

Seventh Quarterly Report

01 October – 31 December 2016



CRIS Number: 2014/342-561, IPA 2013, Serbia

Overall objective: To contribute to sustainable development of the South East and South West Serbia through improved coordination between national and local authorities, more favourable environment for employability, business and infrastructure growth, and enhanced good governance and social inclusion.

Purpose: Enhanced local governance, improved conditions for infrastructure development, better planning and management capacities, advanced business enabling environment, as well as supporting the development of social inclusion and employment policies.

Total budget: 24.46 million Euros

Start date: 7 May 2014

End date: 7 November 2017

Programme coverage: Novi Pazar, Ivanjica, Nova Varoš, Priboj, Prijepolje, Raška, Sjenica and Tutin, in the South West Serbia

Prokuplje, Blace, Žitorađa, Kuršumlija in Toplica District

Leskovac, Bojnik, Vlasotince, Lebane, Medveđa and Crna Trava in Jablanica District

Vranje, Bosilegrad, Bujanovac, Vladičin Han, Preševo, Surdulica and Trgovište in Pčinja District

Brus in Rasinska District

Aleksinac, Gadžin Han, Doljevac, Merošina and Svrljig in Niški District

Babušnica, Bela Palanka in Pirotski District

Knjaževac in Zaječarski District.

Donors: The European Union
The Government of Switzerland
The Government of the Republic of Serbia

Implementing partner: United Nations Office for Project Services (UNOPS)

Report date: 12 January 2017

Period covered: 1 October 2016 – 31 December 2016

Acronyms

ACES	Association of Consulting Engineers of Serbia
AoR	Area of Responsibility
CAS	Citizens' Advisory Services
CFCU	Department for Contracting and Financing of EU Funded Programmes
CfP	Call for Proposal
CIF	Citizens' Involvement Fund
CSO	Civil Society Organisation
DEU	Delegation of the European Union
EU	European Union
FIDIC	The International Federation of Consulting Engineers
GEM	Gender Equality Mechanism
GG	Good Governance
GI	Geographical Indication
HR	Human Rights
LSG	Local Self Government
MSP	Managing Successful Programmes
MSME	Micro Small and Medium Enterprises
NGO	Non-governmental Organisation
NMC	National Minority Council
OHCHR	Office of the High Commissioner of Human Rights
OSCE	Organisation for Security and Cooperation in Europe
OSS	One Stop Shop
PPF5	Project Preparation Facility 5
PPP	Public Private Partnership
PRINCE 2	PRojects IN Controlled Environment
PSC	Programme Steering Committee
RFP	Request for Proposals
RSPC	UNOPS Serbia Project Centre
SCTM	Standing Conference of Towns and Municipalities
SDC	Swiss Agency for Development and Cooperation
SEIO	European Integration Office of the Government of the Republic of Serbia
SIPRU	Social Inclusion and Poverty Reduction Unit
SME	Small and Medium Enterprise
ToR	Terms of Reference
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women

Executive Summary

European PROGRES has entered final twelve months of implementation. The key indicators of the Programme performance for the fourth quarter (Q4) of 2016, that is covered by this Quarterly Report, were positive: the financial delivery for this period exceeded 2.8 million Euros, which is 11% higher than what was the forecast; over 95% of Work Plan for Q4 were delivered, while progress in some areas exceeded the set targets; procurements reached its peak with 56 processes completed or initiated; and the Programme finalised the last four out of 20 conducted calls for proposals.

The Programme will now focus on completion of ongoing projects and the numbers confirm this best: out of 247 projects, 105 or 43% were finalised, which indicates that significant work is ahead. The majority of projects are in an advanced implementation phase and it is realistic to expect that they will be completed timely. However, the approach and time framework for completion of several activities that are linked to progress of actions that are managed by the Department for Contracting and Financing of EU Funded Programmes of the Ministry of Finance (CFCU), as well as very limited number of interventions that were introduced within the design modifications of January 2016, should be re-considered in early 2017.

This implementation period was productive in terms of project outcomes. Primarily, the Competitiveness Analysis have shown that the Municipal Competitiveness Index has been increased by average 18% in 26 of 30 local self-governments (LSGs) that uploaded over 95% of data to the Competitiveness Portal. This is important indicator of European PROGRES' effectiveness and with improvement in eight remaining municipalities in the forthcoming period, the Programme would meet the set targets in this field.

Successful closure of the two final grants with clusters coincided with registration of positive outcomes of previously closed three projects: beneficiary Small and Medium Sized Enterprises (SMEs) enhanced energy efficiency, reduced the operational costs, increased production, or benefited from more touristic visits. Furthermore, from 2014 to 2016, cluster members on a whole have enhanced their turnover, export, and number of jobs they provide. Although this positive trend is primary the result from SMEs' own initiatives it indicates contribution of European PROGRES.

There are also concrete results in the competitiveness arena: the first international quality and food safety standard was awarded and should facilitate export of the beneficiary company; seven micro and small enterprises received equipment that should enhance their productivity; the first result of project supporting the implementation of Electronic Building Permitting System in 34 Programme LSGs that is implemented by the National Alliance for the Local Economic Development (NALED) showed increased percentage of positively resolved building permit applications by 10%.

Several important milestones were achieved within infrastructure: anti-erosion works on watersheds of Pusta Reka and Raška River that included construction of 15 barriers were completed and have already proved effectiveness when they reduced material damage during floods that hit the region in November 2016. With closure of the three last grants, work on 40 main designs is completed but, more importantly, additional cases where municipalities accessed donors' funds on the basis of developed technical documentation were recorded; 12 Detailed Regulation Plans, covering surface of 208 hectares, primarily creating pre-conditions for development industrial zones and valorisation of natural and cultural potentials of beneficiary municipalities, were also completed.

The actions to enhance access to employment for vulnerable have shown potential: partnership projects of civil society organisations and LSGs, supported through the second Citizens Involvement Fund, enabled employment or economically empowered 18 people and their families. The approved ten grants to support LSGs to implement vocational trainings will benefit 260 unemployed and should open 151 jobs. In addition to 65 supported women and youth entrepreneurs, the Programme will assist additional 28 vulnerable, primarily unemployed youth below 30, to start up their business.

When it comes to the ten projects for inclusion of Roma: living conditions were improved in ten Roma settlements; 149 pupils have started attending additional classes; 175 beneficiaries were trained in entrepreneurship, while three Roma women have been employed; and 50 Roma women and men underwent medical checks. Social inclusion efforts also included procurement of medical equipment for protection of women's health that will be delivered to health centres in nine municipalities that did not participate in European PROGRES predecessor, EU PROGRES.

In partnership with the UN Women, European PROGRES has supported the establishment of ten local women's parliamentary networks gathering 76 women deputies of municipal assemblies, while 18 projects were approved in support of Local Gender Equality Mechanisms. These activities should enhance women's participation in local decision making, contribute to economic empowerment of women, support fight against domestic violence, and improve women's health.

Communication activities included four high profile events, including the visit of the Head of the Delegation of the European Union to the South West Serbia, successful closure of the 2017 Calendar Competition, ten press releases and three interviews, three information sheets, and production of the first video. These activities facilitated 530 positive media reports, of which 224 were in national outlets, which is a record and indicate contribution to positive media exposure of donors' assistance to development in Serbia. The Programme's social media pages have reached the new milestones - the Facebook page surpassed 5,000 followers, while the Twitter page is nearing the 500 mark. The European PROGRES public awareness campaign has commenced and will be focussed on improving the understanding of European values and effects and benefits of European integration process.

The key European PROGRES' risks is linked to delays in implementation of the CFCU managed projects for construction of Vranje Hospital and Novi Pazar Emergency and grant scheme for local infrastructure proposals. While the Programme cannot provide planned technical assistance to implementation of projects within the current timeframe due to delayed progress, any further postponements could endanger utilisation of funding intended for these purposes. The Programme has been providing timely response to facilitate advertisement of tender documentation for Vranje and Novi Pazar projects and will continue to provide support as necessary.

This Quarterly Report covers the period from 1 October 2016 until 31 December 2016 and provides an overview of progress and performance, update on the management and coordination issues, review of the key risks and issues, quality and sustainability considerations, insights into the key milestones for the next quarterly period, and a section on the lessons learnt. A number of annexes provide an in depth insight into particular actions taken by the Programme. Annex VI is integral part of this Report and provides quick overview of progress against indicators in the Programme's logical framework matrix.

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Review of progress and performance

Policy and Programme context

The Government of Serbia (GoS) adopted the National Employment Action Plan (NEAP) for 2017 in November 2016, which reconfirms alignment of the Programme activity related to vocational training with the two NEAP priorities: promoting employment and inclusion of less employable persons into the labour market and improving the quality of the workforce.

With financial support of the European Commission, the European Investment Fund (EIF) and Banca Intesa AD Beograd signed the first contract in Serbia under the European Union Programme for the Competitiveness of Small and Medium Sized Enterprises (SMEs), COSME. In next two years the support will be provided to 3,000 SMEs in Serbia with 60 million Euros loan on favourable terms - with a longer repayment period and without a mortgage as collateral.¹

The GoS adopted the Decision on Establishing the Green Fund of the Republic of Serbia.² The fund will be managed by the Ministry of Agriculture and Environmental Protection, and will be active from January 2017.

The 44th Assembly of the Standing Conference of Towns and Municipalities (SCTM), which was held in November 2016, focussed on presentation of planned economic reforms, role of local self-governments (LSGs) in facilitation of investments, and the planned changes to the Law on LSGs that strengthen transparency, citizens' participation, and inter-municipal cooperation.

The Republic Statistical Office and the World Bank announced publication of "The Map of Poverty in Serbia". According to available data, Tutin has the highest poverty rate in Serbia (66.1%), while the rates are also high in Preševo (63.6), Bojnik (63.4), Lebane, and Bujanovac (54.6%), with more than 50% Babušnica, Bosilegrad, Vladičin Han, Gadžin Han, Doljevac, Žitorađa, Medvedja, Trgovište and Crna Trava. The findings should help formulation of relevant policies towards lower territorial units, in order to respond adequately to the issues of equal development and poverty reduction.³

The Foreign Investors Council (FIC) in its White Book for 2016 recognised progress that Serbia made in real estate field, legal framework, telecommunications, oil and gas, and private security. Least progress was marked in taxes and labour regulations, foreign exchange rates and bankruptcy regulations, and food and agriculture insurance. The FIC pledges for structural reforms, cut of bureaucracy, harmonisation of laws with EU Acquis, completion of privatisation, and more efficient implementation of tax regulations and inspections.⁴

Heavy rainfalls that hit Serbia in early November 2016 seriously affected Tutin, Sjenica, and Novi Pazar in the South West, and Vranje, Prokuplje and Bojnik in the South Serbia. According to the

¹ More information is available at <http://www.privreda.gov.rs/60-miliona-evra-kredita-pod-povoljnim-uslovima/>

² http://www.paragraf.rs/izmene_i_dopune/101116-odluka_o_osnivanju_zelenog_fonda_republike_srbije.html

³ The Report is available at <http://www.worldbank.org/en/country/serbia/publication/poverty-map-of-serbia>

⁴ The White Book 2016 is available at <http://www.fic.org.rs/projects/white-book/white-book.html>

representatives of Novi Pazar, building of anti-erosion barriers on critical locations minimised the effects of these floods.⁵

Progress towards achieving objectives and results

Two representative international researches of business environment and competitiveness recognised the progress that Serbia made in this field. The World Bank's Doing Business Report for 2017 highlights Serbia as one of the ten economies making the biggest improvements in its business regulations and puts Serbia on 47th position out of 190 assessed economies, which is improvement by seven places.⁶ Furthermore, the Global Competitiveness Report 2016-2017 ranked Serbia at 90th place out of 138 assessed economies, which is an improvement by four places compared to the previous report.⁷ Improvement of Serbia's positions on these two lists demonstrate effectiveness of national reforms but also indicate the contribution and potential impacts of European PROGRES.

The above is likely best confirmed by improvement of the Municipal Competitiveness Index by an average of 18% in the 30 European PROGRES LSGs who have uploaded over 95% of data to the Portal. The biggest change in the index is recorded in Doljevac that has improved its competitiveness by 51% compared to 2013 data, while fourteen more LSGs have improved index by over 20%. Slight decline (around 4%) has been recorded in Prijepolje, Sjenica, Ivanjica and Priboj.

The improvement of Municipal Competitiveness Index, among other, resulted from enhanced management of public finances and property (e.g. introduction of programme budgets, development of capital investment plans, enhanced tax administration), improvements in spatial and urban planning, enhanced strategic framework at the local level, gradual improvements of social services, to name a few areas. While room for further improvements remain significant, the initial analysis clearly indicate that European PROGRES intervention is part of broader reform that enhance local competitiveness.⁸

The cumulative effects of European PROGRES are becoming more significant: support to clusters, introduction of international quality standards, provision of equipment to micro and small enterprises (MSEs) and agricultural producer groups (APGs), assistance to self-employment of women and youth, as well as other actions contributing to economic empowerment of the vulnerable have already contributed to opening of about 100 jobs while this number should exceed 700 in the period from one to three years. This estimate neither includes potential for investments

⁵ N1 (2016), *Emergency situation in Prokuplje, floods in Tutin and Sjenica* (Online), Available at: <http://rs.n1info.com/a206638/Vesti/Vesti/Poplave-u-Srbiji-evakuacija-u-Tutinu.html> (Accessed on 9 November 2016);

Sandzakpress (2016), *Water is withdrawing – Tutin, Sjenica and Novi Pazar have relieved, rivers are back into the riverbeds* (Online), Available at: <http://sandzakpress.net/voda-se-povlaci-odahnuli-tutin-sjenica-i-novi-pazar-reke-se-vracaju-u-korita> (Accessed on 29 November 2016); Sandžacke novine (2016), *Novi Pazar, five new dams* (Online), Available at: <http://www.sandzacke.rs/vijesti/sandzak/novi-pazar-uskoro-jos-pet-novih-brana/> (Accessed on 29 November 2016)

⁶ The World Bank's Doing Business report for 2017 is available at <http://www.doingbusiness.org/reports/global-reports/doing-business-2017>. The three reforms that contributed most to this progress are: simplification of procedure of starting a business, introduction of an on-line system for obtaining building permits, and simplification of property transfer process

⁷ The Global Competitiveness Report is available at http://www3.weforum.org/docs/GCR2016-2017/05FullReport/TheGlobalCompetitivenessReport2016-2017_FINAL.pdf. Positive balance has been registered in infrastructure, health and education, and market size, while the most negative balance is in technological competence, macroeconomic environment, goods market efficiency, and business sophistication.

⁸ The Report on Results of Competitiveness Analysis will be provided within the next Quarterly Report, while the Programme also plans actions to present the Competitiveness Portal to the key stakeholders

and employments created with development of planning and technical documentation nor reflects growth that could be indirectly facilitated through improvement of LSGs' services, economic empowerment of vulnerable, and activities benefiting agricultural producers and manufactures, such as the geographic protection of traditional products from the region. All this shows that European PROGRES has potential to contribute to increased economic activity in 34 LSGs.

Result 1

Strengthened local governance, planning and management capacities through introduction of new, or improvement/elimination of existing procedures and processes in line with the principles of good governance

Within endeavours to strengthen local governance, the most concrete results were achieved in the domain of planning documentation: 12 Detailed Regulation Plans (DRPs) that cover surface of 208 hectares⁹ have been completed.¹⁰ Seven DRPs¹¹ provide the pre-conditions for investments since they relate to development of industrial zones, Plans in Novi Pazar and Babušnica deal with areas for waste water treatment plants and hence provide preconditions for improvement of public infrastructure important for business development and environmental protection. The DRPs in Merošina, Brus, and Knjaževac provide foundation for valorisation and preservation of natural and cultural heritage and for tourism development. The plans provide sufficient (technical) elements for planning of investment as well as legal preconditions for addressing of property issues.

Delivery of equipment for Geographic Information System (GIS), adoption of municipal decisions on GIS establishment, signing of cooperation agreements among stakeholders that have a role in functioning of GIS, and establishment of GIS Working Groups is completed in all 11 beneficiary LSGs. This means that beneficiary LSGs now have technical and institutional capacities and legal foundation for sustainable development of GIS.

Local governance reforms addressing public property management and local accountability mechanisms have been initiated in eight municipalities. These interventions will include adoption of new or revision of the existing local regulations, such as the decisions on management of LSGs' property, regulation of responsibilities related to property management, and similar. The efforts should enhance accountability of LSGs while stronger framework for public property management will in particular increase municipal efficiency. Merošina has drafted Municipal Decision and Rulebook on Public Property Management and this is the first output in this area.

The work with LSGs on development of Good Governance (GG) capacities has shown that internal coordination in municipalities is limited, responsibilities are often vague or ambiguous, while harmonisation between strategic documents and municipal budgets was far from sufficient. The legal framework for transparency of LSGs was sound but its application was often selective while some municipalities lacked trained staff. These findings will be considered within implementation of the governance reforms and vertical dimension of GG.¹²

⁹ The completed DRPs benefit ten municipalities: Vranje, Knjaževac, Vlasotince, Leskovac, Merošina, Babušnica, Bela Palanka, Svrljig, Brus and Novi Pazar

¹⁰ Ten of 12 DRPs are adopted by the respective Municipal Assemblies while Plans for Merošina and Novi Pazar are put in adoption procedure

¹¹ Bela Palanka, Vranje, Vlasotince, Leskovac, Babušnica, Brus, and Svrljig

¹² The Programme Activity 2.6

In cooperation with the UN Women, European PROGRES has supported the establishment of ten local women's parliamentary networks (WPN) gathering 76 women deputies of municipal assemblies. The established WPNs shown most interest for gender responsive budgeting, economic empowerment of women, and promotional activities¹³, while their work with support of European PROGRES should result in implementation of initiatives for improvement of the position of women. Initial engagement with WPNs shown they lacked experience needed for work on gender equality as well as that cooperation among women from different political parties should be strengthened.

Support to Local Gender Equality Mechanisms



Types of supported projects:



Furthermore, the approval of 18 projects of Local Gender Equality Mechanisms will contribute to economic empowerment of women, institutional strengthening of local mechanisms, fight against domestic violence, and promotion of women's reproductive health.

Activities

1.1 Support municipalities in development of their capacities for planning and execution of capital investments

Capital Investment Plans

Bela Palanka, Bujanovac, Nova Varoš, and Merošina Assemblies adopted the Capital Investment Plan (CIP), which means that eleven¹⁴ out of 15 CIPs developed with the Programme's technical assistance (TA) have been endorsed. The four benefiting municipalities that have not adopted Plans, primarily following the changes after the 2016 elections, work on final modifications of the CIPs and will put them on local assembly vote in Q1 2017.

Support to Local Tax Offices

All sixteen grants with LSGs for improvement of local taxpayers' registries are operationally and administratively closed. The Programme will monitor effects of this activity.

¹³ The Overview of Local Women Parliamentary Networks is provided in the Annex I, Attachment 1.1

¹⁴ Local assemblies in Aleksinac, Nova Varoš, Novi Pazar, Raška, Sjenica, Vladičin Han, Vlasotince and Bela Palanka have adopted CIPs

1.2 Assist municipalities in setting up urban planning conditions for infrastructure development

Detailed Regulation Plans (DRPs)

The following is status of 31 DRPs that are being developed through 21 grants to LSGs:

- Ten DRPs were developed and adopted¹⁵ by municipal assemblies
- Merošina and Novi Pazar DRPs are developed and are in adoption procedure
- Prijepolje and Ivanjica DRPs are prepared for the public review
- Eleven DRPs are in the draft development phase
- Early public review was completed for six DRPs¹⁶ and development of drafts has started.

In addition to previously closed grants for development of two DRPs in Sjenica and one in Tutin¹⁷ European PROGRES closed grants for DRPs with Gadžin Han and Bela Palanka. While Gadžin Han respected legal provisions for the development of the plans, the Programme has recorded citizens' concerns regarding possible construction of the calcite processing plant in the area covered by the DRPs and advised the municipality to consider seriously this aspect before the adoption.

In addition, the Programme selected consultancy for development DRPs for infrastructure corridors in Golija Nature Park in November 2016. All five beneficiary LSGs, Raška, Sjenica, Ivanjica, Novi Pazar and Kraljevo, adopted the Assembly Decisions for the formulation of DRPs for Golija.

Geographic Information Systems (GIS)

When it comes to 11 grants for introduction of GIS:

- GIS hardware and software components were procured and delivered to five beneficiary LSGs¹⁸ in addition to equipment previously provided to six municipalities
- Two municipalities adopted Decisions for the Establishment of the Geographic Information System in addition to previously made decisions by nine LSGs
- All 11 LSGs signed agreements for cooperation among institutions that are involved in functioning of GIS, while Aleksinac and Merošina, which implement the GIS project in partnership, signed the Agreement for Inter-Municipal Cooperation
- Leskovac benefited from the Study Tour to Šabac and Indija and trainings about GIS processes, administration, geo-data base, and applications for urban planning documentation and for brownfield areas.

1.3 Technical assistance to municipalities to improve procedures and processes for contracting, contract management, monitoring and evaluation of infrastructure projects

The Programme organised two rounds of trainings for 131 representatives of 34 LSGs (72 or 55% women and 59 or 45% men) about Practical Guide for Procurement and Grants for European Union External Actions - PRAG.¹⁹ The trainings were focused on PRAG procurement procedures and on differences between this approach and public procurement regulations in Serbia. The feedback from the participants was positive, primarily because the trainings included numerous practical examples.

1.4 Support municipalities to enhance their good governance capacities and to introduce structural governance reforms

Local Governance Reforms

¹⁵ Vranje, Knjaževac, Vlasotince, Leskovac, Babušnica, Bela Palanka, Svrlijig, Merošina, Brus, Nova Varoš, and Bujanovac

¹⁶ Bujanovac, Blace, Ivanjica and Lebane

¹⁷ Reported in the previous Quarterly Report. This decision was made because urban and planning directorates in Sjenica and Tutin were developing the Plans, had capacity to complete the task, and took commitment to finalise the adoption process.

¹⁸ Bela Palanka, Presevo, Kuršumlija, Raška and Vranje

¹⁹ The first round of trainings was organised from 24 to 26 October 2016 in Novi Pazar, Vladičin Han, and Niš and the second from 6 to 8 December 2016 in the same municipalities.

By visiting 13 LSGs, the Programme completed presentation of local governance reforms packages to 33 Programme municipalities. Out of 33 LSGs, 24 confirmed interest in implementation of reforms.²⁰ Municipalities are mostly keen to enhance accountability (22 requests for assistance received), primarily in the domains of public property and financial management, efficiency (nine requests), and transparency (eight requests), while one municipality opted for non-discrimination. The Programme initiated activities in eight municipalities, some progress achieved in Merošina, while concrete outputs for other seven municipalities that entered reforms is expected in February 2017.

European PROGRES has also established cooperation with the Directorate for E-governance of the Ministry of Public Administration and Local Self Government and the Social Inclusion and Poverty Reduction Unit (SIPRU) and will prepare framework for transparency and efficiency reforms related to the provision of e-services to citizens in cooperation with these two national institutions.

Good Governance Competence Centres

Two trainings were held within ongoing effort to build municipal GG capacities: the third training about the principle of transparency²¹ was held for 25 participants (23 men, two women) from 12 to 14 October in Kopaonik. In addition to thematic and practical considerations, the training included presentation by the representative of the Commissioner for Information of Public Importance and Personal Data Protection; the fourth training about the principle of participation²² was held for 22 participants (16 men, six women) from 31 November to 2 December in Kopaonik. The Office for Cooperation with Civil Society presented its work, guidelines, and practices for inclusion of civil society organisations (CSOs) into the decision-making process. The fifth training on the principle of non-discrimination is planned for February 2017.

The approach for the institutional establishment of Municipal Competence Centres for GG was considered with LSG representatives. A model would imply preparation of a Rulebook on Good Governance and Decision on the Appointment of a Person for Good Governance, which would be considered by the respective municipal councils or assemblies. This proposal will be presented to municipal decision makers in order to facilitate their support.

Three municipalities²³ have appointed new contact persons for GG. The Programme sent letters to the Mayors to facilitate their support to the ongoing activities.

1.5 Institutional development of local gender equality mechanisms

The CFPs for the Support to Local Gender Equality Mechanisms (GEMs) was closed on 14 October²⁴ after one week extension that was allowed following requests from several LSGs. Of 20 received applications, the PSC on 3 November in Priboj endorsed recommendations for funding of 18 projects²⁵ with the total Programme's contribution of 52,586 Euros. The grant contracts with local GEMs have been signed in December 2016, and implementation of project activities has started.

1.6 Strengthening capacities and developing advocacy skills of LSGs' staff on Gender Equality

²⁰ Four municipalities pulled out from the process, while six municipalities have not provided feedback so far.

²¹ The Report on Third Good Governance Training is available in the Annex I, Attachment 1.2

²² The Report on Fourth Good Governance Training is available in the Annex I, Attachment 1.3

²³ Aleksinac, Blace, and Merošina

²⁴ The Call for Proposals (CFPs) to support GEMs was announced on 8 September 2016

²⁵ Four projects are from the South West and 14 from the South and South East Serbia. Insight into results of the CFPs is available on http://www.europeanprogres.org/dokumenti/584_343289_results-of-the-cal-for-proposals-suport-to-gender-equality-mechanisms.pdf

UN Women, the implementing partner of the project for the establishment of local women's parliamentary networks (WPNs), on the basis²⁶ of percentage of women in municipal assemblies, existence of women activists groups at local level, and capacities of local GEMs, selected the following ten beneficiary municipalities: Prijepolje, Priboj, Aleksinac, Babušnica, Brus, Knjaževac, Merošina, Merošina, Surdulica and Svrlijig.

From 23 November to 9 December, UN Women organised ten information sessions for women assembly deputies from beneficiary municipalities. These functions gathered 94 participants, including representatives of municipal assemblies, local GEMs and decision makers. The sessions were effective as they resulted in establishment of WPNs in all ten municipalities, gathering a total of 76 women MPs.²⁷ The next activity is planned for February 2017 and will focus on capacity building of WPNs, primarily on local procedures relevant for gender equality.

UN Women presented the project at the Fourth National Conference of the Women's Parliamentary Network that was held on 4 November 2016 at the Assembly of the Republic of Serbia.

1.7 Gender responsive budgeting (GRB)

The Programme has started to analyse municipal budgets for 2017 in order to assess effects of gender responsive activities implemented previously and will continue this effort in Q1 2017.

Result 2

Increased competitiveness of local economy through improved business environment and management/organisational capacities of small and medium enterprises/agricultural cooperatives

The project supporting implementation of unified procedure for construction permitting that is implemented by the National Alliance for the Local Economic Development (NALED) produced the first result as the share of the positively resolved applications through the system increased to an average of 82% in the 34 Programme LSGs, which is an average increase of 10% compared with the mid-2016 when the intervention was developed.²⁸

On the basis of Energy Efficiency Assessment completed within the project of the South Serbia Fruit Cluster, one of the participating companies, 'Strela Kljajić' from Lebane, installed LED lighting that enabled annual savings of 4,000 Euros. Five dairies from the South West Serbia, members of the 'Pešter Agro Cluster' produce monthly two tonnes of "Kajmak" by using equipment procured through the project and have thus reduced their expenses by 20%; the number of visitors to small tourism households from Knjaževac, members of the 'Stara Planina Tourism Cluster', increased by 270 or 39% compared to baseline date in 2015.

Overall indicators are also positive: five clusters that were supported through European PROGRES increased the number of SME members from 2014 to 2016 by 28, from 87 to 115; cluster members opened over 200 new jobs; the annual turnover and export of cluster members increased by 2.7 million Euros and 2.6 million Euros respectively.²⁹ While these positive trends are primarily result of SME's initiatives and general market developments, the Programme's assistance to clusters is part of actions that contributed to this growth.

²⁶ Overview of selection criteria and results are available in the Annex I, Attachment 1.4

²⁷ Foundation documents of Women Parliamentary Networks are available with European PROGRES

²⁸ The statistics of construction permits for European PROGRES LSGs is available in Annex II, Attachment 2.1

²⁹ More information on the outputs, outcomes and impact of grants with clusters is available in Annex II, Attachment 2.3

First international standard has been introduced - the company Flora Ivanjica successfully obtained British Retail Consortium Standard. With this the barriers for exports to United Kingdom market of frozen fruit and jams have been eliminated and beneficiary SME expects 10% export growth in 2017. Four women entrepreneurs registered businesses in addition to previous 35, while this activity so far generated 45 full time and ten temporary jobs. The approval of grants to seven Agricultural Producer Groups (APGs) for improvement of production, primarily through introduction of new machinery and technologies, should enable opening of at least nine permanent and 30 seasonal jobs, while 647 members of agricultural cooperatives and associations, will directly benefit from the projects.

Support to Agricultural Producer Groups



Types of supported projects:



Some results were achieved through infrastructure actions. Anti-erosion works on watersheds of Pusta Reka and Raška River that included construction of ten and five barriers respectively, and forestation of 70 hectares of eroded land, were completed in December 2016. This project proved its effectiveness even before works completion: during floods that had hit the region in November 2016³⁰, Novi Pazar and Bojnik suffered minimum material damage thanks to the barriers contrary to Sjenica and Tutin that sustained estimated damage of 2.2 million Euros.³¹ The barriers were built on critical flooding locations and will continue to reduce the effects of torrential floods.

With closure of three last grants for technical documentation, the Programme completed development of 40 main designs and pipeline of projects ready to build worth 29 million Euros.³² More importantly, the European PROGRES has continued to record cases in which LSGs provide funds for construction on the basis of developed designs – in addition to previously reported examples³³, Merošina and Žitorađa also confirmed they received information that the Public Investment Management Office (PIMO) will fund reconstruction of two schools.

³⁰ Floods in particular hit Novi Pazar, Sjenica, Tutin and Prijepolje in the South West and Vranje, Prokuplje, and Bojnik in the South Serbia

³¹ Media reports on flood damage available at <http://sandzakpress.net/milionske-stete-od-poplava-u-tutinu-i-sjenici>

³² The list of completed main designs is available in Annex II, Attachment 2.2

³³ Tutin, Bela Palanka, and Svrlijig

The funding of four additional local infrastructure projects were approved.³⁴ The projects in Tutin and Leskovac relate to construction and reconstruction of schools, and will enhance conditions for education and energy efficiency, while interventions in Babušnica and Crna Trava will improve work conditions and energy efficiency in the Culture Centre and Municipal Building.

The Programme has continued to facilitate coordination between the national authorities and LSGs: two trainings about web presentations and e-services that were organised for LSG representatives in cooperation with the Directorate for E-government and SIPRU will help municipalities to enhance transparency and efficiency of services.

Activities

2.1. Technical assistance for municipalities to improve business-enabling environment

The project with NALED in support of Electronic Building Permitting System (EBPS) advanced: over 500 participants from the 34 Programme LSGs have attended 20 trainings and info days; 35 mentoring visits have been conducted to help the 34 LSGs to addressing issues in implementation of EBPS. In addition, European PROGRES provided equipment to 33 LSGs³⁵ to enhance their technical capacities for implementation of the EBPS: 27 municipalities received desktop computers and printers, while six municipalities received multifunction photocopiers.³⁶

30 LSGs have entered more than 96% of information into the Competitiveness Portal, out of which 12 LSGs have uploaded 100% of data needed for calculation of their competitiveness levels for 2015. Vladičin Han, Preševo, Tutin, and Brus are still catching up the pace with data collection and upload.

2.2. Support preparation of technical documentation and tender packages for two selected inter-municipal and at least 35 local economic/social infrastructure projects

The development of the main designs has been concluded with completion of the last three out of 40 approved grants. The Programme will monitor of the status of the developed documentation.

Preventing Floods in South and South West Serbia Project: the conceptual solutions for the Technical Documentation for Protection from Erosion and Torrents in the Jablanica, Pčinja and Vlasina Rivers as well as for the General Design with Pre-Feasibility Study for Regulation of Južna Morava River³⁷ were approved by “Serbiawaters” in October 2016. Field investigation works for regulation of Južna Morava were also completed. Location conditions, which are part of the technical documentation, were received for Vlasina River, while requests related to Jablanica and Pčinja Rivers were submitted.

2.3 Financially and technically support implementation of at least two projects contributing to the socio-economic development (at least one to be implemented by the Programme and one by CFCU each)

Vranje Hospital and Novi Pazar Emergency Ward Projects: the Department for Contracting and Financing of EU Funded Programmes of the Ministry of Finance (CFCU) through the European Integration Office (SEIO) informed the Programme on 25 October 2016 that the second ex-ante control by the Delegation of the European Union (DEU) resulted with additional comments on the tender dossiers for works planned within Vranje Hospital and Novi Pazar Emergency Ward projects.

³⁴ The results of the CFP for Local Infrastructure Projects are available at <http://www.europeanprogres.org/konten/en/509/Results-of-the-Cal-for-Proposals-Local-Infrastructure-Projects/>

³⁵ All Programme LSGs but Brus provided feedback on the needs for technical equipment

³⁶ Equipment was provided on the basis of findings of the European PROGRES Needs Assessment from February 2016

³⁷ Covering the flow from Grdelica to Preševo

This was in addition to the first ex-ante comments from early September, which were timely addressed with the Programme's support. European PROGRES has adjusted the tender dossiers to ensure compliance with the new set of DEU comments. The revised tender dossiers were sent to SEIO for Novi Pazar Emergency Ward in early December and for Vranje Hospital mid-December. Furthermore, the Terms of Reference (ToR) for the technical supervision services for both projects was revised as well and sent back to SEIO in November 2016.

Construction of anti-erosion structures to enhance flood prevention in the South and South West Serbia was completed: five barriers were constructed in Raška River Water Shed by end November and ten in Pusta Reka River Water Shed³⁸ by mid-December 2016. In addition, forestation of 70 ha in Raška River Water Shed was completed. The commissioning of works and handover to the Public Water Management Company "Srbijavode" has started in December 2016 and will be completed in Q1 2017.

2.4 Technical assistance for implementation of grants for local infrastructure projects

In addition to 14 grants approved in August 2016, the PSC endorsed³⁹ funding of four local infrastructure projects that were on the reserve list⁴⁰, for which the European Union and the Government of Switzerland earmarked 378,173 Euros. The tenders for works are advertised by 17 LSGs with the exception of Tutin, where the control of the design documentation is still ongoing.

By 31 December 2016, six contracts for works were signed between LSGs and selected bidders⁴¹, while four tenders had to be re-advertised⁴², either due to the higher values of offers than what was the budgeted amount or due to the insufficient number of compliant offers. The Programme at this stage, however, does not envisage shift from the grant methodology to direct implementation, especially if the LSGs continue to respect the agreed dynamics.

The indicative date for completion of evaluation of applications that were submitted in response to the CFPs for Local Infrastructure Projects that is managed by the CFCU is Q1 2017.⁴³

2.5 Support municipalities in development of local policies and/or administrative regulations

The Programme, with support from Swiss experts for GG, provides support to 18 municipalities that have been awarded with infrastructure projects.⁴⁴ Consultations with targeted municipalities on how to "link" GG with particular infrastructure project has been initiated with for four most relevant projects for this intervention (Bojnik, Bosilegrad, Priboj, and Vlasotince). The bulk of actions within this activity will start in the Q1 2017 in parallel with progress of infrastructure projects.

2.6 Develop policies and/or administrative regulations addressing vertical coordination between the Government and local self-governments in cooperation with line ministries and stakeholders

The Programme has organised, in cooperation with the SIPRU and the Directorate for E-government, two two-day trainings to help LSGs to improve web presentations and e-services. The trainings were held on 12-13 and 15-16 December attracted 32 participants (25 men, seven women) from 21 municipalities from the South and South-East Serbia. The third training for municipalities from the

³⁸ Six barriers were constructed in Bojnik and four in Prokuplje

³⁹ The reserve list with four infrastructure projects was approved at the PSC meeting of 10 August. Funding of projects from the reserve list was confirmed by electronic voting/information that was organised from 11 to 17 October 2016.

⁴⁰ Four projects will benefit citizens of Leskovac, Tutin, Babušnica, and Crna Trava

⁴¹ Sjenica, Vranje, Surdulica, Kuršumljica, Lebane and Bojnik

⁴² Bosilegrad, Prijepolje, Vlasotince and Doljevac

⁴³ Information obtained by the CFCU representative at the PSC held in Priboj on 2 November.

⁴⁴ Group A, high relevance: four projects (Priboj, Bojnik, Vlasotince and Bosilegrad); Group B, medium relevance: three projects (Brus, Doljevac and Lebane); Group C, least relevance – seven municipalities (Sjenica, Prijepolje, Vranje, Ivanjica, Bela Palanka, Surdulica and Kuršumljica).

South West will be held in February 2017. European PROGRES will also, in cooperation with the Directorate for E-government and SIPRU, provide expert support to municipalities to establish or upgrade e-services as well as to develop the Act on Security of ICT systems.

Considering information received from LSGs about heavy workload they encountered at the end of the year as well as that similar concern was expressed by SIPRU and SCTM, European PROGRES postponed two vertical dimension workshops that were planned for December to February 2017.

2.7 Provide support for establishment of at least two PPP for exploitation of the municipally owned land or facilities

Knjaževac, Surdulica and Raška have adopted Assembly Decisions for initiation of the PPP projects. The three LSGs also established Working Groups for PPP projects that provided baseline data on existing municipal public lighting systems. The Programme's experts used the data to conduct preliminary technical and financial analyses of options for public lighting that include different usage levels of Light Emitting Diodes (LED) Lamps. Knjaževac and Raška opted for public lighting that is based on LED technology, while Surdulica plans to retain a small percentage of sodium lamps. Three workshops for identification of technological, financial, and legal risks related to PPP projects were held in the Programme offices in Niš and Novi Pazar during December 2016.

2.8 Facilitate establishment of the new SME clusters, and support existing SME clusters in common market approach and internationalization through introduction of international quality management

The British Retail Consortium (BRC) Standard is the first international quality and food safety standard that is introduced in one of the seventeen beneficiary SMEs.⁴⁵ Standardisation is ongoing for other 16 SMEs, while the most significant progress was made by seven enterprises that completed documentation for introduction of ISO 9001 standard and organised processes in accordance with the standard requirements. The initial certification audit for seven SMEs was completed, while the final certification is planned for Q1 2017.

The Programme's assistance to clusters is completed with closure of the two remaining grants.⁴⁶ The final activity of the 'Novi Pazar Shoes Cluster' project was Shoe Fair that was organised on 2 November in Novi Pazar. In the presence of 70 partners, potential buyers, business support organisations, and education institutions, the five beneficiary SMEs presented 40 new shoe models that were developed with the software and expert support provided through the project. The grant with 'Prijeopolje Textile Cluster' was completed by the visit of seven beneficiary SMEs to the Munich Textile Fair on 16-17 November that was used to explore new business opportunities. Within preparation for the visit, the Cluster developed promotional material, web site, and organised workshop on business communication.

The Programme delivered equipment to seven⁴⁷ out of 17 selected entrepreneurs, micro and small enterprises (MSEs).⁴⁸ Efforts have been invested to ensure that beneficiaries' premises are adequate for instalment of the requested equipment, in addition to provision of assistance for fine-tuning of corporate social responsibility measures that will be implemented by the beneficiary MSEs, starting as early 2017.

⁴⁵ The PSC approved award to 22 SMEs out of which four have withdrawn their applications stating that they will not be able to maintain the newly introduced standards and/or that the standards are no longer relevant for their businesses. In addition, due to limited market of service providers for a standard for prefabricated materials (RAL-GZ) the Programme was unable to support the beneficiary requesting that standard

⁴⁶ Grant Agreements with 'NP Shoes Cluster' and 'Prijeopolje Textile cluster' are completed in November 2016

⁴⁷ The list of equipment that is delivered by the end 2016 is available in the Annex II, Attachment 2.4

⁴⁸ The Public Call is available at <http://www.europeanprogres.org/konten/en/420/Public-Cal-for-Proposals-Enhancing-Competitiveness-through-Creation-of-Jobs-in-the-Private-Sector/>

2.9 Support agricultural producers in reaching common markets through establishment of cooperatives, introduction of new production techniques, and international standards on food safety

TA for protection of geographical indication for the five traditional products⁴⁹ is underway. Certification of authorised users for 'Sjenica cow cheese' and 'Sjenica lamb' is initiated with assessment of beneficiaries' management systems. Development of elaborates for the Protected Geographical Indication (PGI) for 'Ivanjica potato' and 'Vlasina honey' and for the Protected Designation of Origin (PDO) for 'Sjenica lamb' has started with collection of baseline information, staging of initial meetings with key stakeholders, and organisation of trainings for producers.

With organisation of a study visit to France for the 32 Agricultural Producer Groups (APGs)⁵⁰, the first phase assistance is completed. The visit conducted from 6 to 9 November included meetings with agricultural producers in Gironde area with focus on organisational models and modern production techniques, and a meeting in the French Ministry of Agriculture was about functioning of agricultural cooperatives and associations in France and the support provided by the Government in this field.⁵¹

Within the second phase assistance, the PSC endorsed recommendations for funding of seven projects of APGs in the total value of 207,961 Euros, while additional three projects were put on the reserve list. The key project outputs will include procurement of equipment for processing and storage of fruit and vegetables, bee hiving, and cattle food production.⁵²

2.10 Support to women entrepreneurship

Five tenders for procurement of equipment in support of women entrepreneurship have been completed and equipment has been supplied to additional 17 beneficiaries. Two tenders related to procurement of playrooms and equipment for cosmeticians and hairdressers have been contracted and delivery of equipment is expected in January and February 2017. These two tenders proved to be complex due to limited market and higher actual offers than estimates, however, delivery of now contracted items will mark end of equipment procurements.

The consultancy for provision of training and mentorship support to woman and youth⁵³ entrepreneurs was selected in October 2016. The selected company ENECA conducted two days mentorship trainings for 34 beneficiaries (24 women, and ten youth beneficiaries). Training programme includes seven modules, adjusted to beneficiaries needs such as: legal framework for small businesses in Serbia, managerial skills, planning and development, marketing and sales, finances and bookkeeping, business communication. The most important challenge identified is actually delivery of equipment, as mentorship is the most efficient while business is operational. Trainings and mentorship support will be provided to all beneficiaries until May 2017.

Result 3

Improved access to employment, offering equal opportunities to both men and women, and social inclusion of most vulnerable and marginalised groups through development and implementation of local policies resulting in reduced migration from South East and South West Serbia

⁴⁹ The five traditional products selected for assistance in geographical indication certification under the Call for Proposals are: 'Sjenica cow cheese' and 'Sjenica lamb' for certification of authorised users, 'Vlasina honey', 'Ivanjica potato' for Protected Geographical Indication (PGI) and 'Sjenica stelja' for Protected Designation of Origin (PDO)

⁵⁰ Selected under the Call for Proposals for Provision of support to APGs

⁵¹ The Report on the Study Visit for APGs is available with European PROGRES

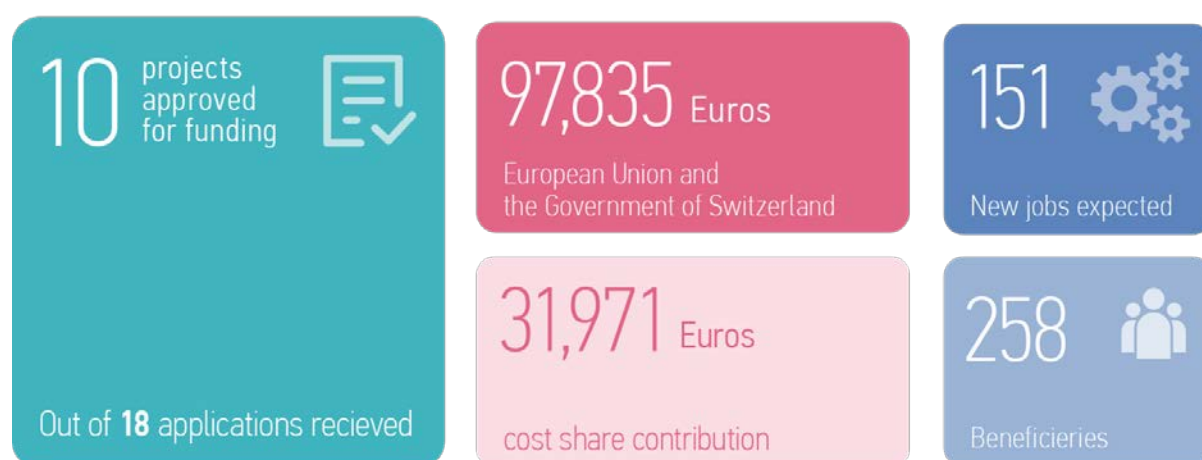
⁵² The results of the CFPs for Supporting APGs, including basic information about each of the approved project, is available at http://www.europeanprogres.org/dokumenti/581_883341_podrska-poljoprivrednicima-infoshet-i-faza-eng02.pdf

⁵³ Beneficiaries of the Activity 3.5

The actions to enhance access to employment for vulnerable and marginalised were effective. Primarily, the PSC approved ten grants to support LSGs to implement vocational training in accordance with Local Employment Action Plans that will benefit 260 unemployed and open 151 jobs by the end of 2017. The majority of projects envisage implementation of professional practice as an active labour measure which is primarily intended for the unemployed youth up to 30 years in order to enable them to acquire the first professional experience.

The CFPs to Support Self-employment of Vulnerable and Marginalised Groups, implemented by the Centre for Social Policies and Educational Centre, resulted with assistance to 28 beneficiaries (17 men, 11 women) to start their own businesses. Support to youth entrepreneurship also advanced: five out of 22 beneficiaries received equipment for business start-ups, while four have registered businesses.

Support to Vocational Training



Types of supported projects:



PROFESSIONAL PRACTICE



TRAINING FOR KNOWN EMPLOYER



TRAINING FOR LABOUR MARKET

Partnership projects of civil society organisations (CSOs) and LSGs, supported through the second Citizens Involvement Fund (CIF2), have contributed to economic empowerment of the vulnerable. In Leskovac, nine people with disabilities and 35 members of their family are equipped with mini-farms of laying hens for starting of small business for consumable eggs production. In Babušnica, five women from rural areas have been equipped with greenhouses and tools and trained for starting of organic production. The social enterprise “Rose”, established through CIF1 project, signed a three-month business contract with a large bakery chain which will enable employment of four women in addition to previous 13, and engagement of seven more co-operators that will work from home. Successful delivery of contract will open room for future business cooperation.

Ten projects for piloting of measures from the Strategy for Social Inclusion of Roma at the local levels have generated first results. In the human security field, level of hygiene, water supply, and fire protection were enhanced in ten Roma settlements through increased engagement of Public

Utility Companies, cleaning, procurement of containers, installation of fire distinguishers, and safety trainings. Within education efforts, 149 pupils enhanced knowledge of Serbian and mathematics by attending additional classes. In the employment field, 175 Roma beneficiaries were trained in entrepreneurship, while three Roma women have been employed in Medveđa Office for Poverty Reduction. Health actions enabled 50 Roma women and men to benefit from medical checks.

The Programme procured medical equipment for health centres and hospitals in nine municipalities.⁵⁴ The equipment will provide better access to health protection for women, in particular for conduct of checks related to prevention of malignant and other diseases.

In cooperation with the Ministry of Education, Science and Technological Development (MESTD) and the Coordination Body of Preševo, Bujanovac and Medveđa (CB), the Programme has continued to provide assistance to Albanian pupils to improve their knowledge of Serbian language by renewing engagement of six teaching assistants in four schools in Bujanovac and Preševo. The number of pupils covered by the intervention increased by 20% from 865 in the last school year to 1,073 pupils this year.

CIF2 project implemented by CSO Timočki Club, included conduct of the Assessment of Transparency⁵⁵ of Municipalities in Financing Programmes of Public Interest. The Assessment showed that 32 municipalities developed procedures for financing of projects of public interest through public calls but confirmed the need for improvement of the monitoring and evaluation system.

Activities

3.1 Citizens' Satisfaction Surveys conducted in the last year of programme implementation

The Citizens' Satisfaction Survey will be conducted in Q2 and Q3 of 2017.

3.2 Citizens' Advisory Services enable citizens to access their rights and entitlements

No activities were planned for the reporting period. Since the Law on Free Legal Aid was not adopted in 2016, the initially designed approach of this activity is not relevant any longer.

3.3 Develop and deliver vocational training programmes according to identified local economy needs

Eighteen applications were received in response to the CFPs for LSGs to Implement Vocational Training⁵⁶ and the PSC via electronic voting from 11 to 17 October approved funding of ten projects⁵⁷ in the total value of 97,835 Euros. All beneficiary LSGs have signed grant agreements and transfer of the first grant tranches is completed.⁵⁸ The preparatory activities of approved projects i.e. publishing of the (Municipal) Calls for Vocational Trainings, selection of beneficiaries, and signing of Agreement on Technical Cooperation with the National Employment Service (NES) were conducted.

3.4 Support preparation and implementation of local strategies/action plans for employment and social inclusion

⁵⁴ Aleksinac, Babušnica, Bela Palanka, Brus, Doljevac, Gadžin Han, Knjaževac, Merošina and Svrlijig

⁵⁵ Annex III_Attachment 3.1 Status of 34 LSGs on transparency in public financing of CSOs (Serbian)

⁵⁶ The Public Call is available at <http://www.europeanprogres.org/konten/en/505/Public-Cal-for-Proposals-for-Local-Self-Governments-to-Implement-Vocational-Training-in-Acordance-with-Local-Employment-Action-Plans/>

⁵⁷ The ten beneficiaries are: Aleksinac, Babušnica, Bela Palanka, Doljevac, Ivanjica, Prijepolje, Prokuplje, Sjenica, Trgovište and Vranje. Overview of CFPs details is available at http://www.europeanprogres.org/dokumenti/577_998279_vocational-training-eng-02.pdf

⁵⁸ Transfer of funds in total amount of € 78,743.18 is executed

In mid-October, the Centre for Social Policy (CSP)⁵⁹, the implementing partner for this activity, conducted the first cycle of peer reviews on establishment of social protection services in Leskovac, Doljevac, and Sjenica for 76 participants from 29 LSGs.⁶⁰ The representatives of social sectors from LSGs presented social protection services in their municipalities, while the CSP presented methodologies for establishing social care services and for mapping of needs of vulnerable groups.

Furthermore, the CSP reported that Žitorađa, one of three previously selected LSG along with Bosilegrad and Merošina for the establishment of community based services, showed lack of interest for the participation in the activity. The Centre recommended Bujanovac instead Žitorađa as, in addition to identified needs, this municipality showed interest. The Programme agreed to this change. Merošina officially confirmed commitment to this activity, while Bosilegrad and Bujanovac are expected to do so in early 2017.

The CSP in partnership with the Educational Centre Leskovac (EC), has advertised the CFPs for Self-employment of Vulnerable and Marginalised Groups from 1 November to 9 December.⁶¹ The CFPs was open for unemployed persons that are registered with the NES and belong to the following younger than 30, older than 50, redundancy, persons with disabilities, Roma, and low qualified. In order to promote the Call, seven info sessions held in November with 147 participants (104 women, 43 men), while support has been provided to 168 potential beneficiaries (106 men and 62 women) for development of applications. In response, 139 applications were received from 30 municipalities.⁶² In December, the Evaluation Committee composed of representatives of CSP, EC, and NES, approved 28 proposed business plans (17 men, 11 women) from 16 municipalities, with total contribution of 78,730 Euros. The most common businesses are in the area of production (15), while the most represented target group are people younger than 30 (12 beneficiaries) and older than 50 (ten beneficiaries).⁶³ Procurement of equipment and contract issuing will start in January.

3.5 Promote active inclusion and improved integration of social and employment services in underdeveloped municipalities *Youth Self-employment*

The procurement of equipment for selected youth entrepreneurs has continued with advertisement of eight additional tenders.⁶⁴ The first deliveries of equipment have started in December and included five beneficiaries that received all requested items⁶⁵ while eight beneficiaries received part of the equipment needed for business start-up. In order to enhance sustainability, young entrepreneurs attended trainings on business management, marketing, and other services based on their needs.

Official ceremony of award of certificates to 20 youth entrepreneurs took place on 2 November in Novi Pazar, as part of the official visit of the Head of Delegation of European Union to South-West of Serbia. On the margins of the event donation contracts were signed also.

Piloting Measures from Strategy for Social Inclusion of Roma at the Local Level

⁵⁹ The CSP Third Progress Report is available with European PROGRES

⁶⁰ Brus, Prijepolje, Tutin, Žitorađa and Vladičin Han did not take participation.

⁶¹ This CSP, in accordance with the contract for provision of services, is designed to consider establishment of models for employment at the local level and this is the reason why the whole process was conducted by the consultancy, while European PROGRES maintained monitoring role.

⁶² Nine applications from the South West Serbia and 21 from the South East Serbia

⁶³ The Evaluation of the CFPs for Self-employment of Vulnerable, implemented by the Centre for Social Policies, is available in Annex III, Attachment 3.2

⁶⁴ Annex III_Attachment 3.3_Youth Procurement Progress_December 2016

⁶⁵ Textile machines, wood processing machines and textile printers

The Projects for Piloting Measures from the Strategy for Social Inclusion of Roma have been initiated in October 2016 with staging of two sessions about European project management standards and requirements. Events were held in Vranje and Niš in the presence of 19 representatives (ten women, nine men) of awarded Roma organisations. The Programme has also provided support to Roma organisations through consultations, field visits, and review of their reports. In order to provide additional assistance to organisations with weakest capacities, two additional workshops were organised in December for 15 participants (eight men, seven women).⁶⁶

Music Art Project

The grant agreement with the NGO Music Art for continuation of project for introduction of inclusive methods into music education was signed in October 2016. This was followed by establishment of cooperation between the Music Art, one musical and three primary schools from Vranje, Vranjska Banja, and Surdulica, and four Roma NGOs. Seven teachers who will implement El Sistema Methodology were selected and passed training accredited by the MESTD, along with 50 more of their colleagues interested to learn about this methodology. The classes based on El Sistema Methodology started in November, while one national and one international musical expert realised master classes on El Sistema methodology with the children and teachers in Vranje and Surdulica.

Since commitment of school from Vranjska Banja was limited during the starting activities, the Music Art proposed its replacement with the primary school from Bujanovac. The Programme agreed to this recommendation and the school from Bujanovac formally confirmed participation in the project.

3.6 Improved Technical Capacities of Local Medical Centres in Addressing Women Health

Tenders for procurement of medical equipment⁶⁷ for the health centres in the nine new Programme LSGs were finalised.⁶⁸ Delivery of items worth 109,500 Euros started in December 2016 and by the end of the month Aleksinac, Knjaževac, Bela Palanka, Merošina, and Gadžin Han received the equipment, including gynaecology examination chairs, CTGs, and video colposcopies. The remaining medical equipment will be delivered in January 2017.

Pursuant to the national gender equality strategy, in addition provision of equipment, the Programme will implement the awareness raising campaign related to the importance of preventive health checks. The campaign is expected to start in Q2 2017.

3.7 Improvement of working conditions and management of local cultural institutions in multi-ethnic municipalities

The approach to this activity will be confirmed with the PSC in Q1 2017.

3.8 Two rounds of calls for proposals under Citizens' Involvement Fund (CIF) for partnership projects of civil society organisations and local government institutions

Implementation of 23 projects supported through the CIF2 is generally progressing in accordance with the plans: first results contributing to the economic empowerment of the vulnerable citizens were recorded, eight grant verification visits were conducted, with positive findings, and 70% of the awarded funds were disbursed. One month delay was registered on projects in Tutin and Bujanovac due to low capacities of the implementers. The Programme closely monitors both projects in order to address any further issues.

The CIF 2 Grant for the Municipality of Bela Palanka project, that includes adaptation of the premises of the Day Care Centre, was issued in December 2016, following the agreement about conditions

⁶⁶ Overview of outputs of projects for Roma social inclusion

⁶⁷ On the basis of Assessment Report that was shared within the Quarterly Report 1 July – 30 September 2016

⁶⁸ Overview of medical equipment per municipality is available in the Annex III, Attachment 3.4

which must be fulfilled to facilitate sustainability. Namely, the municipality and partner CSO applied with the Ministry of Labour, Employment, Veteran and Social Affairs for the licence for provision of social services in the premises – if their application is rejected, the Municipality took formal commitment to establish a Club for Persons with Disabilities.⁶⁹ The Programme will continue to closely monitor implementation of this project.

3.9 Support young people from Albanian community to learn Serbian language

Implementation of the second phase of the project for improving learning of Serbian as non mother tongue in schools in Preševo and Bujanovac has started in October 2016: five previously engaged teaching assistants were rehired for the school year 2016-2017 and one new engaged.

The activity is advancing well with the exception of school “Muharem Kadriu” in Bujanovac where two teachers were replaced with the new candidates that may not have adequate qualifications for teaching the Serbian language. The Working Group for Implementation of Recommendations for Improving Teaching of Serbian as Non-Mother Tongue met on 22 December and concluded that the School Administration Leskovac was the authority to assess whether the newly engaged teachers in the school in Bujanovac fulfil legal requirements. If any breach is confirmed, the MESTD and CB will request the replacement of the teachers.

3.10 Design and implement targeted measures to reduce migration from South, South East and South West Serbia

No activities were planned for this reporting period.

Result 4

Effects of Serbia's European accession communicated to general public

The Programme continues to generate visibility for donors as over 530 affirmative media reports⁷⁰ were registered - a record number per quarter and double the number of reports for the same period in 2015. In total since the beginning of European PROGRES over 2,600 media reports accurately listed the support provided by the European Union (EU).

Furthermore, a significant and steady growth has been recorded in the national media coverage: 224 reports were registered during the Q4 2016 which is a threefold increase compared to Q4 2015. Similarly the national coverage increased by five times compared to the previous year - from 138 reports in 2015 to 765 reports in 2016.

The largest media attention, of over 80 positive reports, was attracted by the DEU Ambassadorial visit to South West Serbia focused on the EU support to MSEs. Recorded interest corresponds to the national concerns over unemployment⁷¹ and the proven good practices of EU where the similar trends were reversed.⁷²

The economic themes remain among priorities for the media and general population, thus over 40 stories reported on the creation of new jobs through the EU, Swiss, and Serbian Government support to the implementation of vocational training programmes. Similarly over 50 stories focused on the support provided to agricultural producer groups and over 80 media reports concentrated on improvement of positions of vulnerable groups, namely projects aimed at improving social inclusion of Roma population at local level, and CIF projects.

⁶⁹ Establishment of model for provision of social services in line with relevant legal provisions

⁷⁰ The overview of media coverage is available in the Annex IV, Attachment 4.1

⁷¹ <http://www.blic.rs/vesti/ekonomija/rsz-nezaposlenost-u-srbiji-porasla-na-19-odsto/6v70wrh>

⁷² http://europa.eu/rapid/press-release_STAT-16-4202_en.htm

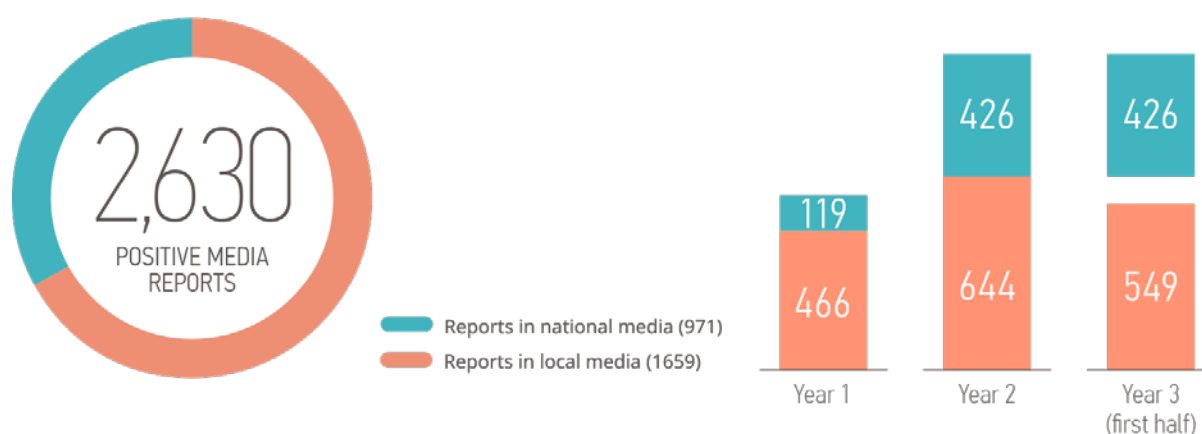
The Programme activities aimed at youth, the Calendar Competition Launching and Award Ceremony, together with the lecture “You are Europe”, generated substantial media coverage, while the reports underlined the importance of improving the Serbian citizens’ knowledge about the EU. While the submitted artwork expectedly indicated that the further education and visa-free travel were topics of key interest for youth in Serbia additional and very high interest in environmental protection, promotion on tolerance and respect for diversity as well as economic growth showed high awareness of EU integration relevant topics.

Additionally, there have been almost 50 stories related to the Programme efforts to improve the status of women, including the projects to be implemented by local gender equality mechanisms as well as the provision of medical equipment to the health centres in nine Programme municipalities.

The Programme’s Facebook and Twitter pages have reached new milestones - the Facebook page surpassed 5,000 followers, while the Twitter page is nearing the 500 mark. Both channels recorded approximately 480% increase in audience since December 2015.⁷³ The Programme website has had 17,182 unique visitors during the reporting period - 133% more than in the fourth quarter of 2015. The increase in online audience confirms that internet is increasingly important tool to reach beneficiaries while the increase of interest for Programme social media during the ongoing, youth focused campaign shows effectiveness of these tools to reach the intended target audience.

The Programme’s public awareness campaign has commenced and is focused on improving the understanding of relevant European values and EU accession process and its effects and benefits for youth and media. Through focus on promotion of individual opportunities while using official European Youth and Media Programmes the campaign is ultimately intended to initiate change – for main target groups to identify themselves as active change makers, locally and nationally.

Coverage in local and national media



Activities

⁷³ Compared to the same quarter of 2015, the number of individuals directly following Programme activities on social media has vastly increased: in December 2015, the Facebook page had 861 followers, while by December 2016 the number increased by 486% - standing at 5,045 currently; the Twitter page audience has also recorded an increase of 466% since December last year, amounting to 487 followers at present.

Visits and events

Four high profile events were organised. The Seventh Programme Steering Committee (PSC) was organised in Priboj on 03 November with over 60 representatives of the donors, Government, LSGs, civil society organisations and the media, including six Mayors and three Deputy Mayors. The meeting was attended by DEU Ambassador who visited several ongoing projects and met local leaders during 2-3 November in Novi Pazar, Nova Varoš and Priboj. On 30 November DEU Ambassador attended the Subotica Faculty of Economics, Bujanovac Department Stakeholders' Committee Meeting. On 21 December DEU Head of Information, Communication, and Press (ICP) visited Novi Pazar to take part in the South West Serbia launch of the Programme Campaign as well as in the Calendar Competition Award ceremony.

The end of 2017 calendar competition themed "Europe: A Wise Choice" was marked by the award ceremony in Novi Pazar on 21 December. The event gathered 70 high school students from across the Programme area. A record of 30 schools participated with 120 artworks depicting themes from European Diary – a youth focused publication prepared by EU Info centre. The calendar was printed in 2,000 copies and distributed to various stakeholders.

Additionally Roma Cultural Festival took place with substantial Programme support on 20/21 October. The Festival was attended by 12 youth folklore troops, including one from Macedonia. The Round table was amongst others attended the State Secretary of the *Ministry of Labour, Employment, Veteran and Social Affairs*, and the representatives SIPRU.

Media Work

Ten press releases and two media announcements have been distributed and three interviews were organised: on social inclusion and empowerment of vulnerable groups, to Radio Belgrade 1 - Roma Newsroom; to Radio Television of Serbia about the support provided to micro and small business; to Radio Sto Plus about the support to disadvantaged groups in South West⁷⁴; about the EU and Swiss support through European PROGRES to agriculture was aired on Studio B.

Web and social media



Digital media engagement has intensified, as the reporting period saw the launch of the Programme campaign, whose main target audience - the youth – are the most prominent internet and social media users. A total of 260 Facebook posts reached 108,315 people – an increase of 413 percent compared to the same period in 2015, while 297 Tweets were retweeted 240 times. The Programme has also launched an [Instagram page](#) which is currently predominantly used for campaign activities.

⁷⁴ RadioStoPlus.com [Vujačić: There is a PROGRES in Social Inclusion](#) (11 November 2016)

Propositions for the Competition for the Best Media Reports on European Integration in the South East and South West Serbia were published on 15 December and will invite media to submit their relevant reports until 1 March 2017. The concept note for the competition has been developed together with DEU and SEIO who will also contribute with awards for winning journalists. Four info sessions were held in Novi Pazar, Vranje, Niš and Bujanovac and a subsequent Questions & Answers was published on the Programme website to clarify propositions.

Tools and visuals

The European PROGRES Communication Strategy has been revised according to inputs from the Mid-term review. Implementation of the Internal Communication Strategy continued and several communication tools have been developed or updated including Event Calendar and Overview of all European PROGRES Projects.⁷⁵

Info sheets on approved results of CFPs for vocational training, assistance to agricultural producer groups, and local gender equality mechanisms public, have been developed and timely posted on the website. Additionally a factsheet on Programme support to Youth and Sport development has been produced and published on the website.

One Video about European PROGRES projects contributing to inclusive education has been produced and the production of the remaining four videos are ongoing.

4.2 Implementation of advocacy/awareness campaigns in partnership with civil society with attention to European values

Campaign “You are Europe” commenced in October 2016. Lead campaign messages, comprehensive concept, and signature tune have been developed as well as three animated infographics, two video success stories, and two Vox populi videos. Campaign Print and Digital materials were also produced and distributed accordingly.

Lectures in 12 schools across Programme area were attended by a total of 450 while the two media seminars held in Novi Pazar and Niš and were attended by a total of 47 media representatives and nine lecturers. Main campaign messages i.e. promoting the process as well as the opportunities and benefits stemming from EU integrations were fine tuned for the appropriate audiences. To ensure sustainability the Campaign utilises existing SEIO and EU Info Centre Materials and promotes all of the official EU Programmes related to youth and media.

On line Campaign started on 15 November 2016 when besides the existing Twitter and Facebook account the European PROGRES Instagram account was created. So far on Facebook 16 posts and one event, on Instagram 14 posts and five stories were created while 33 Twits were issued.⁷⁶

Management and coordination

European PROGRES strongly advanced towards its objectives in the Q4 2016: the work plan for the reporting period was fulfilled while some of the milestones were surpassed. At the end of 2016, EUP has contracted 248 projects, out of which 103 (42%) have been completed so far (17 during this quarter).

⁷⁵ All newly developed tools are available with European PROGRES

⁷⁶ The First Progress report of the Campaign “You are Europe” is available with European PROGRES



Programme Steering Committee

The seventh PSC meeting was held in Priboj on 3 November 2016 and, among other, resulted in the approval of the Quarterly Report 1 July 2016 – 30 September 2016.⁷⁷ The PSC also used electronic voting procedure to consider recommendations for funding of projects to support LSGs to implement vocational training as well as to reconfirm funding of four projects that were previously put on the reserve list. There were no objections from the PSC members and European PROGRES initiated issuing of grants for the approved projects. The next PSC meeting is planned for February 2016.

Finance

The following are the key indicators of European PROGRES financial performance:

- The delivery for the reporting period is 2,768,707 Euros which is 111% vs forecast for Q4 2016
- The total delivery as of 31 December 2016 is 12,146,291.68 Euros or 69.57% of the Programme budget
- The forecast delivery for Q1 2017 is 1,309,359 Euros

Third instalment in the amount of EUR 4,630,981.58 is received from DEU and the sixth instalment of 720,000 Euros from the SDC in this quarter.⁷⁸

Procurements and grants

The Programme's procurement activities reached peak in Q4 2016, with 57 initiated or completed processes, in particular due to provision of equipment in support of women entrepreneurship, youth self-employment, and MSEs. Several specific, higher value purchases were successfully conducted and they refer to:

- Provision of services on organisation of the First Campaign "Bringing European Integrations Closer to the Media and Youth in the South East and South West Serbia"
- Provision of services on development of Detailed Regulation Plan for Infrastructure Corridors in Golija Nature Park Area
- Provision of Medical Equipment for Health Centres in South and Southwest Serbia.

⁷⁷ The draft Minutes of the PSC meeting held in Priboj are available at http://www.europeanprogres.org/dokumenti/43_454225_ep-tenth-psc-meting-minutes-priboj-d3-1712016.pdf

⁷⁸ The figures provided in this section are indicative while the final ones will be provided in the UNOPS Certified Financial Statement

The list of conducted procurements during Q4 2016 is available in the Annex V, Attachment 5.1.

In addition, following 39 grants were issued during reporting period:

- Four for Local Infrastructure Projects
- Ten to LSGs for Vocational Trainings
- 18 for Support to Local Gender Equality Mechanisms
- Seven for projects of Agricultural Producer Groups.

Human resources

In order to ensure the Competitiveness Sector has capacity to respond to peak of activities, European PROGRES hired the Programme Officer for Competitiveness, the Assistant for Competitiveness, and the Assistant for Competitiveness of Local Self-governments and Agribusinesses while the position of Programme Associate for Municipal Management ceased to exist. In addition, the Programme also engaged Consultants for Geographical Indications. In order to enhance coordination between the Programme and UNOPS Serbia Support Services, the Programme hired the Programme Support Officer.

European PROGRES team members completed the following trainings:

- Three personnel completed PRINCE2 Foundation and four PRINCE2 Practitioner exams
- One personnel completed Working Safely Training of the Institution of Occupational Safety and Health aimed to strengthen health and safety awareness and good working practices
- Two Engineers and Infrastructure Advisor are going for the certification with the ICE CATS SCHEME with the United Kingdom Institution of Civil Engineers. This is on-going activity which will continue in 2017
- One team member obtained was approved access to Lynda.com which is a leading online learning platform. This will in particular be useful for development of IT skills needed for project management.
- The Sector Manager for Competitiveness completed UNOPS Managing Underperformance Course
- Newly recruited personnel completed mandatory UNOPS courses, including basic and advance security in the field.

Logistics and security

- The Programme's Office in Belgrade moved their premises from 78/80 Šumatovačka Street to the new in 4 Skerlićeva Street providing improved working conditions for personnel
- Annual registration of five Programme vehicles was extended for the year 2017
- Programme's vehicle, Skoda Yeti/BG-70-A-037, was donated to grant beneficiary 'Radanska ruža' from Lebane
- Part of furniture has been transferred from Belgrade to offices in Niš, Vranje and Novi Pazar.
- No security issues or threats for European PROGRES personnel or the implementation have been recorded during the reporting period.

Information Communications Technology

- Three members of personnel have been provided with new computers
- Alarm system has been installed in Niš office for the unattended securing and distant security monitoring of the object.
- File backup and maintenance of the ICT infrastructure performed on a regular basis.

Risks and issues

The key European PROGRES' risk is linked to delays in implementation of the CFCU managed projects for construction of Vranje Hospital and Novi Pazar Emergency and grant scheme for local infrastructure proposals. While, as reported earlier, the Programme cannot provide planned TA to implementation of projects within the current timeframe due to delayed progress, any further delays could endanger utilisation of funding intended for these purposes. The Programme has been providing timely response to requests for assistance from the CFCU related to tender dossiers for Vranje and Novi Pazar projects, in order to facilitate necessary approvals and tender advertisement. It will continue to monitor the progress.

European PROGRES managed to address part of risks and issues resulting from the 2016 elections. For example, through close consultations with Knjaževac, Surdulica, and Raška, the Programme facilitated timely decisions of municipal assemblies in support of PPP projects, hence reducing activity delays to a minimum. Presentation of the potential benefits of the Competiveness Assessment and Competiveness Portal to the newly elected or appointed municipal officials also contributed to finalisation of competitiveness data entering in the Portal by 30 LSGs. While not all CIPs were adopted, following the meetings with the Programme, beneficiary municipalities reaffirmed commitment to adopt Plans in Q1 2017.

Some risks deriving from elections are still present. For example, projects implemented with Gender Equality Mechanisms (GEMs) may encounter challenges as, in addition to low capacities, GEMs changed composition after the elections. The newly appointed GEM members, as it was case during development of applications in response to the CFPs, will need additional assistance and the Programme will put effort to address this and facilitate implementation. Furthermore, despite willingness for local governance reforms, some LSGs have limited capacities to implement the recommended actions and this may reduce effectiveness of the intervention. The Programme will consider hiring of additional on call experts to bridge the gap in capacities.

While approvals of local infrastructure projects are positive, implementation of these projects within current European PROGRES time framework is feasible but risky. The Programme worked closely with LSGs to facilitate quick start of relevant public procurements and has established strict time tolerances in order to directly implement or cancel projects if these are exceeded. As a result, by end December 2016, 17 procurements out of 18 planned were underway while three were concluded. This risk was mitigated but still exists and European PROGRES will continue to monitor progress closely, while LSGs must remain strongly committed.

The Risks and Issues Register⁷⁹ includes both initial and newly identified risks, as well as the information on the planned responses and their status. It also includes all the issues that have emerged so far as well as the status of actions done in response to these issues.

Quality and sustainability

UNOPS Serbia quality assurance

European PROGRES underwent UNOPS RSPC Quality Assurance (QA) exercise on 10 October 2016.

⁷⁹ The Risk and Issues Register is available with European PROGRES

The exercise confirmed the Programme's performance was healthy, as well as that it enhanced delivery both in terms of programmatic and financial targets. The next QA is planned for early January 2017.

Quality control

The Programme has continued to implement a range of quality checks in order to ensure that set quality expectations and standards are met:

- 39 grant reviews have been conducted in order to ensure the progress is in line with programmatic and administrative requirements
- Budget checks included approved projects in the field of vocational training, infrastructure, and agricultural producer groups (APGs)
- Five info sessions were organised for Roma organisations and APGs to present them administrative and financial requirements

European PROGRES established and maintains the Quality Register⁸⁰ that provides a record of conducted quality checks.

Sustainability

The Programme's activities have continued to be embedded in the national and local policies: the newly approved vocational training projects are aligned with the National Employment Action Plan and directly support implementation of Local Employment Action Plans; projects for GEMs support realisation of Local Gender Action Plans, while the approved infrastructure projects derive from the local development strategies.

All 39 approved projects during this period will be implemented through grant methodology which means that the grantees, LSGs and APGs, will be the owners of projects while European PROGRES will maintain monitoring and advisory role. The Programme has also established cooperation with the Directorate of E-governance while work on sustainable development of Golija Mountain is done in close cooperation the Ministry of Trade, Tourism and Telecommunications.

Actions have been taken to enhance sustainability of individual projects or activities: mentorship support to women and youth entrepreneurs will help them to run their businesses; the last project supported through CIF2 was contracted only after the beneficiary LSG, Bela Palanka, formally committed to establish Day Care Centre in line with the relevant legal provisions.

The recorded benefits that were realised through cluster projects, examples of facilitated donations for technical designs, and generated jobs for the vulnerable, are positive indicator of the Programme's financial sustainability. Initiated work on "linking" GG with infrastructure projects essentially will contribute to sustainability of these actions.

Finally, in addition to regular activities, the Programme will in the final implementation year consider and undertake actions where necessary in order to ensure sustainability of activities.

⁸⁰ The Quality Register is available with European PROGRES

Lessons learned

Following is the overview of key lessons learned in this quarter:

- The Programme efficiently conducted the CFPs to provide equipment to SMEs to enable them to enhance productivity and open new jobs. The control of applications included thorough analysis of extensive documentation that was required from applicants but no site visits. In several cases it was confirmed that the beneficiary premises did not provide conditions for instalment of the requested equipment. The Programme addressed the issues on a case by case basis but this indicated that a two-phase application process should be considered for similar interventions: phase one could be based on easier application form while phase two should include more thorough application with mandatory site-visits and confirmation of the actual status of the beneficiary. Experiences from other European PROGRES Calls showed that interviews with beneficiaries can also be useful for an effective evaluation process.
- The implementation of grants for DRPs showed that the duration of 12-15 months is not enough for their completion. In some cases preparation of tenders took longer than planned, members of the planning commission did not want to meet unless the LSG pays them debts for work not related to the Programme grants, or the municipalities did not plan funds for obtaining conditions from PUCs and without them being paid, some contractors were not able to complete the plans in time. The duration of grants for similar intervention should be minimum 15 - 18 months. UNOPS standards for minimum quality that the service providers must fulfil should also be enhanced and stated in the guidance for applicants. Also the Strategic Environmental Impact Assessment must be part of the plans as the environmental and social corrective factor. The costs for obtaining all planning conditions from PUCs must be borne by LSGs.⁸¹

Work plan

European PROGRES Work Plan for the period from 1 January - 31 March 2016 is available in the Annex V, Attachment 5.2. The following are the key milestones for the upcoming reporting period:

Result 1

Strengthening local governance, planning and management capacities through introduction of new or improvement of existing procedures and processes respecting principles of good governance

- Activity 1.1 Monitor adoption of the remaining seven Capital Investment Plans for 2016-2020
- Activity 1.2 Monitor implementation of grants for development of GIS and DRPs
- Activity 1.3 Conduct PRAG and Public Procurement training for LSG representatives
- Activity 1.4 Third GG Training for Municipal Competence Centres on Transparency
- Activity 1.5 Implementation of local governance reforms and monitoring of GEM projects
- Activity 1.6 Initiate work on capacitation of local women parliamentary networks

Result 2

⁸¹ The detailed Lessons Log is available with European PROGRES

Competitiveness of local economy increased through improved business environment and management/organisational capacities of SMEs/agricultural producers

- Activity 2.1 Monitor implementation of grant with NALED and complete analysis of competitiveness data, and present the Competitiveness Portal
- Activity 2.2 Develop technical documentation for flood prevention and anti-erosion measures on Jablanica, Vlasina and Pčinja. Follow up development of General Design for Južna Morava.
- Activity 2.2 Golija project: monitor development of DRPs and contract services for the management model study
- Activity 2.3 Follow up publishing of tenders for works for Vranje Hospital and Novi Pazar Emergency Ward regional infrastructure projects (through CFCU)
- Activity 2.3 Finalise technical commissioning of works for flood prevention and anti-erosion on Pusta reka and Raška River watersheds
- Activity 2.4 Monitor implementation of 18 grants for local infrastructure projects.
- Activity 2.5 Launch of GG intervention within the local infrastructure projects
- Activity 2.6 Organise environmental and social protection workshops and third training on e-governance
- Activity 2.7 Provide technical assistance to the three LSGs for implementation of PPP projects
- Activity 2.8 Monitor introduction of international quality and food safety standards
- Activity 2.8 Complete procurement of equipment for 17 beneficiary MSEs
- Activity 2.9 Monitor implementation of activities for certification of geographical indication
- Activity 2.9 Monitor implementation of grant agreements with Agricultural Producer Groups
- Activity 2.10 Finalise delivery of equipment to women entrepreneurship projects and monitor provision of mentorship support to beneficiaries

Result 3

Access to employment, offering equal opportunities to both men and women, and social inclusion of most vulnerable and marginalised groups





- Activity 3.1 Draft Terms of References for Citizens' Satisfaction Survey
- Activity 3.2 Reconceptualise CAS activity
- Activity 3.3 Monitor implementation of ten grant agreements for the vocational training activity
- Activity 3.4 Monitor implementation of ongoing activities: Centre for Social Policies
- Activity 3.5 procurement for Youth Self-Employment projects
- Activity 3.5 Monitoring implementation of the Roma CSO projects
- Activity 3.5 Monitoring implementation of Music Art Project
- Activity 3.6 Delivery of medical equipment and launch of the public awareness campaign
- Activity 3.8 Monitoring implementation of the CIF-2 projects
- Activity 3.9 Monitoring implementation of the project

Result 4

Effects of Serbia's European integration communicated to general public

- Activity 4.1 Organise Steering Committee Meeting
- Activity 4.1 Organise at least three high profile functions/visits
- Activity 4.1 Distribute at least four press releases, two Aid Matters articles
- Activity 4.1 Produce quarterly Newsletter
- Activity 4.1 Produce visibility Plaques and Tables for Programme projects
- Activity 4.1 Produce second and third videos
- Activity 4.1 Develop TOR for Media Competition Equipment expert
- Activity 4.2 Support and monitor campaign implementation

Annex VI Progress against indicators in logical framework matrix

	Activity completed and outputs delivered in accordance with the set targets
	Activity generally progresses in accordance with the plan
	Activity progresses with manageable delay
	Activity is critical

Objectively verifiable indicators	Progress during the reporting period	Overall status
Overall objective To contribute to sustainable development of underdeveloped areas of Serbia by creating more favourable environment for business and infrastructure development, integrating good governance principles, thus increasing employability and social inclusion.		
Serbia's ranking in the World Bank's Doing Business Report improves for at least five places	Serbia's ranking in the World Bank's Doing Business Report for 2016 has improved by nine places and additional seven places for 2017, with the rank of 47 today compared to 68 in 2015.	
Serbia's ranking in the Global Competitiveness Report improved for at least five places	Serbia's ranking in the Global Competitiveness Report 2014-2015 has improved in by seven places, and additional four in the Report 2015-2016, currently being positioned as 90 th compared to 101 st in 2013-2014.	
Programme purpose To improve local governance, and the conditions for business and infrastructure development by improving and/or strengthening planning and management capacities, and improving business enabling environment, as well as enhancing implementation of social inclusion and employment policies.		
Overall investments in infrastructure increased by at least 10% on annual basis	Projects for detailed regulation plans, technical designs, in combination with efforts to enhance planning of capital projects and introduce good practices for management of infrastructure create foundation for increased investments into infrastructure.	
At least five new investments in industry until the end of the Programme	Projects for clusters, introduction of quality standards, women and youth entrepreneurship, support to MSEs, protection of geographic indication, vocational training, and partnership actions of civil society and LSGs have contributed to opening of 100 jobs, while this number should exceed 700 in the next one to three years.	
Export of SME sector increased by at least 5% until the end of the Programme		
Enabled employment of at least 1,500 people as the result of (in)direct activities within the Programme		
Result 1: Strengthened local governance, planning and management capacities through introduction of new, or improvement/elimination of existing procedures and processes in line with the principles of good governance		

Activity 1.1.1 At least 50% municipalities participating in the Programme introduce Capital Investment Planning, by the end of the Programme implementation (baseline 2014: 23%) ⁸²	One CIP adopted, in addition to previous seven. The remaining seven LSGs prepare plan for adoption in 2017.	Activity completed. Technical assistance provided to 15 LSGs in development of the Capital Investment Plans (CIPs). The group included ten newly selected LSGs and the five LSGs assisted through the predecessor programme. All 15 beneficiary LSGs developed CIPs, endorsement in progress.
Activity 1.1.2 At least 15 municipalities supported in development of multi – annual programme budgeting by the end of the Programme (baseline 2014: five municipalities with partial programme budgeting) ⁸³	No activity during this period.	Activity completed. Assistance was provided to 15 LSGs (ten newly selected and five assisted through predecessor, EU PROGRES) in introduction of Programme Budgets for 2016. All LSGs adopted timely PBs for 2016.
Activity 1.1.3 At least 15 municipalities increase their revenue from tax collection by at least 15% by the end of the Programme (strengthening the accountability relation through expanding the tax base and raising citizens' tax compliance awareness). Baseline: the number of tax payers and annual income from revenue will be set for each municipality once local self-governments are selected ⁸⁴	Two final two of sixteen supported grants were administratively closed. The Programme will monitor and report effects of activities in Q1 and Q2 2017.	Activity completed. Grants provided to LSGs for 16 projects worth 154,000 Euros for improvement of the taxpayers' registry. The number of registered taxpayers increased by an average 18%. Expected average local revenues growth from tax collection is 13%. The figure will be confirmed once the data on local tax collection for 2016 are available.
Activity 1.2 Capacities for management of geo-spatial data and/or quality of geo-spatial data enhanced in at least ten local self-governments by the end of the Programme. (baseline 2014: 33% per municipality) ⁸⁵	GIS equipment delivered to five beneficiary LSGs. Two municipalities adopted Decisions for the Establishment of the GIS. Leskovac benefited from the Study Tour to Šabac and Indija and GIS training	Eleven projects for Development of Geographic Information System (GIS) approved in November 2015 and implementation ongoing: GIS equipment delivered to all 11 beneficiary LSGs, legal foundation for GIS development established in all 11 municipalities.
Activity 1.2 At least 15 municipalities developed detailed regulation plans (DRPs) or higher level planning documents that facilitate development of economic projects by the end of the Programme.	Twelve DRPs completed.	The PSC approved 21 applications for the development of 31 DRPs. Twelve DRPs completed.
Activity 1.3 By the end of the Programme in all European PROGRES' municipalities monitoring and evaluation mechanisms established for infrastructure projects, FIDIC contract modality is preferred model, and training programmes on FIDIC established within the Serbian Chamber of Engineers	Organised two rounds of trainings for 131 representatives of 34 LSGs (72 or 55% women and 59 or 45% men) about Practical Guide for Procurement and Grants for European Union External Actions - PRAG.	The Association of Consulting Engineers of Serbia (ACES) was selected to deliver the trainings on the International Federation of Consulting Engineers (FIDIC) contract modality. Five modules and one on-job training completed. Trainings on PRAG and practical FIDIC implementation launched.

⁸²Baseline Study on Competitiveness, EU PROGRES, 2014

⁸³Baseline Study on Competitiveness, EU PROGRES, 2014

⁸⁴LTA Office Annual Reports

⁸⁵Obstacles to Infrastructure Development, EU PROGRES, 2013

Activity 1.4 By the end of the Programme, institutional governance reforms initiated, developed and implemented in at least five LSGs, with emphasis on increasing accountability, transparency and efficiency in public services delivery to citizens, with development or revision of at least ten local policies or local regulations, in line with the Serbian legal framework	GG reform packages presented to 13 municipalities, while 15 municipalities expressed interest in participating in the local governance reforms. Two trainings held to build LSGs capacities for GG.	The Local Governance Assessment of the 34 municipalities finalised. The MoU for GG interventions at local level signed with 34 LSGs. Four trainings on GG to LSGs delivered. GG reform packages drafted. Four Swiss GG Backstoppers missions conducted. Overall, the Programme presented local GG reforms to 33 municipalities, and 24 are keen to participate in the activity.
Activity 1.5 Local gender equality mechanisms (GEM) established and local action plans for the work of the gender equality mechanisms (GEMs) adopted in all European PROGRES municipalities by the end of 2015. At least 30 GEMs successfully implemented grants provided through European PROGRES and contributing to advancement of gender equality issues by the end of 2016. At least two thirds of municipalities provide funding for the activities of local GEMs by the end of the Programme. Baseline: 31 GEMs established and two municipalities appointed gender equality officers, 23 European PROGRES' municipalities developed Local Gender Action Plans ⁸⁶	PSC in November approved financing of 18 GEM projects. The grant contracts signed and implementation started in December 2016.	Thirty four LSGs strengthened through TA for improvement of local GEMs and launching of gender-related initiatives at the local level. Two new local GEMs established, six LAPs adopted, 32 municipalities signed European Charter. CFPs for support to local GEMs approved by PSC in March 2016 and was published in September 2016. The PSC approved 18 project in November 2016 and implementation ongoing.
Activity 1.6 At least 50% of male and female councillors in ten local assemblies enhance knowledge of gender equality issues and techniques for advocacy by the end of 2015. In each of the ten assemblies, women councillors successfully advocated for at least one gender issue by the end of the Programme	Criteria for selection of municipalities developed and ten municipalities identified for further support. Ten info sessions held in November and December with local women assembly deputies when ten local WPNs have been established gathering 76 women.	Implementation of approved project started in October and will last until June 2017. Ten local women parliamentary networks established and focus is on their capacity building.
Activity 1.7 At least five municipalities introduced gender sensitive budgeting procedures and practices by the end of 2016. Sustainability of the action ensured through adoption of relevant municipal decisions by the end of the Programme. Baseline: three municipalities have performed budget and local policy analyses from gender perspective ⁸⁷	Follow up activities will be conducted in Q4 2016, during the municipal annual budget preparations.	Overall, nine municipalities allocated app 4.5 million RSD for gender-related activities. Four municipalities introduced gender responsive budgeting through different municipal budget lines, ensuring gender mainstreaming within the budget.

Result 2

Increased competitiveness of local economy through improved business environment and management/organisational capacities of SMEs/agricultural cooperatives

⁸⁶Baseline Study on Competitiveness, EU PROGRES, 2014

⁸⁷Baseline Study on Competitiveness, EU PROGRES, 2014

Activity 2.1 Total competitiveness index increased by at least 10% in all Programme municipalities by the end of the Programme, or at least 25% in one of the sub-indexes regarding: the Capacity of Local Community to Manage the Community's Resources and Potentials, Economic Policies, Strategies and Measures, Financial Capacities of the Public and Private Sectors ⁸⁸	Implementation of electronic building permits system (EBPS) is ongoing through a grant with NALED. First results recorded – improved percentage of approved application for building permits. IT equipment provided to 33 LSGs to support EBPS. The competitiveness portal for tracking the Competitiveness Index of the Programme LSGs is being finalised. 30 LSGs uploaded over 95% of data.	Following the (new) Law on Planning and Construction, the Programme modified approach and in cooperation with the line Ministry provides technical support to LSGs in application of unified procedure and e-permitting. In addition, the Programme has enhanced technical capacities of LSGs for EBPS with procurement of IT equipment. Competitiveness Index for 24 LSGs who have uploaded data for 2015 has increased by an average of 18%.
Activity 2.2 Pipeline of at least two inter municipal and at least 35 local priority economic and social infrastructure projects, in line with the national sector priorities, with full scale technical documentation, developed in accordance with the criteria within PPF 5 after the assessment of the existing pipeline has been done	Three final grants out of 40 for technical designs completed. Conceptual solutions for the designs for the anti-erosion protection of Vlasina, Pčinja and Jablanica river basins and for development of General Design for Južna Morava adopted by "Srbijavode". The development of plans for infrastructure corridors for Golija contracted.	The CfP for the Main Designs advertised in December 2014. The February 2015 PSC approved 40 projects out of 53 applications. 40 Grant Agreements signed with the LSGs in May 2015 and 40 are finished in October 2016. Contracts for the designs for the anti-erosion protection of Vlasina, Pčinja and Jablanica river basins and for General Design for Južna Morava regulation signed. DRP for Golija Infrastructure Corridors signed in November 2016.
Activity 2.2 At least twenty projects developed and submitted by municipalities for financial support to programmes from other sources than European PROGRES by the end of the Programme	Two Programme municipalities submitted applications for funding of projects through PIMO funds on the basis of designs developed with European PROGRES support.	Upon September 2014 PSC approval, European PROGRES supported operations of the Joint Technical Secretariat of the IPA Cross-border Programme Serbia-Montenegro (CBC SRB-MON). The grant is completed and facilitated submission of 48 applications from eligible European PROGRES LSGs in response to CBC CFPs. In addition, the Programme registered five more applications from European PROGRES municipalities for financial support from sources other than European PROGRES.
Activity 2.3 At least one priority inter-municipal project implemented by the Programme completion	The construction and equipping of the facility is completed and the classes started in October 2015.	Activity completed. The building permit issued on 1 December 2014. The contract for the construction of Bujanovac Department of Subotica Economics Faculty was signed in January 2015, construction completed in September 2015 and the facility is fully functional.
Activities 2.3 and 2.4 Works supervision services provided to the CFCU as contracting authority for the priority infrastructure project implemented by it	European PROGRES timely responded to comments on tender dossiers for Vranje Hospital and Novi Pazar Emergency Ward Project.	The PSC in November 2015 approved the completion of the new block within Vranje General Hospital and the construction of Novi Pazar Emergency Ward projects. Tender for works still not advertised and hence this activity is not applicable in the initially conceptualised format.
Activities 2.3 and 2.4 Technical assistance provided to the SEIO and the CFCU in preparing, launching the Grant Scheme and in monitoring its implementation	Works on Pusta Reka and Raška River completed – seven and five barriers constructed respectively.	Despite Programme's timely technical assistance, the CFCU advertised the Call for Local Infrastructure only in March 2015, five months later than originally planned. As further delays were

⁸⁸As identified in the World Bank's Doing Business in Serbia 2014 ranking

		registered the initially conceptualised technical assistance is not feasible. The issue has been reported to the PSC and the approach will be confirmed upon completion of the evaluation.
Activity 2.4 Support provided for development of at least 12 and up to 34 local and at least one inter – municipal infrastructure projects that are submitted for funding to the CFCU Call for Proposals	The PSC approved in October 2016 funding of four local infrastructure projects from the reserve list set within the CFPs conducted by European PROGRES (UNOPS managed scheme).	European PROGRES organised information sessions to present the CFCU Call and supported LSGs in development of concept notes. All 34 Programme LSGs and Vranjska Banja responded to the call with submission of 52 Concept Notes. The CFCU sent the request to 25 LSGs to submit full applications for 30 projects, which passed the evaluation of concept notes in February 2016. Twenty six full applications from 23 LSGs have been sent to the CFCU by the deadline 21 March 2016. CFCU is still conducting the evaluation process The CFPs for Local Infrastructure managed by UNOPS was advertised from in March to May 2016. The August PSC approved 14 projects and put four on reserve list. The PSC in October approved four projects from reserve list.
Activity 2.5 The Comprehensive Assessment study completed with recommendations for all municipalities, through relevant departments, to develop and adopt criteria and procedures to assess advantages and disadvantages of providing a service with own capacities or outsourcing it to the private sector/other entity, by the end of Programme and implementation supported	Eighteen approved infrastructure projects have been analysed from GG point of view and consultation with LSGs on how to link GG and infrastructure has been initiated.	With approval of 18 infrastructure projects for funding, European PROGRES has initiated this activity.
Activity 2.6 At least three impediments in vertical coordination between the Government of Serbia and the local self-governments addressed or resolved by the end of the Programme, through regular, structured and thematic consultations with the relevant ministries and institutions, and in cooperation with the SCTM, thus positively impacting accountability, transparency, effectiveness, and efficiency of LSGs	In cooperation with the SIPRU and the Directorate for E-government, two two-day trainings organised to help LSGs to enhance transparency and e-services	This activity is divided in two main topics, in consultation with SCTM and SIPRU: Topic 1 will be implementation of environmental policies, and Topic 2 will be implementation of Law on Social Care. Consultations were held with SCTM and SIPRU, and the plan developed for delivery of workshops. A total of three workshops were held so far.
Activity 2.7 At least two PPP models developed and implemented by the end of the Programme	Surdulica, Knjaževac and Raška Assemblies supported development of PPPs ongoing. First analysis of PPP options and three risk identification workshops completed.	The CFPs for Establishment of PPP in delivering public services conducted from January to March 2016. Three beneficiary LSGs selected in July and development of PPP projects initiated.
Activity 2.8 At least 30 SMEs introduced international quality or food safety standards (ISO 9000, HACCP, Global GAP, etc.) and organised in at least two new clusters and/or cooperatives	Consulting and certification services for 17 beneficiary SMEs are initiated. Certification of one beneficiary is completed.	The CFP for Introduction of International Quality or Food Safety Standards was approved by the July PSC, and conducted in October 2015. Twenty-two beneficiary SMEs have been approved for financing. Consultancy for implementation and certification initiated. Five beneficiaries have not continued activity.

Activity 2.8 Criteria and transparent process for selection of 30 SMEs for QMS certification or recertification prepared and put in place. Process for establishment of clusters/cooperatives prepared and put in place, resulting in clearly and adequately regulated newly established legal entities	Equipment provided to first nine of 17 Entrepreneurs, Micro and Small Enterprises that are supported.	The CFP for Enhancing Competitiveness through Creation of Jobs in the Private Sector approved by PSC in March and conducted in June 2016. 17 Entrepreneur Micro or Small Enterprise approved for provision of equipment.
Activity 2.8 At least 20 SMEs, member of clusters, introduced innovation or use innovative market development techniques, until the end of the Programme.	The final two of five grants with clusters are closed. The Programme will monitor effects of the activity, first outcomes reported.	Activity completed. Following PSC approval, European PROGRES conducted the CFP for Provision of Support to Clusters. The PSC approved five projects for funding in the amount of 145,000 Euros. Five grants completed.
Activities 2.9 and 3.10 At least 30 agricultural producers, members of the cooperatives, use new techniques and technologies in the production until the end of the Programme	Support to Agricultural Producer Groups (APGs) continued through the organisation of study visit to France for representatives of the 32 APGs. The CFPs for Second Phase of support has been conducted and seven projects of APGs awarded with grant agreements.	Phase one of the Programme support to 32 APGs, which included trainings and study tour is completed. The second phase assistance to APGs started by implementation Call from 29 August to 27 September 2016 and resulted with the PSC approval in November 2016 of seven project
Activity 2.9 At least three traditional agricultural products registered or certified with the Protected Designation of Origin mark and Protected Geographical Indication in the Programme AoR increased by at least 50% until the end of the Programme (baseline 2014: eight products with Protected Designation of Origin) ⁸⁹	Consulting services for geographical indication certification for the five traditional products is underway.	The Assessment of the APGs and Geographic Indication completed in May 2015. The Programme developed and conducted CFP through which five traditional products have been selected. The selection of retainers and consultancy for provision of services for development of Elaborates and certification of users completed. The process initiated.
Activities 2.10 and 3.10 At least 80 new jobs for women, resulting from provision of at least 40 start up business grants, by the end of the Programme	Four more businesses have been registered, while 14 more beneficiaries have received the entire equipment. The delivery of equipment will be finalised in February 2017.	The CFP approved at the April 2015 PSC and advertised in June. Seven sessions held in March-April to announce the CFP. Nine training sessions for drafting of business plans held, benefitting 147 female participants. The CFP closed in July, 137 applications received, and the PSC supported 48 proposals. Three candidates withdraw. A total of 39 business registered so far and entrepreneurs receive mentorship support.
Result 3: Improved access to employment, offering equal opportunities to both men and women, and social inclusion of most vulnerable and marginalised groups through development and implementation of local policies resulting in reduced migration from South, South East and South west Serbia		
Activities 3.4 and 3.10 Employment and social inclusion action plans, targeting equally both genders, developed and integrated in the medium term municipal budget planning in all	The implementing partner conducted first cycle of peer reviews on establishment of social protection for 76 participants from 29 LSGs. The CFPs for Self-employment of	The implementing partner is selected and contracted. Support will be provided to the LSGs to assess the needs of vulnerable and marginalised, to review, create and/or update new or

⁸⁹Serbian Intellectual Property Office (2014) *The List of Indications of Geographical Origin Registered in the Intellectual Property Office* Available at: <http://www.zis.gov.rs/intellectual-property-rights/inidications-of-geographical-origin/list-of-igo.91.html> (1 February 2014)

European PROGRES municipalities by the end of the Programme (baseline 2014: four municipalities with Social Inclusion Strategies) ⁹⁰	Vulnerable and Marginalised Groups from 1 November to 9 December was conducted. As a result, 28 unemployed will be supported to start up business.	existing relevant local policies, to build capacities of relevant local institutions, and then to pilot new policies. The intervention will offer start-up grants to local vulnerable and marginalised. Assessment Reports on institutional capacities, social protection and employment of vulnerable groups including criteria for selection of municipalities have been completed.
Activity 3.5 At least 50% of unemployed Roma are included in active labour market measures by the end of the Programme (baseline 2013: 38%) ⁹¹	<p>A part of this activity is incorporated in the approach for the activity 3.4.</p> <p><i>Youth Self-Employment</i> First five beneficiaries received equipment, and four business registered.</p> <p><i>Roma CSOs</i> Grant issued, first results benefiting Roma recorded. Two info sessions organised to facilitate implementation.</p> <p>The Music Art project started with project implementation in October.</p>	<p>A part of this activity is incorporated in the approach for the activity 3.4.</p> <p>CFPs for Support to Youth Self-Employment approved at the PSC in March 2016 and published from 28 March until 11 May. Nine info sessions were held in May and June with 201 participants. 93 applications received and 50 interviews held in June. Three-day training organised for business plan development for 27 recommended candidates for the second phase. A total of 22 projects have been approved at the PSC in Vranje, on 10 August.</p> <p>CFPs for Piloting Implementation of Measures from Strategy for Social Inclusion of Roma at the Local Level was closed on 4 July. A total of 39 applications were submitted. PSC approved ranking list of 25 recommended projects in Vranje on 10 August. The PSC finally approved 16 projects.</p> <p>PSC at the meeting held on 10 August in Vranje approved further financing of Music Art Project.</p>
Activities 3.8 and 3.10 At least 40 projects resulting from partnerships of local self-governments and civil society organisations supported by the end of the Programme. At least half of the municipalities who have benefitted from those projects develop and adopt criteria for transparent and non-discriminatory allocation of funds in the local budget for civil society organisation by the end of the Programme.	Implementation of 23 CIF2 projects is progressing well. Eight verification visits to the grantees conducted and findings were positive, second grant tranches distributed.	CIF1 CFPs attracted 77 applications. The December 2014 PSC approved 20 projects for funding in the amount of 397,765 Euros. Eighteen projects were completed and two cancelled. The CFPs for CIF 2 approved in March 2016 and published from 21 March to 12 May. Forty eight applications received, and financing of 24 projects worth 320,000 Euros approved.
Activity 3.1 Citizens' satisfaction with municipal services, performance of the local government and municipal assemblies increased by 10% by the end of the Programme ⁹²	No activities were planned during this period.	The Citizens' Satisfaction Surveys will be conducted in the Q2 and Q3 of the Programme implementation.

⁹⁰Baseline Study on Competitiveness, EU PROGRES, 2014

⁹¹Report on Employment of Roma, Ministry of Labor, Employment and Social Welfare, Belgrade, 2013

⁹² The baseline for the Citizens' Satisfaction is the survey conducted in 2013, while the new Survey will be conducted in 2017, at the end of the Programme

Activities 3.3, 3.5, and 3.10 At least 100 unemployed successfully completed vocational trainings organised by the end of Programme and sustainable follow up courses in place beyond the duration of the Programme to increase the employment chances of participants in trainings	Ten vocational training projects of LSGs approved and will benefit 260 persons, while 151 jobs should be created. Implementation initiated.	The CfPs for vocational training conducted in August-September 2016. The PSC by e-voting in October approved ten projects. Implementation ongoing.
Activity 3.6 Efficiency and effectiveness of at least three medical centres improved through procurement of new medical equipment supporting women's health, by the end of the Programme ⁹³	Tender for procurement of medical equipment is finalised and delivery of equipment started in second half of December. So far five health centres received the equipment.	Assessment of Medical Equipment Needs in nine LSGs completed. All health centres sent official letters of interest and the tender for procurement of medical equipment announced in September. Procurements finalised, delivery ongoing.
Activity 3.7 At least four cultural centres in multi-ethnic municipalities (e.g. for intercultural music, theatre and art productions) upgraded	No activities were planned during this period.	The Coordination Body for Preševo, Bujanovac, and Medveđa submitted concept for this activity. The approach will be developed and decided in the Q1 2017.
Activity 3.9 Up to 400 young and unemployed citizens of Serbia of Albanian ethnic origin in areas covered by the Programme improve Serbian language skills during the Programme implementation ⁹⁴	The Regional Centre for Professional Development in Education has started second phase of provision of teaching assistants to enhance learning of Serbian as not mother tongue.	The implementing partner for engaging the Teaching Assistants in four elementary schools in Preševo and Bujanovac for teaching Serbian contracted in August 2015. The textbooks, teachers' manual and auxiliary educational materials have been procured and delivered to 16 elementary schools in Preševo, Bujanovac and Medveđa. Coordination Body for Bujanovac, Preševo and Medveđa submitted request for extension of the project for one year. At the beginning of July, the extension of the project for one more school year was approved and second phase initiated in October 2016.
Result 4: Effects of Serbia's EU accession communicated to general public		
Percentage of citizens that associate European integration with lower unemployment and better living conditions, as well as with ordered state and impartial administration increased by 10% by the end of the Programme. ⁹⁵	<ul style="list-style-type: none"> • Four high profile events organised, including one ambassadorial visit • 2017 Calendar Competition closed • Ten press releases and three interviews • Three information sheets produced • First video produced facilitated • 530 positive media reports generated, of which 224 were in national outlets 	<ul style="list-style-type: none"> • Communications Strategy developed, revised, and Mid-term evaluation completed • Twenty three high profile visits organised, thirteen Ambassadorial • Twenty one large events organised of which seven PSC meetings • Fifteen local festivals supported • 70 press releases prepared • 2620 positive media reports have been

⁹³ The assessment of needs of the medical centres will enable the Programme to establish the baseline indicators for the evaluation of the increase in efficiency that will be organised at the end of the Programme.

⁹⁴ This indicator will change to incorporate findings and recommendations of the Coordination Body Feasibility Study, whose results are presented in August 2014.

⁹⁵ As indicated in the findings of the Citizens' Satisfaction Survey 2017 and compared to 2013 Citizens' Satisfaction Survey results

	<ul style="list-style-type: none"> The Facebook page surpassed 5,000 followers, while the Twitter page is nearing the 500 mark. 	<p>generated</p> <ul style="list-style-type: none"> 56 briefing notes prepared Six issues of the Newsletter published Website is regularly maintained and attracts an average of 9,000 unique visitors monthly and a total of 99,629 visits overall Facebook page attracted 5045 likes and Twitter account amassed 487 followers Programme promotion material is regularly produced; Three Art competitions for European PROGRES successfully organised
Two advocacy/awareness campaigns promoting European values conducted within the Programme implementation	First Progress report for the campaign has been submitted and all activities are ongoing as planned.	Campaign launched in November 2016 and ongoing.