

Fourth Quarterly Report

October – December 2015



Republic of Serbia



Programme Funded by EU



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
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Swiss Agency for Development
and Cooperation SDC



Implementing Partner

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: 17.46 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: 11 January 2016

Period covered: 1 October 2015 – 31 December 2015

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
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' performance during the fourth quarter (Q4) of 2015, covered by this Report, contributed to the overall annual success: out of 29 Programme activities, 22 or 76% progress in accordance with the plan, four are delayed but efforts put to speed up them are showing results, while three are not feasible in initially conceptualised format and will need to be modified; the number of projects reached 189, out of which 164 or 87% are implemented through grant methodology that gives ownership to the national stakeholders; the financial disbursement in 2015 exceeded 4.2 million Euros, which is 101 % against the internal target.

Ten projects were completed during the reporting period including: five partnership actions of civil society organisations and local self-governments (LSGs) that economically empowered vulnerable and generated seven full time and eight part time jobs for women, while creating foundation for more employments in the near future; four projects for improvement of tax administration enabled registration of 3,823 new tax payers and should generate increase of local tax income by over seven million Dinars; finally, the gender equality project that was implemented in partnership with the UN Women resulted in development of 21 tailor made plans for capacity building of local gender equality mechanisms, adoption of 26 new or revised Local Gender Action Plans, and introduction of gender responsible budgeting practices in seven municipalities. Through the same project, 32 municipalities signed the European Charter for Equality of Women and Men in Local Life.

Progress was made on good governance (GG) activities: 34 participating municipalities signed the Memorandum of Understanding about Good Governance Interventions and thus reaffirmed commitment to cooperate with European PROGRES on enhancement of accountability, transparency, efficiency, non-discrimination, and citizens' participation; work on enhancing municipal GG capacities started by workshop on accountability, while effort to enhance coordination between the Government and municipalities was triggered by event on implementation of environmental policy. The Programme is strengthening the GG team: recruitment was conducted for Good Governance and Gender Equality Advisor, Social Inclusion and Human Rights Advisor, Associate for Good Governance and Gender Equality, and for Consultant for Local Self-governments.

Within provision of technical assistance the highlight was completion of support for the adoption of the Programme Budgets in 15 beneficiary municipalities. The new budgets provide higher transparency and should contribute to more efficient expenditure. These interventions give starting indicators of the Programme's positive influence on public finance management.

Five major events were (co)organised, including the opening of the new building for the Bujanovac Department of Subotica Economics Faculty that was attended the Prime Minister of the Government of the Republic of Serbia, the Minister of Education, Science and Technological Development, the Head of Delegation of European Union (DEU) and the Swiss and French Ambassadors. Events, in combination with eleven press releases, 21 Facebook posts, 24 tweets, the third Newsletter, and three stories on UNOPS' global website facilitated a record of 200 media reports about the Programme and funding support of the European Union and the Government of Switzerland.

The European Union will provide 2.8 million Euros for finishing the construction and equipping of the Vranje Hospital and 622,000 Euros for the construction and equipping of the building for emergency services in Novi Pazar Health Centre. These two projects will be implemented by the Department for Contracting and Financing of EU Funded Programmes (CFCU) of the Ministry of Finance, with the Programme's support, while aiming to enhance quality of health protection for about 500,000 citizens in the South and South West Serbia. European PROGRES support for introduction and

development of Geographic Information Systems in 11 LSGs as well as provision of 48 business start-up grants for women entrepreneurship conclude the list of funding approvals for Q4 2015 and mark completion of eight public calls.

Despite approval of Vranje and Novi Pazar projects, which was a positive for the European PROGRES' dynamics, the biggest issues for the Programme remain progress of the CFCU managed grant scheme for local infrastructure projects. The accumulated delay exceeded nine months and the initially planned technical assistance for this scheme as well GG activity that is interdependent on the progress of infrastructure projects are not fully feasible any longer and will have to be adjusted.

In addition it is clear that without events around tangible projects, such as is the building for Bujanovac Department, it will be impossible to reach the desired visibility. This was also confirmed in discussions with LSGs, as the key beneficiary, which consider that European PROGRES is less relevant without strong infrastructure component.

Considering the issues with delays in the grant scheme for local infrastructure, visibility aspects, and feedback from the beneficiaries, European PROGRES started development of proposals for amendments of the Programme, while also following the earlier approved document "Focussing of Relevance, Outputs, and Potential Impact". The Programme extension is option that should be considered.

After calm autumn, this period brought back political turbulences at the local level. While they did not much affect the Programme they may be perceived as announcement of local elections, which would be the key risk in the next two quarters. European PROGRES monitored developments, maintained contact with municipal officials in order to identify any threats, and started assessment of possible effects of elections on particular activities.

The key indicators of the Programme performance were generally positive: the UNOPS Serbia Centre Quarterly Project Assurance for the quarter two (Q3) 2015 confirmed that European PROGRES performance was healthy as well as that concrete steps were made in terms of applying PRINCE2; financial delivery for Q4 exceeded 1.5 million Euros, which is 117% against set internal forecast; stage work plans were delivered with estimated 85%.

In order to enhance approach to quality, European PROGRES developed the Quality Management Strategy (QMS) and established the Quality Register. The QMS describes quality management procedures that will be used for quality planning, quality control, and quality assurance, while the Quality Register provides summary overview of taken quality check actions as well as of their results. This is another step taken within efforts of the European PROGRES implementing partner, UNOPS, to enhance project management practices.

This Quarterly Report covers the period from 1 October 2015 until 31 December 2015 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 insight into achieved progress against indicators in the Programme's logical framework matrix.

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Review of progress and performance

Policy and Programme Context

Policy and legislation

In October 2015, the Government of Serbia adopted the Law on Investments that ensures equal status of foreign and local investors, and envisages establishment of the Council for Economic Development and the Serbian Development Agency. The Serbian Investment and Export Promotion Agency (SIEPA) and the National Agency for Regional Development (NARD) will cease to exist the latest within 120 days from the enforcement of the Law or on the day the Serbian Development Agency starts to operate.¹

The Ministry of Finance (MoF) prepared the report on the public hearings of the Draft Law on Financing of Local Self Governments (LSGs)², which was conducted during December, and vowed to take into account all remarks. Initial official reactions vary – while the Standing Conference of Towns and Municipalities (SCTM) said the draft was unacceptable for the LSGs, the Fiscal Council supported the proposed revisions as they were aligned with positive fiscal practice. One of key issues in the draft is the proposed reduction of income to LSGs that derives from salary tax as they would receive 50 percent of these revenues instead previous 80 percent.

The MoF published the Instructions for Development of LSG Budgets for 2016³ in November, with almost a five-month delay.⁴ Previously, the Ministry treated the SCTM indicators for tracking fulfilment of programme goals as recommendations, while now it recognises them as obligatory. The LSGs were also instructed not to treat the Construction Directorates as budget users. This will endanger functioning of the Directorates as on an average they absorb 30% of municipal budgets. Municipalities are allowed to plan funding of the Directorates for a six-month transition period, while this time will be used to clarify and reaffirm the new policy.

In December 2015, the National Assembly of Serbia adopted amendments to the Law on Budget System⁵ pertaining to application of gender sensitive budgeting to budgets of all public institutions. With these amendment, gender responsive budgeting will become mandatory by 2020, and will be applied in compliance with the Plan of Gradual Introduction of Gender Budgeting in agreement with local gender equality mechanisms (GEMs).

The Law on Legalisation of Illegal Buildings that came into force on 27 November 2015⁶ is the fourth attempt over the past 15 years to regulate the status of estimated 1.5 million illegal objects in Serbia. The local self-governments (LSGs) are given responsibility for registration of illegal buildings and they will have to harmonise planning documents with the property registers in the next two years. The Programme's support for development of Detailed Regulation Plans (DRPs) will take into account these Law requirements.

¹ Law on Investments can be found at <http://www.parlament.gov.rs/upload/archive/files/lat/pdf/zakoni/2015/2402-15%20lat.pdf>

² The Instructions are available at <http://www.mfin.gov.rs/UserFiles/File/lokalna%20vlast/2016/uputstvo%20za%20lokal%202016.pdf>

³ The Instructions are available at <http://www.mfin.gov.rs/UserFiles/File/lokalna%20vlast/2016/uputstvo%20za%20lokal%202016.pdf>

⁴ According to the Budget Calendar, the Instructions are supposed to be issued at the beginning of the budget development process, by 5 July

⁵ <http://www.parlament.gov.rs/upload/archive/files/lat/pdf/zakoni/2015/3208-15%20lat.pdf>

⁶ <http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2015/2964-15.pdf>, "Official Gazette RS" No. 96/2015

The amendments of the Law on Value Added Tax⁷ from October 2015 stipulate that beneficiaries/users of construction projects are responsible to pay Value Added Tax (VAT) and not investors/contractors as previously. European PROGRES tax exemption procedures for the construction will be reviewed and modifications introduced as necessary.

European integrations

European Commission's 2015 report on Serbia's progress⁸ indicates that some advancements in cooperation between the Government and civil sector have been made. Civil society organisations (CSOs) continued to grow, especially at local level. However, CSOs' involvement in policy making is still not satisfactory, lacking more systematic inclusion of civil sector and use of their resources by the state authorities. Transparent funding of CSOs still remains a challenge for the public institutions, given that the transparency ensuring mechanisms are not fully put in practice.

The results of the periodical opinion poll "Citizens' Attitudes towards Serbia's EU Integration Process" conducted by TNS Medium Galup showed the steady improvement in the position of citizens towards the EU. The survey involving 1,247 citizens finds that the immediate referendum on Serbia's accession to the EU would be supported by 56 percent and opposed by 26 percent of citizens while 64 percent of respondents see recognition of Kosovo independence as a condition for Serbia to join the EU.⁹

Political developments

On 12 November, two months after extraordinary local election, Nebojša Arsić from the Serbian Progressive Party (SNS) was appointed the Mayor of Medveđa. The new ruling coalition is formed of SNS, Socialist Party of Serbia (SPS) and Party of Democratic Action (PDA).¹⁰

On 16 December, at the occasion to mark 15th anniversary since the establishment of the Coordination body for Preševo, Bujanovac and Medveđa (CB) its President, Zoran Stanković underlined the role of CB in the stabilisation of South Serbia and noted that the issue of Albanian textbooks will be resolved in January 2016.¹¹ The meeting was attended by Mayors of Preševo, Bujanovac and Medveđa.¹²

On 28 November, Albanian politicians of Preševo and Bujanovac habitually marked the Flag Day by raising Albanian flags in the local municipal buildings. No incidents were recorded at the event.¹³

Preparations for the upcoming local elections are mirrored in local political turmoil. In Bosilegrad, resident SNS requested the central Government to impose temporary interim measures in the municipality, accusing local government of various illegal acts.¹⁴ After a year spent in opposition SNS and Social Democratic Party (SDS) in Žitorađa established a new coalition and reasserted local governance from the SNS.¹⁵ The corruption charges against the Doljevac Mayor, Goran Ljubić and several of his associates were dropped while new charges were filed against five people including Ljubić's brother.¹⁶ Prokuplje Higher Court sentenced the former municipal Mayor, Milan Arsović to 18 months in prison and a monetary fine for the abuse of authority and violation of the Law on

⁷ <http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/2015/2232-15.pdf>, "Official Gazette RS", No. 84/04 , 86/04 - amended, 61/05, 61/07, 93/12, 108/13, 68/14 - law, 142/14, 83/15)

⁸ http://ec.europa.eu/enlargement/pdf/key_documents/2015/20151110_report_serbia.pdf

⁹ Europa.rs [EU integration - Public opinion pool](#) (Published on 02 December 2015)

¹⁰ Rts.rs [Arsić new Medveđa Mayor](#) (Published on 12 November 2015)

¹¹ Politika.rs [Stanković: Coordination body stabilised the situation in the South](#) (16 December 2015)

¹² Pravda.rs [Musliu and partners against Stanković](#) (16 December 2015);

¹³ Blic.rs [Albanian flags raised on the municipal buildings in Bujanovac and Preševo](#) (Published on 28 November 2015)

¹⁴ Okradio.rs [Bosilegrad: SNS asks for interim measures](#) (Published on 23 October 2015)

¹⁵ Juznevesti.com [SNS and SDS form new ruling coalition in Žitorađa](#) (Published on 12 October 2015)

¹⁶ Juznevesti.com [Međarac free of corruption charges](#) (Published on 26 November 2015)

Public Procurement in three separated processes.¹⁷ In Surdulica SNS appointed Vranje public attorney, Danijela Trajković formally accused Novica Tončev, president of the municipal Assembly and SPS Member of Parliament (MP) of attempt to influence judicial process.¹⁸

Mirsad Đerlek, former City mayor and the President of the Sandžak People's Party (SNP) is the new president of Novi Pazar Assembly. Đerlek replaces his party colleague Sadija Plojović who resigned due to health reasons.¹⁹

On 4 December the Bosniak National Council (BNC) submitted the draft amendments to the Action Plan for the Fulfilment of the Rights of National Minorities. The suggestion comes two weeks after BNMC resigned membership in the Working Group (WG) formed to draft the Action Plan, within standards required by the Chapter 23.²⁰ The proposed amendments suggest, amongst other, adoption of proposed resolution on Srebrenica and the 'renewal' of the autonomy of Sandžak. Councillors from the list "For Bosniaks, Sandžak and Mufti" voted against suggested amendments.

Prijepolje municipal boards of the Democratic Party of Serbia (DSS), the Serbian Radical Party (SRS) and the Democratic Party (DS) denied the existence of Sandžak in Serbia or Montenegro. They also protested against exclusion of Serbian representatives from a recent bilateral discussion between the acting Head of Organization for Security and Co-operation in Europe (OSCE) mission to Serbia, Michael Uyehara and the Mayor of Prijepolje, Emir Hasimbegović on further development of cooperation between municipalities in Serbia and Montenegro that are part of Sandžak. Hasimbegović, on the other hand, reiterated that the topic were taken out of context.²¹

Social developments

The influx of refugees and migrants from Syria, Afghanistan and other Asian and African countries persisted throughout the quarter. November noted a significant dip in the daily influx numbers, from average of 6,000 to 2,000 people, stemming from the decision of the Government of Serbia to restrict entrance only to citizens of the war-affected countries. The trend continued in December as a result of cold weather.

On 7 October, The European Commission approved ten million Euros to support Serbia in addressing the needs of the refugees, mainly through the Commissariat for Refugees and Migration, the Ministry of Interior, local Civil Society Organisations and Local Self Governments.²²

A daily communal tax of up 18,000 Dinars has been introduced for the vehicles transporting migrants and refugees from Preševo. The accumulated funds will be directed towards the reconstruction of the roads damaged by surge in traffic since the beginning of the migration crises.²³

The capacities of Reception and Registration Centres in Serbia have been expanded.²⁴ The new Registration Centre in Bujanovac, located at the old battery factory "Svetlost" opened in October has the capacity to register around 1,500 refugees daily, and will work on ad hoc basis, in cases of bigger

¹⁷ Blic.rs [To Former Mayor of Prokuplje 20 months imprisonment](#) (Published on 14 December 2015)

¹⁸ Alo.rs [Tončev to stop putting pressure on the Justice system](#) (Published on 14 December 2015)

¹⁹ Radiostoplus.com [Đerlek new president of Novi Pazar Assembly](#) (Published on 27 November 2015)

²⁰ Radiostoplus.com [BNMC leaves the Human Rights Work Group](#) (Published on 23 November 2015)

²¹ Zlatarinfo.rs [Serbian representatives not invited for OSCE meeting](#) (Published on 22 November 2015); Radiostoplus.com [Dispute over the OEBS invitation](#) (Published on 22 November 2015)

²² Rts.rs [10 million Euros more for assistance to migrants in Serbia and Macedonia](#) (Published on 7 October 2015)

²³ Titulli.com [Presheva vendos taksë për transportuesit e migrantëve](#) (22 November 2015)

²⁴ Rts.rs [Reconstruction of the Migration centre near the end](#) (Published on 08 November 2015)

refugee influxes.²⁵ The reconstructed premises of the Preševo Reception Centre (RC) funded by the Government of Norway was opened in December. The Centre is now adapted to host over 6,000 refugees for longer winter stays. UNHCR continues to winterise the premises by introducing a pellet based heating system while the procurement of the pellet should be shared between all agencies and NGOs operating inside the RC.²⁶

In Preševo pupils in Albanian schools boycotted the first two classes on 27 October 2015, due to the lack of text books in the Albanian language. The boycott led by the Albanian National Minority Council (ANMC) came after the Serbian Customs blocked donated textbooks from Kosovo.²⁷ To date the Government of Serbia has not allowed the books with the heralds of the Republic of Kosovo and unapproved content to be used in the country.²⁸

The issue plagued the official opening of the bilingual Bujanovac Department of the Subotica Faculty of Economics as a verbal incident on the subject ensued between Serbian Prime Minister Aleksandar Vučić and the ANMC President, Jonuz Musliu during the Prime Minister's address to the students. Responding to Jonuz's questions on the issue Vučić reconfirmed the Government's position and replied that books could not be arrested.²⁹

On 24 December in Novi Pazar, Serbian Prime Minister Aleksandar Vučić opened the new medical diagnostic centre, primary school and a kindergarten— three projects worth seven million Euros, built as a result of the city's good cooperation with the Serbian Government and the United Arab Emirates (UAE). During the visit Vučić underlined that in Serbia all citizens are treated equally no matter their ethnic origin and that there is zero tolerance for extremism or radicalism, religious or otherwise.³⁰ The diagnostic centre was constructed on the basis of the main design that was developed with funding support of 25,000 Euros from the European Union and the Government of Switzerland through the programme EU PROGRES.

Economic developments

The City of Vranje is adapting approximately 100,000m² of the industrial zone in order to fulfil the agreement with Chinese-Turkish Textile Company "Weibo group". The group predicts that up to 6,000 workers will be employed in the factory upon its completion.³¹

Thirty agricultural producers from Bujanovac have received greenhouses for vegetable production. The donation comes from the Turkish Agency for International Development (TIKA), and the beneficiaries were selected through an open call that was organised by Bujanovac Municipality.³²

Twenty-four Leskovac citizens received grants from HELP, worth Euros 2,400 each, for start-up businesses and equipment purchase.³³ Besides Leskovac, HELP supports 15 new beneficiaries in

²⁵ Rts.rs [Bujanovac Centre ready to host migrants](#) (Published on 16 October 2015)

²⁶ Rtv.rs [A new centre for the accommodation of migrants opens in Preševo](#) (17 December 2015)

²⁷ Titulli.com [Edhe në Preshevë nxënësit nisin mësimin me protestë](#) (Published on 27 October 2015)

²⁸ Rts.rs [Preševo, contentious books sealed](#) (Published on 16 December 2015)

²⁹ B92.net [Jonuz, the books cannot be arrested](#) (Published on 17 November)

³⁰ B92.net [Vučić: All citizens are equal](#) (Published on 24 December 2015)

³¹ Gz-weibo.com [Weibo group](#) (Published on October 2015); Okradio.rs [Employment for 6.000 with Government support](#)

(Published on 10 October 2015); Vranje.rs [Expansion of "Free Zone" and new investments](#) (Published on 09 October 2015);

Jugmedia.rs [New investors stimulate expansion of industrial zone](#) (Published on 09 October 2015)

³² Jugmedia.rs [Donations for agricultural producers in Bujanovac](#) (Published on 17 October 2015)

³³ Jugmedia.rs [57,6 thousand Euros in support through HELP NGO](#) [Online] (Accessed on 26 October 2015)

Vranje within the project this CSO implements “Support to development of micro business in Serbia!”³⁴

At the Fifth Business Conference on the Competitiveness of the Tourism Market in Southeast Europe Tourist Organisation of Knjaževac was presented with the highest recognition in the tourism industry, the award “Tourist Flower” and “Brand Leader Award” for contemporary tourism development in Serbia and Southeast Europe. In the last ten years, the number of tourist arrivals in Knjaževac tripled.³⁵

The Prime Minister Vučić opened newly constructed highway between Neradovac village near Vranje and Vladičin Han and promised that by March 2017 highway from Horgoš to Preševo will be completed. The head of World Bank office in Serbia stated that the integration of the Serbia’s transportation routes into the regional network is of key importance for both Serbian economy and regional development.³⁶

On 18 November in Doljevac, the German company "Leoni" officially opened its third plant in Serbia. The total investment is 21 million Euros, half of which was provided by the state. The new plant currently employs 1,704 workers, with another 1,000 posts planned to be opened in 2016.³⁷

USAID’s Sustainable Local Economic Development Programme delivered USD 300,000 worth of equipment to “Prodenim” Jeans producer cluster in the City. The technology is used to treat waste water created during denim production and will enable local producers to meet the high ecological and environmental standards of EU markets.³⁸

Security

On 12 October 2015 following Albania qualification for the soccer Euro 2016 tournament, several hundred Albanians gathered in Bujanovac and Preševo carrying Great Albania flags and chanted “Kill, slaughter so the Serbs do not exist”. Police in Vranje launched investigation into organisation of the event while criminal charges were pressed against 12 participants. Albanian local websites condemned the event.³⁹

On 11 November, at the roundtable “Sandžak – security at the crossroads”, NGO - Urban IN Programme Co-ordinator, Sead Biberović assessed that work with youth strengthens security and prevents the occurrence of radicalism and extremism. Adverse economic situation is a key reason behind the increase of extremism among youths while close coordination and joint engagement of the Government and non-government sector is crucial in prevention of deterioration.

³⁴ Okradio.rs [HELP continues to help](#) (5 October 2015)

³⁵ Knjazevac.rs [Tourism award for Knjaževac](#) (28 September 2015); Knjazevac.rs [Knjaževac new leader in local tourism](#) (02 October 2015); Danas.rs [New leader in Serbian tourism](#) (03 October 2015);

³⁶ Kurir.rs [Corridor 10 partially open](#) (28 November 2015);

³⁷ Juznevesti.com [New "Leoni" plant opens in one of the poorest municipalities](#) (Published on 18 November 2015);

³⁸ Danas.rs [US Ambassador Kirby in Novi Pazar](#) (Published on 18 December 2015)

³⁹ Blic.rs [Albanians chant for slaughter of Serbs](#); Titulli [Nga tmerrri i Beogradit deri tek spontaniteti i Bujanocit](#) (Published on 12 October 2015); Bujanovacke.co.rs [Criminal charges raised](#) (Published on 15 October 2015);

Progress towards achieving objectives and results

The Programme's focus shifted from development of activities and projects to implementation during the fourth quarter (Q4) of 2015. Out of 29 Programme activities, 22 or 76% have been progressing in accordance with the plan, four or 14% are moving forward with manageable delay, while some aspects of three activities that are interdependent on the progress of the CFCU managed actions are not feasible in the initially envisaged format and will have to be modified.

At the end of 2015, European PROGRES has contracted 189 projects⁴⁰ out of which 164 or 87% are implemented through grant methodology, while the remaining 25 are directly executed by UNOPS.⁴¹ Ten projects were completed in this quarter, which brings the number of finished actions to 15 (8%). The disbursement in Q4 2015 exceeded 1.5 million Euros, which is 117% against target for the period.



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 efforts to enhance local governance, with the Programme technical assistance (TA), 15 LSGs adopted Programme Budgets (PBs) for 2016 in accordance with the prescribed Budget Calendar⁴² and the methodology prescribed by the MoF and the SCTM. Development of PBs was based on improved planning, with regard to clearer definition of budget programmes, their objectives, costs, and results, as well as through enhanced participation of key local stakeholders and citizens. This should ensure higher transparency of the budget, reduces room for budgetary interventions, and eventually should enable more efficient public expenditure. None of the 15 LSGs have temporary financing and this is indicator of the quality of developed budgets.

⁴⁰ The number of projects is not fully comparable with figures provided in previous report because European PROGRES as of Q4 2015 includes in the statistics technical assistance projects.

⁴¹ UNOPS is the owner of the project and usually hires consultancies needed for the completion of a set of activities, in accordance with organisational rules and regulations.

⁴² The Budget Calendar is defined by the Budget System Law available at <http://www.seio.gov.rs/upload/documents/ekspertske%20misije/judical%20system/Budget%20System%20Law.pdf>

Sixteen grants for improvements of local taxpayers' registries led to registration of over 16,500 new taxpayers so far⁴³ out of which 2,500 during this quarter. Four tax administration projects that were completed enabled registration of 3,823 new tax payers or an average increase by 21%. The most significant increase has been registered in Trgovište where the number of taxpayers doubled from 880 to 1780. The completed projects should enable increase of local tax income by seven million Dinars annually.

Taxpayers registry - first results

Municipality	Baseline No of taxpayers	No of new taxpayers	Increase in %	Baseline income (RSD)	Estimated Income increase (RSD)	Estimated income increase (%)
Priboj	7,682	1,158	15%	9,370,123	1,500,000	16%
Raška	7,128	973	14%	83,294,957	5,000,000	6%
Bosilegrad	2,522	792	31%	4,517,323	500,000	11%
Trgovište	880	900	102%	2,164,006	240,000	11%
	18,212 Taxpayers in 2013	3,823 New taxpayers	21% Increase compared to 2013	99,346,409 Income generated in 2013	7,240,000 Additional income expected	7% Increase compared to 2013

European PROGRES' support to development of Geographic Information Systems (GIS) in eleven LSGs should result in more efficient and transparent LSGs services. In particular, decision making should improve with regard to valorisation of local potentials and development and maintenance of infrastructure, while a range of municipal procedures should be shortened.

By signing a Memorandum of Understanding (MoU) on the activities related to good governance with 34 municipalities in South East and South West Serbia, the Programme established a framework for introduction of principles and practices of good governance which should contribute to increased accountability, transparency, efficiency and openness of local self-governments.

The Programme's support, in partnership with the UN Women, has enabled institutional development of 34 local GEMs through the development of individual plans for their improvement, drafting of new and revision of the existing local action plans, as well as through initiation of adoption of the European Charter for Equality of Women and Men in Local Life in all 34 municipalities. At the same time, support has been provided in defining priority areas within gender budgeting in the municipal budget cycles in at least five municipalities.

There are early indicators of effectiveness of training about the International Federation of Consulting Engineers (FIDIC) contract modality that is applied with infrastructure projects. The knowledge tests that were organised at the end of each training showed that participants understand covered FIDIC themes, as their average mark was 7.5 out of 10. In addition, 85% of participants consider the training content relevant for their work.

⁴³ Overview of current results of projects for improvement of taxpayers' registry is available in Annex I, Attachment 1.1.

Result 2

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

The Programme Steering Committee confirmed in November the approval of 2.8 million Euros for finishing the construction and equipping of the Vranje Hospital and 622,000 Euros for the construction and equipping of the building for emergency services in Novi Pazar Health Centre. These two projects of regional importance will be implemented by the Department for Contracting and Financing of EU Funded Programmes (CFCU) of the Ministry of Finance, with the Programme's support, and will improve primary and secondary health services to 500,000 citizens in the South and South West Serbia. Vranje project will enable introduction of new medical services, increase number of conducted medical treatments and reduce the number of patients' referrals to the medical centres in Belgrade and Niš, with the overall objective to increase average life expectancy in the Pčinja District. In Novi Pazar, the emergency services will be faster by 50%, while capacities for treatment of patients in need of immediate care will be increased.

The South and South West Serbia Anti-erosion and Flood Protection Project that was also approved in November includes development of technical documentation and construction of anti-erosion structures on critical sections in Raška, Pusta Reka and Trgoviški Timok watersheds. The project will reduce the likelihood of floods in the targeted areas.

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

Within efforts to enhance social inclusion, so far Citizens' Involvement Fund projects yielded concrete positive results.

The Woman Association "Rose" in partnership with Lebane Municipality established social enterprise for food processing, creating jobs for five women, and temporary employment for seven women with disabilities. Fifty percent of the company's profit will be used for development of social services in Lebane. The enterprise had several successful exhibitions and won the first prize in the category "jams and marmalades" for the product "mountain rose hip jam" at 10th International Fair of Ethnic Food and Drink in Belgrade.

In Bujanovac, the project implemented by the Association of Business Women of Bujanovac, resulted in provision of two grants for business start-ups. Two female beneficiaries provide sewing services, and the grants should enable two full time and one part time jobs for women.

Surdulica included provision of equipment for laser graving and manufacturing of clay products to the Touristic Organisation and trainings for 40 members of vulnerable groups on entrepreneurship, business plan writing, and in souvenir production. Two most successful trainees will establish business for souvenir production and will have right to use the equipment free of charge.

The projects promoting corporate social responsibility (CSR) in Knjaževac was successfully completed as 20 local enterprises signed the MoUs on implementation of the CSR Guide, which was created within the project. One of the MoU signees donated chairs to a local preschool institution and the other provided free insurance against accidents to local pupils, hence marking the start of implementation of the CSR activities.

Establishment of joint Serbian-Albanian students' cooperative in for souvenir production and printing services of two secondary schools in Bujanovac resulted in jointly designing several souvenir ideas, with the production that followed soon after.

Result 4

Effects of Serbia's European accession communicated to general public

The Programme continues to generate visibility for donors as over two hundred affirmative media reports were accurately listing the DEU and the SDC support. The Programme's good governance and gender equality events had copious, positive media coverage, which contributed to awareness raising of the important, Programme relevant, social themes.

European values were additionally promoted through coverage of the Programme's CIF projects, as inclusion and employment of the most vulnerable was the focus of 17 media stories. The stories provided a strong support to the initiatives and focussed on promotion of local volunteerism.

European PROGRES coverage in the media



894

.....
Since the beginning of
the Programme

216

.....
October - December 2015

Activities and outputs

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

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

The interest of LSGs in TA for development of PBs for 2016 and Capital Investment Plans (CIPs) for 2016-2020 continues to be high with total 221 participants (114 women or 52% and 107 men or 48%) from 15 beneficiary LSGs taking part in workshops. Moreover, the overall workshops rating of 4.43 (on a scale from one to five, five being excellent) indicates effectiveness of provided assistance. The Programme organised eight regular monthly workshops and two individual visits to LSGs to intensify work with budgetary users and help them provide inputs for the 2016 PBs. With completion of the budget development process, the work on development of CIPs is intensified in December with workshops for four LSGs.⁴⁴

Incorporation of good governance principles in CIP and PB was re-visited at a workshop organised for representatives of all 15 LSGs on 16 December. The participating LSGs provided an overview of the citizen participation activities performed during budget development, ranging from basic information sharing activities to comprehensive interventions triggering dialogue with the citizens.⁴⁵ In addition, the action plans for implementation and monitoring of the citizen participation process for the forthcoming period were verified.

Four grants for improvement of the taxpayers' registries were completed (Priboj, Raška, Bosilegrad and Trgovište), while four are in the final implementation phase. All 16 grants should be completed by the end of March 2016.⁴⁶

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

Grants for the detailed regulation plans (DRPs) were signed with all 21 beneficiary LSGs. All Assemblies have passed the decision about the development of DRPs, which is the first legal step and gives the green light to municipal procurement departments to start developing tender packages. Knjaževac, Novi Pazar, Leskovac, Vranje⁴⁷, Sjenica and Tutin entrusted development of DRPs to their public companies. The Programme has started to provide TA to the LSGs in preparation of tender documentation and for organisation of early public viewing.

Grants have also been signed for the introduction of Geographic Information System (GIS) with all eleven beneficiary local self-governments (LSGs).⁴⁸ The total value of approved projects is 1,160,318

⁴⁴ The overview of capital investment planning and programme budgeting activities is available in Annex I, Attachment 1.2

⁴⁵ The lists of citizen participation activities include at minimum meetings with representatives of public companies and media appearances in some of the LSGs (i.e. Nova Varos, Sjenica and Presevo) whereas other included public debates, polling, web-based debates, community meetings, workgroup meetings etc. (i.e. Bela Palanka, Medvedja and Vladičin Han)

⁴⁶ Five grant agreements have been extended to accommodate the delays with transfer of funds: Aleksinac, Tutin, Bujanovac, Crna Trava and Babusnica

⁴⁷ Novi Pazar, Vranje, and Leskovac were donated during the predecessor Programme, EU PROGRES, equipment which enhanced their capacities for development of planning documentation.

⁴⁸ Bela Palanka, Kuršumljija, Leskovac, Merošina (in partnership with Aleksinac), Novi Pazar, Preševo, Prokuplje, Raška, Sjenica, Surdulica and Vranje.

Euros, of which up to 1,027,241 Euros (88%) will be provided by the European Union and the Government of Switzerland through European PROGRES.

Draft templates for establishment of GIS institutional framework – City/Municipal Assembly Decision, Agreement of Cooperation and Data Exchange Protocols have been prepared.⁴⁹ The good governance aspects of the documents are incorporated in the documents.

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

The Association of Consulting Engineers of Serbia (ACES), the implementing partner, conducted six, two-day, trainings about the International Federation of Consulting Engineers (FIDIC) contract modality. On average, 96 participants (41% women and 59% men) out of 101 designated beneficiaries from 34 LSGs, attended the trainings. An additional training was organised for 20 beneficiaries (ten women and ten men) from the SEIO, the CFCU, and European PROGRES.

The last, fourth training module is scheduled for February-March 2016. The delay in implementation of the CFCU grant scheme for local infrastructure projects may negatively effect on the job component of FIDIC training, which is also a part of this activity. This was actually what the trainees said it would be beneficial for better understanding of topics.⁵⁰

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

The ceremonial signing of the MoU on Introduction of Good Governance Practices at Local Level took place in November in Belgrade, gathering 71 participants from 31 municipalities, donor community, Government institutions, related programmes, projects and organisations. By the end of November, all 34 municipalities had signed the MoU.

The first training on building capacities and skills of the Competence Centres for Good Governance was held on 23-25 November. It was attended by appointed contact persons for good governance (GG) from 28 municipalities (eight women, and 20 men). The first training was dedicated to the principle of accountability, more specifically to some important aspects such as sanctions, competencies and conflicts of interest.

The methodology applied was combination of theoretical introduction, case studies and practical work. Ninety three percent of the participants positively assessed the training while emphasising its applicability in practice.

A mission by the Backstopper was held on 26-27 November and it included planning for the next GG training, in addition to steps for developing a functional diagram and consultations relating to GG focus projects. In regards to the gender equality, a meeting was held with the Swiss Gender Equality expert for exchanging information on practices and legal framework in the two countries.

Based on the results of the Local Governance Assessment in 34 municipalities carried out during the last summer, local governance reform packages were drafted and include:

- For Accountability: accountable management of local property, financial management, local accountability mechanisms, enhancing Rule of Law at the local level;
- For Transparency: access to information at local level; the role of local media
- For Participation: packages of direct and soft participation of citizens will be proposed

⁴⁹ City/Municipal Assembly Decision on GIS, City/Municipal/Inter-municipal Agreements of Cooperation in GIS Development are available in Annex I, attachments 1.3, 1.4, and 1.5.

⁵⁰ The tests and evaluation forms are available with European PROGRES.

- For Non-discrimination: equal job opportunities and non-discrimination in internal employment, non-discrimination in response to emergencies and measures for solidarity
- For Efficiency, the packages will be focussed on coordination of planning and organisation of municipal administration.

Detailed elaboration of reform packages according to municipal specificities will be completed and then discussed with the municipalities during the first quarter of 2016.

1.5 Institutional development of local gender equality mechanisms

In support of the Local Gender Action Plans (LAPs) development and adoption, UN Women⁵¹ organised round tables in Knjaževac, Gadžin Han, Merošina, Blace, Bela Palanka with participation of 107 people (83 women, 24 men), including three mayors. Knjaževac and Gadžin Han adopted while Bela Palanka, Merošina, Babušnica and Blace made decision on adoption of LAPs at assembly meetings planned for early 2016. Three more municipalities (Kuršumljija, Bujanovac and Brus) drafted LAPs and expect their adoption in Q1 2016. Doljevac is the only municipality that made no progress regarding LAP development. As of 31 December 2015, in total 26 LAPs were revised/developed and adopted.

With the Programme's expert and advocacy support, eleven more municipalities signed the European Charter for Equality of Women and Men in Local Life, totalling to 32 LSGs that adopted this document. Doljevac and Medveđa have still did not demonstrate interest to sign the Charter.

The ceremony for the award of plaques on the occasion of adoption of the EC for 34 municipalities was organised in collaboration with the UN Women. The ceremony was attended by 74 representatives from the national institutions and LSGs, including (Deputy Prime Minister, Deputy Mayor of Belgrade, nine presidents of municipalities, representatives of GEMs and related projects, programmes and institutions).

Model of the Decision on Gender Sensitive Statistics has been developed and presented to municipalities through advocating process.

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

The PSC in November in principle approved the project concept for strengthening capacities of LSGs' staff on Gender Equality. European PROGRES and UN Women are working on development of a full project proposals that will be considered at the PSC meeting planned for February 2016. The implementation of the activity however, will start after the local elections, planned for Q2 2016.

1.7 Gender responsive budgeting

With UN Women's TA, municipalities have identified priority areas for gender responsive budgeting: support to women entrepreneurship, economic strengthening of women, support to women victims of violence, support to rural women and their economic strengthening, and financing the GE LAPs.

Three municipalities, out of seven that were participating in this process, have adopted the Gender Responsive Budgeting initiatives: in Vlasotince, the budget for 2016 includes allocation of funds to gender mainstreaming of economic development programme and support to women's entrepreneurship; in Nova Varoš, funds are allocated to gender mainstreaming of municipal health programme, related to health care for women in rural areas and marginalised groups, including Roma; and in Sjenica the budget is allocated for implementation of Gender LAPs.

⁵¹ UN Women is implementing partners of activities 1.5 and 1.7.

The GRB initiatives are developed in the remaining four municipalities as well, focussing on programmes related to financing of implementation of LAPs (Aleksinac), providing access to subsidiaries in agriculture for rural women and access to (Prijeplje), economic empowerment of women (Priboj) and supporting women in sports (Vladičin Han). However, these municipalities did not include these initiatives in their budget submissions for 2016.⁵²

Result 2

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

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

European PROGRES designed a questionnaire to assess the needs and capacities of LSGs to comply with the new Law on Planning and Construction and improve their business environment. Since the Ministry of Construction, Traffic and Infrastructure (MCTI) failed to submit a request for support to LSGs to facilitate implementation of the new Law, which was agreed during meeting on 25 November, the assistance to municipalities will be defined based on the assessment results in early 2016.

Beta version of the Competitiveness Portal, which will be used by LSGs to monitor their competitiveness index and update competitiveness data, is released for testing. Leskovac, Raška and Merošina have been selected for piloting the software as a representative sample of LSGs of different sizes, capacities and geographical location. The data collection is somewhat delayed due to added efforts to customise data collection methodology and will commence in January 2016.

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 implementation of grants for the main design advanced: 29 LSGs completed public procurements and hired design companies, meaning that all 40 municipalities finished this action; 30 concept designs have been finished; 16 extensions of time have been approved. No more requests for extensions are expected.⁵³

In November, the PSC approved South and South West Serbia Anti-erosion and Flood Protection Project valued at 745,833 Euros. The development of technical documentation for the construction of the anti-erosion protection of Jablanica, Pčinja and Vlasina Rivers watersheds and the General Design with Pre-feasibility study for South Morava flood protection is envisaged as part of the Project. The value of projects related to development of technical documentation is 215,833 Euros.

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)

The construction of and delivery of equipment for the building for the Bujanovac Department of the Subotica Faculty of Economics were commissioned and the building opened door to the students in October 2015.

⁵² Overview of identified initiatives and further steps in seven municipalities is presented in Annex I, Attachment 1.5.

⁵³ Overview of the status of grants for main designs is available in Annex II, Attachment 2.1

The PSC in November confirmed the approval of the two large infrastructure projects that will be implemented through the CFCU: the construction of Vranje General Hospital and Novi Pazar Emergency Ward. The Programme assisted the SEIO and the CFCU in preparation of tender documentation for works according to Practical Guide to Contract Procedures for EU External Actions (PRAG) procedures (five volumes for each project). Tender dossier volumes 1 and 2 for both projects were shared with the SEIO and the CFCU for comments, volumes 3 to 5 for the Novi Pazar Emergency Ward were sent to the SEIO on 24 December. Volumes 3 to 5 for Vranje General Hospital will be shared with the SEIO by 15 January 2016.

The roles of the key stakeholders for Vranje and Novi Pazar projects were identified, the preparation of the protocol which will regulate roles and responsibilities is ongoing, with the aim to be in place by end January 2016. The role of the European PROGRES will be part of the protocol.

The South and South West Serbia Anti-erosion and Flood Protection Project noted in the Activity 2.2 in addition to technical documentation includes construction of anti-erosion structures on the critical sections in Raška, Pusta Reka and Trgoviški Timok watersheds. The construction works are estimated at 530,000 Euros.

2.4 Technical assistance for implementation of grants for local infrastructure projects

The evaluation of the concept notes for local infrastructure projects that started in August 2015 is still ongoing. The CFCU announced completion of this phase by the end of 2015 but the results were not made public. The accumulated delay of this activity exceeds nine months and, as previously reported, the Programme's initially planned TA will have to be amended, as it is not feasible during the Programme's lifespan.

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

This activity is interdependent on the progress of the CFCU managed grant scheme for local infrastructure projects. Initial work on linking GG with infrastructure projects will start upon completion of the evaluation of concept notes for local 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

Within efforts to enhance vertical coordination between the Government and the LSGs, the Programme organised the first workshop "Coordination and cooperation among local self-government units and state administration bodies in implementation of environmental protection policies" on 22 and 23 October, with 58 participants (28 women, 30 men), including environmental trustees from 34 municipalities, representatives of the Ministry of Agriculture and Environmental Protection, Environmental Protection Agency, Chamber of Commerce of Serbia, Public Company Srbijašume, Public Water Management Company Srbijavode, civil society organisations, as well as experts in this field. The next workshop will be held by the end of February 2016, specifically on waste management and waste separation, as identified and recommended by the participants.⁵⁴

A consultation meeting was held with the SIPRU Team and agreed concept for the first workshop on social protection that will be organised in February 2016.⁵⁵

⁵⁴ Workshop report and conclusions have been presented in Annex II, Attachment 2.2.

⁵⁵ The table overview of areas identified for cooperation with the SIPRU is available in Annex II, Attachment 3.1

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

The fourth and the final two-day training for public-private partnership (PPP) was held in early October concluding the capacity building phase in preparation of the CFPs for PPP launch. Ninety participants from 32 LSGs⁵⁶ out of which 30 (33%) were women and 60 were men, confirmed that interests and capacities of LSGs for PPP projects were higher than originally assessed. This is in the largest part the result of the policy changes, which simplified procedures for energy efficiency projects.⁵⁷

The Call for Provision of Technical Support for Establishment of the PPP has been revised to simplify the application procedure in line with the feedback from the LSGs⁵⁸ and addressing good governance issues raised by the Swiss back stoppers. In addition, the Programme will conduct trainings about incorporation of the good governance principles in line with recommendations and led by the Programme good governance team.

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 CfP for Introduction of International Quality or Food Safety Standards was concluded on 5 November. Although initial response was low, and the Call had to be extended for three-weeks, Programme's additional efforts, including dozens of follow-up meetings, resulted in satisfactory 38 applications from business community. The proposed list of beneficiaries will be presented to the PSC for consideration at the February meeting.

Implementation of the grant agreements with clusters⁵⁹ is underway: 'Stara Planina Tourism Cluster' developed recommendations for improvement of the touristic offer, including addressing networking issues, development of joint tourism product and usage of new technologies. 'South Serbia Fruit Cluster' is conducting energy efficiency audit in three pilot Small and Medium Enterprises (SMEs) and has conducted two trainings on energy efficiency in the food industry attended by seven member SMEs. 'Pešter Agro Cluster' continued development of the Kajmak brand with agreement on the standardised recipe, development of a marketing plan and the product's logo. The equipment was procured and will be installed in early 2016. 'Prijepolje Textile Cluster' established a Design Centre in the premises of the Technical High School and has conducted complementary trainings for SMEs on clothes modelling. Three member SMEs have developed new products and presented them at an international fair in Dusseldorf. Poor management capacities of the 'NP Shoes Cluster' have led to delays in procurement of the specialised software. The Programme monitors this project in order to accommodate for the lost time and will suggest enhancement of cluster management as remedial action.

In cooperation with the USAID funded Sustainable Local Development Project (SLDP) and Serbia Investment and Export Promotion Agency (SIEPA), the Programme organised a roundtable discussion "Business Opportunity for Serbia - Wood Furniture" on 10 November at the Belgrade Furniture Fair. Over 70 representatives of the national institutions, LSGs and business community attended the event. The key conclusions from the roundtable are (1) the wood furniture sector has potential for growth, (2) the world's greatest buyer of wood furniture is eager to source from Serbia and (3) a national action plan focussed exclusively on wood furniture production must be proposed to the

⁵⁶ Two programme LSGs did not participate in the PPP trainings – Bosilegrad and Crna Trava, and both have confirmed that they are not interested in the PPP activities

⁵⁷ The Energy Service Company (ESCO) Contract Model was developed by the Ministry of Energy, Development and Environmental Protection with support of the European Bank for Reconstruction and Development (EBRD) in 2014 allowing for simplified procedures for projects addressing energy efficiency issues, including public lighting and public heating

⁵⁸ The Draft Call for the PPP approved by the Programme Steering Committee approved in April 2015 foresaw a two-step application process embedding additional capacity building activities, which are now seen as obsolete

⁵⁹ Overview of current results of grant agreements with clusters is available in Annex II, Attachment 2.3

central Government by local stakeholders, with local forest communities taking the lead. The Programme supported SLDP counterparts in conducting visits to mayors, to discuss follow-up actions to the furniture roundtable, one being signing of a joint MoU committing to create favourable policy for development of the sector. The Programme will continue to coordinate support to the sector with USAID SLDP and SIEPA.

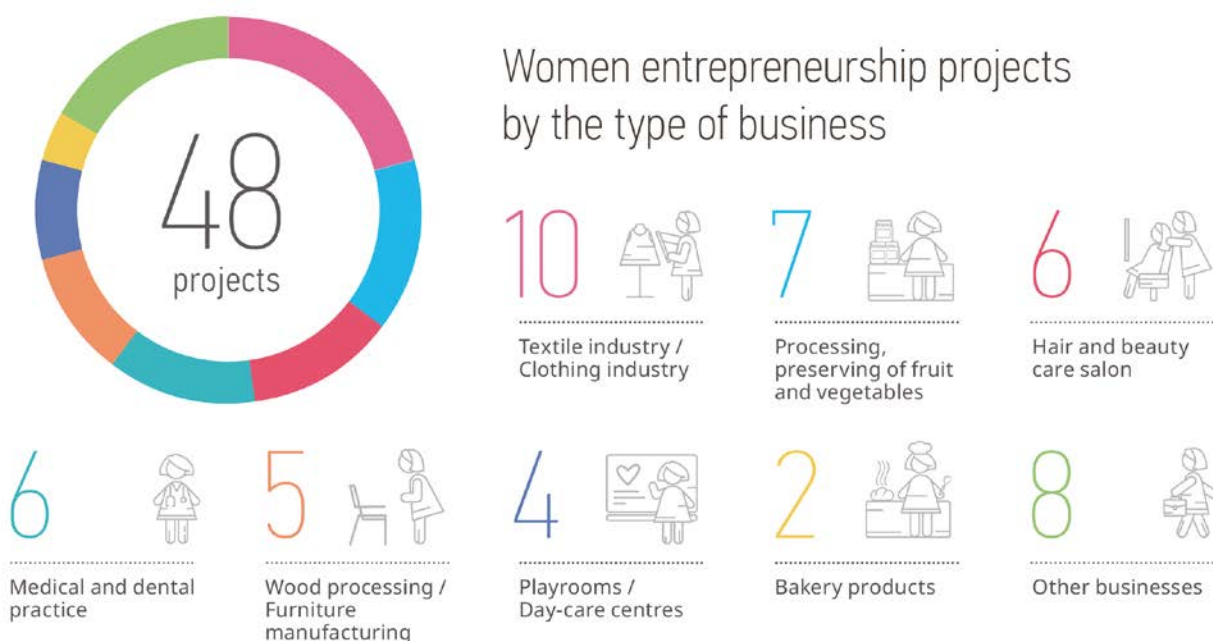
2.9 Support agricultural producers in reaching common markets through establishment of cooperatives, introduction of new production techniques, and international standards on food safety

The Call for Support for Protection of Geographic Origin⁶⁰ was closed on 5 November with a three-week extension due to recorded requests from potential beneficiaries. Five proposals were received and evaluated and will be presented for consideration at the next PSC meeting, planned for February 2016.

The Call for Provision of Support to Agricultural Producer Groups⁶¹ (APGs) has been approved by the PSC in November and subsequently published in early December. An outreach plan for the APGs is developed with a set of extraordinary activities designed for this target group, including development of a promotional poster, liaising with the line Ministry and their local agricultural advisory offices, holding of larger number of info sessions etc. As a result, the interest for the Call is high, as was proved at the eight info sessions⁶² held in December attended by 209 participants out of which 23 (11%) were women and 186 (89%) were men.

2.10 Support to women entrepreneurship

In November, the PSC endorsed the Programme’s recommendations for provision for 48 business start-up grants worth 368,000 Euros for women entrepreneurs.⁶³



⁶⁰ [The Call for Proposals for Support for Protection of Geographic Origin](#)

⁶¹ <http://www.europeanprogres.org/konten/en/346/Provision-of-Suport-to-Agricultural-Producer-Groups/>

⁶² The eight info sessions on the Call for Support to APGs were held in Vranje, Leskovac, Prokuplje, Aleksinac, Novi Pazar, Prijepolje, Ivanjica and Knjazevac in the 7-14 December period

⁶³ The Fact Sheet on the Call for Women Entrepreneurship is presented in Annex II, Attachment 2.4.

The Programme currently prepares a technical specification for procurement of equipment in accordance with the requirements submitted by women applicants. The tenders will be advertised in January 2016, while the ceremony for the delivery of donation agreements is planned for early February 2016.

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

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

The Citizens' Satisfaction Survey will be conducted in the last year of the Programme implementation.

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

The representatives of the Ministry of Justice during the meeting with European PROGRES indicated that the Law on Free Legal Aid will be adopted in early 2016, but will come into effect on 1 January 2017. The draft Law will make free legal assistance mandatory for the LSGs, and hence will make to some extent planned European PROGRES approach to "pilot" Citizens' Advisory Services irrelevant. Therefore, the Programme will reconsider approach to this activity in Q1 2016.

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

The Programme is assessing options to implement vocational training activities for the known investors in partnership with the Development Agency of Serbia, which is to be active as of January when the merging of the Serbia Investment and Export Promotion Agency (SIEPA) and the National Agency for Regional Development (NARD) is completed. The approach will be shared with the PSC in early 2016.

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

The implementing partner for development of social policies and introduction of innovative models for employment of marginalised groups started in October with conduct of assessment of institutional capacities in 34 municipalities. The findings will present starting point for development of tailor-made models of intervention that should result in improvement of social and employment services in the municipalities in the final phase of the project.

Two more interventions are supported within this activity. The Music Art Project will introduce innovative El Sistema music-learning methodology for the first time in South Serbia that is expected to diminish the social distance between the children in the formal music education and vulnerable children outside the system. The most disadvantaged children talented for music, mostly from Roma population, would be included in establishment of joint orchestras and choirs with their more advantaged peers that are regularly attending music schools. The project will be implemented in Vranje.

YUROM Centre's intervention aims to contribute to inclusion and safety of Roma community in ten municipalities in the South Serbia through prevention of fire hazard in Roma settlements. The project includes implementation of fire safety measures, such as training on immediate action in case a fire broke out, in Roma settlements and launching of awareness campaign among settlements' residents, as well as advocacy for increase of fire safety through mobilisation of relevant national and local institutions.

3.5 Promote active inclusion and improved integration of social and employment services in underdeveloped municipalities
This activity will share the implementation framework developed within the Activity 3.4.

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

The beginning of this activity is planned for the first half of 2016, when meetings will be held with the representatives of local governments and Healthcare Centres in the selected municipalities in order to assess needs for procurement of medical equipment for addressing women health.

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

The Government of Serbia Coordination Body for Municipalities of Preševo, Bujanovac and Medveđa has sent a proposal for this activity, whose main objectives is development of local strategies for culture in the three municipalities, capacity development of key staff members of local cultural institutions and improvement of existing relations between different ethnic communities. Also, the proposal suggests establishment of local working groups for this project, organisation of public debates and peer review meetings during a study tour.

The proposal will be discussed with the Coordination Body to ensure sustainability of the intervention and complementarity with possible action in other multi-ethnic LSGs.

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

Five CIF projects were completed, bringing the total of eight concluded projects. Around 95% of funds are disbursed to the grantees and the projects in general are progressing in accordance with the plan. For four projects, which had significant delays and exceeded end date by two months, the grants will be extended. The beneficiaries were warned that no further delays would be accepted.

3.9 Support young people from Albanian community to learn Serbian language

Delivery of the students' textbooks for the fourth to the eighth graders, the teachers' manuals and education material for learning Serbian as non-mother tongue was finalised in October. Sixteen schools from Bujanovac, Medveđa and Preševo were equipped with teaching and learning material with the aim to improve Serbian language skills of more than 3,600 Albanian pupils.

Six teaching assistants were engaged in four elementary schools in Bujanovac and Preševo to provide support to the teachers of the Serbian as non-mother tongue. The assistants are introducing new methods of work for the teachers, while distribution of the mentioned educational material provided means for realisation of innovative learning methods. The school classes are going in accordance with the plan.

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

The Programme procured of garbage truck that will help the Public Utility Company in Preševo to address waste management problems that occurred due to high influx of migrants to this municipality. The delivery of the truck is scheduled for January 2016.

Result 4

Effects of Serbia's European accession communicated to general public

4.1 Communicate actions, results and impact of the programme activities with the link to Serbia's overall European integration efforts

Visits and events

Five major events were organised. The Seventh Programme Steering Committee (PSC) was held in Novi Pazar on 03 November 2015 in the presence of over 70 participants, including 15 mayors. The signing of the MoU about Good Governance Interventions in LSGs was organised on 9 and 10 November in Belgrade gathering 71 participants (22 women and 49 men), including 23 mayors and representatives of 31 municipalities.

Ceremonial opening of the Bujanovac Department of Subotica Economics Faculty was organised on 17 November and was attended by over 200 guests including Prime Minister of the Government of the Republic of Serbia, the Minister of Education, Science and Technological Development, the Head of Delegation of European Union (DEU) in Serbia and the Swiss and French Ambassadors.

A roundtable discussion “Business Opportunity for Serbia - Wood Furniture” prepared in cooperation with the USAID funded Sustainable Local Development Project (SLDP) took place on 10 November at the Belgrade Furniture Fair. Over 70 participants, including LSG representatives, business representatives and the central government attended the event.

The end of 2016 calendar competition was marked by the award ceremony in Leskovac on 16 December. The event gathered 70 high school students from across the Programme area. A record of 29 schools participated with 117 artworks depicting small scale projects as resolutions to various local needs including school transportation for children from rural areas, construction of cultural and leisure facilities and several energy efficiency initiatives. The calendar was printed in 1,650 copies and distributed to various stakeholders.

Support was provided to the Thirty-fifth theatre festival "Bora's Theatre Days", held in Vranje 21 - 26 October 2015. The support generated positive publicity for the DEU and the Swiss Agency for Development and Cooperation (SDC) as their emblems were featured on promotional materials and assistance mentioned during the numerous well visited events, including the six featured theatre shows - a record number of performances for this festival.

Media

Seven press releases have been circulated and generated 218 media reports in the national, regional and local media, which is the new record of the Programme.⁶⁴ Comparing to the same reporting period of the EU PROGRES, the media coverage spiked over 30 percent and the national media coverage doubled to approximately 70 reports, while comparison with the same reporting period in 2014, the number of reports increased over 80 percent. This is primarily result of two events: the opening ceremony of the Bujanovac department of the Subotica Faculty of Economics⁶⁵ and the Gender Equality Plaques Awarding Ceremony in Belgrade on 9 December attended by the Deputy Prime Minister and the Minister for Construction, Traffic, and Infrastructure. This again confirms that the presence of high Government and donor officials is important for promotion of the financial assistance. It will, however, be difficult for European PROGRES to maintain this level of visibility since the implementation of local infrastructure projects is delayed.

The digital media engagement has remained at the almost the same level compared to the previous reporting period. European PROGRES website attracted average 2,471 unique visitors with 14,055

⁶⁴ The report on European PROGRES media coverage October – December 2015 is available in Annex IV, attachment 4.1, and the overview of registered reports is provided in Annex IV, attachment 4.2.

⁶⁵ The media coverage was also marked by the verbal incident provoked by the President of the Albanian National Minority Council

registered visits. The portal is regularly updated with the relevant content and undergoes document and link checks. The tenders and public calls remain the most visited pages on the website.

Social media presence continues to improve as the Programme now habitually uses Facebook and Twitter accounts for the promotion of the European Union and the Government of Switzerland's support to the Programme areas.⁶⁶ Since the previous period the number of Facebook and Twitter outputs increased and correspondently readership grew, doubling to 705 and 86 followers respectively. Subsequently, 21 Facebook posts were reached by 10,090 people and 24 posts were regularly re-tweeted by various beneficiaries including the popular EU Info Centre. In addition, 32 out of 87 tweets on UNOPS Serbia Twitter were about European PROGRES.

Three European PROGRES' stories concerning support for activities related to gender equality, migration and economic empowerment of people with disabilities', were prepared and published through several UNOPS channels including UNOPS global website. The global exposure allowed worldwide visibility for the Programme donors.

Additionally the **Third Programme Newsletter** published in December, covered all key achievements from the previous period and was distributed to close to 1,000 stakeholders in the Government, media and non-government sector.

Tools and visuals

The Seasons' Greetings Cards have been produced and sent to 200 Programme stakeholders while the electronic version of the card sent to over 1,500 email addresses. **New promotional material** has been developed, including 100 promotional mugs, 50 hardcover organisers and 100 external phone batteries (power banks) complete with hard cases. Additionally the Programme produced visual materials for Women Entrepreneurship and Support to Agricultural Producer Groups Call for Proposal.

The preparation of European PROGRES' **Municipal Profiles**⁶⁷ is in progress, with 19 out of 34 profiles edited and reviewed. Also, after direct contact, 15 European PROGRES' municipalities published European PROGRES banner linked with the **Programme website** on their official web pages. The remaining 19 have been notified and are expected to publish new, or replace old banners, by the end of January 2016. Both activities aim to interlink the websites of the Programme and the beneficiaries.

Number of visits to the Programme website



58,057

Since the beginning of
the Programme

14,055

October – December 2015

⁶⁶ A spreadsheet detailing all channels of media coverage is available in the Annex IV, Attachment 4.1

⁶⁷ Documents which will be accessed through the website interactive map and provide information about European PROGRES projects that are implemented in a particular LSG with statistical information on the competitiveness level, present local government strengths and will visually focus on the local key investment opportunities.

Factsheet on the results of the CfPs for Women Entrepreneurship and the Poster for Agricultural Producers were finalised.

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

No progress has been made on the campaign as a new approach is being considered. Namely the planned two campaigns, with two separate themes, would be converted into one, two-phased, campaign with a common topic aiming to have a stronger and more sustainable impact moving from awareness to behaviour change. The topic of the campaign will be revisited with the major stakeholders during the Q1 2016.

Management and coordination

Programme Steering Committee

The seventh PSC meeting was held in Novi Pazar on 3 November and, among other, resulted in the approval of the Quarterly Report 1 July – 30 September 2015.⁶⁸

From 17 to 25 December 2015, the PSC used electronic voting procedure to consider minor modifications of the CfP for Provision of Support to PPP that was initially approved in April. As there were no comments, European PROGRES will launch this CfP in early 2016.

The next PSC meeting is planned for February 2016.

Finance

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

- The delivery for Q4 2015 was 1,568,111 Euros, which is 117% against the internal target
- The delivery in 2015 was 4,257,850 Euros, which is 100.62 % against the internal target
- The total delivery as of 31 December 2015 is 5,293,451 Euros or 30.61 % of the Programme budget
- The forecast delivery for the Q1 2016 is 1,695,864 Euros
- The fourth instalment of 680,000 Euros from the SDC received was in December 2015.⁶⁹

Procurement

The key procurement activities included advertisement of 24 tenders between 5,000 to 50,000 Dollars and conduct of 11 shopping procedures (used for amounts below 5,000 Dollars). There have been no formal complaints on conducted procurement processes.

The key concluded procurements include signing of contract for garbage truck for Preševo Public Utility Company and contract for provision of services to assist municipalities in improving social inclusion through employment of vulnerable and marginalised.

Thirteen Grant Agreements were signed.

Human resources

In line with the Programme's work plans, actions were taken to restructure and reinforce the capacity of Good Governance and Social Inclusion Sector. In this respect, Terms of Reference of existing functions have been reassessed and additional needs identified, resulting in recruitment processes for two advisory positions, Good Governance and Gender Equality and Social Inclusion and Human Rights Advisors. Also, short-term position for Consultant for Local Self-governments was required as a part of regular planning process for concerned Sector. Additionally, vacant position of Communications Associate was fulfilled accordingly.

⁶⁸ [The draft Minutes of the PSC meeting held in Novi Pazar](#)

⁶⁹ The final financial figures will be provided in certified financial reports but information provided in this Report provides insight into spending trends.

Learning and development was continuously addressed and following trainings have taken place:

- The Infrastructure Advisor completed Stanford Advanced Project Management Certificate Programme, designed to enhance skills to manage change in a multi-dimensional environment and lead cross-functional teams.
- One Programme personnel passed the PRINCE2 Foundation exam while Practitioner level exam was completed by four personnel. In this way, the Programme's capacity to apply UNOPS-applied methodology in project management has been strengthened.
- Five personnel attended the Sustainable Procurement Workshop designed to help participants develop a thorough understanding of sustainable procurement and provide sound approaches for implementation.
- Eight Programme's managers and engineers attended training on introduction to the basis of FIDIC contracts management and application of various contract conditions.

Logistics

European PROGRES personnel have made 127 official travels. All Programme vehicles have been registered for 2016.

Security

No security issues or threats to the Programme's personnel, assets or premises were recorded. Situation regarding migrant crisis on the border with Macedonia is monitored and coordinated by UNDSS Office and other UN Agencies. Security of the main entrance gate in Novi Pazar Office was improved, in line with previously provided recommendations.

Information Communications Technology

Small servers have been installed in Novi Pazar and Niš Offices, to perform backup and storage functions. European PROGRES e-mail distribution lists have been modified to correspond to actual communications needs.

Risks and Issues

Elections: The local elections are being announced for April or May 2016 and they may slow down activities due to pre-election campaigns and time needed for post-election establishment of local institutions. The Programme staff monitors developments in the field and maintains relations with the key municipal officials in order to identify LSGs where elections could generate crisis. In addition, the Programme is assessing whether elections could affect any particular activity. For example, public-private partnership projects require decisions by Municipal Councils or Municipal Assemblies that will be due at the election time. Hence the Programme is revising methodology in order to mitigate this risk. In January 2016, detailed assessment of risk deriving from elections will be done for all activities.

Delayed implementation of local infrastructure: The accumulated delay in implementation of the CFCU managed grant scheme for local infrastructure projects exceeded nine months. In addition to earlier reported negative effects on provision of TA in implementation of the grants and on good governance intervention, the mounting delay may affect provision of on-job training component of FIDIC training, which would in turn reduce the LSGs' capacity to manage the infrastructure projects implemented through this contract modality. Within development of suggestions for amendments of the Programme, European PROGRES will consider conduct of separate grant scheme for local infrastructure to enable conduct of good governance activities, while scope for provision of TA will have to be reduced or time extension approved.

Lower actual cost of grants: implementation of projects for the development of main designs indicated that the actual cost of these grants could be lower for up to 35% of the planned European PROGRES contribution of 538,000 Euros. This is caused by lower prices on the market in Serbia, which are consequence of crisis in the construction sector. The Programme will continue to monitor the development and if this becomes trend will prepare options for utilisation of unspent funding.

Issue with the GIS Cfp: UNOPS RSOC Manager set up a Commission to review the process of the European PROGRES Cfp for Geographical Information Systems (GIS), following the municipal officials' statements at the PSC in Novi Pazar that raised concerns that the internal information about the results of the Call may have been shared with the outside stakeholders. Based on the available material – personnel statements and meetings with the municipal officials – there is no indication that any member of UNOPS personnel deliberately and directly announced the results to any external stakeholders. The Commission has recommended immediate actions in order to improve transparency and accountability of the entire personnel in UNOPS Serbia, as well as to improve efficiency and effectiveness of the work of any future evaluation committees, where this hasn't been regulated. First, the procedures for the conduct of the Cfp should be strengthened, including the development of the criteria, evaluation process and confidentiality/access to information of the process. Second, a declaration form related to confidentiality, impartiality and objectivity should be introduced for signature of all members of any evaluation committee in the future, where not existent.

The Risks and Issues Register⁷⁰ includes both initial and newly identified risks, as well as the information on the planned responses and their status.

⁷⁰ The Risk and Issues Register is available in Annex V, attachment 5.1

Quality and Sustainability

Quality Management Strategy

In order to systemise approach to quality in the Programme, while following UNOPS corporate standards and RSPC framework, European PROGRES developed the Quality Management Strategy (QMS).⁷¹ This document describes quality management procedures that will be used for quality planning, quality control, and quality assurance. It also outlines reporting requirements, quality records, timing of quality activities, and defines staff responsibilities.

In addition, the Programme established the Quality Register⁷² that will be used to summarise the planned and actual results of all quality check activities (such as results of inspections, reviews, assurance activities, etc.).

UNOPS Q3 2015 Assurance

The UNOPS RSPC project assurance, held at the beginning of October 2015, covering the third quarter of the year, reconfirmed that the actions European PROGRES deliver are valid, that the Programme is progressing well towards the set targets, while managing risks and issues in a systematic and documented manner.

In terms of respecting internal policies related to project management, European PROGRES continues to be the best project implemented by UNOPS in Serbia.

Maturity Assessment UNOPS Serbia

UNOPS Serbia is persistently improving its practices, to ensure effectiveness and efficiency in project management services for its stakeholders. Within these efforts, the organisation is trying to improve its maturity to level 3, which means that all processes will be defined and centrally controlled, and then tailor made to individual projects.

The initial self-assessment of maturity of European PROGRES showed that the Programme is well advanced, with slight improvements needed in three areas: stakeholder engagement, setting of tolerances, and more rigour in planning.

Quality reviews

Within efforts to ensure high quality of the final products, but also in order to support capacity building of European PROGRES' team, the Project Management Office (PMO) Supervisor constantly reviews strategic documents produced by the Programme, such as the Calls for Proposals, Terms of References, reports, briefings, and communication/visibility material. The experience has shown that the Programme takes adequate steps in preparation of all written products, consulting the relevant experts and stakeholders, and respecting the overall work plan.

⁷¹ The Quality Management Strategy is available with Annex V, Attachment 5.2

⁷² The Quality Register is available in Annex V, Attachment 5.3

Results Oriented Monitoring Mission

In the first half of November 2015, European PROGRES underwent the Results Oriented Mission (ROM), which is a tool used by the DEU to assess performance of actions funded by the European Union.

Sustainability

The Programme continued to apply principles that are the foundation of sustainability: grant methodology that gives ownership over the activities to the beneficiaries remains the Programme's approach; activities are embedded into relevant national and local development policies and this will remain the approach throughout the implementation. Continues efforts are put to consult relevant national institutions. For example, criteria for supporting agricultural producer groups have been developed in consultation with the Ministry of Agriculture and Environmental Protection.

Lessons learned

European PROGRES focussed on implementation of the learned lessons, and out of 23 registered from the beginning of implementation, 16 lessons or 70% were applied. The following is overview of key implemented lessons:

- The Programme has signed the MoU with 34 LSGs on GG interventions. This is in line with the lesson to formalise provision of TA and ensure that beneficiaries also officially take some responsibilities. Similar approach will be used in the future, when appropriate.
- Setting deadlines by which LSGs can request European PROGRES' TA for development of applications in response to various CfPs proved to be effective measure. This was reaffirmed as the majority of LSGs timely asked assistance hence enabling the Programme to provide quality support. In addition to this, the municipalities, on the basis of European PROGRES advice, started planning more time for proper translation of their proposals into English, which previously also negatively affected quality of applications.
- The issue with GIS CfP described in the previous sections once again confirmed that there was a need to strengthen and additionally formalise procedures related to the conduct of public calls. UNOPS RSPC will develop policy that will enhance procedures for development of the criteria, evaluation process, and regulate better confidentiality/access to information aspects of public calls.
- The introduction of formal written warnings to remind the municipalities that grant they manage is delayed has proven effective. In several cases, notices were sent and triggered immediate reaction from the grantees that sped up implementation and returned these projects on track.
- The CfP for Introduction of International Quality or Food Safety Standards initially did not attract the SMEs. This showed that the outreach to the business community may not be effective if it is based only on standard communication approaches, such as using of local media, websites, or business associations as message conveyers. The Programme invested additional resources, primarily on organisation of dozen of direct meetings with SME representatives and eventually managed to generate solid interest for the CfP. Furthermore, considering the lesson with the SMEs, when promoting the Call benefiting the agricultural producer groups, outreach plan included cooperation with the line Ministry and local agricultural offices and larger number of info sessions.

The European PROGRES Lessons Log is available in the Annex V, Attachment 5.4.

Work Plan

European PROGRES Work Plan for the period from 1 January – 31 March 2016 is available in the Annex V, Attachment 5.5. 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 Capital Investment Plans for 2016-2020 period adopted by 15 beneficiary LSGs; implementation of 16 grants for improvement of the taxpayers' registries completed
- Activity 1.3 Conduct Module 4 of FIDIC trainings and engage the consultants for PRAG and Public Procurement training
- Activity 1.4 Organise the second GG Training for Municipal Competence Centres and finalise the GG municipal reform packages
- Activity 1.6 Finalisation of the proposal for networking of female members of municipal assemblies

Result 2

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

- Activity 2.1 Conduct needs assessment for implementation of the Law on Planning and Construction and accordingly design approach for support to LSGs; complete revision of the Competitiveness Portal
- Activity 2.2 Complete at least first five grants for development of main designs
- Activity 2.3 Follow up publishing of tenders for works for Vranje Hospital and Novi Pazar Emergency Ward
- Activities 2.2 and 2.3 Sign the MoU with the beneficiary Srbijavode for the Anti-erosion and Flood Protection Project
- Activity 2.4 Assist LSGs in preparation of full applications for the CFCU Call for Proposals
- Activity 2.6 Organise the initial workshop on social protection and the second workshop on environmental protection
- Activity 2.7 Conduct the call and select at least two PPP projects for technical assistance
- Activity 2.8 Award donations for introduction of international food safety or quality standards

- Activity 2.9 Award donations for geographic origin certification
- Activity 2.10 Complete procurement for women entrepreneurship projects

Result 3

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





- Activity 3.3 Design approach and obtain PSC endorsement for the vocational training
- Activity 3.4-3.5 Monitor implementation of the activities
- Activity 3.8 Prepare the second Citizens' Involvement Fund Call for Proposals

Result 4

Effects of Serbia's European integration communicated to general public

- Activity 4.1 Organise at least three high profile functions; distribute the fourth issue of the Newsletter; finalise the Municipal Profiles; produce the new set of promotional material (second batch)
- Activity 4.2 Select consultancy for the conduct of the first campaign

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
<p>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.</p>		
<p>Serbia's ranking in the World Bank's Doing Business Report improves for at least five places</p> <p>Serbia's ranking in the Global Competitiveness Report improved for at least five places</p>	<p>Serbia's ranking in the World Bank's Doing Business Report has improved by nine places in 2016⁷³, with the rank of 59 compared to 68 in 2015.</p> <p>Serbia's ranking in the Global Competitiveness Report 2014-2015 has improved by seven places, currently being positioned as 94th compared to 101st in 2013-2014.</p>	
<p>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.</p>		
<p>Overall investments in infrastructure increased by at least 10% on annual basis</p> <p>At least five new investments in industry until the end of the Programme</p> <p>Export of SME sector increased by at least 5% until the end of the Programme</p> <p>Enabled employment of at least 1,500 people as the result of (in)direct</p>	<p>The Programme developed matrix to monitor and assess annually the key socio-economic development indicators in the area and this will facilitate monitoring of European PROGRES' contribution to the Purpose.</p> <p>Two CIF projects generated five full time jobs and seven temporary. Approval of start-up grants for women entrepreneurship should generate 80 jobs.</p>	<p>The Programme's efforts to encourage economic projects through advocacy and criteria in the CfPs were effective. For example, projects for tax administration, clusters, and even partnership actions of civil society and LSGs should produce economic outcomes. However, subsequent Programme's insisting on economic projects was effective, in particular with Call for detailed regulation plans (DRP).</p>

⁷³ The Doing Business Report for 2016 has been published in October 2015.

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%) ⁷⁴	Twelve workshops on identification of capital investment projects held.	European PROGRES provides technical assistance (TA) to 15 LSGs in development of the Capital Investment Plans (CIPs). The group includes ten new LSGs and five that were assisted through the predecessor programme, EU PROGRES.
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) ⁷⁵	Programme budgets for 2016 in the 15 beneficiary LSGs have been adopted.	European PROGRES provided technical assistance to the 15 LSGs (ten new and five previously assisted through EU PROGRES) in development of Programme Budgets for 2016. All 15 LSGs adopted PBs.
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 ⁷⁶	Four grants for improvement the taxpayers' registries were completed, over 2,500 new taxpayers registered.	The Programme provided grants for 16 projects worth 154,000 Euros for improvement of the taxpayers' registry. Over 16,000 taxpayers since the start of implementation of 16 grants for improvement the taxpayers' registries.
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) ⁷⁷	European PROGRES provided 11 grants for introduction and development of Geographic Information System (GIS).	The CfP for development of GIS was opened from May to August 2015. The PSC in November approved 11 projects and Grant Agreements were signed in December 2015.
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.	Twenty one grants for development of DRPs issued. Municipal assemblies of all 21 LSGs passed the decision about the development of the DRPs and started to prepare tenders.	The Call was open until 7 April 2015. The PSC approved 21 applications for the development of 31 DRPs. Grants provided and implementation launched.

⁷⁴Baseline Study on Competitiveness, EU PROGRES, 2014

⁷⁵Baseline Study on Competitiveness, EU PROGRES, 2014

⁷⁶LTA Office Annual Reports

⁷⁷Obstacles to Infrastructure Development, EU PROGRES, 2013

<p>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</p>	<p>Six two-day FIDIC trainings conducted, of which each attracted 96 beneficiaries from 34 LSGs.</p>	<p>The Association of Consulting Engineers of Serbia (ACES) was selected to deliver the trainings on the International Federation of Consulting Engineers (FIDIC) contract modality. The two year training is delivered to 102 municipal employees, 62 men and 38 women, from all 34 LSGs, and five representatives from the SEIO and the CFCU, three women and two men. The modules 0, 1, 2 and 3 have been delivered.</p>
<p>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</p>	<p>The Memorandum of Understanding (MoU) with 34 municipalities on Good Governance (GG) activities has been signed. The first training on accountability organised for designated local officials.</p>	<p>The Local Governance Assessment of the 34 municipalities is finalised. The results are being used for planning local governance reforms that will be conducted in at least five LSGs. The MoU for GG interventions at local level is signed.</p>
<p>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 ⁷⁸</p>	<p>Three LSGs adopted Gender Local Action Plans and 11 adopted the European Charter for Equality of Women and Men in Local Life.</p>	<p>UN Women completed the assessment of capacities of GEMs in 34 municipalities. Tailor made plans for strengthening of 21 GEMs categorised as having very low capacity. Twenty four municipalities adopted GE LAP and 32 municipalities adopted the European Charter for Equality of Women and Men in Local Life.</p>
<p>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</p>	<p>The first concept for this activity developed and approved by the PSC in November 2015.</p>	<p>The start of intervention is planned for after the local elections in 2016.</p>
<p>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.</p>	<p>Seven municipalities introduced Gender Responsive Budgeting process, while two of them, so far, have adopted draft budgets, which included gender indicators.</p>	<p>Eleven LSGs being supported in introduction of gender sensitive budgeting. Seven municipalities introduced Gender Responsive Budgeting process.</p>

⁷⁸Baseline Study on Competitiveness, EU PROGRES, 2014

Baseline: three municipalities have performed budget and local policy analyses from gender perspective ⁷⁹		
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Result 2 Increased competitiveness of local economy through improved business environment and management/organizational capacities of SMEs/agricultural cooperatives		
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 ⁸⁰	The scope for the Programme's intervention discussed with the Ministry of Construction, Traffic, and Infrastructure. As no concrete request was received, European PROGRES developed questionnaire to identify needs for support in 34 municipalities. The competitiveness portal is being revised and data collection process simplified. Beta version of the portal is released and is being tested.	The amendments of the Law on Planning and Construction introduced unified procedure for issuing construction permits, including for e-permitting, which delayed the European PROGRES intervention. The Programme is modifying approach to this activity in cooperation with the line Ministry and relevant stakeholders in order to ensure relevance and enhance potential outcomes. The e-permitting system is operational.
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	29 municipalities hired design companies; 30 concept designs have been finished; 16 extensions of time have been approved. PSC approved in November development of technical documentation for the anti-erosion protection of watersheds of Jablanica, Pčinja and Vlasina Rivers and the General Design with Pre-feasibility study for South Morava flood protection.	The CfP for Development of the Main Designs was advertised in December 2014. In February 2015, the PSC approved 40 projects (out of 53 applications) for the development of the main designs for local infrastructure. The Programme's contribution is up to 538,000 Euros. 40 Grant Agreements signed with the LSGs in May 2015 and implementation ongoing. November PSC approved the South and South West Serbia Anti-erosion and Flood Protection Project.
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	Nothing to report (NTR).	Upon September 2014 PSC approval, European PROGRES support operations of the Joint Technical Secretariat of the IPA Cross-border Programme Serbia-Montenegro (CBC SRB-MON). The grant is completed and contributed to increased number of applications the South West Serbia in response to the CBC SRB-MON CfP.
Activity 2.3 At least one priority inter-municipal project implemented by the Programme completion	The building for the Bujanovac Department of the Subotica Faculty of Economics was commissioned and opened door to the students in October 2015. This activity is completed.	Completed. The contract for the construction of Bujanovac Department of Subotica Economics Faculty was signed in January 2015. The construction and equipping of the facility was completed in September, usage permit obtained, and doors opened to students in October 2015.

⁷⁹Baseline Study on Competitiveness, EU PROGRES, 2014

⁸⁰As identified in the World Bank's Doing Business in Serbia 2014 ranking

Activities 2.3 and 2.4 Works supervision services provided to the CFCU as contracting authority for the priority infrastructure project implemented by it	The November PSC approved projects for finishing the construction and equipping of the Vranje Hospital and for the construction and equipping of the building for emergency services in Novi Pazar Health Centre. Tender dossiers prepared and shared with the SEIO and the CFCU.	Two projects of regional importance that will be implemented by the CFCU identified and approved.
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	The evaluation of the concept notes for local infrastructure projects that started in August 2015 is still ongoing. The Programme's initially planned TA will have to be amended, as it is not feasible during the Programme's lifespan.	Despite Programme's timely TA, the CFCU advertised the Call for Local Infrastructure Projects only in March 2015, five months later than originally planned. As further delays were registered, provision of initially planned TA is not feasible during the life cycle of European PROGRES. Therefore, extension of the Programme should be considered.
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	NTR.	European PROGRES organised initial information sessions for LSGs to present the CFCU Call and supported LSGs in development of concept notes. All 34 Programme LSGs and Vranjska Banja as one of the city municipalities responded to the call with submission of 52 Concept Notes.
Activity 2.5 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	Initial concepts for development of municipal governance reforms have been prepared and will be finalised in the Q1 2016.	Initial concepts for development of municipal governance reforms were prepared in Q4 2015 and will be finalised in the Q1 2016. The implementation of municipal governance reforms is planned for Q2 2016.
Activity 2.5 All projects are organised with clear responsibilities in the procurement, contract management, monitoring and evaluation; at least 20 new local policies and/or administrative regulations linked to infrastructure projects are elaborated in a participatory manner, approved by councils, implemented and monitored, clearly indicating who invests, owns, decides upon, maintains, benefits from and monitors the new infrastructure, by the end of Programme	The evaluation of the concept notes for local infrastructure projects that started in August 2015 is still ongoing, so no progress on defining concrete GG interventions.	The approach for applying GG aspects of the municipal infrastructure projects has been developed. Its implementation should start after the CFCU announces the Call for Full Project Applications, which has been delayed for nine months. Implementation of this activity is not feasible within the current dynamics. In response, European PROGRES will suggest implementation of a separate local infrastructure grant scheme that would enable conduct of GG intervention and the Programme extension should be considered.
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	The first workshop on Vertical Dimension of Governance in environmental protection was conducted on 23 October 2015.	This activity was divided into two main topics, in accordance with was agreed with the SCTM and the SIPRU: Topic 1 will be implementation of environmental Law and accompanying regulations at local level, and Topic 2 will be implementation of Law on Social Care. The initial workshop for Topic 1 was organised in October 2015.

Activity 2.7 At least two PPP models developed and implemented by the end of the Programme	The criteria for the CfP for the PPP projects have been modified to address findings from the sessions with LSGs and to incorporate comments from the GG experts. The PSC re-approved the criteria by e-voting in December 2015.	Two PPP technical experts recruited to support implementation. Sessions to raise understanding of LSGs about PPP held. The criteria for the CFP were approved by the PSC in February 2015, and reapproved with minor changes through e-voting in December 2015. The four two-day training sessions on the PPP have been conducted.
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	The Public Call for Introduction of International Quality or Food Safety Standards is conducted, applications evaluated and beneficiaries will be proposed to the next PSC for approval that is planned for February 2016.	The Public Call for Introduction of International Quality or Food Safety Standards was approved by the PSC in July, published, and closed in October. During the next PSC meeting, planned for February 2016, recommendations will be considered.
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	The Public Call for Introduction of International Quality or Food Safety Standards including the QMS certification was conducted, applications evaluated and beneficiaries will be proposed for consideration at the next PSC meeting planned for February 2016.	The Public Call for Introduction of International Quality or Food Safety Standards including the QMS certification was approved by the PSC in July 2015, it was published and closed in October 2015.
Activity 2.8 At least 20 SMEs, member of clusters, introduced innovation or use innovative market development techniques, until the end of the Programme.	Implementation of five cluster projects underway and in accordance with the plan for four grantees whereas the NP Shoes cluster suffers minor delays.	Following October 2014 PSC approval, European PROGRES advertised the CfP for Provision of Support to Clusters in Common Market Approach and Introduction of Innovations. In April, the PSC approved five projects for funding in the amount of 145,000 Euros. Grant agreements issued and are being implemented.
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	The CfP of Support for Protection of Geographic Origin was closed on 23 October 2015 and the applications were evaluated. The beneficiaries will be proposed for consideration at the next PSC in February 2016.	The Assessment of the Agricultural Producer Groups and Geographic Indication completed in May 2015. The Programme developed criteria for the CfP and conducted the Call in September-October 2015.
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) ⁸¹	The CfP for Provision of Support for Protection of Geographic Origin is conducted, applications evaluated and beneficiaries will be proposed for consideration at the next PSC, planned for February 2016.	The Assessment of the Agricultural Producer Groups and Geographic Indication completed in May 2015. The Programme developed criteria and conducted the Call in September-October 2015. The applications received are being evaluated and will be presented to the PSC for consideration in Q1 2016.
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	The evaluation finalised with 48 applications recommended for funding and approved by the PSC. Contracting and procurement process is on-going and should be finalised in February 2016.	The CFP approved in April 2015 and advertised in June. Seven sessions held in March-April 2015 to announce the CfP were attended by 422 participants (405 women and 17 men). Nine training sessions for drafting of business plans

⁸¹Serbian 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)

		held, benefitting 147 female participants. The CfP closed in July 2015, 137 applications received, evaluation completed and the PSC supported funding of 48 proposals.
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 European PROGRES municipalities by the end of the Programme (baseline 2014: four municipalities with Social Inclusion Strategies) ⁸²	The implementation has started and is going according to the plan, with the desktop research and making initial contacts with the municipalities.	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 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.
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%) ⁸³	This activity is incorporated in the approach for the activity 3.4.	This activity is incorporated in the approach for the activity 3.4.
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.	Five CIF projects completed.	During the first CIF CfP, 77 applications were received from 32 municipalities. In December 2014, the PSC approved 20 projects for funding in the amount of 397,765 Euros, contributing to social inclusion and employability of vulnerable population. Twenty projects contracted, eight completed, and implementation of twelve is underway.
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 ⁸⁴	No activities were planned during this period.	The Citizens' Satisfaction Survey will be conducted in the last year of the Programme implementation.
Activities 3.2 and 3.10 Citizens' Advisory Services provided in eight municipalities, to at least 1,000 people during the Programme implementation; sustainability ensured by at least four municipalities providing budget for running costs after the Programme ends, documented by a relevant municipal decision	Meeting with the Ministry of Justice indicated that the new Law on Free Legal Aid that should be adopted in early 2016 does not leave room for interventions similar to the one foreseen by European PROGRES. Therefore, the Programme will reconsider approach to this activity in Q1 2016. The migration activity has been re-	The Programme will reconsider the Citizens' Advisory Service activity as the current approach may not be aligned with the announced legal framework. Activity will be revised in Q1 2016. The migration activity has been re-routed to provide for the unprecedented influx of refugees and migrants from the Middle East, in

⁸² Baseline Study on Competitiveness, EU PROGRES, 2014

⁸³ Report on Employment of Roma, Ministry of Labour, Employment and Social Welfare, Belgrade, 2013

⁸⁴ 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

	routed to provide for the unprecedented influx of refugees and migrants from the Middle East, in accordance with the Donors' requests.	accordance with the Donors' requests.
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	No progress was made during this period.	The Programme examined Skills Gap Analysis ⁸⁵ and the National Survey of Employers ⁸⁶ in Serbia and identified the training needs for the shoemakers, sewers, electric welders, carpenters, plastic processors, machinists etc. The Programme will define approach in Q1 2016.
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 ⁸⁷	Initial preparations (such as consultations with line experts) have been finalised. Assessment will start in early 2016.	Initial preparations (such as consultations with line experts) have been finalised. Assessment will start in early 2016.
Activity 3.7 At least four cultural centres in multi-ethnic municipalities (e.g. for intercultural music, theatre and art productions) upgraded	The Coordination Body for Preševo, Bujanovac, and Medveđa submitted concept for this activity.	The Coordination Body for Preševo, Bujanovac, and Medveđa submitted concept for this activity. The approach will be developed in Q1 2016.
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 ⁸⁸	Six teaching assistants were engaged in four elementary schools in Bujanovac and Preševo to provide support to the teachers of the Serbian as non-mother tongue. The textbooks, teachers' manual and auxiliary educational materials have been procured and delivered to 16 elementary schools in Preševo, Bujanovac and Medveđa.	The implementing partner for engaging the Teaching Assistants in four elementary schools in Preševo and Bujanovac teaching Serbian as a non-mother tongue has been contracted. The Teaching Assistants started their assignment. The textbooks, teachers' manual and auxiliary educational materials have been delivered to 16 elementary schools in Preševo, Bujanovac and Medveđa.
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. ^[1]	Key outputs/outcomes: <ul style="list-style-type: none"> • Five high profile functions/visits organised including the seventh Steering Committee in Novi Pazar • Calendar Competition for 2016 completed • Eight comprehensive briefing notes prepared 	Key outputs/outcomes: <ul style="list-style-type: none"> • Communications Strategy developed • Twelve high profile visits organised, five Ambassadorial • Twelve large events organised • Four high profile interviews and 18 statements for the media

⁸⁵Skills Gap Analysis in South and South-West Serbia, International Labour Organization (2014)

⁸⁶The analysis and forecasts of labour market needs in Republic of Serbia (2014), National Employment Service funded by the EU

⁸⁷ 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

⁸⁸This indicator will change to incorporate findings and recommendations of the Coordination Body Feasibility Study

^[1]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"> • Over 210 positive media reports have been generated • The third issue of European PROGRES newsletter distributed • 32 tweets (36%) about European PROGRES on UNOPS Serbia Twitter • Support provided to the local festival, “Borini Dani” in Vranje • One interview organised • Finalised Communication Manual and Annexes • A new set of promotional material developed 	<ul style="list-style-type: none"> organised • 36 comprehensive briefing notes prepared • 35 press releases prepared • 888 positive media reports have been generated • Three issues of Newsletter distributed • Website developed, launched and regularly updated • Twitter and Facebook accounts launched and utilised regularly • Art competitions for European PROGRES’ Calendar 2015 and 2016 successfully organised • Three sets of promo materials produced
<p>Two advocacy/awareness campaigns promoting European values conducted within the Programme implementation</p>	<p>The approach is being reconsidered and will be presented in the Q1 2016.</p>	<p>In December 2014, the PSC approved the concept for the first campaign that primarily aimed to promote economic aspects of European integrations. The offers received in April 2015 tender didn’t meet the criteria. The approach is being reconsidered and will be presented in the Q1 2016.</p>