIPALITY

Population: 43,302
Unemployment: 37.84%

Economic Base: Agriculture, food processing, wood processing

Ruling Coalition: Democratic Party
Nagip Arifi, GG 'Stojanca Arsic,'
DS
Mayor: Nagip Arifi

PRESEVO MUNICIPALITY

Population: 34,904
Unemployment: 47.68%

Economic Base: Wood processing industry

Ruling Coalition: DPA, DUA, GG
'Demokratski preporod'
Mayor: Ragmi Mustafa

VLADICIN HAN MUNICIPALITY

Population: 23,703
Unemployment: 54.88%

Economic Base: Fruit processing, wood processing, production of paper packaging

Ruling Coalition: SNS, SPS, DSS, URS
Mayor: Goran Mladenovic

September 2013

Vranje-led Inter-Municipal Cooperation (IMC) Area

The IMC area was formed in June 2011. This year the Sustainable Local Development Project (the Project) began the implementation of the following economic program:

“Invest on Corridor 10”

Goal: Create at least 1,500 new jobs in the IMC area through at least five new inflowing investments in green-or brown-field sites by end of June 2015.

IMC area is characterized by high unemployment and a favorable geographic position (proximity to important transport Corridor 10). Combined with a history of success in the shoe, textile and furniture industries (particularly city of Vranje), investment attraction has emerged as the territory's priority.

The Project will supply a full range of necessary technical assistance, including consulting on: a) Work force development and alignment with investor needs; b) Assist in development and implementation of Corridor 10 Investment Marketing Program; c) Industrial zone and brownfield development and d) Technical assistance and training on best practices for managing industrial parks and zones.

Continuing the support for the development of the industrial zone “Bunusevac” in Vranje, the Project will provide approx. \$60,000 for the development of the main technical design for a transport road and associated infrastructure within locations allocated to key investors – shoe and furniture manufacturers.

UP-TO-DATE RESULTS

IMC area economic growth activities

- Tailored technical assistance allowing Bujanovac to obtain land for a planned economic faculty. Based on Project recommendations, the municipality will allocate land with mineral springs to a private water bottling company, while the company will give its land to the municipality, enabling the construction of the economic faculty
- Initiated technical assistance to Bujanovac municipality for the BFC re-certification process.
- Cadaster topographic plan developed (\$5,500 grant) and used for technical design for a bypass road connecting the industrial zone (IZ) “Bunusevac” in Vranje to Corridor 10
- Expert assistance and on-the-job training provided for preparation of cross-border cooperation (CBC) projects (Bulgaria-Serbia); \$235,000 of EU CBC funds was awarded for improvement of competitiveness of regional furniture manufacturers
- 10-year Regional Waste Management Plan (RWMP) for Pcinja region developed (\$40,000 grant); the plan anticipates the development of transfer stations in Bujanovac and Presevo, as well as expanding the existing landfill “Meteris”, located in Vranje
- Regional Wastewater Treatment System Along the South Morava River: The Project provided a \$15,460 grant for technical documentation for the construction of waste water measuring points at sewer outfalls and installment of effluent meters in each IMC municipality
- Completed and presented public-private partnerships toolkits for local infrastructure development, energy efficiency and parking services
- Training held on evaluating potentials of brownfield locations, their prioritization and redevelopment. Project experts assessed economic potential of IMC area's brownfields and most promising locations are selected to receive legal and technical assistance for brownfield redevelopment. The sites will be also be included in a larger package of other similar sites from other IMC areas to advocate for policy change at the central level
- Expert assistance provided to Vladicin Han to implement recommendations outlined in NALED's local Grey Book related to: information on agricultural subsidies; register of most burdensome administrative procedures and deadlines for completing business related administrative procedures.
- An international expert assessed local shoe sector to determine: the possibility of increasing exports to the global footwear market, quality of local products and determine the possibility of introducing shoes from Serbia to other markets. Action plan to follow.
- An international expert assessed local furniture manufacturers and recommended steps to increase the sale of locally manufactured furniture and expand the market for these products.

Youth development and employment

- Three youth teams awarded business start-up grants (€1,200 each) as part of CSO “Group 484” activities

ANNEX F – COMMUNICATIONS REPORT

COMMUNICATIONS REPORT

Summary:

In this reporting period, Project communications focused on the organization of public events with key government and business stakeholders at the national, regional and local levels. Implementation of NCPs throughout IMC partner areas was also supported through media relations, while USAID branding and visibility were ensured by prominent display of the USAID logo on all Project-produced materials and all media statements made mention of USAID's role and support. In this six-month period, two issues of the Project e-newsletter *Info Buzz* were produced and distributed to over 300 addresses of local and international Project partners. At the same time, three editions of the new, Project-supported economic magazine, *Nova Ekonomija* were published with articles covering Project-relevant topics such as innovation, job creation, and youth entrepreneurship. The Project continued to have positive media coverage of its activities and the web site www.lokalnirazvoj.rs remained an important and up-to-date source of Project-relevant information.

Public Events

At the national level, in June 2013, in Belgrade, the Project organized, in cooperation with the grantee Business Info Group (BIG), a conference titled “*Serbia on the road to the EU – impact on the Economy*”. The Serbian Prime Minister, Governor of the National Bank, and Minister of Regional Development and Local Government were among the speakers, as well as U.S. Ambassador to Serbia Michael Kirby. The event attracted over 20 national media representatives and was attended by over 140 guests from the public, business and civil society sectors. The conference initiated a dialogue among decision-makers on issues impeding economic growth and job creation in Serbia, such as lack of innovation and inadequate labor force not meeting the demands of employers. The event also marked the launch of a new economic monthly *Nova Ekonomija* (translation. *New economy*) published by BIG with support from the Project.



The Project provided a grant of approximately \$100,000 to support the first six issues of *New Economy*. The magazine's goal is to improve Serbia's business environment by presenting best-practice examples of economic development, success stories and interviews with leading experts from the public, private and civil society sectors. *New Economy* will address topics such as job creation, public-private partnerships, agribusiness, entrepreneurship, and the promotion of innovation. Project grant support includes the creation of the *New Economy*'s web portal and the organization of three high-profile conferences, where decision makers would discuss key economic topics.

The first three issues of the magazine were published in June, July and September 2013 and included articles on Project-relevant topics and examples of Project support for SME innovation, establishment of PPPs, youth entrepreneurship, and career guidance as a mechanism for tackling youth unemployment. *New Economy*'s press run is 5,000 copies.

Parallel to national-level communication efforts, within implementation of the NCPs, several opportunities were used to increase the visibility of Project support for local/IMCA/regional-level activities.

In September 2013, the Project launched the Zrenjanin-led IMC economic program (NCP) at the Zrenjanin City Hall. This was the second official launch of the Project's NCPs in Vojvodina. During the ceremony, the Project's CoP, mayors of Zrenjanin and Kikinda, and Deputy Mayor of Novi Becej signed an agreement on joint implementation of a program that aims to diversify agriculture and create

new jobs in the region. The signing was witnessed by representative of the Ministry of Youth and Sports, who emphasized the Ministry's strong support for the program's implementation.

The Communications Team also assisted in promoting the economic development program through the preparation of an advertisement published in local and regional newspapers, placing the Call for Applications on relevant LG websites and PR activities (e.g., press release, media campaign, posters in local communities).

In the reporting period, the Project Communications Team also publicized visits to IMC areas (within the local market analysis) by the Project's international experts (e.g., denim, FDI, and footwear consultants) through local media interviews and statements, as well as articles in *New Economy* magazine.

Throughout the reporting period, Project grantees and subcontractors were mentored and guided toward a successful implementation of their public events and media-related activities—an effective preparation of agendas, media advisories, press releases and implementation of media events organized within the Project-supported activities.

The Project's Communications Team used all public events and stakeholder meetings to distribute the Project's informational materials, such as one-pagers for both the Project and individual IMC areas. At all times, the Project ensured the visibility and proper branding of USAID through prominent display of the USAID logo on all Project materials, as well as on documents used or presented at events and meetings.

The Project Newsletter

In April and July 2013, the Project published new editions of the e-newsletter *Info Buzz* and disseminated it to 334 addresses of local partners (Serbian version of the newsletter is titled “Budite u toku”) and 44 international stakeholders (English version) with the goal of sharing information on best practices for job creation and increasing regional competitiveness. All editions of *Info Buzz* are posted for download at the Project's web site homepage www.lokalnirazvoj.rs.



Info Buzz #2 presented articles on: the launch of the Zrenjanin-led IMC Area NCP; new Project's PPP initiative in partnership with NALED; and five economic forums held in Sandzak, West and South Serbia regions. It brought an interview with Project's international agribusiness expert, a success story of one of the Project-supported interns who got hired after the internship; a report on the work of career guidance local mobile teams established with Project support; results of the Labor market trends forecasting report, as well as analysis of the new legal framework for agriculture.

Info Buzz #3 shared with Project partners news on implementation of the FDI Attraction Coaching Program; Project support for STP Cacak; trainings for LED officials in asset management, business attraction and effective LED; and the Novi Pazar IMCA denim sector assessment. The results of the Project support to Belgrade Open School and career guidance as a way of curbing youth unemployment – were also presented in this edition of the *Info Buzz*. The story on Project cooperation with the RDA Banat enabled best practice sharing on how IMC can speed up economic growth, while Project experts prepared the analysis of possible directions for amending the Law on Public Property.

Additionally, and in order to generate more traffic to the Project web site, *Info Buzz* promoted (made available for download) key documents posted in the Project's e-IMC Knowledge Center, such as an *Analysis Of The Existing Types Of Internship Contracts in Serbia*, presentations from Economic Forums and a sample contract on practical training/internship.

Media Relations

The Project shared its main communication messages with all stakeholders, giving due attention to media outlets. In the reporting period, 229 positive or neutral media reports were published/broadcasted/posted.

The topics receiving the most media coverage from April 2013 to September 2013 were: Public-private partnership support initiative (implemented by NALED); Zrenjanin-led IMC Area economic program launch; and the Project-supported conference “*Serbia on the road to the EU – impact on the economy*”.

The Project’s Web Site

In this reporting period, we used our web site successfully to share highlights of the Project activities (through the News page), to announce upcoming events (Calendar page), and to share knowledge (through the e-IMC Knowledge Center and Project Stories pages). There are now 131 documents available to the Project’s stakeholders (through the e-IMC Knowledge Center) on the following topics: Inter-municipal cooperation (9), Local Government Administration (17), Youth Employment (53), Public Participation (12) and Business Enabling and Strengthening (40).



Overall, there were 11,300 visits to the Project web site from April 1st to September 30th 2013 (which is similar to the previous six-month period). Out of the overall visitor number 7,319 visits (61.6%) were from unique (first time) visitors. Other measurements (number of page views, average visit duration etc. show a significant improvement in the quality of the site’s traffic (visitors stay longer on the site and check multiple pages, not just the landing one)

From the overall number of visitors, 27% came directly (by typing in the exact Project web site address), while some 48% of visitors came to the Project site by typing key words (i.e. lokalnirazvoj/local development) in search engines. It is worth noting that approximately 25% of visitors came to the Project site from referring sites (by initially visiting some other site, and clicking on the Project web banner there). This is a good indicator of the usefulness of creating and exchanging the Project web banner with key Project stakeholders and partners, particularly partner LGs.

Since the web banner promotes the e-IMC Knowledge Center, it is no surprise that this web page <http://www.lokalnirazvoj.rs/imc-knowledge-center.html> (its Serbian version), is among the most viewed pages (i.e. ranks the second (grants page being the first) in the number of visits on the entire web site.

Highlights of Communication Activities Planned for FY14 Q1

- Preparation of the fourth and fifth edition of the Project e-newsletter *Info Buzz*
- Organization, in partnership with NALED, of a national-level Investors' conference, to bring together partner LGs and potential investors interested in specific Public-Private Partnership projects. USAID Officials are expected to attend this event.
- Support for the publishing of the remaining 3 issues (of the six covered by the grant) of *New Economy* magazine. Two more public events will also be organized in partnership with the publishers of the magazine – the Business Info Group. These events, to be held in October and December 2013, will gather key government and business representatives, to discuss the following topics: a) FDI attraction and investment retention; and b) government and business sector plans for the forthcoming year. All IMC Areas Project partners are expected to attend both events, as well as USAID and US Embassy officials.

ANNEX G – SUCCESS STORIES



Inter-municipal cooperation speeds up economic growth

USAID strengthens inter-municipal cooperation and partnership among the public, private and civil sectors



Photo: www.topsrbija.com

“USAID expert assistance improved our knowledge and skills and helped us attract much needed funding for area development”, said Irena Zivkovic, the director of the Banat Regional Development Agency, standing third from left during the RDAs visit to the EU Headquarters in Brussels.

The USAID Sustainable Local Development Project assists municipalities to become more efficient and pool their resources through inter-municipal cooperation (IMC) aimed at accelerating economic growth. Project activities focus on adding jobs and reducing unemployment. Eight IMC partnerships are formed throughout Serbia, serving 32 municipalities, with over 2 million citizens.

The Banat region, a part of Vojvodina Province, encompasses 19 municipalities in north-eastern Serbia. The region has a rich history; in the 19th century both Serbian and Austro-Hungarian royal families spent their holidays in the many castles dotting the area. Banat also has vast agricultural potentials, with arable land comprising almost 80% of the area and the international rivers, Danube and Tisa, flowing through its territory. However, despite its rich cultural heritage and development opportunities, today the region is suffering from a stagnant economy. A lack of investment, low productivity and an inadequate labor force are key problems faced by local governments in the area.

In 2011, recognizing that many local communities in Serbia are confronted with the same challenges, USAID decided to support municipalities in uniting around shared development priorities, establish inter-municipal cooperation (IMC) partnerships and attract national and European Union (EU) funding to speed up regional economic growth.

One of the eight IMC partnerships, formed throughout the country, is led by Banat’s capital, the city of Zrenjanin. USAID selected the Regional Development Agency (RDA) of Banat as a natural partner for coordinating activities in this part of Vojvodina. In March 2012, with USAID support, the RDA presented eight IMC initiatives to representatives of EU institutions in Brussels. Six of these projects have already received \$1.5 million dollars of EU funds for agriculture expansion, tourism revitalization, environment protection and work force development in the region. The Serbian and provincial governments, recognizing the value of these efforts, have also contributed an additional \$150,000.

“USAID helped us prove that when representatives of local governments and all three sectors work together, their communities reap the benefits of quicker economic development. We’ll use the acquired knowledge and skills and continue with this approach in the future, for the benefit of the citizens of Banat,” said Irena Zivkovic, director of the RDA Banat.

USAID works with seven other regions in Serbia, aiming to replicate Banat’s best-practice model.



Creating jobs for youth in Serbia: from business ideas to viable start-ups

USAID strengthens inter-municipal cooperation and partnership between the public, private and civil sectors



"I advise other young people to believe in themselves, be brave and persistent in bringing their business ideas to reality", said Viktorija Artinovic, owner of the Drink and Walk health juice bar.

The USAID Sustainable Local Development Project assists municipalities to become more efficient and pool their resources through inter-municipal cooperation (IMC) aimed at accelerating economic growth. Project activities focus on adding jobs and reducing unemployment. Eight IMC partnerships are formed throughout Serbia, serving 32 municipalities, with over two million citizens.

Telling Our Story
U.S. Agency for International Development
Washington, DC 20523-1000
<http://stories.usaid.gov>

What is a young person with lots of energy, entrepreneurial spirit and a good business idea to do if she lacks the knowledge and skills to transform her idea into a business? Viktorija Artinovic, from Vrnjacka Banja, a small but well-known health and tourist resort in central Serbia, has contemplated for years how to make her dream come true: to start her own business while promoting a healthy lifestyle in her local community. *"Having seen smoothie/juice bars all over Europe, I came up with an idea to open a small shop, to enable tourists and health spa visitors to drink nutritious, freshly prepared fruit and vegetable cocktails, while walking and exercising",* said Viktorija. As a practicing medical doctor, teaching assistant and a researcher, Viktorija knew enough to envision the assortment of products she wanted to offer, but she did not know much about starting a business. The USAID-funded Youth Business Serbia Program (YBS) came at the right time for Viktorija and many like her.

Unemployment in Serbia is among the highest in Europe, nearly 25 percent. Jobs in the private sector are hard to find, and public sector employment is no longer considered secure. Having this in mind, in 2012, USAID partnered with the National Employment Service, ERSTE Bank and the civil society organization SMART Kolektiv and launched YBS, to support Serbian youth eager to start their own business. YBS program provides training, mentoring and access to funding for young entrepreneurs.

"The YBS Program helped me carve out my initial business idea, make a proper business plan, present it to the bank and receive much needed start-up funding," said Viktorija, now a proud owner of the "Drink and Walk" shop in Vrnjacka Banja, employing two previously unemployed young people.

Through YBS and other USAID-supported youth entrepreneurship programs, in a single year, 794 young people were trained in business-related subjects; 504 received various types of entrepreneurship assistance, from mentorship, to study tours and access to funding; 16 young people started their own businesses; while 64 new jobs were created.

ANNEX H – OVERVIEW OF GRANT AWARDS AND SUBCONTRACTS

(Deleted)

ANNEX I – STTA CONSULTANTS & DELIVERABLES



SUSTAINABLE LOCAL DEVELOPMENT PROJECT STTA DELIVERABLES APRIL 1, 2013 - JUNE 30, 2013

#	EXPERTISE	COMP.	DELIVERABLE	DATES	CONSULTANT NAME	EMPLOYER
1	Agricultural and Food Processing Expert	1	Market demand analysis on processed foods products	03/20/13-04/30/13	Bruce Von Stein	Chemonics
2	Investment Promotion Experts	1	Assessments of property slated for investments in the Uzice and Nis-led IMC areas	04/21/13 - 04/27/13	Dusan Kulka Tomas Vlasak	Berman Group
3	Investment Promotion Expert	1	Preparation of the Foreign Direct Investment (FDI) Coaching Program - seeking input and cooperation from the national-level project partners in conducting the FDI Coaching Program and production of a detailed draft program	05/20/13 - 05/25/13	Dusan Kulka	Berman Group
4	PUC Performance Monitoring Specialist	2	Public utility companies performance monitoring - train technical staff in: PUC "Toplana" in Kraljevo, PUC "3. septembar" in Nova Varos and PUC "Cistoca" in Novi Pazar to implement performance monitoring system and quarterly reporting in line with the Law on Public Enterprises.	03/10/13-05/31/13	Lazar Krnjeta	Chemonics
5	Agribusiness expert	1	An analysis on the supply-enhancing and growth potentials for establishment of an inter-municipal agriculture logistic center in IMC Nis	03/15/13-09/30/13	Senad Hopic	Chemonics
6	Career Guidance Specialist	3	Technical support to the members of Novi Sad IMC Working Group on Youth Employment aimed to introduce and develop interests in the implementation of the Career guidance strategy and National Youth strategy at inter-municipal level.	01/15/13-06/15/13	Iskra Maksimovic	Chemonics
7	Researcher - Serbia's Science/Engineering/Business Gap	1	GAP Analysis of Busines/Science/Engineering sector in Serbia	03/15/13-05/10/13	Tanja Popovicki	Chemonics
8	Agrobusiness Specialist	1	Technical assistance to identify possibilities for introducing nontraditional crops that possess market potential in Raska, Vrnjacka Banja and Sandzak Region	04/08/13-05/31/13	Pedja Cerovic	Chemonics
9	Processed Foods Demand Specialist	1	Technical assistance in understanding and evaluation of Serbia's ability to meet the specific needs of several international markets (municipalities of Zrenjanin and Kikinda)	04/02/13-04/05/13	Tatjana Mrvaljevic	Chemonics



SUSTAINABLE LOCAL DEVELOPMENT PROJECT STTA DELIVERABLES JULY 1,2013 - SEPTEMBER 30, 2013

#	EXPERTISE	COMP.	DELIVERABLE	DATES	CONSULTANT NAME	EMPLOYER
1	Asset Inventorying and Management Specialist	2	(1) Developed asset inventorying policies and principles on public properties disposition; (2) Created Local Government's Rulebook on inventorying and Ordinance on public property's acquisition and disposition; (3) Provided technical assistance to selected municipalities to deal with specific legal property problems.	04/01/13-06/30/13	Dragana Markovic	Chemonics
2	Denim Sector Specialist	1	(1) DENIM SECTOR ASSESSMENT – NOVI PAZAR (2) APPAREL DENIM MARKETING RESEARCH IN UKRAINE, TURKEY, & THE UNITED ARAB EMIRATES	06/15/13-07/31/13 08/01/13-09/30/13	Margaret Bishop	Chemonics
3	Statistics Expert for IMCA Labor Skill Reports development	3	Preparation of the advance sample and statistical analysis as a support for analyzing Labor Skill Gap Assessment 2013 for IMC areas	08/15/13 - 08/31/13	Vladimir Vasic	Chemonics
4	Bankruptcy and Liquidation Specialist	2	Analysis on procedural steps in initiating bankruptcy procedure that will preserve assets / capitalof the company	08/01/13-09/30/13	Vladimir Kozar	Chemonics
5	Environmental Specialist	2	Position paper with findings and reccomendations on waste water pre-treatment foor denim producers in Novi Pazar	09/01/13-10/31/13	Davor Kostic	Chemonics
6	Agribusiness expert	1	(1) Green Zone Leskovac (2) Logistic Center Kanjiza	03/10/13-09/30/13	Senad Hopic	Chemonics
7	Furniture	1	Furniture Report of September 2013	8/5/2013-09/30/13	Jeff Baron	Chemonics
8	Environmental Specialist	1	Preparation of Environmental Review Checklists and Environmnetal Monitoring and Mittigation Plans	08/24/13-10/30/13	Jelena Vujadinovic Colic	Chemonics
9	Advisor for infrastructure projects	1	Technical assistance - used on as needed basis for preparation of RFPs and selection of best offers relating to infrastructure projects	01/04/2013-12/15/13	Dragana Vasic	Chemonics