

# Aid Matters

Newsletter on Development Assistance in Serbia



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## National Conference on Cross-Border Cooperation

The Fourth National Conference on Cross-Border Cooperation was held in Belgrade on 26<sup>th</sup> September 2014, in European Territorial Cooperation Week, which is celebrated in more than 40 countries across Europe. This served as a good opportunity to point out the results achieved in this area and to present the awards to the 13 projects of the best cross-border practice in Serbia, from 2012 to 2013. Minister without portfolio in charge of EU integration, Ms. Jadranka Joksimovic, opened the Conference and stated that Serbia has the opportunity to become one of



the countries which can be an engine of economic growth in the region. Ms. Joksimovic stressed that implementation of reforms is a precondition for achieving this goal, and expressed belief that Serbia, in the following two years, will have a good result in this area. Minister Joksimovic pointed out that local governments will be in charge of implementing 60 percent of EU standards, and that therefore, it is necessary to strengthen their capacities, especially in cross-border cooperation. The Minister also emphasized the importance of having an opportunity to be part of big EU strategies, such as the ones for the development of the Danube region and the Adriatic-Ionian region. Head of EU Delegation to Serbia Mr. Michael Davenport said that cross-border cooperation is very useful for local communities, and mentioned the good examples of municipalities of Nova Varos and Uzice, which have introduced waste selection practice in schools and other public facilities, thus teaching children about the importance of environmental protection. Also, the equipment for emergency and rescue, on the river Lim, was purchased via cross border cooperation, he said and added that this kind of cooperation can help to save lives, as confirmed by the recent flooding in

the region. Mr. Davenport pointed out that, after the May floods, EU launched various initiatives to enhance cooperation in the region, adding that Serbia plays an important role in them. Konstantinos Mousouroulis of the Directorate-General for Regional and Urban Policy of the European Commission underlined that the priority, in terms of territorial cooperation, is that

problems must be solved in close cooperation between countries and that borders should not represent barriers. "Cooperation,

social networking, civil engagement, tolerance and solidarity can bring people closer, and cooperation among countries has to be visible and lasting. This is not easy and requires firm commitment", Mousouroulis concluded.

## In Brief:

Ms. Jadranka Joksimovic, National IPA Coordinator and Minister without Portfolio responsible for EU Integration, and Mr. Stephan Sellen, the Council of Europe Development Bank's (CEB) Deputy Director General for Loans and Social Development, signed two new Regional Housing Programme Grant Agreements. The signed agreements, with a total grant amount of EUR 26.7 million (including national contribution of approx. EUR 4.2 million), will provide financing for the provision of building materials, prefabricated houses and construction of apartments throughout Serbia. In total, thanks to these grants, close to 1,600 most vulnerable refugee families will be provided with a durable housing solution starting in 2015.



**Regional Housing Programme**

## The European Investment Bank



The European Investment Bank (EIB) is the EU's financing institution, with a role to financially support long-term investment projects. Outside the EU, the EIB provides financing in the enlargement region that includes candidate and potential candidate countries. The focus of the EIB is in line with the EU's external cooperation and development policies. These refer to infrastructure development, private-sector development, security of energy supply and environmental sustainability. In the Western Balkans, the primary area of interest – i.e. the lending objectives of the EIB – have been: (1) Implementing transport, energy, health and education projects; (2) Supporting local authorities, industry and services, water and sanitation and (3) Supporting small and medium-sized enterprises (SMEs). In providing financing, the objective of the EIB is to promote the economic development of Western Balkans countries, and their integration and harmonisation with the EU. The EIB is able to raise funds at advantageous rates due to its AAA credit rating and its position as a major international borrower on the financial markets. Be-

ing a non-profit-motivated institution, the bank passes on the benefits to its clients in the form of loans at fine rates. When it comes to Serbia, EIB investments are in the following sectors: In transport sector EIB is financing the Belgrade road by-pass project, as well as the works on the Corridor X (E-75) and Corridor X (E-80). In health sector EIB is financing reconstruction of Clinical centres in Belgrade, Novi Sad, Nis and Kragujevac, and in education sector focus is on School Upgrading program. As regards to the energy sector, EIB is supporting Electricity Network Upgrading, with 24,5 mil. loan signed in 2009. with the electricity transport system operator of Serbia for the construction or rehabilitation of 6 substations and 5 high voltage lines. Also, EIB is cooperating with the EPS on the power system control project and the project related to upgrade the electricity smart metering. In the City of Belgrade, EIB financed Project Belgrade Urban Renewal, and in the City of Novi Sad, EIB is financing project Water Supply, Wastewater Collection and Treatment Networks project. It is important to say that, although it never finances more than 50% of the total project cost, EIB's involvement can act as a catalyst, encouraging other banks, financial institutions and the private sector to participate in an investment.

## 20 vehicles donated to support Roma inclusion

By:  WE ARE HERE TOGETHER  
EUROPEAN SUPPORT FOR ROMA INCLUSION OSCE Mission to Serbia

At the ceremony held on 16<sup>th</sup> September in front of the Palace of Serbia, 20 vehicles, worth 200,000 EUR, were donated to pilot municipalities within the EU-funded project “We Are here together – European Support for Roma Inclusion”. The vehicles are intended for mobile teams for Roma inclusion established within this EUR 4.8 million, approved in the scope of IPA 2012 and implemented by the OSCE mission to Serbia. The teams consist of a Roma Coordinator, Health Mediator, Pedagogical Assistant, representatives of Centre for Social Work and the Employment Service, and support the improvement of life conditions for Roma. “Mobile teams are a perfect example of limited resources being efficiently used in the process of Roma inclusion”, Head of the EU Delegation to Serbia Michael Davenport said. Over the course of one year, mobile teams in 20 municipal-



### Did you know?

The European motto was chosen by a group of European citizens. Some 80,000 young European aged between 10-20 submitted suggestions, and the motto „United In Diversity” was chosen. As regards to the European anthem, it comes from the ninth symphony composed by Beethoven for the final movement, added to the music "ode to joy" by Von Schiller. This is a poem that expresses the idealistic vision of humanity in which all men are equal.

ities have managed to enroll 509 Roma children in preschool institutions and initiate the registration procedure for many members of Roma community who did not own personal documents. Head of OSCE Mission to Serbia Peter Burkhard extended his congratulations to the 20 municipalities “We look forward to our continued work with you to create substantial and tangible progress in your already impressive efforts for greater Roma inclusion.” The following municipalities obtained vehicles: Bojnik, Bujanovac, Valjevo, Vranje, Zitoradja, Palilula, Zvezdara, Knjazevac, Kovin, Koceljeva, Kragujevac, Krusevac, Leskovac, Novi Sad, Odzaci, Pancevo, Prokuplje, Smederevo and Sombor. The project is also engaged in improving employment, education and housing conditions, as well as access to basic rights and civic participation of members of Roma community.

# Why the Methodology for selection and prioritization of infrastructure projects is important for Serbia?



Serbia has high needs for infrastructure development, which is the cornerstone of a stable and productive society, in order to be adequately prepared for future EU accession and to meet national development goals. It has been recognized that lack of focus on strategic relevance, institutional capacity and project readiness in the past created many delays in implementation. In order to accelerate strategically significant infrastructure projects i.e. those projects which will make the largest contributions (impacts) towards the achievement of national policy objectives for accession and socio-economic development, the Methodology for infrastructure projects selection and prioritization has been developed. It has been designed to reduce complexity in the selection process by making key project status and relevance easily visible. The purpose of comprehensive prioritization system is to provide an objective and consistent view on the projects that make the biggest impact on a

given sector. Benefit of the Methodology is to help enabling as effective as possible utilisation of available financial resources, including funds that will be provided by the EU and other development partners (including loans of the International Financial Institutions), as well as budget funds. Throughout the implementation of the Methodology for selection and prioritisation of infrastructure projects it has been identified that the synergy of actions related to preparation and implementation of infrastructure projects, financed from different sources is of outmost importance. Strategic investments in transport, energy, business and environment infrastructure are summarized in the single project pipeline, which will be regularly updated. The above innovations, implemented and fully utilized in Serbia, will help move more and more infrastructure projects across the value chain. This Methodology is also tool through which impediments and bottlenecks in the Serbian infrastructure management project context would be addressed. Even more, the Methodology provided a model that can be replicated and scaled up across the region. It is recognised and promoted by the European Commission.

## “My Path to Desired Career”



GIZ conference “My Path to Desired Career”, held on 7th October 2014, in the Sava Centre in Belgrade was organised by the GIZ Project “Professional Orientation in Serbia” in cooperation with the Ministry of Education, Science and Technological Development and the Ministry of Youth and Sports of the Republic of Serbia. The project has been running since 2011 and its main aim was to empower young people to make thoughtful, proper and realistic choices about their profession and education, plan their careers and actively join the world of work. Elementary and secondary schools, youth offices, companies, the National Employment Service, parents, local governments, the media, etc. are actively involved in creating an environment in which young people are able to make informed decisions about their future. Professional orientation teams are implementing the programme in 1,061 elementary schools and 119 youth offices (YO). So far, 95,000 boys and girls in elementary schools and 50,000 young people in YOs have been reached. In 2013-14, 2,035 real encounters of young people with the world of work have been organised. These are just some of the achievements of the project that have been presented at the conference. Special attention will be paid to identify the challenges and possible directions of further development of career guidance and counselling within the context of lifelong learning and career management.

## Centre for exchange of information on cross-border economic cooperation - CONNECTION -

By: CBC

The common training center CONNECTION in the municipality of Vladicin Han, covering the area of 350 m<sup>2</sup>, in line with EU standards (energy-efficient design of the building itself, which can collect energy a very heating accessible people disabilities special future entrepreneurs solar and has efficient system), ble to w i t h ties and needs - entre- and other socio-economic partners was reconstructed and equipped. This project was financed through IPA cross-border cooperation program Bulgaria-Serbia 2007-2013. One of the target groups are persons with disabilities, and therefore, the building itself, training modules, IT workshop, printed guides for SMEs (in Braille) and equipment were adapted according to their needs. A joint multilingual web portal and online library for the development of entrepreneurship were created, both accessible to persons with disabilities. As a direct result of project activities, two partnership agreements were signed between Serbian and Bulgarian companies as a basis for future cooperation, and 3 persons with special needs started their own business in the cross border region.



By: KfW Office Belgrade

Serbia's energy consumption is two to three times higher than in the neighbouring EU countries. Inefficient use of energy for heating and cooling, aged production equipment, buildings that are not insulated: all cause high energy consumption and consequently lower productivity of the Serbian economy, as well as high costs for households, companies or public utilities. With 30 % of its energy imported, Serbia is also more exposed to external shocks than it could be. For all these reasons, and in view of the obligations arising from Serbia's EU accession, the need to improve the energy efficiency and to exploit Serbia's renewable energy potential is evident. To this end, Germany has been supporting Serbia for many years and in many areas both on the energy production and on the demand side. To reach out to as many investors as possible, KfW, the German Development

Bank, facilitates energy efficient and renewable energy projects by providing long-term and favourable credit lines to Serbian banks. These lines are accompanied by tailored technical assistance packages that help KfW's partner banks to develop the necessary products, skills and tools, or that support end clients to prepare and implement their projects. The EU supplements some of these lines with incentive grants for SMEs and municipalities after they have proved that they have successfully reached the agreed efficiency targets. Until today, Germany through KfW committed more than 130 million EUR for these projects, out of which 90 million EUR have been already disbursed to end-clients. The financed projects range from building insulation to replacement of equipment in the processing industry, or from small bioenergy plants to the first major photovoltaic plants in Serbia. More than ten thousand households and several hundred SMEs have so far benefitted from KfW's credit lines.

## Upcoming events:

16-17 October	Sofia (Bulgaria): Negotiation meetings with the Leading partners of the five new projects proposed for financing under the IPA CBC Programme Bulgaria-Serbia 2007-2013
17 October	1th Meeting of the National Investment Committee (NIC)
17 October	9th Meeting of the IPA Joint Monitoring Committee (JMC)
October (to be confirmed)	Zadar (Croatia): Joint Monitoring Committee meeting for IPA Adriatic CBC Programme 2007-2013
October (to be confirmed)	9th Task Force meeting for programming 2014-2020 for IPA CBC Programme Hungary – Serbia
October (to be confirmed)	Task Force meeting for programming 2014-2020 for IPA CBP Croatia – Serbia
October (to be confirmed)	Zagreb (Croatia): Joint Monitoring Committee meeting for IPA CBP Croatia – Serbia 2007-2013

## Joint information system for process optimization "One Health"

By: CBC

The project aims to help prevent the spread of animal diseases, and thereby contribute to increased protection of public and animal health. The most important result is establishment of a common information system for the rapid exchange of information on the outbreak of infectious diseases in domestic and wild animals in the cross-border region. Purchase of equipment worth 94,000 EUR will enable rapid sampling and the accuracy of

the results. With this equipment in their possession, Veterinary Specialist Institute in Nis will have the most advanced and the most accurate molecular diagnostics, which will enable extremely reliable results and shorten the time of obtaining information from the Belgrade Institute. Purchase of road vehicle will enable employees of the Veterinary Institute easier field work, and quicker access to results from laboratories in Nis, and will reduce the workload of the central laboratory in Belgrade.

## 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](mailto:njakovljevic@seio.gov.rs)

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