



Aid Matters

Newsletter on Development Assistance in Serbia

Issue no. 16 August 2014

EU Solidarity With Serbia and Bosnia and Herzegovina “Rebuilding Together”

Inside the issue:

EU assistance to flooded areas in Serbia	2
Cross-Border Programme Serbia - Montenegro	2
German Support to Serbian Municipalities	2
Creative Europe	3
USAID Private Sector Development Project	3
See Valuable Achievements for the Future	4
Reform of Vocational Education and Training in Serbia	4

Did you know?

From 25th September 2013, when the first analytical review of legislation (screening) for the Chapter 23 (judiciary and fundamental rights) was opened in Brussels, until 14th of July 2014, when Chapter 31 (foreign, security and defense policy) was discussed, there have been a total of 34 screenings held. Number of explanatory screenings held is 20, and bilateral 14.

The European Commission hosted a Donors' Conference in Brussels on 16 July, named “Rebuilding Together”, to mobilize further support to Serbia and Bosnia and Herzegovina in the aftermath of the recent floods. The conference was co-organized with France and Slovenia. International donor countries, international financial institutions, and main relevant civil society organizations were invited. The aim of the conference was to collect pledges from donors for the countries' recovery from the recent floods. However, Commissioner Štefan Füle said: “The purpose of this event should go beyond pledging financial support

for reconstruction. We hope that we can use this opportunity to develop policies and projects to help Serbia and Bosnia and Herzegovina to deal with similar natural disasters in the future”. Delegations of over 60 countries and 23 international organizations, as well as representatives from the civil society and private sector, managed to mobilize pledges worth 995,2 millions of euros for Serbia (about 115 mil. are grants and 880 mil. are concessional loans), 809,2 mil. for Bosnia and 41,2 mil. for cross-border activities. Recovery needs assessment document, which was presented at the Conference, estimates that the damage and economic loss from the floods in Serbia amounts to about 1,7 billion euros, while the recovery and reconstruction needs amount to 1,345 mil. The impact of the floods on economic growth is estimated at -0.9 percentage points in 2014, that is to say that the Serbian economy will decline by 0,4 percent, rather than growing by 0,5 percent

as previously projected. Also, general government deficit will be increased by an additional 1.0 percent of GDP over the pre-disaster forecasts. Taking into account these predictions, it is clear that financial assistance from international community will provide the country with highly valuable help in dealing with the consequences of the disaster. The assistance will be implemented in a coordinated manner, by using the existing structures already in place and in

close cooperation, with the international donors' community. It is of paramount importance that authorities of Bosnia and Herzegovina and Serbia make

efficient, transparent and swift use of the financial assistance available and in that regard, a high level meeting will be convened early in 2015 to track progress in implementation of what has been pledged.



In Brief:

The Government of Serbia adopted the revised National Programme for the Adoption of the acquis (NPAA), which is a detailed, multiannual plan for the harmonization of Serbian regulations with the EU *acquis communautaire*, as well as a plan to build the institutions necessary for the implementation of such a harmonized legal order. This programme will be realized by 2018, which is the deadline that has been established for making our country fully prepared for the accession to the European Union.

EU assistance to flooded areas in Serbia

Head of EU Delegation in Serbia Mr. Michael Davenport and Minister without portfolio responsible for European integration Ms. Jadranka Joksimovic signed an agreement in Obrenovac on 25th of July, approving the reallocation of 30 million euro from the IPA 2012 for the recovery of 24 municipalities after the May floods. Mr. Davenport stressed that the reallocation of funds has been performed in the shortest possible time, and expressed his expectations that Serbia will receive an additional grant from the European Solidarity Fund in the amount of 40 to 50 million euro. "Serbia will have the same access to these funds as it has already become a member of the EU", said Mr. Davenport. The signing was also attended by the president of the municipality Obrenovac Miroslav Čučković, head of the Office for Reconstruction and flood relief Marko Blagojevic and manager of the Project center UNOPS in Serbia, Graeme Tyndall.



Reconstruction projects will be implemented by two organizations of the United Nations - UNOPS (United Nations Office for Project Services) and FAO (Food and Agriculture Organization), and the three major non-governmental organizations - Samariter Arbeiter Bund, Danish Refugee Council and the German organization for assistance in the reconstruction of flooded areas, HELP. Ms. Joksimovic said that a draft version of the application for funds from the Solidarity Fund has already been submitted to the European Commissioner for Regional Development Johannes

Hahn. Also, she stated that in the programming of the IPA 2014, we managed to allocate about 50 million euro for the recovery process. She concluded that Serbia can count on approximately 150-160 million euro of grant assistance from the EU for tackling the consequences of floods and noted that the EU is, by far, the largest donor of grants in Serbia.

Cross-Border Programme Serbia - Montenegro

By: CBC

The project "Cross-border Flood Protection and Rescue" which was funded by the European Union ended 14 April 2014, only a month before the worst floods in a century hit Serbia. The activities that were realized during the project found their practical purpose during the catastrophic floods which affected Serbia: the beneficiaries actively took part in the rescue. The project was implemented by the Ministry of the Interior of Montenegro - Sector for Emergency Management and Civil Security and by the Ministry of Interior of the Republic of Serbia in collaboration with the FORS Montenegro. The action was aimed to reduce the risks of disasters caused by natural hazards in Serbia and Montenegro. During the project implementation, both sides procured the necessary rescue equipment, and 45 employees from both countries were trained and educated on rescuing on swift waters and in case of floods. The water rescue team consisting of 6 members from FRD (Fire rescue department) of Prijepolje was mobilised on 15 May 2014, sent to the flooded area of the municipality of Čačak, Šabac, Vladimirci, Provo and Dragojevac, and spent 7 days on the ground with the equipment and supplies obtained through this CBP project. 19 rescuers from Montenegro were also engaged in these rescue activities.



German Support to Serbian Municipalities

By: KfW Office Belgrade

Serbian cities and municipalities still face great needs for investments in the modernisation of public buildings, schools and kindergartens and cultural institutions as well as communal services, such as public lighting, water supply and sewer systems, solid waste collection and public transportation are required.

Since 2008, KfW - the Development Bank operating on behalf of the German Government, facilitates such necessary investments by providing long-term financing at favourable conditions. KfW's credit lines are directed primarily at small and medium sized municipalities throughout Serbia. Loans are channelled to municipalities and public utility companies through local partner banks. Until today, loans with a total volume of over 90 million Euros have been disbursed to municipalities. In addition, German Government has committed grants for technical assistance to municipalities and public utility companies, supporting them in the preparation and implementation of projects.

With the loans, over 300 projects in over 70 locations have been financed. About half of the loans were used for transport and waste water projects, such as road and sewage (re-) construction. Projects in the social sector, involving childcare, education, health care and recreation facilities, accounted for about a fifth of the loans. Overall, the projects have long-term positive effects on the citizens' health, environment and well-being. Thereby, they directly contribute to improved living conditions in many small and medium sized municipalities throughout Serbia.

Creative Europe

By: Ministry of Culture and Information

Serbia signed an Agreement with the European Commission on 19th of June, on participation in the program "Creative Europe", and thus became the first candidate country for membership in the European Union, which formally confirmed its participation in the program to help the cultural and creative sector, having an overall budget of 1.46 billion euro for the period 2014-2020. The new program of the European Commission "Creative Europe" united the three previous programs: Culture 2007-2013, in which Serbia already participated, media (Media) and Media Mundus. The new program is in line with the EU 2020 strategy, where culture is considered to be an engine for economic growth and employment and contributes to sustainable and inclusive development. Creative Europe consists of two sub-programs: Culture, for the promotion of the cultural sector and Media for support for the audiovisual sector. Sub-program Culture in which Serbia is participating offers calls for proposals for European coopera-



tion projects, networking, translation of literary works and drafting and promotion of European cultural and artistic content. The aim is to contribute to co-operation and mobility in the field of culture. Budget of the program "Creative Europe" is intended to support the artists, professionals in cultural and audiovisual sector and organizations involved in performative and visual arts, publishing, film, television, music, interdisciplinary arts, heritage and the development of video games industry. It is envisaged that the "Creative Europe" provide funding for at least 250,000 artists and cultural workers, 2,000 theaters, 800 movies and 4,500 translations of the book. Also, it will enable financial guarantees for loans to small cultural and creative activities in total amount of 750 million euro. Creative Europe Desk, at the Ministry of Culture and Information, will

provide technical assistance to individuals and organizations from Serbia who apply for calls for proposals as well as financial assistance to projects that are successful in 2014. The Creative Europe Desk is publicly available here: <http://www.kreativnaevropa.rs/>

USAID Private Sector Development Project



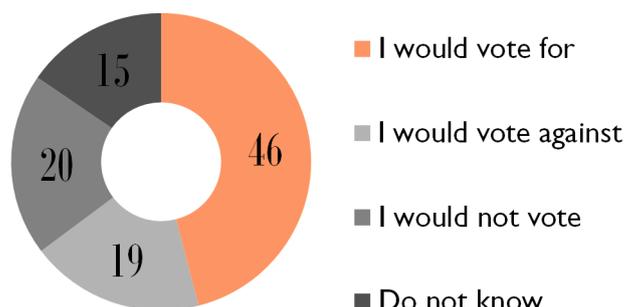
By: Youth and women from 12 economically challenged municipalities in Serbia (Vranje, Leskovac, Preševo, Bujanovac, Medveđa, Raška, Novi Pazar, Sjenica, Tutin, Priboj, Prijepolje, Nova Varoš) who have a

Preparation and Doing Business with Banks.” At the end of the training, participants who have successfully completed the start-up course will be eligible to submit a business plan to compete for start-up funds. The 32 highest ranked business plans will receive funding. The total grant funds are US \$240,000 with an average of US \$7,500 each that can be used for the purchase of equipment or services needed to implement the business plan. The grantees will also receive additional support through training, consultancy and mentoring. These activities are part of the almost \$4.2 million, two-year Private Sector Development Project that is being implemented by NARD and its network of regional development agencies.



business idea are getting help to start their own business in the textile, light industry or agribusiness sectors. On June 23, USAID, in partnership with the National Agency of Regional Development (NARD), launched a training program for over 200 potential and existing youth- and women-owned micro, small and medium-sized companies. The topics include “How to Start a Business,” “Financial Management,” and “Business Plan

If there was referendum asking “Do you support Serbia’s accession on the European Union” how would you vote?



By: CBC

SEE Programme Annual Conference 2014 will be organized by the SEE Programme on 24-25 September 2014 in Ljubljana. The 122 projects approved within the four Calls for project proposals launched by the SEE Programme have achieved valuable results, contributing to the overall territorial development in the region. The programme is now coming to its end. The 2014 event is aimed to be the closing conference to review, assess and present all the achievements gained since 2007 and to look at the future of transnational cooperation in the area. Under the title "See Valuable Achievements for the Future", it is aimed to:

- Show the evolution of the Programme and the main achievements gained

- Disseminate and capitalize the SEE project results and enhance cross-project fertilization in the cooperation area
- Present the latest developments for the next programming period 2014-2020 according to the three new transnational programmes in the SEE area
- Offer networking opportunities and a framework for the exchange of experience for the Programme stakeholders
- Provide an opportunity for several projects to present their outcomes and results.

The conference will bring together more than 350 participants, including representatives of partner states from the SEE and future programmes in the area, decision-makers, and European, national and regional authorities, among others.

Upcoming events:

19 August	Sofia (Bulgaria): 3 rd Joint Working Group meeting for IPA CBC Programme Bulgaria - Serbia
1-3 September	Brussels (Belgium): 9 th Danube Programming Committee meeting for future Danube Transnational Programme
2 September	Novi Sad (Serbia): Task Force meeting for programming 2014-2020 for IPA CBC Programme Hungary – Serbia
8 September	Novi Sad (Serbia): 8 th Task Force meeting for programming 2014-2020 for IPA CBP Croatia – Serbia
24-25 September	Ljubljana (Slovenia): SEE Programme Annual Conference 2014
26 September	Belgrade (Serbia): 4th National Cross-border Cooperation Conference

Reform of Vocational Education and Training in Serbia

By:



75.000 EUR for the repair and renovation of secondary schools in Obrenovac which were heavily damaged during

the May floods - were allocated by the German government. The fund is implemented by GIZ Project "Reform of Vocational Education and Training in Serbia". The largest part of this amount is intended for the repair of damage in the Technical School which is one of the Project partner schools. The priority list for flood repairs was agreed with the Ministry of Education, Science and

Technological Development, the political partner in the project implementation. It was decided to repair the roof of the school and replace the floors of classrooms on the ground floor, for which 25,000 EUR are foreseen. Another 50,000 are foreseen for the repair of the machines and purchasing of new tools for the school workshop, welding equipment and consumables, as well as partly damaged IT equipment. The Project will also finance the repair of bakery machines in the Agriculture and Chemistry School in Obrenovac. It is planned to finish the repairs and purchases of equipment by September, so that everything is ready for the start of the next school year.

About Aid Matters Newsletter

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

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

If you wish to contribute, subscribe or unsubscribe, please send an e-mail to Nemanja Jakovljevic, njakovljevic@seio.gov.rs

Sector for Planning, Programming, Monitoring and Reporting on EU Funds and Development Assistance

Serbian European Integration Office

Nemanjina 34, Belgrade, Serbia

011/3061-100

<http://www.evropa.gov.rs/>

<http://www.seio.gov.rs/>

