



Ministry of European Integration  
REPUBLIC OF SERBIA

#EY  
ЗА ТЕБЕ



EU  
PRO+

QUARTERLY  
STATUS  
REPORT

May - July 2021



Implementing partner  
in 99 cities and municipalities in Serbia

<b>Overall objective:</b>	To contribute to socio-economic development, prosperity and social cohesion of Serbian society
<b>Purpose:</b>	To decrease socio-economic disparities in two regions within Serbia
<b>Budget:</b>	30 million Euros
<b>Donor:</b>	The European Union
<b>Start date:</b>	1 January 2021
<b>End date:</b>	31 December 2023
<b>Programme area:</b>	The Regions of Šumadija and Western Serbia and the Southern and Eastern Serbia
<b>Implementing partner:</b>	United Nations Office for Project Services (UNOPS)
<b>Report date:</b>	12 November 2021
<b>Period covered:</b>	1 May 2021 – 31 July 2021
<b>Prepared by:</b>	UNOPS

## Acronyms

<b>BSO</b>	Business Support Organisation
<b>CFP</b>	Call for Proposals
<b>CLLD</b>	Community-led Local Development
<b>CSO</b>	Civil Society Organisation
<b>DEU</b>	Delegation of the European Union
<b>DOA</b>	Description of Action
<b>EC</b>	European Commission
<b>EU</b>	European Union
<b>GAP</b>	Gender Action Plan
<b>ITI</b>	Integrated Territorial Investment
<b>ISTD</b>	Integrated Sustainable Territorial Development
<b>ISUD</b>	Integrated Sustainable Urban Strategies
<b>LAGs</b>	Local Action Groups
<b>LED</b>	Local economic development
<b>LIP</b>	Local infrastructure project
<b>LSG</b>	Local Self-Government
<b>MPALSG</b>	Ministry of Public Administration and Local Self Government
<b>MEI</b>	Ministry of European Integration
<b>PSC</b>	Programme Steering Committee
<b>RDA</b>	Regional Development Agency
<b>RFP</b>	Request for Proposals
<b>SME</b>	Small and Medium Sized Enterprises
<b>SUD</b>	Sustainable Urban Development
<b>SUDSRS</b>	Sustainable Urban Development Strategy of Republic of Serbia until 2030
<b>ToR</b>	Terms of Reference



## TABLE OF CONTENTS

Acronyms	2
SUMMARY	4
QUARTERLY STATUS REPORT	6
2.1 Review of project progress	6
2.1.1 Policy and Programme Context	6
2.1.2 Progress towards achieving objectives	6
2.1.3 Results and Activities	6
2.2 Management	9
2.2.1 Governance	9
2.2.2 Coordination	9
2.2.3 Human Resources	10
2.2.4 Procurement and Grants	10
2.2.5. Finance	11
RISKS AND ISSUES	11
QUALITY	12
SUSTAINABILITY	12
CROSS-CUTTING THEMES: Good Governance, Gender Equality, Social Inclusion and Digitalisation	12
COMMUNICATIONS AND VISIBILITY	13
LESSONS LEARNED	13
NEXT REPORTING PERIOD	14
LFM – progress against indicators	15
<b>ANNEXES</b>	<b>17</b>

## 1. SUMMARY

The European Union for Local Development Programme - EU PRO Plus, designed to reduce socio-economic disparities of Šumadija and Western Serbia and Southern and Eastern Serbia, commenced its implementation in January 2021. The reporting quarter, covering May-July 2021 period, which succeeds the inception phase of the Programme, is marked with extensive consultations with stakeholders and target beneficiaries, development of priority activities and continued support to the Government efforts in combating COVID-19 pandemic.

Within efforts to secure wide participation and maximise relevance of activities, meetings with representatives of 55 local governments included in the Programme were conducted securing pivotal information which contributed to confirmation of approach for implementation of planned activities. Relying on the information from the predecessor projects, the Programme paid special attention to those municipalities which were less active in the past, laying the foundation for increased participation and wider coverage of Programme interventions.

The Programme also liaised with other development initiatives to identify potential overlaps and ensure synergies between interventions initiating coordination primarily with the key complementary EU-funded projects. Following-up on the appointments of the Programme Steering Committee members, the Programme also initiated consultations with representatives of the national institutions, including the Ministry of Youth and Sports, Ministry of Labour, Employment, Veteran and Social Affairs and the Standing Conference of Towns and Municipalities securing initial guidance on the planned activities.

The quarter was marked with strong progress in development and finalisation of public calls targeting local governments, business support organisations and civil society organisations. The approach for Programme support to development of territorial strategies is confirmed and the related Call for Proposals has been drafted targeting territories with potential to engage in development of Sustainable Urban Development (SUD) and Integrated Territorial Investment (ITI) strategies. Programme support in this area is based on the premises that territorial approach provides better opportunities for identification and utilisation of potentials of territories which are not defined with administrative borders but rather in relation to functional linkages, similar and connected economic activities and social and cultural identity. In this regard, the Capacity Building Plan targeting national, regional and local stakeholders has been further developed and the first training programmes outlined.

Complementing the EU PRO Plus layout with a two-tier approach to activities contributing to economic growth, the Programme proceeded with development of activities contributing to the enabling economic environment and strengthening of enterprises. To ensure a more enabling economic environment, the Programme worked on identification of key impediments for provision of services of local administrations to businesses and re-confirmed that capacities of local governments may be significantly improved with enhanced access to information and improved readiness of priority projects. This encompasses, among others, collecting and digitalising geospatial information, digitalisation of services, development of technical and project documentation, and enhancing other services at the local level related to the attraction of the investments into the municipalities.

Contributing to the enhancement of competitiveness of enterprises, the Programme continued consultations with the Ministry of Economy and with the Chamber of Commerce and Industry of Serbia to identify the priority areas for support which may be provided by the business support organizations. Several areas have been identified, including the support in digitalisation, greening and

circular economy, enhancing resilience, supporting marketing, standardisation and enhancing access to finance. A Call for Business Support Organisations has been drafted in line with the received inputs and its publishing is pending consideration of the Programme Steering Committee.

According to the feedback from the local governments, improvement of local infrastructure remains their key challenge to secure continued provision of services and enhance their quality. The Call for Local Infrastructure Projects has been finalised taking into account confirmed needs of targeted local governments and maturity of projects which would be eligible for support. Taking into account past experience, the effects of the ongoing pandemic, and information obtained from the Ministry of Labour, Employment, Veteran and Social Affairs, the need for prioritisation of projects contributing to development of infrastructure in health and social services sectors has been confirmed, and incorporated into the Call planned to be published in the following quarter.

Additionally, the Programme confirmed the approach for support to strengthen social services at the local level. The concept for calls for proposals is developed taking into account the gaps in provision of social services identified during the first wave of the pandemic and the need to enhance preparedness and resilience of social services providers for possible future emergencies. A Call for Proposals planned to be published in the final quarter of the year, will be developed, encouraging civil society organisations licensed for provision of social services to apply for support to enhance existing services and introduce new services in line with the identified needs.

The Programme also identified significant risks during the quarter. The ongoing COVID-19 health crisis continues to influence the Programme and may affect the implementation modality and dynamics. Moreover, long term effects of the pandemic may influence delivery and long-term sustainability of results. Furthermore, reduced capacities of local governments caused by the pandemic may put additional burden on local administrations to secure quality participation in Programme activities, especially those relating to strategic planning processes. The Programme has identified mitigation measures and is continuously monitoring risks and occurrence of potential issues ensuring timely response.

The Programme communications and visibility activities have also been developed during the quarter. The [Programme website](#) is launched providing the platform for promotion of the Programme, but also for ensuring transparency and accountability of its interventions.

This Report provides review of progress and performance, update on management and coordination issues, review of assumptions and risks, quality and sustainability considerations, insight into the key outputs for the next reporting period, and lessons learned. A number of annexes give the readers opportunity to get in depth knowledge of some specific actions taken by the Programme.

## 2. QUARTERLY STATUS REPORT

### 2.1 Review of project progress

#### 2.1.1 Policy and Programme Context

The [Law on Gender Equality](#) was adopted in May 2021 by the National Assembly. The Law specifies a set of measures aiming to enhance the implementation of gender equality at local level, such as preparation of planning documents, monitoring and reporting on the implementation of planning documents, establishment and functioning of local gender equality bodies, appointment of a person in charge of gender equality, recording and reporting on achieving gender equality goals etc. The Programme is aligned with the new provisions ensuring good governance and gender equality.

The Government of Serbia adopted the [Programme for the Reform of the Local Self-Government System in the Republic of Serbia for the period 2021 - 2025](#) which plans the strategic development of local self-government system reform with the aim of achieving a modern, professional, efficient and responsible local self-government. The special focus is on transparency, participation of citizens in public affairs, defining public policies and regulations, the capacity of institutions and officials, as well as better service delivery to citizens.

#### 2.1.2 Progress towards achieving objectives

The EU PRO Plus is on its way to establish a solid foundation for implementation of planned activities which should over time contribute to sustainable economic development of the regions of Šumadija and Western Serbia and Southern and Eastern Serbia. Conduct of the Call for Business Support Organisations should contribute to enhanced competitiveness and sustainability of enterprises which shall create conditions for jobs creation.

Although the Programme focus is on economic development, it also addresses the social aspects of the process. Through conduct of the Call for Local Infrastructure Projects, the quality of services provided by public institutions will be enhanced. Moreover, through Conduct of the Call for Social Services, one of the key sustainability aspects challenged by the ongoing pandemic will be addressed.

#### 2.1.3 Results and Activities

##### **Result 1: Improved development planning in targeted municipalities and introduction of the ITI concept**

The Programme has set the grounds to achieve the planned results relating to introduction of the Integrated Territorial Investment (ITI) concept. With the Call for Applications for Development of Territorial Strategies, development of at least 15 strategies which are expected to cover over 40 local self-governments (LSGs) will be supported while the capacity building activities directed towards the LSGs and regional development agencies (RDAs) will ensure quality of developed strategies.

The Programme's work at the national level and the Capacity Building Plan further defined during the reporting period will enable sustainability of these activities. The capacity building activities are designed to enhance understanding of an integrated territorial development approach, however, with strong focus on practical aspects. It foresees two types of activities - training activities targeting LSGs, RDAs, the Ministry of European Integration (MEI) and the inter-sectoral expert group planned to be formed by the MEI, and capacity building through knowledge exchange instruments which will support knowledge exchange between the key stakeholders involved in the process of introducing an integrated territorial development approach in Serbia. It will enhance institutional and administrative capacity for planning and applying territorial instruments while, in particular, enhancing the ability of LSGs and RDAs to identify, monitor and evaluate projects and identify sources of funding.

### ***Activity 1.1 Enhancing national capacity to introduce integrated territorial development***

The Capacity Building Plan<sup>1</sup> drafted in the Inception phase was further developed and finalised.

The Programme started to develop the approach for the first set of training for the Ministry of European Integration (MEI), as a part of the Capacity Building Plan developed in the inception phase. The five day training package on territorial instruments will elaborate on the following topics: 1) Policy and Instruments, 2) Governance, 3) Empowerment of Urban Authorities, 4) Integrated Sustainable Urban Strategies (ISUD) and 5) Monitoring and Evaluation of Territorial Strategies. The training is planned for a wider group of MEI representatives in December 2021 - January 2022.

### ***Activity 1.2 Improving capacities of municipalities and regional development agencies to introduce concepts of integrated territorial planning***

Based on the analysis conducted during the inception phase and consultations with the key LSGs - large urban centers and Regional Development Agencies (RDAs)<sup>2</sup> a Call for Applications for Provision of Technical Assistance for Development of Territorial Strategies was drafted with the aim to be published in the following quarter.

The Call envisages support for development of two types of territorial strategies - Sustainable Urban Development (SUD) and Integrated Territorial Development (ITI). It is developed with regards to the EU member states' experience and the Serbian context. The proposed eligible applicants are cities with over 40,000 inhabitants, with mandatory partnership with at least three more LSGs and one RDA for applicants seeking support for development of ITI strategies. Additionally, the Programme will assess the capacity of the applicant and spatial and socio-economic characteristics of the area.

Based on the criteria, the Programme will be able to pilot different types of territorial strategies for wider geographical areas with particular territorial features, ranging from specific urban neighbourhoods with multiple deprivations to the urban, metropolitan, urban-rural, sub-regional, or inter-regional levels. The results obtained from piloting will provide quality inputs on applicability of such instruments and for the proposal of the national Integrated Sustainable Territorial Development (ISTD) model.

The thematic framework for support will be based on thematic areas defined in [Strategy of Sustainable Urban Development of the Republic of Serbia until 2030 for the period from 2021 to 2022](#) and the [EU Cohesion Policy thematic objectives](#).

To promote the Call, an outreach campaign is developed, and it includes information dissemination through info sessions, distribution of promotional materials and a media campaign. The info sessions will be complemented with an introductory training on integrated and sustainable territorial development, securing better understanding of the EU territorial instruments.

### ***Activity 1.3 Implementing activities contributing to socio-economic growth deriving from integrated territorial planning strategies***

The activity is planned for late 2022.

## **Result 2: Enhanced economic growth in targeted municipalities**

Contributing to enhanced economic growth, the drafted Call for Business Support Organisations (BSOs) should enable the enhanced competitiveness and resilience of SMEs and their ability to recover from the negative impact of COVID-19 through support provided by the beneficiary BSOs. The BSOs will be supported to implement activities contributing to digitalisation of production and sales, greening of SMEs

<sup>1</sup> The revised Capacity Building Plan is available in Annex I Attn. 1.1

<sup>2</sup> During the reporting period consultations were organised with the cities of Niš, Kragujevac, Pirot, Leskovac, Vranje, Novi Pazar, Smederevo, Zaječar, Kruševac, Kraljevo, Valjevo, Šabac, Loznica, Jagodina, Prokuplje, Požarevac and RDAs Zlatibor, RARIS, Braničevo and Podunavlje and Podrinje, Podgorina and Rađevina.



and introduction of a circular economy, building capacities for business continuity management, market expansion and improvement of quality management systems. The BSOs will also be supported to conduct training on identification of funding sources.

### ***Activity 2.1 Developing economic infrastructure and business related services at the local level***

The Programme continued consultations, and met with representatives of 55 target LSGs to discuss the needs for support to implementation of the economic infrastructure projects and re-confirmed the availability of mature projects for financing and the need to support their implementation. However, representatives of the Sector for Investments and Infrastructure Projects of the Ministry of Economy were not available for a meeting during the reporting period, thus the approach to implementation of this activity will need to be discussed, and confirmed, in the following quarter.

With regards to the needs for improvement of business related services at the local level, feedback from the LSGs indicate strong need for modernisation and increasing efficiency of processes through digitisation of services, introduction of applications based in Geographic Information System, and similar. The Programme shall continue with consultations and develop a concept for this intervention in the following quarter.

### ***Activity 2.2 Enhancing competitiveness and sustainability of enterprises contributing to economic stability of local communities***

The draft Call for Business Support Organisations (BSOs) developed during the inception period has been further defined based on the inputs from the Chamber of Commerce and Industry of Serbia and agreed upon with the Ministry of Economy. The guidance obtained by the Ministry is that COVID-19 economic recovery should be promoted through the Call, the planned results should be tangible, and the Programme should introduce mechanisms for ensuring the quality of support provided by BSOs to beneficiary SMEs. The Programme shall monitor quality of activities through thorough review of related documentation, including the CVs of the proposed personnel and assist the beneficiaries to include quality-related criteria in their procurement processes. Moreover, the Programme shall allocate more time and resources during the orientation phase for the selected BSO beneficiaries to build their capacities for ensuring the highest quality of technical assistance.

An elaborate outreach campaign is developed to ensure that all eligible applicants are aware of the opportunity to participate in the Call planned for publishing during the following quarter.

### **Result 3: Improved social infrastructure and social cohesion in targeted municipalities**

The drafted Call for Local Infrastructure Projects and the Concept for Enhancement of Social Services sets the ground for wide outreach of the Programme to beneficiaries in greatest need for provision of improved services.

Through the Call for Local Infrastructure Projects, the local self-governments (LSGs) will have the opportunity to improve the quality of public infrastructure and contribute to better living conditions in health, social protection, education, sport, culture, public administration and communal services through construction of new, or reconstruction of existing infrastructure. The Programme will support projects demonstrating the ability to enhance quality of services through infrastructure interventions, and enhance sustainability of these interventions through soft measures also supported with the Call

The activities supported through the Call for Strengthening Social Services should contribute to increased quality and enhanced sustainability of social services provided to the citizens at the local level, particularly to the disadvantaged groups and for the periods of intensified need such as the pandemic or other state of emergencies. Primary beneficiaries of this Call will be the civil society organisations (CSOs) who will independently, or in partnership with LSGs work on improvement of existing or introduction of new services, addressing the gaps in provision of social protection services identified during the COVID-19

crisis, and enhance preparedness and resilience of providers of social services for possible future emergencies and major disruption.

### ***Activity 3.1 Developing and improving infrastructure which contributes to enhanced quality of life***

The Call for Proposals for Local Infrastructure Projects is finalised for publishing in the following quarter, pending review of the Programme Steering Committee (PSC). Communication with LSGs during the reporting period reconfirmed the great need for support, especially taking into account the effects of the pandemic on the available resources of LSGs to invest in rehabilitation of public infrastructure.

### ***Activity 3.2 Supporting public institutions, including the social protection institutions, to enhance social services and preparedness for emergencies***

The Programme developed a concept for the activity that will support providers of the social services at the local level to sustain the existing and introduce new innovative social services. The approach is designed to address the gaps in provision of social services identified during the first wave of COVID-19 crisis and to enhance preparedness and resilience of social services providers for possible future emergencies.

The approach was developed on the basis of the Programme Document, relevant national and international assessments related to COVID-19 effects on social services and findings from the consultations with local and national stakeholders, including the Ministry of Labor, Employment, Veterans and Social Affairs (MLEVSA). The representatives of the visited LSGs confirmed the need for this type of intervention and provided feedback on the local needs and the most common problems encountered during the COVID-19 crisis in relation to the provision of social services. Further consultation with relevant institutions and organisations is planned in the forthcoming period to finalise development of the Call for Proposals.

The eligible applicants will be civil society organisations and public institutions, mainly providers of social services. Key beneficiaries of the activity will be public institutions, providers of social services (social protection, health, educational and other services) and members of the vulnerable and marginalised groups, such as, people with disabilities, children and youth, elderly, women, Roma, etc.

## **2.2 Management**

### **2.2.1 Governance**

During the quarter, meetings with several appointed members of the Programme Steering Committee (PSC) to introduce the overall Programme activities were held. The Programme met with the Ministry of Youth and Sports (MYS), the Ministry of Labour, Employment, Veteran and Social Affairs (MLEVSA) and the Standing Conference of Towns and Municipalities (SCTM). Concrete activities relevant to these institutions were discussed, including the approach to support local infrastructure projects and support to development of territorial strategies and inputs and feedback obtained from the PSC members embedded into Programme interventions.

The first meeting of the Programme Steering Committee (PSC) is to be organised in the fourth quarter (Q4) 2021.

### **2.2.2 Coordination**

The Programme met with the Chamber of Commerce and Industry of Serbia to obtain inputs on the priority needs of SMEs and ensure coordination of activities targeting SMEs. The Chamber is keen to support Programme interventions and support promotion of the Calls targeting SMEs through their network.

The Programme re-established coordination with the Standing Conference of Towns and Municipalities (SCTM) whose EU-funded [Exchange 6 Programme](#) should be launched in September. The Programme will include activities related to the development of municipal development plans, mid-term development programmes and programme and capital budgeting. Since the implementation periods will overlap, and, in most cases the same municipal departments will be included in implementation of both programmes, the coordination and cooperation is necessary, especially in relation to the harmonization of the content of territorial development strategies in municipal development plans in those LSGs which will be supported by both programmes.

Coordination with the EU-funded [Cohesion Policy Project](#) is initiated. At a meeting organised in cooperation with the Ministry of European Integrations, planned activities were discussed and regular information sharing agreed upon in order to avoid overlaps and identify areas of cooperation. The Cohesion Policy Project works on strengthening and developing the legal and institutional framework for the EU Cohesion Policy, along with development of related planning and programming documents and building of capacities of relevant institutions and bodies. Considering that the EU PRO Plus focuses on EU territorial instruments, which are an integral part of the EU Cohesion Policy, capacity building activities planned by the Programme will be carefully designed not to overlap with activities covered by the Cohesion Policy Project. In this respect, capacity building plans are to be exchanged and cooperation continued, ensuring synergy of activities and sustainability of results.

### 2.2.3 Human Resources

In line with the recruitment plan, Project Management Support - Officer for Social Cohesion and Gender Equality and Project Management Support - Senior Assistant were recruited. Also, 27 retainers have been reassigned or rehired to the Programme to support predominantly Communications and Administration teams while the Capacity Building Specialist for Integrated Sustainable Territorial Development has been locally recruited to support activities of the Capacity Building Sector.

The Programme team has established individual performance related objectives and learning plans for 2021. Regular informal performance related conversations were held as appropriate.

During the reporting period, personnel have undergone the following trainings available through UNOPS corporate learning funds:

- Project Management Support - Senior Officer for SMEs has completed the Leading People at UNOPS Programme;
- Project Management Support - Officer for SMEs has completed several courses in the field of personal and professional development as well as a introductory training to Gantt Charts and Talent Outreach Fundamentals;
- Project Management Support - Senior Assistant has completed the required mandatory onboarding training and induction briefings.

### 2.2.4 Procurement and Grants

Continuing the activities on COVID-19 response, the EU PRO Plus has organised the delivery and handover of 500 disinfection devices and 60,000l of disinfection liquid to 330 schools in Serbia. The remaining 500 disinfection devices as well as the 26 specialized vehicles for transportation of medical teams for vaccination should be delivered by the end of September 2021.

Additionally, some minor procurement processes were organised mostly related to small purchases under USD 5,000 for improvement of working conditions, increased visibility and/or administrative and logistics support of the project.

The Grant Administration Unit supported development of the Public Calls for Local Infrastructure Projects and Business Support Organisations. The EU PRO Plus has been registered with the tax authorities enabling relevant tax-related procedures for issuance of grants.

### 2.2.5. Finance

The total delivery of the EU PRO Plus as of 31 July 2021 was 791,393 Euros or 2.64% of the Programme budget. The forecast delivery for the next reporting period is 1,377,891 Euros.

## 3. RISKS AND ISSUES

Several risks have been identified during the reporting period and mitigation measures have been defined, summary of the key current risks affecting the Programme is outlined below:

- *Prolonged duration of COVID-19 pandemic may delay delivery or Programme outputs.* Thus far Serbia went through several waves of the pandemic, and though the number of infected decreased in June, the numbers started to increase in July. Globally, severe socio-economic consequences are already registered, and the final effects of the pandemic on Serbia is yet to be known. The prolonged pandemic may affect the planned implementation dynamics, and also scope of interventions as it may influence development strategies and priorities of the Programme beneficiaries. The Programme is ready to apply modified implementation approaches, wherever feasible, to ensure progress of activities.
- *Alignment of implementation approaches to best address expectations of the key Programme stakeholders.* The Programme is introducing in some aspects novelties and key stakeholders have high or different expectations. The Programme will, in response, invest strong efforts by the end of 2021 in consultation with the Ministry of European Integration (MEI), the donor, and other stakeholders to reconfirm and clarify the implementation approaches and consider room for further enhancements, while ensuring respect of the agreed scope.
- *Delayed implementation dynamics may cause bottlenecks in Programme implementation.* Further prolongation in establishment and engagement of the Programme Steering Committee, to some extent also caused by the COVID-19 pandemics, may negatively affect the dynamics and progress of the Programme. The Programme team will approach all key stakeholders in order to enable staging of the first PSC meeting, which would, in turn, create a foundation for start and acceleration of activities.
- *The potential overlapping with Exchange 6 and The European Union Support to Social Housing and Active Inclusion Programme (EU SHAI) regarding development of the different types of strategies with the same LSGs might cause participation of the same stakeholders in several different processes in parallel.* Such a situation might create on one hand the absence of the key stakeholders in important phases of development of territorial strategies, and on other hand, a lack of motivation of the same stakeholders to participate in such processes. EU PRO Plus will regularly coordinate activities with these programmes in order to avoid or reduce overlapping. It will also consider activities of these programmes when scheduling training/ workshops and keep a degree of flexibility in planning and conduct of interventions.
- *The need for broader coordination of activities influences the pace of Programme implementation.* Introducing integrated territorial development concepts is linked to other development processes and interventions contributing to Chapter 22 of the EU acquis. The Programme has established coordination with the EU-funded Cohesion Policy Project implemented by GIZ whose aim is to prepare public administration for effective implementation of the EU Cohesion Policy in Serbia, while the EU PRO Plus focuses on practical territorial development instruments. The Programme shall foster information sharing and coordination to ensure synergies.

## 4. QUALITY

To ensure quality of delivered outputs, the Programme developed a Quality Management Strategy.<sup>3</sup> The Strategy defines the quality standards to be applied and the responsibilities of personnel for achieving the required quality levels during Programme implementation. The document describes quality management procedures that will be used for quality planning, quality control, and quality assurance.

Quality control is defined in relation to the Programme outputs, including events, capacity building efforts, technical assistance, outputs of the grant support agreements, etc. Quality acceptance criteria are linked to the Programme design, and include aspects related to gender equality, environmental protection and sustainability and quality control methods include site inspections, peer reviews, grant reviews, event evaluations, etc.

Additionally, internal project assurance reviews are being conducted, with quarterly reviews of the Programme's relevance, viability in terms of costs and benefits, and delivery of adequate solutions. It is also looking into the identification and management of risks and issues.

## 5. SUSTAINABILITY

Factors ensuring sustainability are continuously considered, including social, environmental and economic sustainability as well as the national capacity. Directly contributing to building of the local, regional and national capacity for territorial development, the capacity building activities of the Programme will ensure long-term sustainability of interventions.

Moreover, the selection criteria under the Call for Applications for Development of Territorial Strategies include assessment of capacities of the applicants to implement territorial development tools reflecting on existing institutional capacities and experience in actions related to participatory processes and application of innovative approaches. The capacity building activities also have strong practical components with learning through development of territorial strategies, whose implementation will be tested at the end with a separate scheme for implementation of strategies, also contributing to building national capacity.

Similarly, the drafted calls for Business Support Organisations (BSOs) and Local Infrastructure Projects promote projects with tangible results, providing benefits to identified beneficiaries. The likelihood of produced benefits to remain sustainable is enhanced with attention to factors of ownership by beneficiaries, policy support, economic and financial factors, socio-cultural aspects, gender equality, appropriate technology, environmental aspects, and institutional and management capacity.

## 6. CROSS-CUTTING THEMES:

### Good Governance, Gender Equality, Social Inclusion and Digitalisation

The Programme addressed cross-cutting themes by integrating good governance, gender equality and social inclusion elements into criteria of the Calls for Local Infrastructure Projects and Business Support Organisations, encouraging target beneficiaries to consider these issues during development of applications.

Under the Call for Local Infrastructure Projects, the applicants will need to elaborate on how the implementation of the specific infrastructure project will contribute to improved local governance and enhanced at least two of the Good Governance principles of accountability/rule of law, transparency, participation, non-discrimination and equality, and efficiency and effectiveness. Additionally, the project proposal should demonstrate how improvement of quality of public services and their accessibility to all stakeholders and vulnerable groups will contribute to decrease of poverty and social exclusion in line with the objective 3 of the [National Strategy for Sustainable Urban Development until 2030](#). The applications

<sup>3</sup> The Quality Management Strategy is available with the Programme [www.euproplus.org.rs](http://www.euproplus.org.rs)

should also demonstrate the ability to address gender equality issues by including men and women equally in the project activities and by envisaging gender sensitive activities where appropriate and feasible considering the scope of the Call and of the proposed intervention.

The initiatives proposed by Business Support Organisations (BSOs) are encouraged to include Corporate Social Responsibilities (CSR) activities that address the needs of local communities, support vulnerable groups, as well as activities that foster and promote gender equality where feasible and Good Governance principles. Additionally, the Call for BSOs also promotes digitalisation of production and sales, in line with the current Government efforts and highly relevant in relation to COVID-19 context.

Digitalisation is also one of the Programme's cross-cutting themes and will be embedded in other activities related to economic growth including enhancement of competitiveness of SMEs. It is highly relevant in the context of services which are provided by local self-governments (LSGs) and will be considered with development of related Calls.

## 7. COMMUNICATIONS AND VISIBILITY

The Programme was promoted in the traditional media through 35 media reports, out of which 21 in the national media. Majority of reports relate the start of the Programme and were generated during the visit of the Government and Ministry of European Integration (MEI) to Kruševac, EU PRO final event and EU PRO Plus team visits to local self-governments.<sup>4</sup>

The EU PRO Plus Communications and Visibility Strategy Strategy is being developed in consultation with relevant stakeholders and in line with the UNOPS and donor guidelines. The draft Strategy builds on the best practices of the previous Programme while integrating the findings and recommendations derived from the EU PRO Communication Strategy Assessment conducted by an external agency and consultations with communications counterparts from the MEI and the EU Delegation. In addition to the initial overall programme outreach plan, activity plan and the draft outreach plan and visuals for the Call for Business Support organisations were developed in collaboration with the MSE and BSO Sector.

In order to promote achieved results and future opportunities the Media Competition for local media was organised. The competition, organised as part of both EU PRO and EU PRO Plus programmes, searched for the best media report by local and regional media outlets on the topic related to the European Union (EU) support to local development. The seven best media outlets<sup>5</sup> selected based on the peer voting, expert jury<sup>6</sup> and the DEU and MEI representatives were to be awarded with IT and audio and video equipment worth up to 5,000 USD per award, to enhance the technical capacities of the media. After the needs and compatibility assessment conducted by the programme retainer, Technical Specialist for Assessment of Media Equipment, the list of equipment and technical specifications for procurement procedure were developed and expected to be published in August.

The work on developing a basic set of promo materials is ongoing. Programme website was developed <https://euproplus.org.rs/> and social media channels have<sup>7</sup> all been repurposed and rebranded with EU PRO Plus visuals allowing the Programme to successfully retain the followers gathered throughout the predecessor Programmes.

## 8. LESSONS LEARNED

Extensive consultation process prior to finalising approach to Programme interventions is crucial to success of activities. With dynamic changes of the environment, especially in relation to the vast influence of the ongoing pandemic to socio-economic development priorities, it is increasingly important to engage

<sup>4</sup> Annex IV Attn.4.1. EU PRO Plus Overview of Communication Activities

<sup>5</sup> Radio Television Novi Pazar, TV Centar Svilajnac, Radio Sto Plus Novi Pazar, A1 Net Novi Pazar, TV Galaksija 32 Čačak, Media Research Centre Niš and Regional portal E-Braničevo

<sup>6</sup> Radojka Nikolić (Ekonometar and Biznis Magazine), Ljubica Gojgić (Radio Television Vojvodina) and Miša Stoilković (Radio Belgrade)

<sup>7</sup> [Facebook](#); [Twitter](#); [Instagram](#); [Youtube](#)

[www.euproplus.org.rs](http://www.euproplus.org.rs)

a wide range of stakeholders in consultative processes prior to launching new initiatives, i.e. the public calls. Namely, the inputs received from the national stakeholders, peer development programmes and target beneficiaries were crucial for finalisation of the Public Calls.

## 9. NEXT REPORTING PERIOD

The following are the key milestones for the upcoming period:<sup>8</sup>

### **Result 1. Improved development planning in targeted municipalities and introduction of the ITI concept**

- *Activity 1.1* Develop the training packages on Cohesion Policy and Territorial Instruments
- *Activity 1.2* Finalise, ensure approval and advertise the Call for Applications for Provision of technical Assistance for development of Territorial Strategies
- *Activity 1.2* Conduct seven regional trainings on and Info sessions for the Call for Applications for Provision of technical Assistance for development of Territorial Strategies
- *Activity 1.2* Develop the Terms of References for Provision of Technical Assistance for development of ITI Strategies approved and advertised

### **Result 2. Enhanced economic growth in targeted municipalities**

- *Activity 2.1* Confirm approach and finalise development of the Call for Economic infrastructure projects
- *Activity 2.2* Call for Business Support Organizations approved and announced
- *Activity 2.2* Info Sessions related to the Call for Business Support Organizations prepared, organised and carried out
- *Activity 2.2* Call for Micro and Small Enterprises prepared
- *Activity 2.2* Materials for Info Sessions related to the Call for Micro and Small Enterprises prepared

### **Result 3. Improved social infrastructure and social cohesion in targeted municipalities**

- *Activity 3.1* Call for Local Infrastructure Projects approved and announced
- *Activity 3.1* Info sessions related to the Call for Proposals prepared
- *Activity 3.2* Call for Proposals for Strengthening Social Services finalised and submitted to PSC for consideration
- *Activity 3.2* Prepare outreach plan for presentation of the CFP for Strengthening Social Services to the potential applicants

### **Programme Communications**

- Organise a high level event was organised to mark handover of 26 specialised vehicles for vaccine distribution
- Finalise the tender for procurement of the Media Competition awards
- EU PRO Plus Communications and Visibility Strategy finalised and sent for approval to DEU and MEI

---

<sup>8</sup> EU PRO Plus Work Plan for the period from 1 August -30 September 2021 is available in Annex V, Attachment 5.1 [www.euproplus.org.rs](http://www.euproplus.org.rs)

## LFM – progress against indicators

### Legend

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

Objectively verifiable indicators	Objectively Verifiable Indicators - Target	Progress during the reporting period
<p><b>Overall Objective:</b> To contribute to socio-economic development, prosperity and social cohesion of Serbian society</p>	<p>WB Doing Business Report score 74</p> <p>Global Competitiveness Index Rank 69</p> <p>Šumadija and Western Serbia Region GDP and number of unemployed - 20 / 101,760</p>	<p>WB Doing Business Report 2020 ranks Serbia at 44 place with a score of 75.7</p> <p>Serbia scored 60.85 points on the 2019 Global Competitiveness Rank published by the World Economic Forum</p>
<p><b>Project purpose:</b> To decrease socio-economic disparities in two regions within Serbia</p>	<p>South-East Serbia Region GDP and number of unemployed - 14.2 / 83,712</p>	
<b>RESULT 1</b>		
<b>Improved development planning in targeted municipalities and introduction of the ITI concept</b>		
<p><b>Activity 1.1</b> Enhancing national capacity to introduce integrated territorial development</p>	<p>Number of adopted strategies - 15 (2022)</p> <p>Proposals for regulators and procedural framework to enable preparation of the EU model for territorial planning - in place (2023)</p>	<p>The concept for the first set of training activities for MEI, as a part of the Capacity Building Plan developed.</p>
<p><b>Activity 1.2</b> Improving capacities of municipalities and regional development agencies to introduce concepts of integrated territorial planning</p>	<p>Monitoring, reporting and evaluation approaches related to ISTD model - in place (2022)</p> <p>Number of persons at the national level trained - 40 (2022)</p>	<p>The Call for Applications for Provision of Technical Assistance for Development of Territorial Strategies drafted.</p> <p>The Terms of Reference for development of Integrated Territorial Investment strategies is developed.</p>
<p><b>Activity 1.3</b> Implementing activities contributing to socio-economic growth deriving from integrated territorial planning strategies</p>	<p>Number of LSGs and RDAs benefiting from interventions - at least 80% (2022)</p> <p>Number of tools developed or enhanced - at least one (2022)</p> <p>Number of ISTD plans whose implementation is supported - at least ten (2023)</p>	<p>Activity planned for 2022</p>
<b>RESULT 2</b>		
<b>Enhanced economic growth in targeted municipalities</b>		



<p><b>Activity 2.1</b> Developing economic infrastructure and businesses related services at the local level</p>	<p>Number of jobs created or facilitated - At least 300 (2023)</p> <p>Number of start-ups and MSEs that benefited - 500 (2023)</p> <p>Number of investments facilitated - 6 (2023)</p> <p>Number of supported economic infrastructure projects - 6 (2023)</p> <p>Number of supported business services related projects - 10 (2023)</p>	<p>Consultation process is underway.</p>
<p><b>Activity 2.2</b> Enhancing competitiveness and sustainability of enterprises contributing to economic stability of local communities</p>	<p>Number of supported start-ups, entrepreneurs and enterprises - 100 (2022)</p> <p>Number of supported youth and women entrepreneurs - at least 50 (2022)</p> <p>Number of people benefiting from skill-development training - 200 (2022)</p> <p>Number of supported BSO projects - 10 (2022)</p>	<p>Call for Business Support Organisations is drafted. Approaches for support to SMEs, business start-ups and vocational training activities confirmed.</p>
<p><b>RESULT 3</b> <b>Improved social infrastructure and social cohesion in targeted municipalities</b></p>		
<p><b>Activity 3.1</b> Developing and improving infrastructure which contributes to enhanced quality of life</p>	<p>Number of persons benefiting from improved public facilities/ services - at least 35,000 (2023)</p>	<p>Call for Proposals for Local Infrastructure Projects is developed.</p>
<p><b>Activity 3.2</b> Supporting public institutions, including the social protection institutions, to enhance social services and preparedness for emergencies</p>	<p>Number of social infrastructure projects implemented - 30 (2022)</p> <p>Number of CSO projects related to social services supported - 20 (2022)</p>	<p>Concept for the Call for Proposals for Strengthening Social Services is created, consultation process underway.</p>
<p><b>N/A</b> Support to COVID-19 related prevention and response activities</p>		<p>The disinfection liquid and devices procured in response to the COVID-19 pandemic, have been partially delivered in line with the plan.</p>

## ANNEXES

### Annex I Improved Development Planning

Annex I Attn.1.1            Capacity Building Plan, version 2

### Annex II Enhanced Economic Growth

N/A

### Annex III Improved Social Infrastructure and Social Cohesion

N/A

### Annex IV Communications

Annex IV Attn.4.1.            EU PRO Plus Overview of Communication Activities

### Annex V Programme Management

Annex V Attn.5.1.            EU PRO Plus Work Plan for Q3 of 2021