# **Aid Matters**

Newsletter on Development Assistance in Serbia

### "European Union-Serbia: Investment, Growth and Employment"



Delegacija Evropske unije u Republici Srbiji

European Parliament President Antonio Tajani visited Serbia on 31st January 2018. On the occasion, Tajani took part in the conference "EU-Serbia 2018: Investment, growth and job creation". The conference began with a signature of a financial agreement between Serbia and the European Investment Bank, (EIB) securing a grant and a loan for reconstruction and modernization of

Nis-Dimitrovgrad railway line, as well as an agreement between the CoE Development Bank and the Republic of Serbia aimed at the Regional Housing Programme (RHP). The contract for financing the modernisation of the Niš-Dimitrovgrad railway

project is valued at €268 mill 280 thousand, of which €134 mill has been allocated by the EIB through a loan. Serbia is participating with €61 million, while the investment framework for the Western Balkans, with the support of Minister for European Integration Jadranka Joksimović, approved €73 mill in grants, noting that the amount of the Republic of Serbia's contribution is planned to be reduced after a part of the grant for constructing a by-pass around Niš has been approved. The Niš-Dimitrovgrad railway modernisation project includes the construction of a 22 km long railway by-pass, the rehabilitation and modernisation of an 82 km segment of the railway line from Sićevo to Dimitrovgrad, as well as the electrification of the railway and improvement of the signalisation system. The significance of this investment is reflected in the fact that the current line from Niš to Dimitrovgrad is the only part of railway Corridor X in Serbia that has not yet been electrified, which has consequences not only in the sense of longer travel time between Niš and Dimitrovgrad, but also in respect of increased pollution. The electrification of the secneed to change the locomotive any more to connect to the rest of the network; the by-pass of the city of Niš means more secure transport and better quality of life for its residents; and all of this means economic growth - almost doubling freight and passenger transport by 2050 and jobs - 7.500 jobs created during the construction phase and 200 stable jobs. The project is a step further for the completion of the Connectivity Agenda, which develops transport and

tion means cleaner and faster transport: no

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energy connection across the Western Balkans and with the EU. The investments in transport only are estimated to boost regional GDP growth by one percentage point per year over 15 years and help to create more than 200.000 jobs.

This requires investments, but through the Western Balkans Investments Framework, the EU and its partners can secure the knowledge and the financing for all of it, including €1 billion non-refundable grants from the EU budget. Minister of EU Integration Jadranka Joksimovic and CoE Development Bank Vice-Governor signed an agreement on donation worth €18 mill toward the RHP. The strong commitment of the EU is helping the countries of the region, including Serbia, to address the needs of displaced persons and to provide durable housing to the remaining refugees from ex-Yugoslavia. Besides numerous national programmes financed under the IPA, the EU is the biggest donor to the RHP with €232 mill. Serbia is the biggest beneficiary of the programme. Serbia has signed a new €18 mill tranche, which brings the total to €105 mill euro in grants for the provision of almost 6.300 housing units in Serbia. Very concretely, it means providing a roof and giving decent living conditions to close to 6.300 families who lost everything in tragic moments of their lives. This is what European solidarity is about.

### Strengthening Regional Cooperation - faster El process



By:

Conference "Western Balkans and EU

Membership - Strengthening Regional Cooperation for the Future Process of European Integration" was held in Banja Luka, 23.2.2018. Minister of European Integration Jadranka Joksimovic on that occasion stated that being the current leader in the process of European integration for Serbia means an additional obligation to "help everybody - our neighbors, countries with which we want to have the best possible relations in every respect, both technical and political, and we've done it so far. " She pointed out that the Ministry of European Integration in the previous period has greatly helped and will help BiH to prepare the answers for the questionnaire of the European Commission.

MINISTRY OF EUROPEAN INTEGRATION

REPUBLIC OF SERBIA

Issue no. 32 February 2018



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#### Did you know?

The EU Strategy for the Western Balkans was presented in Strasbourg on February 6, 2018. The text of the Document in Serbian and English is available on the MEI website and could be seen here



## Kingdom of Norway - large bilateral development partner and a big friend



Norway is one of the largest bilateral development partners of the Republic of Serbia whose support only since 2008 amounts to over €100 million.

Norway currently provides its support to the Republic of Serbia through regional projects, bilateral projects, and programme to civil society organisations. In order to create a framework for future bilateral cooperation through projects a Memorandum of Understanding (MoU) between the Ministry of European Integration of the Republic of Serbia (MEI) and the Ministry



of Foreign Affairs of the Kingdom of Norway (MFA) regarding Bilateral Project Cooperation was signed on 18 January 2018. MoU defines the basic cooperation principles between the two ministries with the purpose to support Serbia's integration into EU structures through projects that contribute to reform processes and developing sectors in line with EU, as well as establishing the cooperation not only between two ministries but between two governments. MoU envisages that the Embassy shall launch annual call for proposals and has the overall responsibility for the planning, evaluation of proposals and providing information to potential beneficiaries in project preparation, implementation and monitoring of the programme, make final approval of the project support and sign a Grant Agreement with each project partner, while MEI shall provide suggestions to the Embassy to ensure that projects are selected in a way that enhances coordination,

> complementarity and coherence with other donor funded projects and projects funded through national resources, as well as provide support to successful implementation of selected projects, all in order to channel these funds in accordance with the priorities of the Government of the Republic of Serbia and the path of Serbia towards the EU. Specific obligations, includ-

ing reporting, monitoring, evaluation and audit shall be defined by individual Grant Agreements. MoU signing created conditions for the start of implementation of 6 projects approved within 2017 call for proposal in the total value of 26,337,086 NOK, i.e. €2,686,382 as well as for all further annual calls for proposal for the award of Norwegian grants. On 27 February 2018 a new call will be launched by Norway for Ministries and other national public bodies and intergovernmental organisations in Serbia . For the first time the application process will be electronic and all applicants will need to register on MFA portal. More detailed information will follow on Embassy and MEI websites.

### Kick-off event: Presentation of the Program of support to social enterprises



On January 26th in Belgrade, in KC Grad, German development cooperation project Youth Employment Promotion held presentation of the new field of activity called Program of support to social enterprises. An event entitled Economic Incentive for Social Impact was dedicated to promotion of new, innovative form of support to unemployed young people from vulnerable groups, through development of social entrepreneurship in Serbia.The event brought together relevant representatives of the public and international community, as well as successful entrepreneurs, selected for participation in the Program of support. State Secretary from the Ministry of Youth and Sport and Assistant Minister from the Ministry of Labour, Employment, Veterans and Social Affairs gave introductory speeches about the involvement of the institutions in the project and current state of social entrepreneurship in Serbia, while the First Secretary of the German Embassy provided information about social entrepreneurship in Germany. After the official presentation of the Program to the public, one of the social enterprises included in the Program (Independent Youth Theatre production Reflektor teatar), presented all social enterprises through creative performance. Program of support is designed as a tailor-made support to the needs of twenty-one selected social enterprises that employ young people from vulnerable groups and social enterprises whose social goals are associated with the youth problems. The support will be in the form of the long-term capacity building program and will be implemented during 2018.

### Over 100 Innovative Ideas received for Creating Climate Resilient Communities in Serbia



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Local governments, public and private companies, civil society organizations, research and academic institutions, as well as individuals, submitted 110 innovative proposals for the reduction of greenhouse gas (GHG) emissions in local communities throughout Serbia. Proposed solutions came in re-

sponse to the Ministry of Environmental Protection and United Nations Development Programme (UNDP)'s joint Public Call, announced in November 2017. Applicants suggested ways to decrease GHG emissions created by public services and facilities in Serbian cities and municipalities. In addition to creating environmental benefits, the proposed solutions, received by January 31, 2018, also aim to contribute to social and economic development of local communities, and promote partnership approach in tackling the climate-related issues in Serbia. The Call was organized within the "Climate Smart Urban Development

Challenge" project, implemented by the Ministry of Environmental Protection and UNDP, and financed by the Global Environment Facility (GEF).



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#### Page 3 EU Enhances its Support to Migration and Efficient Border Management in Serbia



Delegacija Evropske unije u Republici Srbiji

Commissioner for European Neighbourhood Policy and Enlargement

Negotiations, Johannes Hahn visited Belgrade on 7-8 February 2018. This was the first visit following Commission's adoption of the Strategy 'A credible enlargement perspective for and enhanced EU engagement with the Western Balkans'. On the occasion, and under the patronage of Prime Minister Brnabić and Commissioner Hahn, two new financial agreements to support

Serbian border and migration management were signed. Signatures of the two agreements are concrete examples of EU's commitment to Serbia's progress as expressed in the Western Balkans Strategy. The first is the financial agreement for the Sector Budget Support (SBS) on integrated border management as a part of the IPA 2016 Action programme for Serbia which was signed by Genoveva



Ruiz Calavera, Director for the Western Balkans at the Directorate-General for European Neighbourhood Policy and Enlargement Negotiations of the European Commission and Jadranka Joksimović, Minister of European Integration of the Republic of Serbia. The programme amounts to  $\in 28$  mill ( $\in 24$  mill budget support + €4 mill complementary measures). The SBS on integrated border management will strengthen Serbia's capacities to effectively control its borders, reducing organised crime and irregular migration, while allowing smoother transit of people, goods, and services, in line with EU standards. With this Programme, the EU supports the implementation of the Integrated Border Management Strategy and Action Plan. The Sector reform contract is implemented by the Ministry of Interior (the Border Police Directorate and the Criminal Police Directorate), the Ministry of Finance (Customs Administration) and the Ministry of Agriculture, Forestry and Water Management (Phytosanitary and Veterinary Inspectorates). In this way EU support Serbia's efforts to keep its integration process on track during the current migration crisis and contributes to improving the safety of Serbian citizens. The second is the  $\in$ 16 mill direct grant to the Ministry of labour, employment, veterans and social affairs which will be used to respond to the

resilience needs of migrants, refugees and asylum seekers in Serbia, through support to the national authorities including enhancing shelter capacity and delivery of services. This contract - part of the EU Regional Trust Fund in response to the Syria crisis - was signed by Genoveva Ruiz Calavera, Director for the Western Balkans at the Directorate-General for European Neighbourhood Policy and Enlargement Negoti-

ations of the European Commission and Zoran Djordjević, Minister of Labour, Employment, Veteran and Social Affairs. Thanks to the EU Trust Fund the capacities of national authorities to manage migration needs and perform their duties in asylum and reception/transit centres will be upgraded. In this way the EU supports Serbia's efforts to ensure adequate access to all types of necessary healthcare services for migrants, refugees and asylum seekers, as well as to ensure access to quality formal and non-formal education for child migrants/ refugees/asylum seekers. The  $\in$  16 mill grant brings the total amount of support given by the EU to Serbia to deal with the migration crisis since 2015 to almost EUR 100 M.

#### In Brief - Serbia joins Japan Volunteers Programme

Minister of European Integration in the Government of the Republic of Serbia Jadranka Joksimović and Japanese Ambassador to Serbia Junichi Maruyama January 15th 2018 signed the Agreement on the Establishment of the Japan Overseas Cooperation Volunteers Programme. The signed document envisages that experts from Japan will provide assistance in the development of local self-governments in Serbia in the areas of education, culture, environmental protection, health, sports etc.

### Swiss Expert Advice on Dual Education

fédération ederazione Svizzera Embassy of Switzerland Swiss Cooperation Office in Serbia

By: 🗂

Serbia is the only country in the region that has adopted the Law on Dual Education. The new profiles will be created in secondary schools, in line with EU standards. These were some

of the messages at the closing academy of the Education Caravan "The Spirit of Youth". The Ministry of Education, Science and Technological Development invited Dr. Ursula Renold, Head of the Department for the Research of Educational Systems of the Swiss Economic Institute in Zurich, to take part at the event as a special guest. Serbia is amongst 20 countries to which

this Swiss Institute provides advisory support in education reform processes. Dr. Renold presented a thorough SWOT analysis of the Serbian Law on Dual Education during a separate event at the Serbian Chamber of Commerce. Dr. Renold explained that it is a great advantage that the Serbian education system already has a relatively good permeability permitting students to transfer to additional training programs and careers. The education system needs to offer different pathways. Another plus is that Serbia

introduced a two-year transition period to test the new Law. Dr. Renold recommended to the Serbian counterparts to clearly define roles and responsibilities of all involved actors. The development of by-laws, identification of targets and introduction of a

> monitoring system are essential. As the commitment of companies is crucial for a successful reform, Dr. Renold suggests a simulation of cost-benefit analysis, prior to the introduction of new VET programs. This way the companies assess their potential benefits. The Swiss Agency for Development and Cooperation (SDC) has already supported the development of a

dual education program in the wood industry in Užice, through its Private Sector Development program. SDC will remain committed to support the Government of Serbia to implement the adopted Law on Dual Education through a new project with the Ministry of Education, Science and Technological Development. The project will include support to the regulatory framework, the introduction of the Monitoring & Evaluation and law promotion with continued advisory backstopping through Dr. Ursula Renold.



### 34 Municipalities 🔤 2 Partners 💻 💶 1 Program !



REPUBLIC OF SERBIA MINISTRY OF EUROPEAN INTEGRATION with the continued support of the

European Union and the Government of Switzerland, 23th of February, at the Sava Center, the European PROGRES officially

closed. Minister of European Integration Jadranka Joksimović has said that the European PROGRES programme, designed for sustainable and regional development, has had numerous positive effects for 34 Serbian southeast and southwest municipalities. Joksimović said that 700 new jobs had been created there and that it was expected that another 850 would be created in the upcoming

year or two. Joksimović underlined that 94 companies had been established, and that some of them had increased export, whereas the European PROGRES programme also contributed to the regulation of local infrastructure. "It is most important that we have demonstrated that our local self-governments know how to use the funds coming from the EU. It's a preparation for the use of larger funds that will be available to us when we become an EU member state", the Minister pointed out. As



she explained, a successful programme realisation would be our proof that Serbia's local selfgovernments are prepared. "The best message from the gathering is that the money has remained in Serbia, for the benefit of the citizens and the budget", Joksimović said. She pointed out that the European integration process was ongoing, that negotiations would be intensified and that Serbia

would work on opening new chapters, adding that the reforms should be implemented for the sake of better life of citizens.

### **Upcoming Event**

- $\Rightarrow$  8th of March 2018, the event organized by UN Women in Belgrade has 3 goals:
- Marking of the International Women's Day, a holiday celebrating the economic, political and social achievements of women
- Launch of the three-year long project entitled "Priority Action for Gender Equality" funded by the European Union
- Launch of the first HeforShe campaign in Serbia
- ⇒ The Ministry of European Integration has announced a competition for the top three student works in the field of European integration and the EU accession process of the Republic of Serbia, with a view to encourage young academics to engage in reasoned debate regarding the membership of our country in the European Union. The competition is open for students of the final years of basic academic studies (students of the third and fourth year), as well as for students of master academic studies at universities in the Republic of Serbia. The deadline for submission is 16 April 2018.

### Faster, cheaper and more efficient: e-registration



Starting from January 2018, citizens of Serbia are able to register as entrepreneurs easier, faster and cheaper. Presenting the new e-registration service, the Director of the Serbian Business Registers Agency (SBRA) Zvonko Obradovic emphasized that it allows entrepreneurs to do the whole registration

procedure online, from application to receiving the Certificate of registration, all without arriving at a counter. Electronic registration is 30% cheaper than registration in a paper form; it saves time and ensures easier access to SBRA services for all the future entrepreneurs, regardless of their location. UNDP donated the software for establishing electronic registration to SBRA, having in mind that the digital transformation of Serbia is identified as a Government's strategic priority. Mihailo Jovanovic, the

Director of the Office for IT and e-government stated that the goal of digitization is to create an efficient, economical and transparent public administration.



### 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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