

# Aid Matters

Newsletter on Development Assistance in Serbia



REPUBLIC OF SERBIA  
MINISTRY OF EUROPEAN INTEGRATION

Issue no. 30 November 2017

## Inside the issue:

The Protocol of the Polish-Serbian Joint Commission for Economic Cooperation Signed	2
Property Tax Reform	2
European Support to Better Health of Women in South Serbia	3
National Open Data Portal launched	3
Positive Trends in Serbia's Competiveness and Economic Growth	3
Continuation of the Reconstruction of the Hospital in Pozarevac	4
Supporting the Digitalization of the Serbian Economy in Agro-Financing	4

## Ministry of European Integration for the First Time at the International Belgrade Book Fair



REPUBLIC OF SERBIA  
MINISTRY OF EUROPEAN INTEGRATION

This year, the Ministry of European Integration (MEI) of the Government of the Republic of Serbia has for the first time participated at the International Belgrade Book Fair. At this largest regional event dedicated to the book, the MEI has presented new publications and promotional materials that had been prepared in order to present to the expert community and wider public a number of topics relevant to the process of Serbia's accession to the EU. Minister of European Integration Jadranka Joksimović presented new printed publications of the MEI at the 62nd International Belgrade Book Fair. "For the first time at the Book Fair, we have presented our publications in the form of promotional materials, which should, in a comprehensible way, show our citizens the arguments for European integration, but also some of the misconceptions and myths that haven't only been troubling us, but also all the others who had gone through the



process of European integration before us," Joksimović said. Stating that the citizens often wondered about the benefits from the EU integration process, she said that that was precisely why the MEI had published the two most recent publications – Arguments for Europe and Myths on the EU. Thematic days were organised as the additional programme at the Book Fair, at which the most significant activities in

the process of European integration of Serbia were presented to numerous visitors. Negotiation chapters, EU Sector Policies, IPA funds, and Cross-Border Cooperation Programmes were just some of the topics of interest of the visitors to the stand of the

MEI. During the School Day, a reading rehearsal of a new theatre play called The Seventh Class (Sedmi čas) was organised, in which young actors of the DADOV theatre troupe and NGOs Epomena and Moto presented the facts and misconceptions about the EU in a witty way within the framework of a project supported by the MEI.

## National Dialogue on Youth Employment: New Approaches, New Challenges



The number of unemployed youth in Serbia has been decreasing for years, yet despite this it is still significantly higher than the European average. The Government of the Republic of Serbia and its partners are therefore hard at work on improving the status of youth. The effects of the measures implemented in this field were the topic of discussion during the National Dialogue on Youth Employment entitled: New Approaches, New Challenges, held on 1 November in Belgrade, in the packed hall of the "Madlenianum" theatre.

The national dialogue was initiated as part of the German development cooperation project "Youth Employment Promotion", implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. This year, it was organized in cooperation with the Ministry of Youth and Sports of the Republic of Serbia and the Social

Inclusion and Poverty Reduction Unit of the Government of the Republic of Serbia. One of the conclusions was that it is necessary to continue the dialogue on specific activities, with the aim of finding common and applicable solutions that will promote youth employment, and thus sustainable economic growth. An agreement

was made to conduct a more detailed analysis of how good examples can be turned into specific mechanisms that will enable the successful integration of effective approaches to youth employment into local and national platforms.

Finally, the need was emphasized to jointly promote successful examples of youth employment, as an inspiration and encouragement for others to become actively involved in programmes that can improve the economic status of youth, as well as their social activity and their impact on decision making on the future development of the country.



### Did you know?

The project "Let's Build a Home Together" funded by the EU with €3.6 million, provided housing for 110 Roma families who previously lived in mobile settlements in Belgrade. During the project, which lasted from Feb. 2013 until May 2016, three social housing buildings were constructed for 59 families with the right to social housing, village households were purchased for 41 families, while ten families were supported in the reconstruction of their own houses.

## The Protocol of the Polish-Serbian Joint Commission for Economic Cooperation Signed

By:  REPUBLIC OF SERBIA  
MINISTRY OF EUROPEAN INTEGRATION

 Republic of Serbia  
Ministry of Trade, Tourism and  
Telecommunications

The second session of the Polish-Serbian Joint Commission for economic cooperation between the Republic of Poland and the Republic of Serbia took place on 7 November 2017 in Warsaw, Poland. The Commission's session took place in accordance with Article 5 of the Agreement between the Government of the Republic of Poland and the Government of the Republic of Serbia on economic cooperation, made in Warsaw on 1 June 2011. The session was chaired by Tadeusz Kościński, Undersecretary of State in the Ministry of Economic Development of the Republic of Poland and Stevan Nikčević, Secretary of State in the Ministry



of Trade, Tourism and Telecommunications of the Republic of Serbia. The Commission exchanged informations concerning the economic situation of Poland and



Serbia. The priority areas and suggested actions for its development are: trade, industry and investments; agriculture and environmental protection; power and mining industry; transport; tourism; cooperation for development. The result of session was signing the Protocol of the Polish-Serbian Joint Commission for economic cooperation between the Republic of Poland and the Republic of Serbia.

## Property Tax Reform

By:  Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra  
  
Embassy of Switzerland  
Swiss Cooperation Office in Serbia

Minister of Public Administration and Local Self-Government Branko Ružić, Minister of Finance Dušan Vujović and H.E. Swiss Ambassador

in Serbia Philippe Guex signed a memorandum of understanding and launched the Swiss project "Property Tax Reform". At least 40 local governments throughout Serbia will be able to update their property databases through the project, and increase the coverage of property tax collection. In an open call, more than 90 cities and municipalities have applied for support in property tax collection. The partner local governments will be selected by the end of the year. The project will last four years and bring many benefits to the citizens, such as investments in communal infrastructure based on people's needs, also including €0.9 million reward fund for the most competent local governments. At the national level, the project will support digitalization of the property tax collection and promote performance based rewarding of local governments diligent in tax collection. By the end of the project, a critical mass of local governments will have implemented the property tax reform. Learning on their example the remaining local governments would be able to undergo the reform independently. At the signing ceremony, Swiss Ambassador to



Serbia, Mr. Philippe Guex outlined the benefits of the Property Tax Reform Project: "Serbian municipalities will be able to increase their budget and no citizen, who is already paying for property tax, will have to pay more. With these additional revenues municipalities will be in the position to invest, based on citizens' needs, into better livelihood for the population and improve the doing business framework conditions." The project "Property Tax Reform" is part of the new Swiss Cooperation Strategy with Serbia 2018-2021. We have allocated 91 million euros for the whole strategy. Our support to Serbia will exceed 300 million euros for 30 years that we have been present here," explained Ursula Läubli, Director of the Swiss Cooperation Office in Serbia. Branko Ružić outlined importance of the Swiss supported project: "Many local governments have financial problems, their budget is in deficit and they are indebted. One way to overcome these difficulties is to increase own-source revenue by better collecting taxes. Through this project 40 local governments will have the opportunity to collect data on taxpayers, which will enable better tax collection." said Ružić. In the successful pilot phase of this project from 2013 to 2016 in nine municipalities from East Serbia, the percentage of increase in property tax collection was on average 197 percent, while the tax rates remained the same.

### In Brief:

"Building the Digital Parliaments" conference, held in Novi Sad on 30 and 31 October 2017, gathered representatives from all local self-governments, Parliament Speakers of the National Assembly and Provincial Assembly of Vojvodina, Minister of Public Administration and Local Self-Government and other state officials. The conference was organized by the Swiss supported project "Strengthening the Oversight Function and Transparency of the Parliament" implemented in partnership with United Nations Development Programme, where Switzerland invests EUR 1.8 million into parliamentary reforms at central and local level in Serbia. The Project "Strengthening the Oversight Function and Transparency of the Parliament" will assist all local governments in Serbia to have access to standardized model software for e-parliaments, which can be later modified by the user based on its particular needs. Currently, pilot projects in Leskovac and Pancevo are introducing e-parliaments, while the e-parliament system will be available for free countrywide as of March 2018.

## European Support to Better Health of Women in South Serbia

By:



Each day in Serbia one woman dies and four develop cervical cancer while breast cancer still remains the most common malignant tumour nationally. These

statistics, presented in the National Screening Report, place Serbia amongst top four in Europe by the number of patients of these diseases. To contribute to the improved reproductive health of the local female population, the European Union (EU) and the Government of Switzerland, through European PROGRES development programme, provided new medical equipment, including gynaecological examination chairs, video colposcopies, ultrasounds and CTG for recording of fetal heartbeat to nine health centres in the less developed municipalities of the South Serbia. In October 2017 - Breast Cancer Awareness Month, as a part of this 105,000 Euros project, awareness raising campaign



“Find the Time” on the importance of preventive examinations and early detections of breast and cervical cancer commenced. The women, of Aleksinac, Babušnica, Bela Palanka, Brus, Doljevac, Gadžin Han, Merošina, Svrlijig and Knjaževac were invited for free medical check-ups. Special focus was placed on rural women, who often do not have health care insurance. Thanks to the active participation of the local health centres, over 800 women were examined, far exceeding initial expectations. In Brus alone, where the health centre offered free check-ups for five days – average number of daily visits rose from 25 to 65. “The quality of life of the entire population depends on the women’s health because of their irreplaceable role in every fragment of our society. The results of this initiative show that women, when well-informed and encouraged, will find the time to do something both for themselves especially if it affects their families”, said Ana Nedeljković Belja, Good Governance and Social Inclusion Sector Manager within European PROGRES.

## National Open Data Portal launched

By:



The National Open Data Portal ([www.data.gov.rs](http://www.data.gov.rs)), a central place where the data of state authorities will be aggregated and made available to citizens, companies and CSOs, was presented on October 12, 2017, within the “Open Data – Open Opportunities” project. Ms. Ana Brnabić, Prime Minister of Serbia, announced that the portal will contribute to economic development and better availability of information for citizens. As she pointed out, opening the data of all state institutions in Serbia could lead to GDP growth of 1%, and an improvement in the employment rate of up to 2%, as is the case with other European countries.

On the occasion, the Government of Serbia’s Office for IT and eGovernment and the UN Development Programme (UNDP) have signed the project document entitled “Open Data – Open Opportunities”. The Office for IT and UNDP will work together to open up the public data, develop the knowledge and skills of



government employees for data processing, and to encourage businesses, scientific community, civil society and media to use data for new purposes. Karla Hershey, UN Resident Coordinator in the Republic of Serbia and Resident Representative of the UNDP, pointed out that, in addition to allowing innovation in business, which stimulates economic growth, open data contribute to overall sustainable development of the society, especially in areas such as education, environmental protection and public finance. “Open Data also enables greater transparency of the work of state bodies and encourages the public to be involved in the decision-making process,” Hershey added.

Denis Keefe, Ambassador to Serbia of the UK, representatives of the World Bank and Swedish Agency for International Development SIDA also participated at the portal launch event and talked about their support for the opening of public data in Serbia.

## Positive Trends in Serbia’s Competitiveness and Economic Growth

By:

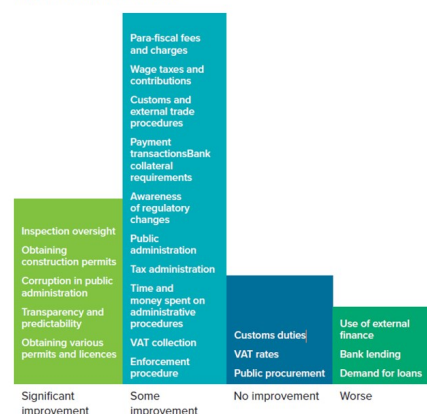


On October 25, USAID’s Business Enabling Project released the findings of its seventh annual Serbian Business Survey. The survey, which reflects 1,000 Serbian businesses’ opinions on the state of Serbia’s business environment, showed recent reforms are making it easier for them to operate. In 2017, Serbian businesses continued to report positive improvements in business inspections, construction permitting, and business licensing. USAID played a leading role in supporting the Government’s efforts to reform Serbia’s construction permitting system and inspections oversight. Areas in which businesses still face challenges and see room for improvement are para-fiscal charges, burdensome administrative procedures, and limited access to finance. “The survey shows that a staggering 69 percent of businesses do not use any form of external finance. And a mere two percent of businesses obtained finance through sources other than banks, mostly through commercial leasing and grants,” said

U.S. Ambassador Kyle Scott. “If Serbia’s private sector is to become a true engine of economic growth, it needs a wider variety of finance options for its firms.” The USAID Business Survey was carried out in collaboration with the Serbian Chamber of Commerce and Ipsos Strategic Marketing. The survey’s full results are available at

<https://goo.gl/3YXPNN>

Progress of Reforms, 2011-2017.





# Continuation of the Reconstruction of the Hospital in Pozarevac

By: **Interreg-IPA CBC**   
Romania - Serbia

Strategic Project Romania – Serbia joint initiative against cancer in cross-border region:

improved diagnosis and treatment of malignant tumours, with a total value of EUR 12 million, was initiated through the Interreg-IPA Cross-border Cooperation Programme Romania – Serbia in order to combat this vile illness, which presents a common challenge and a major health problem for people living on both sides of the Romanian-Serbian border. The Project for improved diagnosis and treatment of malignant tumours, which continues the works on the reconstruction and strengthening of hospital capacities in Pozarevac, will contribute to ensuring that all hospitals involved in the implementation of the Project receive the adequate infrastructure in terms of space and equipment for effective treatment of tumours, as well as software tools that support full diagnostics and clinical decision-

making. The software tools will provide a structured diagnostic strategy, assessment of clinical parameters and customised therapy for each individual patient, and will thus contribute to the introduction of a new concept of personalised therapy for tumour patients. The project participants – partners are: General hospital Pozarevac, leading partner, the Ministry of Health of the Republic of Serbia, County Emergency Clinical Centre "Pius Branzeu" in Timisoara, Hospital in Resita (Romania). This Project is a continuation of the contract signed in 2012 within the framework of the IPA Cross-border Cooperation Programme Romania – Serbia. From EU funds dedicated to the cross-border cooperation between Romania and Serbia, more than €1.2 million have been allocated for the reconstruction of 2,200 m<sup>2</sup> of space on the ground floor and part of the basement of the New Hospital in Pozarevac.

## Upcoming Events

- ⇒ November 28 - Annual Coordination meeting of the SECO mechanism - Ministry of European Integration, Belgrade
- ⇒ November 28 - Info Days – Info sessions on the occasion of launching the First Call for Proposals within the IPA Cross-border Cooperation Programme Serbia-Montenegro 2014-2020 under the Instrument for Pre-accession Assistance II - Prijepolje, SRB
- ⇒ December - TAIB Committee - Belgrade
- ⇒ December - Closing ceremony of the project "Increasing the effectiveness of employment policies towards disadvantaged groups" - IPA 2012

# Supporting the Digitalization of the Serbian Economy in Agro-Financing

By:  **KfW**

In the framework of the joint "Initiative on Growth and Employment" within

German-Serbian Development Cooperation, KfW Development Bank - through its Program for Rural Development – supports the economic development of agro-business value chains by providing structured financing to individual farmers and rural SME. The program is facilitated by three Serbian financial institutions - namely Societe General, Banca Intesa and Intesa Leasing. In the past three years German Development Cooperation via KfW provided related program funding amounting to some EUR 60 million. These funds were already fully on-lend to rural clients via above-mentioned financial institutions and used for investments into the agro-business infrastructure. In the scope of the program an accompanying technical assistance sub-project was launched in cooperation with the Ministry of Agriculture, Forest-

ry and Water Management and the participating institutions in order to support the efficiency of on-lending processing to rural clients. Main goal was to create and introduce a pilot for a digitalized processing technology for agro-lending in the Serbian banking sector. This has been achieved: Today digitalized client databases, digitalized loan application procedures (with interfaces to costumers and credit bureaus), as well as automatized monitoring and reporting tools are introduced. Advisory and training measures within the digitalization sub-project were provided for more than 150 employees at participating institutions. As a result, credit application operations ("approval processing") and reporting can be handled with much higher efficiency. This led to higher customer satisfaction, which has thus raised clients' demand for agro-financing.



## 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 Ministry of European Integration.

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



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