



Ministry of European Integration
REPUBLIC OF SERBIA

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EU
PRO+

ANNUAL REPORT



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Overall objective:	To contribute to socio-economic development, prosperity and social cohesion of Serbian society
Purpose:	To decrease socio-economic disparities in two regions within Serbia
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Acronyms

AoR	Area of Responsibility
BSO	Business Support Organisation
CAT-I	Capacity Assessment Tool for Infrastructure
CFP	Call for Proposals
CLLD	Community-led Local Development
CSO	Civil Society Organisation
DEU	Delegation of the European Union
DAS	Development Agency of Serbia
DOA	Description of Action
EU	European Union
EPSCA	EU PRO Communication Strategy Assessment
GAP	Gender Action Plan
GEM	Gender Equality Mechanism
HR	Human Rights
ITI	Integrated Territorial Investment
ISTD	Integrated Sustainable Territorial Development
LAGs	Local Action Groups
LSG	Local Self-Government
MPALSG	Ministry of Public Administration and Local Self Government
MLEVSP	Ministry of Labour, Employment, Veteran and Social Policy
ME	Ministry of Economy
MEI	Ministry of European Integration
MYS	Ministry of Youth and Sports
NGO	Non-governmental Organisation
PIMO	Public Investment Management Office
PSC	Programme Steering Committee
RDA	Regional Development Agency
RFP	Request for Proposals
RSMCO	Republic of Serbia Multi Country Office
SCTM	Standing Conference of Towns and Municipalities
SME	Small and Medium Sized Enterprises
SIPRU	Social Inclusion and Poverty Reduction Unit
SUD	Sustainable Urban Development
ToR	Terms of Reference

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1. EXECUTIVE SUMMARY

The first year of implementation of the European Union for Local Development - EU PRO Plus Programme was focused on confirming the relevance and feasibility of the intervention, establishing governance, securing human capacities and building management approaches and tools needed for further implementation and initiation of first public calls and activities.

The four-month inception period was used to **establish Programme governance framework and confirm implementation approach**. The focus of the inception period was on stakeholder engagement, with over 30 meetings organised with the national, regional and local stakeholders. The Programme also conducted several surveys to inform development of activities. A comprehensive Assessment of Development Potentials of Local Self Governments (LSGs) secured inputs from 66 LSGs in relation to their capacities for project planning and implementation, development potentials and regional cooperation. Additionally, the Programme secured feedback from 86 small and medium-sized enterprises (SMEs) and 17 business support organisations (BSOs) through a structured survey which provided valuable inputs relevant for development of activities relating to economic growth. Furthermore, the period was used for development of project management approaches, including relevant plans, approaches and strategies. Programme governance is established with the Ministry of European Integrations chairing the **Programme Steering Committee** with appointment of representatives of eight national institutions concluded in October 2021.

Programme activities relating to **improved development planning and introduction of integrated territorial investment concepts** have been focused on setting the groundwork for building of capacities at the local, regional and national levels. The Capacity Building Plan is one of the key outputs produced, and its implementation commenced in the final quarter of the year. The first capacity building activities were well received by the local administrations and regional development agencies, with 178 representatives from 72 LSGs and 11 RDAs benefiting from the introductory training modules on the two key EU territorial mechanisms - sustainable urban development (SUD) and integrated territorial investment (ITI) implemented in October 2021.

Furthermore, the Programme developed and implemented the [Call for Applications for the development of territorial strategies](#) which was launched in October 2021 and resulted with 16 applications covering 47 local governments with a population of 2.2 million inhabitants. Pursuant to the evaluation of applications received in response to the Call which closed in December 2021, the Programme will provide technical assistance to selected territories to develop strategies throughout 2022. Strategy development process will be used as a wider capacity building tool for local and regional stakeholders, while the feedback from these processes will be embedded in the Programme recommendations for building a national model for management of territorial instruments. With regards to enhancing national capacity to introduce integrated territorial development, in addition to the capacity building activities detailed in the Plan, the Programme has initiated development of a Comparative Analysis of EU Member States which is one of the inputs to the Study on the national model which should be the end result of this part of the Programme intervention.

Contributing to **enhanced economic growth**, the Programme engaged with the key national and regional stakeholders to design and implement activities most relevant to the target beneficiaries in line with the national strategies. The [Call for Business Support Organisations](#) (BSOs) launched in December 2021 was designed to support projects contributing to development and growth of at least 400 SMEs in the Programme territory. The beneficiary BSOs should support SMEs in digitalisation, greening and introducing a circular economy, improving resilience, marketing and internationalisation, standardisation and access to finance.

The Programme also finalised a Call for Entrepreneurs, Micro and Small Enterprises (EMSEs) developed in cooperation with the Ministry of Economy, which should be published in early 2022. At least 100 EMSEs are expected to increase competitiveness and resilience through direct Programme assistance in procurement of equipment and introduction of complementary services. In 2021, the Programme also worked with the Ministry of Economy and Development Agency of Serbia to develop an approach for assistance to development of economic infrastructure which will be in focus in the second year of implementation, along with support to LSGs to enhance the quality of services provided to businesses.

The most significant progress is made related to **improved social infrastructure and social cohesion**. The Programme has developed two Calls which have been endorsed for publishing by the Programme Steering Committee. The [Call for Local Infrastructure Projects](#) aiming at Improved public services through infrastructure projects, while strengthening capacities of local self-governments to manage infrastructure projects of bilateral donors has been launched in December 2021, while the [Call for Strengthening Social Services](#) contributing to increased quality and enhanced sustainability of social services provided to the citizens at the local level, particularly to the disadvantaged groups and during the periods of intensified need is to be published in January 2022.

Additionally, the Programme has provided the assistance to the Government of Serbia in combating the COVID-19 pandemic with procurement of medical equipment and engagement of essential medical and non-medical personnel providing related services. The spread of the infection was prevented with procurement of 26 vehicles for distribution of vaccines and vaccination which were extensively used by 24 public health centres at critical times for boosting immunity of the population in remote areas of the country. Furthermore, 40 equipped containers used for triage of patients placed in front of 26 health centres enabled control of contact within the health centres while securing a safe work environment for the medical professionals while over 100,000 pupils of 330 schools in 15 locations have benefited from disinfection devices provided by the Programme. The engagement of medical and non-medical teams in 23 public health centres contributed to the provision of COVID-19 related medical services to 1,817,475 citizens.

The Programme identified, registered and addressed risks throughout the year. Majority of risks relate to the ongoing COVID-19 pandemic which has significantly impacted the Programme implementation as the Programme stakeholders worked with reduced capacities, and their engagement was hindered due to health concerns. Modality of interventions was continuously assessed, and where feasible meetings and events were held in person, while many needed to be organised on-line.

With the country heavily affected by the pandemic, the Programme underwent an amendment with the 10 million Euros added to the originally awarded 30 million Euros, along with an additional Programme activity relating to the COVID-19. While the Programme supported COVID-19 prevention efforts from the beginning of implementation, these changes were formalised with an addendum in December 2021.

Communication activities were intensive. In cooperation with the Ministry of European Integration and the Delegation of the European Union, a complete visual identity, followed by Communications Strategy, interactive website and social media accounts were established. Programme communications successfully addressed challenges related to the pandemic, with two major on-line events organised - the Programme launch event on 14 April 2021 and the Calendar Competition Award Ceremony held on-line on 24 December 2021. Additionally, the first PSC meeting held in blended modality with a part open for the public, as well as handover of equipment procured in response to the pandemic attracted great interest from the public. Eight press releases and six media advisories were issued generating 563 positive media reports, out of which 242 (or 42.9 percent) in the national media.

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. REVIEW OF PROGRESS AND PERFORMANCE

2.1 Policy and Programme Context

The year 2021 saw a number of important developments related to territorial development, both at EU level and in Serbia. At the level of the EU, the regulatory framework for EU Cohesion Policy 2021-27, including its support for territorial development, has been finalised. The emphasis on urban development has been maintained and further increased, and the tools introduced in 2014-20 remain important mechanisms in the future: Sustainable Urban Development (SUD), Integrated Territorial Investments (ITI) and Community-led Local Development (CLLD) continue to be the key frameworks for EU-funded territorial development. However, there have also been a number of significant changes, including to the objectives of the policy and the requirements for a minimum allocation of funding to urban areas.

The new Cohesion Policy framework has five Policy Objectives (PO), which are replacing the 11 Thematic Objectives of 2014-20: PO1) Smarter Europe, through innovation, digitization, economic transformation and support for SMEs; PO2) Green Europe, low carbon, investment in energy transition, renewable energies and combating climate change; PO3) Connected Europe, with strategic transport and digital networks; PO4) A socially responsible Europe, providing a level of social rights and supporting quality employment, education, skills, social inclusion and equal access to health care, and PO5) Europe closer to citizens, supporting local development strategies and sustainable urban development. It also has two horizontal objectives: developing administrative capacity and cooperation between regions and across borders. According to EC regulatory framework 2021-27, ITIs, CLLD and SUD, will be placed under the new Policy Objective 5, "bringing European Structural and Investment Funds (ESIF) closer to citizens". As part of Cohesion Policy, especially the European Regional Development Fund (ERDF) will promote integrated development, namely in 1) urban areas and 2) rural and coastal areas.

The ERDF will continue to have a particular focus on the urban dimension, with a **national-level commitment of at least 8% for integrated territorial development in urban areas** (an increase from 5% in 2014-20). The implementation of urban development measures will be supported through a new programme of networking and capacity building of urban authorities, the European Urban Initiative (EUI). Cohesion Policy further supports local development and enables local governments to manage resources.

In the new [Common Provisions Regulation](#)¹ for the ESIF set out the key characteristics of territorial development, including the key features of the term "territorial strategy". The Programme incorporated all these aspects into the Call for Proposals for Development of Territorial Strategies and makes use of the updated terminology. In parallel to the finalisation of the regulatory context, some important developments took place in strategic terms. These concern both the urban and rural dimensions of territorial development.

An important change relevant to the Serbian context in terms of urban development happened in November 2021. The Slovenian presidency of the Council of the European Union has delivered the [Ljubljana Agreement](#) as the latest update on implementation of the Urban Agenda for the EU, which started with the [Pact of Amsterdam](#) in 2016. The Ljubljana Agreement renewed the commitment of Member States and other partners to implement the Urban Agenda for the EU, and maintains cooperation within thematic partnerships, as well as the focus on achieving better regulation, better funding, and better knowledge. It adds four new themes for multi-level cooperation, introduces some new features for the partnerships, and highlights **the importance of small and medium-sized cities**. The document also aims to strengthen cooperation in the field of territorial and urban development between different structures of informal cooperation between countries, the European Commission, and other partners.

In terms of actions, the agreement stresses that small and medium-sized cities and towns should get as much support as possible to be better involved in Urban Agenda for the EU partnerships or other forms of

¹The Articles 28-34 under the Title III, Chapter II - Territorial development
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cooperation, either directly or through national associations that represent local and regional governments. Renewing the commitment to support implementation of the Urban Agenda for the EU through thematic partnerships, the agreement also adds the following themes to the Urban Agenda priority list: cities of equality; food; greening cities; and sustainable tourism. The emphasis of the small and medium cities and priority list themes in the agreement additionally validated the Programme approach of focusing support towards small and medium-sized cities in the Programme AoR, in terms of selection of territories and development of territorial strategies, but also in addressing topics for development, which are in line with the latest agreement.

In terms of the rural dimension of territorial development, the EU has taken a number of steps to support its rural territories in 2021. In June, the European Commission approved a [Long-Term Vision for Rural Areas](#), which aims at stronger, connected, resilient and prosperous rural areas by 2040. Under each of these four dimensions, the Vision defines flagship initiatives, which together form the key elements of a Rural Action Plan. One of the key principles of the Plan is the need for integrated development measures. The Vision and Action Plan are supplemented by a [Rural Pact](#), which was approved in December 2021 and asks for a strengthened governance for EU rural areas. The Pact aims to mobilise public authorities and stakeholders to act on the needs and aspirations of rural residents.

In December, the European Commission adopted a new [Social Economy Action Plan](#). The aim of the action plan is to enhance social investment, support social economy actors and social enterprises to start-up, scale-up, innovate and create jobs, where the COVID-19 pandemic made the case for a switch to a fair, sustainable and resilient economic model even stronger than before. Improving access to finance is an important area of work under the Social Economy Action Plan and it presents [funding opportunities](#) available to support the social economy. The candidate countries from the Western Balkans are covered by this Action Plan, as well. The support in the non-EU countries will be focused on development of the social economy policies, while also foresees direct support to the social entrepreneurs. Serbia made significant progress toward development of the social economy, as the Government of Serbia at the end of 2021 adopted [the Draft Law on the Social Entrepreneurship](#) after ten years of its development.

Several national policy changes and updates took place during 2021. [The Strategy of the Public Administration Reform in the Republic of Serbia for the period from 2021 - 2030](#) was adopted in April 2021 and updated in July 2021. The Strategy aims for an efficient, responsible and transparent administration that provides quality and easy access to the professional and effective services. While a set of measures and goals have been created to improve the capacities of the public administration, simplify administrative procedures, establish electronic data registers, promote the digitalisation, and improve public services to citizens and economy, the Strategy introduces establishment of the single administrative point within each LSGs, as key to better and more efficient liaison with its users.

The Programme will contribute to implementation of the Strategy on several levels. Firstly, in line with the Strategy, Regional Development Agencies (RDAs) shall be included in the capacity building activities for Integrated Territorial Development and will be encouraged to participate in implementation of specific actions. Secondly, the Programme will pay attention to coherence of policies relevant for development and implementation of ISTD Strategies and projects. Additionally, the Strategy reaffirms the importance of monitoring and evaluation as a necessary precondition for improving efficiency and effectiveness of public policies in achieving goals which will be an integral part of the ISTD Strategies supported by the EU PRO Plus. Finally, horizontal and vertical cooperation will be addressed through the capacity building and strategy development processes in line with the EU territorial mechanisms. Opportunities to engage with the National Academy for Public Administration will be assessed and this may additionally contribute to implementation of the Strategy.

[The Action Plan for the Implementation of the Strategy of Sustainable Urban Development of the Republic of Serbia until 2030 for the period from 2021 to 2022](#) was adopted in March 2021, foresees preparation of the Urban Development Programmes for the key areas of interventions defined in the Strategy. The specific programmes should ensure funding of activities related to the implementation of the Strategy and www.euproplus.org.rs

usage of territorial instruments under the EU cohesion policy and can be used for the purpose of blending different funding sources for implementation of territorial initiatives. While the formulation of Sustainable Urban Development (SUD) Strategies is defined with the National Strategy, the Action Plan provides more details on the programmes for funding SUD strategies and blending of funding sources. Moreover, the Strategy recognised local economic development as a key instrument for integration of economic growth and development with social equality and quality of environment with sustainable financing of development of urban settlements. Through the set of measures adopted for improving the conditions for local economic and urban development, rehabilitation of brownfields and for strengthening of business related and innovative infrastructure, the Strategy sets a sustainable, innovative and inclusive local economic development and employment as its primary strategic goal.

In April, the Government of Serbia adopted [the Law on Gender Equality and amendments to the Law on Prohibition of Discrimination](#). The Law on Gender Equality improves the institutional framework and creates conditions for the implementation of policy of equal opportunities for women and men. prescribes duties of public bodies, employers and other physical and legal persons regarding gender equality. It also envisages measures against gender discrimination and for the realisation and improvement of gender equality. The amendments introduced to the anti-discrimination law stipulates that discrimination at work will be more harshly sanctioned, which will force employers to improve treatment of their employees and abide by anti-discrimination norms prescribed by the labour law.

In October, the Government of Serbia adopted [the Gender Equality Strategy for the period from 2021 to 2030](#), the aim of which is overcoming the gender gap and achieving gender equality, as a precondition for development of society and the improvement of daily lives of women and men, girls and boys. The Programme aims to address existing gender gaps through adoption and implementation of the Gender Action Plan, which serves as a framework for promotion and inclusion of equal opportunities throughout all Programme activities.

The importance of economic infrastructure is further recognised by the [Industrial Policy Strategy of the Republic of Serbia from 2021 to 2030](#) under measures brought in support of industrial production through investment in economic infrastructure and development of industrial zones.

A public review of the [Draft Spatial Plan of the Republic of Serbia from 2021 to 2035 and the Report on the Strategic Assessment of the Environmental Impact of the Spatial Plan of the Republic of Serbia from 2021 to 2035](#) is completed in May 2021 and is expected to enter the adoption procedure in 2022. The Plan provides the key inputs important for territorial development and use of EU territorial tools, and defines key development axes that provide a framework for capital investments. The identified urban agglomerations and larger and smaller urban centres, together with important development corridors, provide a basis for developing part of the selection criteria of the territories for provision of technical assistance in piloting integrated territorial mechanisms, and could also have an impact on the proposal of the national ISTD model.

In June 2021, the World Bank (WB) initiated the [Green, Livable, Resilient Cities in Serbia Programme](#), together with the Ministry of Construction, Transport, and Infrastructure, to strengthen sustainable and resilient urban development of selected Serbian cities. This activity is part of the WB Sustainable and Regional Development (SURGE) Global Umbrella Programme and supported by the Swiss State Secretariat for Economic Affairs (SECO). The Programme aims to address existing knowledge gaps at the national level, and to support chosen cities boost their capacities to better plan, prepare, and carry out high-impact city-level investments that promote sustainable, low-carbon urban development and urban resilience, and to deepen knowledge base and policy dialog toward more inclusive, sustainable, resilient and green urban development. The EU PRO Plus will confirm complementarities and ensure synergy in implementation.

As a result of a of a nine-month external [investigation](#) of irregularities in the World Bank Doing Business reports of 2018 and 2020, the World Bank Group management has taken the decision **to discontinue**

the Doing Business report. Data for Serbia was not subject to the investigation, however the Programme indicator in the Logical Framework Matrix relating to the Doing Business report will not be available.

2.2 Progress Towards Achieving Objectives

In the first year of implementation, the Programme has set solid grounds for implementation of activities and achievement of the objectives related to decrease of socio-economic disparities of the two targeted regions.

The extensive consultation process which included meetings and conduct of several surveys provided crucial information for ensuring relevance and contributing to enhanced impact of Programme interventions. While it is too early in the Programme timeline to evidence change, the Programme activities designed and launched in the first year of implementation set the groundwork for achieving the objectives.

Contributing to economic development, the Call for Business Support Organisations is designed to ensure benefits for at least 400 enterprises in the Programme territory which will, undoubtedly, contribute to new employment and positively affect the GDP in the long run. These results will be supplemented with direct assistance to entrepreneurs and enterprises and an approach for this activity is also finalised in 2021. Furthermore, in 2022 the Programme will assist business start-ups, support implementation of vocational training activities and development and implementation of economic infrastructure projects.

With regards to social inclusion and cohesion, the Call for Local Infrastructure Projects and the Call for Strengthening Social Services have been designed to support development of critical services provided by local administrations to citizens, and the expected results are significant. Programme assistance in combating the ongoing pandemic is both efficiently provided and already proven to be effective.

Finally, the Programme has laid the foundation for introduction of territorial approach at all levels, with initial capacity building activities underway.

2.3 Results and Activities

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

With development and implementation of the Capacity Building Plan² and the [Call for Applications for development of Territorial Strategies](#), the Programme has set the groundwork for achieving the planned results relating to introduction of the Integrated Territorial Investment (ITI) concept. Implementation of capacity building activities which will enhance the ability of local self-governments (LSGs) and regional development agencies (RDAs) to identify, monitor and evaluate projects and secure sources of funding, is underway with two training modules delivered. Moreover, the capacity building activities will build capacities at the local and regional levels to use territorial instruments, creating the capacity for enhanced usage of the future cohesion funds. Furthermore, training activities targeting the Ministry of European Integration (MEI) are developed and planned for implementation in early 2022.

Process of developing territorial strategies will commence in early 2022, pending conclusion of results of the Call which closed on 10 December 2021. The key eligibility criteria for urban areas to apply for support through the Call is based on the [Draft Spatial Plan of the Republic of Serbia from 2021 to 2035 and the Report on the Strategic Assessment of the Environmental Impact of the Spatial Plan of the Republic of Serbia from 2021 to 2035](#), which identifies a total of 19 urban areas in the Programme territory: the Urban area of the City of Niš³, Urban areas - centres of integration of more than 100,000 inhabitants⁴ and Urban

² Capacity Building Plan is available in Annex I, Attachment 1.2

³ Alongside Niš, cities of Novi Sad and Belgrade outside the Programme territory are recognised as separate entities in the Draft Spatial Plan

⁴ Kragujevac and Leskovac on the Programme territory

areas - centres of integration of more than 40,000 inhabitants⁵. Through this intervention, development of at least 15 territorial strategies covering territory of at least 40 local self governments (LSGs) shall be supported. The strategy development process will be used as a mechanism for building capacities and creating the floor for enhancement of inter-municipal cooperation. It should also enhance usage of different funding sources. Additionally, piloting this new approach that valorises competitive advantages of territories regardless of the administrative boundaries will secure relevant information for creation of a national model for ITI.

The process shall also enable development of integrated projects in different sectors in line with the [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](#), including economic development, urban renewal, environmental protection and climate change, etc. These and other integral projects, such as Community Led Local Development (CLLD) projects developed by the Local Action Groups (LAGs) will have the opportunity to apply for Programme funding for implementation.

Furthermore, together with the MEI, the Programme identified areas for provision of technical assistance and initiated support. An outline for the Comparative Analysis of EU Member States aiming at assessing their use of EU territorial instruments is developed, providing a crucial opportunity for Serbia to learn from existing experience in order to design the most appropriate model for territorial development. This assistance should enhance administrative and technical capacities of the Ministry of European Integration to manage ITI while in particular strengthening the ability to identify, monitor and evaluate integrated projects. Moreover, it will capacitate the Ministry to develop a regulatory framework in support of EU territorial development instruments.

Activity 1.1 Enhancing national capacity to introduce integrated territorial development

The necessary resources to support MEI in developing the legal, institutional and regulatory framework and building of knowledge and skills needed for introduction of territorial approach in Serbia have been secured. The key international expert has been recruited, along with a pool of international experts with the technical expertise and experience needed for provision of the technical assistance and training.

The capacity building plan developed in the third quarter of the year foresees a number of activities targeting national stakeholders including MEI. Besides the specially designed training activities, MEI shall also benefit from the feedback received from local and regional stakeholders participating in capacity building activities under Activity 1.2 of the Programme, and through knowledge exchange instruments which are to be developed by the Programme.

Responding to the needs determined during the inception period, the Programme set the grounds for development of several identified outputs. Firstly, the structure of a Comparative analysis of EU Member States⁶, with the preliminary list of the countries relevant for the Serbian context had been developed. Furthermore, a concept note for development of an IT tool, with an aim to support MEI in monitoring the implementation of the territorial strategies has been designed as a starting point for development of a comprehensive tool at a later stage. The new tool can potentially act as a monitoring system, GIS platform mapping strategies and projects and a database of available funding sources.

The first training module for the Ministry of European Integration (MEI) has been developed in the final quarter of the year, and is planned to be implemented in early 2022. It includes an introduction to territorial development policy of the European Union, key features and types of territorial instruments with key features and practical examples, governance aspects of territorial development and related practical experience, selection of territories, tools for empowerment of local authorities, strategy development process, and monitoring and evaluation of territorial development strategies.

⁵ Sixteen LSGs in the Programme area with over 40,000 inhabitants fall under this classification

⁶ Comparative Analysis of EU Member States proposal is available in Annex I, Attachment 1.3

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

The Programme held initial consultations with the key regional and local stakeholders including large urban centres and regional development agencies (RDAs)⁷ with the aim to identify potentials for the establishment of the ITI and SUD territories. A [Call for Applications for development of Territorial Strategies](#) was developed in the third quarter of the year, and pursuant to the endorsement of MEI and DEU, published in October 2021. The thematic framework for support is based on thematic areas defined in the [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](#). The evaluation process commenced upon closure of the Call on 10 December 2021.

In accordance with the outreach plan, the Call was promoted through seven info sessions⁸ held in October and November 2021. The RDA and LSG representatives were divided into groups based on the territorial linkages to facilitate cooperation. The info session also included the workshops on Integrated Sustainable Territorial Development⁹, which is a part of the training module II - ISTD Strategy Development Process of the EU PRO Plus Capacity Building Plan¹⁰. Training materials, including the manual¹¹ have been developed during the reporting period.

The training and info sessions participants got acquainted with the instruments of territorial development and the methodology of development of integrated territorial investment (ITI) and sustainable urban development (SUD) strategies and their implementation. The events were well-attended, attracting 178 participants (out of which 88 or 49 percent female) from 69 LSGs and all 11 Regional Development Agencies (RDAs) that operate in the Programme area. In addition, a video recording of the on-line info session was published on the internet page of the Public Call, and an on-line consultation meeting was held on 30 November 2021. Forty-six representatives participated in an on-line consultation meeting, representing 27 LSGs, one City Municipality and six RDAs, including three LSGs that did not previously attend the info sessions. The evaluation of received applications is planned to be completed by the end of January 2022.

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

To support implementation of integrated projects, the Programme plans to publish a public call in late 2022. Through this Call, integrated projects identified during the strategic planning process supported through Activity 1.2 shall be eligible, alongside projects deriving from other territorial initiatives, such as Community Led Local Development (CLLD) projects developed by Local Action Groups (LAGs).

Result 2 Enhanced economic growth in targeted municipalities

Through extensive consultation with the local and national stakeholders the Programme confirmed the relevance of the activities on supporting the economic growth of local self-governments, underpinned by relevant policies on national and local level.

The consultations on the local level confirmed an extensive pipeline of economic infrastructure projects ready for implementation. Through the survey, 49 LSGs identified a total of 136 economic infrastructure projects with an estimated value of over 89 million Euros, out of which 88 projects worth 59 million Euros with secured permits. Their structure varies from industrial or agribusiness zones to multifunctional facilities developed as greenfields, greyfields or brownfields - industrial heritage locations, or old military

⁷ Consultations were held with 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.

⁸ ISTD Info sessions evaluation report is available in Annex I, Attachment 1.4

⁹ ISTD workshops evaluation report is available in Annex I, Attachment 1.5

¹⁰ Capacity Building Plan is available in Annex I, Attachment 1.2

¹¹ The Reader on ISTD is available in Annex I, Attachment 1.6

facilities. The average value of identified projects is 330,000 Euros once capital investments of over one million Euros are excluded. However, considering EU PRO experience with an average of 500,000 Euros for economic infrastructure projects, the planned funds for this activity remain valid. Further visits to 99 LSGs confirmed findings of the survey, while also registered in 40% of visited local self-government the lack of technical documentation in support of economic infrastructure development.

The Development Agency of Serbia (DAS) confirmed the need for equipped industrial zones in support of foreign direct investments for companies striving to relocate their business in Serbia. They stressed lack of good quality zones as a key obstacle for them to facilitate the huge interest of companies in Serbia development potentials. Likewise, the Ministry of Economy (MoE) confirmed the relevance of the support in developing economic infrastructure projects and the need for good quality technical documentation. Based on received feedback, the Programme is developing an approach for support to economic infrastructure that will create conditions for at least 25 million Euros of industry investments, business and tourism development and contribute to the opening of new jobs for local inhabitants.

Additionally, the feedback of 66 LSGs in response to the Survey of LSGs clearly indicates that local governments do not invest sufficiently in activities related to cooperation with the private sector and promotion of investment potentials which confirms the relevance of the planned assistance for enhancement of the business support services provided by LSGs. Digitalisation, through the usage of Geographic Information Systems (GIS) or similar activities comes out as an important priority for LSGs, especially in the context of COVID-19.

Consultations with the Ministry of Economy, National Employment Service, Serbian Chamber of Commerce and Regional Development Agencies, confirmed that Programme activities directed towards competitiveness and sustainability of businesses are aligned with the Government efforts and respond to the needs of the target beneficiaries. This was also validated by the results of the surveys conducted among EU PRO Programme SME and BSO beneficiaries. Direct grant support to SMEs for procurement of new equipment and introduction of services is confirmed by 98% of surveyed SMEs.

Public Call for direct support to SMEs with new equipment and services has been developed taking into consideration the inputs from the Ministry of Economy which emphasised that direct support is even more relevant for the sectors affected by COVID-19 and SMEs in least developed LSGs, as well as those that are more risky and cannot access the available state support.

Consultations with the National Employment Service confirmed the relevance of the activities targeting unemployed who are no longer in the education system and who are not working or being trained for work (NEET population).

Published Public Call for Business Support Organisations (BSOs) is expected to contribute to improvement of competitiveness and enhancement of the business environment for at least 400 SMEs registered in the Programme territory. The BSOs will through provision of technical assistance, and provision of equipment and services contribute to digitalisation, greening and introducing circular economy, improving resilience, marketing and internationalisation, standardisation and access to finance for the beneficiary SMEs. These activities will directly contribute to implementation of national strategies related to SMEs including the [Strategy for Development of Small and Medium-sized enterprises, Entrepreneurships and Competitiveness](#) through improvement of the quality of products and services of SME, enable introduction of new technologies, knowledge and methods of modern management, support networking and establishment of value chains with higher added value, as well as support SMEs in accessing new markets. Projects under this Call will also contribute to implementation of the [Industrial Policy Strategy of the Republic of Serbia from 2021 to 2030](#) through improved digitization of manufacturing business models, promotion, training and implementation of digital transformation, and support to business entities in procuring latest generation equipment.

Activity 2.1 Developing economic infrastructure and business related services at the

local level

In early 2021, the Programme conducted an extensive consultation process with stakeholders at the local, regional and national levels, through surveys, visits and meetings, to confirm relevance and feasibility of planned activities.

Conducted consultations with Ministry of Economy as well as by Development Agency of Serbia (DAS) confirmed the approach and the relevance of economic infrastructure. Ministry of Economy in particular confirmed the need for additional support to LSGs in provision of good quality designs for economic infrastructure, while the approach is yet to be confirmed. The exact same need for separate Call for technical documentation was confirmed in consultation with 99 LSGs, where more than 40% lacks good quality designs.

In line with the consultations, the Programme decided to draft three Calls instead of two as described in DoA.

Based on discussions and received feedback from MoE, the Programme drafted the Call for proposals for economic infrastructure projects and replanned its publishing for the end March, upon MoE announcement the results of their Call for business and tourist infrastructure. Besides infrastructure intervention, the Call will include provision of technical support that will focus on sustainability of intervention through development or improvement management models for the economic infrastructure. The Call is directly aligned with the measures defined in the [National Strategy for Sustainable Urban Development until 2030](#) for improvement of business and innovative infrastructure (industrial zones, business zones, science-technology parks, zones for improved Business, innovation centres etc.) and commercial and tourist zones. Relevance of the economic activity of the projects and structure of potential investors' business vs [Smart Specialization Strategy of Serbia from 2020 to 2027](#) priority areas will be in particular assessed in addition to the value of investments and number of jobs that would be generated.

The eligible projects must align their objectives with the socio-economic development priorities of the areas defined in the relevant local/regional/national development strategies and plans. Based on the lessons learned in the predecessor Programme, the infrastructure investments will be supported with soft measures, to ensure sustainability and maximise impact. Therefore, integrated expert support for provision of the services for promotion, management and development of the specific small scale economic infrastructure projects, that will provide good governance guidance to the LSGs for scaling up businesses, has been foreseen.

The Programme also prepared a separate grant scheme for development of technical documentation for economic infrastructure projects to be published soonest in order to boost the level of preparedness of LSGs to engage in economic infrastructure development. A concept for assistance is being developed together with the Call for Implementation of Economic Infrastructure Projects and will be ready for review by the Programme Steering Committee (PSC) in the first quarter of 2022.

The Programme developed a draft of the Call for Proposals for Improvement of Business Related Services, Including enhancement of GIS for business related applications. The draft addresses the key challenges identified, including collection, digitalization, analysis and presentation of data that will enhance access to information relevant for businesses or promote potentials of territories. This might include collection, digitalization, analysis and presentation of data that will enhance access to information relevant for businesses or promote potentials of territories; enhancing existing Geographic Information Systems (GIS) that contribute to increased attractiveness of municipalities for investments, efficient use of public resources and improvement of services provided by public utility companies, access to information relevant to businesses and other business related applications.

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

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During the reporting period the programme conducted consultations with relevant stakeholders to confirm the approach to Enhancing competitiveness and sustainability of enterprises. The consultations were conducted with the Ministry of Economy, National Employment Service, Serbian Chamber of Commerce, Regional Development Agencies, and beneficiary SMEs from the previous EU PRO programme in order to confirm that planned activities directed towards competitiveness and sustainability of businesses are aligned with the Government efforts and respond to the needs of the target beneficiaries. This was also validated by the results of the surveys conducted among EU PRO Programme SME and BSO beneficiaries. Consultations with the National Employment Service in order to confirm relevance of the activities targeting unemployed were also conducted.

Based on the DaA, the Call for Business Support Organisations (BSOs) was developed during the inception period and 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 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 have been incorporated into the Call. The Call has been approved by the Programme Steering Committee and published on 9 December 2021. An outreach campaign was developed and conducted to ensure that all eligible applicants are aware of the opportunity to participate in the Call. Promotion materials were delivered to all 99 LSGs in the Programme area. Email notifications about the Call were sent to an extensive database of BSOs. In addition, four live info sessions have been conducted. Two info sessions were held in person on 17 and 23 December 2021, and two online info sessions were organised on 21 and 24 December 2021. Total of 123 participants took part in these info sessions out of which 76 were women. Participants included representatives of all eligible groups of BSOs. More information on the conducted info sessions are available in the Info Session Summary Report¹².

Call for Proposals for Procurement of Equipment and Introduction of Services for entrepreneurs, micro and small enterprises was developed during the reporting period. The Call has taken into account the [EU Cohesion Policy 2021-2027](#), contributing to a more competitive and smarter Europe through supporting the green and digital transition of SMEs. Main national strategies that have been used as basis for developing this call are the [Strategy for supporting SMEs, Entrepreneurship and Competitiveness in Serbia](#) and the [Industrial Policy Strategy](#) and the Call will contribute to objectives of these strategies as expected investments in equipment and services will result in increased total volume of industrial investments, accompanied by the improved quality of investments and enhancement of technological structure of exports. In addition the draft Call also considered the [COVID-19 Socio-Economic Impact Assessment](#) relevant to needs of SMEs in Serbia to include companies that have not achieved profit in 2020 as 75% of SMEs reported having revenues lower than expected. The Call also included some of the service sectors that are more affected and to whom the programme is relevant in addition to supporting manufacturing businesses. The assessment also confirmed that smaller companies were impacted the most, so the Call is focusing only on Entrepreneurs, Micro and Small Companies. The Call has been designed in coordination with the Ministry of Economy to avoid overlapping with their relevant activities and ensure complementarity and synergy of activities.

In addition, the Programme drafted Calls for Proposals for Supporting Women and Youth Startups and Vocational Training. The CFPs have been developed based on the Programme Document, relevant strategies and initial inputs from the stakeholder. These Calls will be additionally reviewed and discussed with relevant stakeholders in the forthcoming period before sending to the Programme Steering Committee for approval.

¹² Annex II_Attachment 2.1_Info Session Summary Report
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Result 3 Improved social infrastructure and social cohesion in targeted municipalities

The feedback from the survey and visits to 99 local self-governments confirmed the relevance of EU PRO Plus support to local infrastructure projects.

Based on collected information and further consultation with national institutions, the Programme drafted the Call for Local Infrastructure Projects, aims to improve public services through infrastructure projects while strengthening capacities of local self-governments (LSGs) to manage infrastructure projects of bilateral donors. It targets improving public services in health, social protection, education, sport, culture, public administration and the communal services sector. The Call was approved by PSC and published on 3 December 2021 and expected to award at least 20 grants in Q2 2022, ensuring benefits for at least 1000 beneficiaries.

The Programme developed the Call for Social Services Strengthening taking into account relevant assessments related to COVID-19 effects on social services and based on the finding of a broader consultation process with the key stakeholders. This intervention shall 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. At least 20 projects are expected to be endorsed under the activity, where the key beneficiaries will be 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.

The engagement of medical and non-medical teams in 23 public health centres to support COVID-19 prevention and combating efforts, contributed to the provision of COVID-19 related medical services to 1,817,475 citizens (945,113 women and 872,362 men) in the following way:

- In total, 616,115 individuals are tested for COVID-19, out of which 259,386 are men, 279,620 are women, 40,736 are boys and 36,373 are girls
- Total of 120,075 individuals are referred to other health care centres / medical institutions due to COVID-19, out of which 41,986 are men, 51,746 are women, 13,118 are boys and 13,225 are girls
- In total, 14,658 individuals are admitted for hospital treatment due to COVID-19, out of which 7,685 are men, 6,738 are women, 112 are boys and 123 are girls
- In total, 1,059,669 individuals are vaccinated against COVID-19, out of which 501,362 are men, 548,214 are women, 4,768 are boys and 5,325 are girls
- In total, 6,958 individuals are traced due to COVID-19, out of which 2,335 are men, 2,902 are women, 874 are boys and 847 are girls

Furthermore, the Programme contributed to prevention of infection spread. The 26 vehicles for distribution of vaccines and vaccination were extensively used by the 24 beneficiary public health institutes providing significant contribution to enable government efforts in COVID-19 prevention. Likewise, 40 equipped containers used for triage of patients placed in front of 26 health centres enabled control of contact within the health centres while securing a safe work environment for the medical professionals. Finally, over 100,000 pupils of 330 schools in 15 locations have benefited from disinfection devices provided by the Programme.

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

During the inception period, the Programme consulted with the key stakeholders to inform design of the Call for Proposals for Local Infrastructure Projects through an online survey which resulted in responses from 66 LSGs, field visits to targeted 99 LSGs, and meetings with the key stakeholders at the national level, including the Programme Steering Committee (PSC) members. As a result, the Call was developed to

address the priority needs identified by the stakeholders, in line with the Programme document targeting public infrastructure in health, social protection, education, sport, communal services, culture and public administration sectors.

The improved public infrastructure should contribute to enhancement of quality of existing public services or expansion of existing services and must provide benefits to the wider community in one or more LSGs within the Programme area of responsibility. The proposed projects should target reconstruction of public infrastructure which would enhance their functionality or construction of the lacking public infrastructure. Taking into account COVID-19 effects, the Call promotes projects from the most affected sectors of social protection and health, by allowing LSGs to apply for funding of two projects, if one is in the aforementioned two sectors.

The [Call for Local Infrastructure Projects](#) was endorsed by the PSC through electronic voting on 1 December, and subsequently published with the application deadline of 31 January 2022. An outreach campaign was designed for the Call. Taking into account health concerns, the Programme organised six live info sessions during December which were attended by 127 representatives (out of which 56 women and 71 men) of 49 LSGs and five regional development agencies (RDAs), and two online info sessions attended by additional 66 people (out of which 37 women and 29 men). Overall, 187 people from 75 LSGs and six Regional Development Agencies attended and positively assessed the info sessions. Information about the Call is accessible through the [designated webpage](#) which also includes recordings of the info sessions and answers to 145 frequently asked questions collected by the end of the year.

Evaluation of the received applications is planned to be conducted in February, and shared with the PSC for consideration in March, so as to enable the award of grant support agreements and initiation of implementation of activities in Spring of 2022.

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

During the inception phase, the Programme initiated contact and delivered a consultation process with the key local and national stakeholders pertaining to the preparation of the [Call for Proposals for Strengthening Social Services](#). The representatives of the 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. Furthermore, the most relevant national stakeholders, including the Ministry of Labor, Employment, Veterans and Social Affairs, the Unit for Social Inclusion and Poverty Reduction, the Center for Social Policy and other corresponding programmes provided feedback and recommendation regarding conceptualisation of the activity, confirming relevancy of the planned intervention.

Considering the priorities recognised at national and local levels in relation to the COVID-19 crisis prevention and recovery facilitation, the Programme will support implementation of integrated and innovative initiatives contributing to the preparedness of the social services providers for the periods of crisis. Furthermore, increased quality and enhanced sustainability of services provided to the most disadvantaged citizens will be supported, by ensuring engagement of the civic sector and increased ability of the education, health and/or social protection systems to continue to be inclusive during the periods of emergency such as COVID-19 crisis. This activity foresees provision of grants for the projects realised by the civil society organisations primarily, where participation of the LSGs as lead applicants will not be excluded but they will be obliged to establish a partnership with the civil sector representative in order to promote inter-sectoral approach.

In December, the Draft CFP was approved by the PSC and set for publishing in mid-January 2022.

Activity 3.3 Support to COVID-19 related prevention and response activities

In response to the Government's need to combat the COVID-19¹³, a portion of the funding, not exceeding 1.2 million Euros, has been reallocated to emergency procurement related to the pandemic. The Programme procured 26 specialised vehicles for transportation of vaccines and medical teams for vaccination which were delivered to 24 public health institutes throughout Serbia. Additionally, the Programme procured and delivered disinfection devices and disinfection liquid to 330 primary schools at the beginning of the school year. Furthermore, the Programme procured additional triage containers equipped with medical furniture. These procurements have been concluded during the inception period, and delivered to the end beneficiaries in April - September 2022 period.

Moreover, following the request from the Ministry of Health endorsed by MEI and DEU, the Programme facilitated support for engagement of medical and non-medical workers to support COVID-19 prevention and recovery efforts in 23 healthcare centres throughout Serbia. In September, the Programme issued 23 grants to public health institutions enabling three-months engagement of 194 medical and non-medical workers for the purpose of control and suppression of COVID-19 virus.

In November, The Ministry of Health submitted a request for the extension of the engagement of the personnel in 23 medical institutions for additional three months given the ongoing unfavourable epidemiological situation. Upon the DEU's and the MEI's approval of the request, the Programme processed extension of the contracts.

3. MANAGEMENT AND COORDINATION

3.1 Governance

The Programme Steering Committee (PSC)¹⁴ was established in line with the Programme document, and is composed from the representatives of the Ministry of European Integration (MEI), Ministry of Economy (ME), Ministry of Public Administration and Local Self Government (MPALSG), Ministry of Labour, Employment, Veterans and Social Affairs (MLEVSA), Ministry of Youth and Sports (MYS), Ministry of Construction, Transportation and Infrastructure (MCTI), Public Investment Management Office (PIMO), Delegation of the European Union (DEU). Additionally, the Development Agency of Serbia (DAS) and the Standing Conference of Towns and Municipalities (SCTM) participate in the work of the PSC in the capacity of observers.

This mechanism promotes national ownership over the Programme and enables relevant institutions to steer the implementation, monitor progress, and contribute to decision making.

The first meeting of the PSC was held on 9 December 2021 in Belgrade. Additionally, the electronic voting procedure was conducted for endorsement of the Programme Inception Report and three public calls in November 2021.

A comprehensive Sustainability Management Plan, Gender Action Plan, Monitoring and Evaluation Plan and Closure Plan were developed along with the Risk and Quality Management Strategies. The initially adopted Programme Action Plan was adjusted to correspond to the amended Programme objectives.

3.2 Coordination

The EU PRO Plus puts efforts to coordinate its activities with the relevant stakeholders and other development interventions.

Engagement of the key national stakeholders formally through their participation in the work of the PSC enabled extensive consultation processes for development of the key Programme outputs, ensuring

¹³ Overview of Programme assistance in support to COVID-19 related prevention and response activities is available in Annex III, Attachment 3.3

¹⁴ The Programme Steering Committee Terms of Reference is available in the Annex V, Attachment 5.1 PSC Terms of Reference www.euproplus.org.rs

national ownership and alignment with priorities of the Government of Serbia. Relevant institutions provided guidelines and feedback in line with their mandate and responsibilities, and the consultation process has also been extended beyond the PSC.

The key contributors to development of activities related to the introduction of ITI concept, alongside MEI were the MCTI responsible for the [Strategy of Sustainable Urban Development of the Republic of Serbia until 2030 for the period from 2021 to 2022](#), the SCTM and the Public Policy Secretariat (PPS) ensuring compliance with the [Law on the Planning System](#). While an agreement was reached for classic coordination with the Secretariat and provide updates and lessons learned from the process of planning and implementation of territorial strategies. The coordination with the DAS was also important for this intervention in terms of potential channelling of investors towards selected territories for which the strategies will be developed, in order to support Government priorities, but also to boost implementation of the strategies. Special attention will be given to the brownfield locations, as one of the priorities of SUD policies refers to rational use of land and utilising local potential.

Territorial development activities are also synchronised with the Ministry of Agriculture, Forestry and Water Management. The coordination is agreed in terms of relying on the results achieved by the Ministry in the previous period with established Local Action Groups (LAGs) and additional building of their capacities through trainings and grants implementation.

When it comes to activities related to enhanced economic growth, DAS and ME have been the most engaged stakeholders throughout the year. This relates to development of the Calls for BSOs and EMSEs, but also to development of approach to support to economic infrastructure projects where the two institutions provided crucial feedback on the needs for development of industrial zones and development of relevant technical documentation, while the coordination of activities will be crucial for support to securing investments deriving from this assistance.

Furthermore, facilitated by PIMO, the Programme liaised with representatives of the working group for development of South Serbia, formed by the Government of Serbia. Namely, the initiative is led by the Ministry of Trade, Tourism and Telecommunication supported by the Office of the Prime minister and is focused on improvement of tourist, ecological, archaeological and economic potential of six local self governments in southern Serbia (Prokuplje, Leskovac, Bojnik, Medveđa, Kuršumlija and Lebane) through infrastructure projects.

During development of the CFP for Social Services Strengthening, the Programme held several meetings with the key internal and external stakeholders in order to ensure coordination of similar actions, share experience and explore potential synergies. The consultation process included coordination with several counterparts: the Unit for Social Inclusion and Poverty Reduction, the Center for Social Policy, the Ministry of Labour, Employment, Veteran and Social Affairs and the German Development Cooperation (GIZ). Furthermore, the Programme exchanged lessons learned with the UNOPS Serbia's compatible interventions - Swiss PRO and SHAI projects. The key recommendations of the Programme's counterparts were incorporated in the CFP, including longer duration of the intervention, procurement of the equipment and focus on the integration of the social services, etc.

The Programme established cooperation with the key relevant donor programmes, primarily the EU-funded [Cohesion Policy Project](#) implemented by GIZ, which aims to strengthen and develop a legal and institutional framework for the implementation of EU Cohesion Policy, develop relevant planning and programming documents for EU Cohesion Policy, and to strengthen the capacities of institutions and bodies nominated for the implementation of Cohesion Policy-partners and potential beneficiaries at national and sub-national level. The established coordination with the Cohesion Policy Project will enable creation and the synergy of both actions, in achieving a common objective of increasing capacities of all levels for Cohesion Policy implementation, but also avoid potential overlapping. While the Cohesion Policy Project is dealing with overall capacity building of all nominated institutions for implementation of Cohesion Policy, the Programme is focused in particular to the capacity building of the MEI and regional

and local institutions exclusively to the establishment and application of EU Cohesion Policy territorial development tools, and definition of the national model for ISTD which is outside the scope of the Cohesion Policy Project.

The coordination was re-established with the Standing Conference of Towns and Municipalities (SCTM), whose EU-funded [Exchange 6 Programme](#) was 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 harmonisation of the content of territorial development strategies in municipal development plans in those LSGs which will be supported by both programmes.

3.3 Human Resources

The EU PRO Plus carried out workforce planning and established a recruitment plan which resulted in identification of positions, specific on-call functions and skills needed by the Programme. During the first half of 2021, the Programme recruited the core programme team including the Project Manager and the lead positions in the Programme Sectors - Competitiveness, ISTD Capacity Building, Infrastructure, Social Cohesion and Communications along with the project support positions. All core team members are engaged as Local Individual Contractors (LICA) on a regular basis. During the second half of the year, 35 retainers have been recruited to support primarily Communications and Administration teams as well as ISTD Capacity Building and Competitiveness sectors. In total, the workforce includes 20 regular LICAs and availability of 35 on-call functions/pools engaged to support the Programme with specific expertise and/or support services. The Programme strived to address gender equality in all of its recruitment processes and managed to hire 55% of female personnel at regular positions.

A continued attention was given to performance management and programme personnel set clear individual SMART performance objectives which were regularly discussed during informal and formal performance related conversations as appropriate. Summary of formal mid-term review discussions have been recorded through the online performance appraisal tool.

Learning activities are considered as an important part of people management in the Programme. The personnel completed many training courses available in the UNOPS corporate learning platform designed for specialised skills, in the fields of leadership, project and infrastructure management, procurement, operational and human resources management, well-being, diversity and inclusion, personal and professional development, human rights etc. Additionally, communication personnel took advantage of competing external training, however, funded by UNOPS corporate learning budget. Moreover, all team members completed mandatory Ethics and Standards of Conduct training.

3.4 Procurement and Grants

The EU PRO PLUS predominantly uses grant methodology which gives ownership over the projects to the grantees while the Programme maintains monitoring and advisory roles. During 2021, the Grant Administration Unit conducted issuance and provided support to the administrative management of 23 projects for support to the employment of human resources in 23 health care institutions on the territory of the Republic of Serbia, for the purpose of control and suppression of COVID-19 virus. In brief, administration of these GSAs during the last year included:

- Verification of 23 financial reports and processing of 46 payments
- Administered 3 budget revisions and verifications of 22 requests for budget revision

In addition, the Grant Administration Unit had registered EU PRO PLUS Project with the tax authorities

and supported development of the Public Calls for Local Infrastructure Projects, Business Support Organisations, Development of Territorial Strategies, Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises, and Strengthening Social Service. Finally, the Grant Administration Unit conducted administrative assistance in the application evaluation process of the Public Call for Development of Territorial Strategies.

In 2021 UNOPS continued with the emergency procurement processes which enabled expedited procurement of 26 specialised vehicles for medical teams for vaccination. Additionally, the Procurement Unit conducted 50 various procurement processes. In relation to the value of the goods, works or services and nature and complexity of the requirement, the statistic of all conducted solicitation processes is as follows:

- 16 Shopping processes, i.e. small value purchases up to USD 5,000.00
- 31 Requests for Quotations processes, i.e. purchases of USD 5,000.0 to USD 50,000.00
- 3 Invitation to Bid, purchases of value more than USD 50,000

3.5. Finance

The total delivery of the EU PRO Plus as of 31 December 2021 was 2,952,206.60 Euros or 7.38% of the Programme budget or 40.03 % of the first pre-financing. The forecast delivery for the next reporting period is 992,605 Euros.

4. RISKS AND ISSUES

In line with the EU PRO Plus Risk Management Strategy based on UNOPS project management structure, the Programme identifies and assesses risks, and then plans and implements responses. This section provides insight into key risks and issues registered during the first year of Programme implementation.

- **Prolonged duration of COVID-19 pandemic influences implementation modality and may delay materialisation of Programme results.** During 2021 the country faced several COVID-19 infection spikes, ending the year with the threat of the new omicron variant and approximately 3,000 registered cases per day. The related risks include unpredictable infection patterns and resulting impact of the pandemic on the operating environment for businesses and society as a whole as well as the global supply lines which remain affected and continuously vulnerable to potential deterioration.

Health related challenges significantly impacted the Programme. Majority of Programme stakeholders worked with reduced human capacities due to illness or isolation of employees, engagement with stakeholders was hindered due to health concerns, and government-imposed restrictions of public gatherings which at times limited the number of attendees to five and less. Therefore, the modality of beneficiary engagement was transformed. As a response, the planned outreach campaigns, to promote the three public calls published in 2021, used hybrid approaches for outreach activities, and organised both in-person and virtual info sessions. Organisation of all 15 live info-sessions abided by all prescribed prevention measures, including a limited number of participants with mandatory RSVP policy, wearing masks and keeping a physical distance. In addition, four online info-sessions and one online consultation were organised, while for each of the call video recordings of the info-sessions were produced and are available on the dedicated web pages of the Programme website. For the ease of communication with beneficiaries new functionalities were made available on the website, including online applications and Q&A section.

Prolongation of COVID-19 and the related restriction and prevention measures may have significant practical impact on the process of development of territorial strategies and the

capacity building activities, and in particular on the organisation of study visits and realisation of extensive participatory approach which was set as a precondition for the formulation of the territorial strategies process. In case of prolonged pandemic, alternative solutions (such as online or hybrid sessions, outdoor workshops, etc.) have been identified to maximise involvement of stakeholders and to ensure legitimacy of the strategic planning process.

- **Announced parliamentary, Presidential and partially local elections for April 2022 could have an impact on both timely and quality implementation of projects due to reduced engagement of national and local authorities during the campaign, and possible political reshuffling that could follow.** The Government formed in 2020 announced early parliamentary elections to run in parallel with presidential one while late in 2021 mayors of Doljevac and Medveđa announced that they municipalities would also hold local elections two years before they are due. This is expected to be the case in a number of other local self-governments. As the reforms planned by the Programme require political decision making at all levels, such as endorsement and adoption of the ISTD strategies, these activities, as is the experience from previous iterations of the Programme, may be hindered by the possible political changes resulting from the elections.
- **Alignment of implementation approaches to best address expectations of the key Programme stakeholders.** As the Programme is introducing novelties in its activities, key stakeholders may 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.
- **Reduced access to opportunities for the LSGs with lower capacities.** The Call for Applications for Development of Territorial Strategies focused on local-self governments (LSGs) with over 40,000 inhabitants and the capacities to engage in this process while smaller LSGs with low capacity were excluded from the opportunity to engage in the strategy development process. In an effort to equalise opportunities for all beneficiary LSGs, for the duration of the Call the capacity building activities were designed and partnerships among the LSGs encouraged, as part of the territorial approach to development, and mandatory conditions for development of ITI strategies. Further to this, for other Programme activities, such as the Public Call for Local Infrastructure Projects, LSGs with lower development levels will be prioritised for support, namely their applications will be scored higher thus enabling them to compete for the funds and LSGs to benefit from the Programme assistance.
- **Low quality of technical documentation** for infrastructure projects may cause the risk in their implementation. The Programme started to implement risk response measures and, for example, introduced additional steps to verify quality of proposed projects during the evaluation process in response to expected low quality of design documentation.
- **Several parallel processes of strategy development which are also planned by Exchange 6 and Social Housing Programmes might burden the limited capacities of participating LSGs.** Such a situation might create on one hand the absence of the key stakeholders in important phases of development of territorial strategies, and applying for other calls, while on other hand, there might be a lack of motivation of the same stakeholders to participate in such processes. EU PRO Plus regularly coordinates activities with these programmes in order to avoid or reduce overlapping. It also considers the activities of these programmes when scheduling training/workshops and maintains a degree of flexibility in planning and conduct of interventions.
- **The pace of implementation is conditioned by the need for broader coordination of activities outside of the Programme.** 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.

- **Encountered delays in implementation may influence the Programme's ability to register results within the foreseen Programme implementation period.** The Programme has fallen behind its quarterly schedules due to extended time needed for confirmation of approach for a portion of activities, delays with acceptance of the Programme Inception Report and induction of the Programme Steering Committee (PSC). However, after the first PSC meeting, the Programme expedited launching of the Public Calls to accommodate the delays. The amendment signed in Q4 2021, prolonged the Programme execution period for six months and the Programme replanned its activities to meet the Programme targets within the new deadline.

5. QUALITY

The Programme approach to quality is regulated with the Quality Management Strategy adopted in July 2021. The Strategy defines the quality standards to be applied and the responsibilities of personnel for achieving the required quality levels during the implementation of the Programme. It also describes quality management procedures that will be used for quality planning, quality control, and quality assurance. It also outlines quality related reporting requirements, quality records, and timing of key quality activities. The Strategy is aligned with the UNOPS Standards Management Framework which regulates project management, including the guiding principles for project management activities. One of the mandatory UNOPS global mechanisms is the Assurance Tool that captures information about the key aspects of projects' performance on a quarterly basis and assures that they are performing in a way that is contributing to the objectives. If that is not the case it triggers development of remedial actions.

Monitoring and evaluating quality is embedded in implementation of Programme activities with continuous collection and evaluation of feedback received from the Programme stakeholders and beneficiaries. The following examples provide evidence for quality assurance of Programme interventions during the reporting period:

The info sessions for the Call for Applications for Development of Territorial Strategies conducted in October and November 2021, attracted 178 attendees in total, out of which 145 participants were the representatives from LSGs and 33 participants were representatives from RDAs, evidencing quality of the conducted outreach campaign for the Call. The info sessions were evaluated very positively by the participants who completed the evaluation questionnaire, with 72% of them stating that their overall impression of the organisation of the info session is highly positive.

The workshops on Integrated and Sustainable Territorial Development that were conducted within info sessions also showed positive feedback. Concerning seminar content and training material, the overall average grade was between 4.56 - 4.70 (out of maximum 5 points), while the competence of the trainers and their attitude towards participants were identified as a major quality of the training with the highest ranking scores of 4.92 (out of maximum 5 points). The knowledge and skills gained during this training was improved and its applicability will be of great use was evaluated with an average ranking of 4.47.

In relation to the info sessions for the Call for Local Infrastructure Projects conducted in December 2021, 73% of the participants evaluated the info session as extremely good, 25% as good and only three remained neutral; the evaluation survey also showed improvement of participants' knowledge when

compared to previous, before information sessions¹⁵.

Likewise, info sessions for the Call for Proposals for Business Support Organisations were conducted during December 2021 with a total of 123 participants representing 82 organisations. According to the evaluation questionnaires 98.6% of participants provided positive evaluation, with 34.8% describing the sessions as good and 63.6% as very good. More details of the evaluation is available in the Info Session Summary Report¹⁶.

6. SUSTAINABILITY: Social, Environmental, Economic and National Capacity

UNOPS is committed as an organisation to meet the sustainable development goals, to mitigate climate change and to accelerate the recovery from ongoing pandemics. In line with the priority for climate action identified in UNOPS Strategic Plan 2022-25, UNOPS plans to install in the Serbia office a digitalised system, smart metre, to better understand and reduce our climate footprint.

UNOPS recognises sustainable infrastructure as a fundamental key to addressing climate changes and promotes climate friendly infrastructure aiming at long term sustainability. The transformation of the infrastructure to provide clean energy services, green transportation and energy efficient buildings resilient to climate change has become inevitable across all stages of the infrastructure lifecycle.

Programme approach to sustainability is regulated with the Sustainability Management Plan¹⁷ developed based on assessments of the relevance of the sustainability topics and their impact on the Programme and stakeholders. It reflects on the economic, social and environmental aspects of the Programme and identifies the key actions and indicators for measuring sustainability of EU PRO Plus interventions, as well as the monitoring and reporting milestones.

The Programme anticipated sustainability in all activities related to Result 1, by means to ensure mechanisms at the national level able to monitor implementation of the territorial strategies, by developing tools and governance mechanisms optimised for the capacities in the Serbian context. This is also reflected at the regional and local level, where the envisaged governance arrangements for implementation of territorial strategy are already preliminary set through definition of the selection criteria under the Call, and through obligations that applicants must fulfil during the development of territorial strategies. Establishment of such mechanisms are of utmost importance for sustainability of the whole ISTD concept. In addition, this is supported through a comprehensive Capacity Building Plan, which will ensure appropriate capacities for the management of ISTD.

Based on the Sustainability Action Plan, the three pillars of sustainability are embedded in the conditions of each Call for proposals and the projects will be evaluated against social, environmental and economic criteria. The Call for proposals for local infrastructure projects in particular supports the improvement of services through soft measures that are embedded in the conditions of the call and should contribute to social sustainability. Likewise, the Call endorses environmental sustainability and as a minimum requires neutral impact to nature, while supporting projects with positive impact to nature, in particular those with the potential to create savings as a result of increased energy efficiency or using renewable energy sources which makes them economically sustainable.

Economic and social sustainability is ensured also through the economic infrastructure projects where the Call foresees redirecting a portion of the budget on the management of economic infrastructure projects to ensure investment and job generation upon its completion. Environmental sustainability will be

¹⁵ Local Infrastructure Projects Info sessions evaluation report is available in Annex III, Attachment 3.1

¹⁶ Annex II_Attachment 2.1_BSO Info Session Summary Report

¹⁷ The Sustainability Management Plan is available with the Programme

ensured during the construction where environmental plans will foresee mandatory onsite measures to prevent environmental accidents and pollutants from construction activities, while projects with negative impact will not be supported. In support of the strategy for rational land use, the preferential status will be given to the brownfield.

7. CROSS-CUTTING THEMES: Good Governance, Gender Equality, Social Inclusion and Digitalisation

This section provides a summary of actions aimed at enhancing good governance, achieving gender equality and strengthening social inclusion conducted in the reporting period.

The Gender Action Plan¹⁸ laid a foundation for promoting and including equal opportunities for men and women throughout all Programme activities.

During the year, the Programme ensured to include cross-cutting themes in the conditions of the Calls. The improvement of public services through good governance is considered an integral part of the local infrastructure projects proposed for EU funding. Likewise, through its evaluation criteria, the Call promotes gender consideration and social inclusion of vulnerable groups. The BSOs initiatives 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.

The Call for Application for Development of Territorial Strategies encompasses various cross-cutting aspects: Firstly, the selected territories are obliged to establish an interdisciplinary working groups that should include at least 40% female members. Secondly, the thematic coverage of the strategies is directed with prescribed thematic focus 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](#), where the cross-cutting themes are in focus. Thirdly, a good governance aspect is recognized in mandatory establishment of the governance mechanisms for implementation of the strategies.

The cross-cutting themes are an integral part of the CFP for Social Services Strengthening and incorporated into the evaluation criteria, while one of the main objectives of the CFP is to contribute to the social inclusion of the excluded groups.

Furthermore, promotion of awareness on GE and social inclusion is supported internally and externally, by embedding specific elements into the Communication Strategy. GE and inclusive aspects as integral part of the Communication Strategy and activities, applied in everyday communication and promoted through, for instance gender related projects promoted in media, etc.

8. COMMUNICATIONS AND VISIBILITY

The EU PRO Plus Communications and Visibility Strategy¹⁹ developed in line with the [Communication and Visibility Manual for European Union External Actions](#) and [Visibility Guidelines for EU funded projects in Serbia](#), was approved by the MEI and pending DEU approval. The Strategy builds on the best practises of the previous Programme while integrating the findings and recommendations of the EU PRO Communication Strategy Assessment (EPCSA)²⁰ conducted by an external agency.

¹⁸ Gender Action Plan is available in Annex V, Attachment 5.4

¹⁹ Available in the Annex IV_Attachment 4.1_EU PRO Plus Communication Strategy_Draft

²⁰ Available in Annex IV_Attachment 4.2_Summary of Recommendations for the EU PRO Plus Communication Strategy

The standard, key promotional and communication products were developed upon the approval of the programme visual identity and the Communications and Visibility Guidelines²¹ were established as a set of standards for EU PRO Plus beneficiary projects to adhere to in order to regulate and ensure visibility of the European Union (EU).

The [EU PRO Plus website](#) approved by the DEU and MEI was officially launched in April and has since been regularly updated and visited 11,716 times by 17,238 unique visitors. The Public Calls page proves to be by far the most visited page indicating that beneficiaries have a clear grasp of the Programme and are interested in the offered opportunities.

EU PRO social media channels²² have all been repurposed and rebranded with EU PRO Plus visuals to ensure continuation of efforts to increase the number of followers built for the duration of the previous Programme. Facebook remains the most efficient communication channel for the Programme, reaching 554,042 people and attracting over 500 post likes with 18,935 followers. The Twitter page is followed by 1,156 people, while the Instagram audience is the fastest growing tool now reaching 2,668 followers reflecting the growing interest of younger audiences in Programme activities.

The Programme YouTube Channel was populated with 20 promotional videos, recordings of info-sessions and various media reports on the programme activities, while ten news and eight video stories were published on the Programme website.

In consideration of Covid 19 restrictions throughout the year four high level events were organised, and attended by the highest representatives of the EU Delegation. [EU PRO Plus launch event](#), held on-line on 14 April 2021, gathered over 250 participants and generated 830 views via Youtube while reaching over 31,000 people via Facebook. The in-person **handover of 26 specialised vehicles for vaccine distribution** as a part of the EU support to fight against Covid 19, was organised in coordination with the DEU and MEI on 14 September 2021 and was attended by the President of Serbia, Aleksandar Vučić and Head of the Delegation of the EU to Serbia, Ambassadeur Emanuele Giaufret, Minister of the European Integration, Jadranka Joksimović and Minister of Health Zlatibor Lončar as well as the representatives of 24 public health institutes that received donation. **The first Programme Steering Committee** organised live on 9 December was also attended by the Head of the DEU and Minister of European Integration who on the occasion promoted both an additional ten million Euros for Covid 19 recovery added to the initial Programme budget, and the three Programme public calls. In December the Programme also organised the **Heads of Missions (HoMs) visit to Vranje, Bujanovac and Preševo** which besides political meetings facilitated Head of the DEU, Ambassadors of Austria, Belgium and Portugal, and First Secretaries of the Hungarian and Slovak Embassy to visit some of the projects implemented through the predecessor programme EU PRO.

Additionally on 24 December [The Calendar Competition award ceremony](#) was held online with the participation of the representatives of the EU Delegation, Ministry of European Integration, Programme and awarded students. [The 2022 EU PRO Plus Calendar Competition](#) which invited high school students to submit artworks themed “Your Ideas, Your Future”, despite difficulties with home based schooling due to the pandemic, received 79 artworks from 23 schools based in the AoR. Twelve winning artworks, selected via online public voting and votes of the representatives of MEI, DEU, EU Info Centre and UNOPS, are featured on the EU PRO Plus 2022 Calendar - the official EUzaTebe Calendar.

All programme activities were promoted through traditional and digital media channels. Eight press releases and six media advisories were issued **generating 563 positive media reports, out of which 242 (or 42.9 percent) in the national media.**²³ The largest number of 185 media reports were dedicated to the

²¹ Available in Annex IV_Attachment 4.3_EU PRO Plus Communications and Visibility Guidelines, aligned with European Commission Manual for [Communication and Visibility in EU-financed external actions](#) and [Visibility Guidelines for EU funded projects in Serbia](#)

²² [Facebook](#), [Instagram](#), [Twitter](#), [Youtube](#)

²³ Available in Annex IV_Attachment 4.4_Overview of communication activities

promotion of the Programme itself, followed by the event organised to mark donation of the specialised vaccine vehicles and the EU support to Serbia in preventing pandemics attracted as many as 100 media reports.

Separate outreach campaigns were generated and are implemented for all three published public calls - for development of territorial strategies, support to improvement of local infrastructure and support to business support organisations. The Calls and all in-person info-sessions conducted in the AoR by relevant sectors were promoted through press releases and separate media advisories. The promotional material, including respective visuals, animated video presentations, printed posters and flyers, info sheets as well as dedicated web pages were developed for both public calls and the 2022 Calendar Competition. In addition, video info-sessions were produced for all three public calls and available on the Programme YouTube Channels and dedicated Call web pages. Additionally, seven media interviews/statements were organised to promote the Programme, public calls and Calendar Competition, including local and national media, i.e. Radio Belgrade, TV Pirot, Media Research Centre from Niš, Radio Sto Plus from Novi Pazar, as well as the Radio Television of Serbia.

During April and May 2021 Media Competition for local media was organised in order to promote both the results achieved through previous Programmes and to promote future similar opportunities offered through EU PRO Plus Programme. The competition, organised in synergy with the DEU and MEI, 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 outlets²⁴ selected based on the peer voting, expert jury²⁵ and the DEU and MEI representatives were awarded with IT and audio and video equipment worth up to 5,000 USD per award, to enhance the technical capacities of the media.

The Programme was also receiving publicity indirectly as various DEU campaigns promoted the predecessor programme activities that would also be included in the EU PRO Plus. Namely, within the DEU Campaign “Stories from Serbia”, five projects implemented during the predecessor programme were presented on the public broadcaster Radio Television of Serbia while the DEU campaign on the support to agriculture included two success stories from Prokuplje²⁶ and Babušnica²⁷.

Moreover, the Programme representatives and beneficiaries were invited to present previous results and announce the upcoming EU support in a couple of the EU Info Point Niš events, including promotion of the support to SMEs within an online promotional event [Ask me anything about EU support](#), and a webinar to mark the World Food Day that presented two EU PRO projects.

Finally, to mark the first successful year completed, the Programme published the first issue of electronic [Newsletter](#) in December, which was distributed to close to 3,000 stakeholders.

The blanket purchase agreement procedure for procurement of promotional material was successfully finalised and a basic set of promo material was developed and delivered including 2,000 promotional notebooks, 1,500 folders, 500 promotional bags, business cards, Programme factsheets, while promotional New Year packages delivered in December will be shared among the key stakeholders.

9. LESSONS LEARNED

This section provides an overview of key lessons learned recorded in the reporting period as well as

²⁴ 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

²⁵ Radojka Nikolić (Ekonometar and Biznis Magazine), Ljubica Gojgić (Radio Television Vojvodina) and Miša Stoilković (Radio Belgrade)

²⁶ Euzatebe.rs [Farming in harmony with nature](#) (14 September 2021)

²⁷ Poljoprovreda.europa.rs [Organic food from greenhouses – healthy & tasty](#) (20 September 2021)

several lessons learned during the implementation of the previous Programme iterations that were incorporated in the current activities.

Extensive consultation process is needed prior to finalising the Programme approach and interventions are crucial to the 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 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.

The programme should be agile in response to the challenges brought about by unforeseen circumstances, have a flexible work plan to conduct preparation for all activities independent of external approvals.

Implementation of soft measures should be incorporated in the economic infrastructure project to ensure its sustainability. Previous experience showed that well managed economic projects such as industrial zones could generate more investments and create new jobs as opposed to one without management structure. The future Calls for economic infrastructure activities should include the activities of support to local self-governments to introduce or strengthen the management of the economic infrastructure projects to ensure maximum outcomes.

Soft measures which include introduction of good governance activities have proven effective in previous local infrastructure projects and serve to uphold project sustainability, transparency, efficiency in work as well as social inclusion objectives such as non-discrimination, citizens participation and equality.

Introduction of on-line registration for both live and online info-sessions and workshops/training has been proven useful as it contributes not only to better accuracy in anticipated numbers of attendants, but also in creation of databases which serve as future communication channels and for future monitoring tools during the implementation.

Ensuring applying measures against COVID during a large number of group gatherings called for greater focus on COVID-19 prevention measures and the introduced measures. Additionally, participation in on-line events has been encouraged. The introduction of the health safety measures - basic sanitary measures, adequate premises, maintaining proper distance and COVID Controller/s, to mitigate exposure to the COVID -19, has proven to be effective for the Programme staff and participants

To obtain greater visibility of the Programme, the promotional activities within individual projects will be defined during the contract development and in accordance with the type of project and the budget available. Where possible, as exemplified in the Local Infrastructure Call, the focus should be on visual and preferable video content that could be promoted via traditional and digital media.

10. NEXT REPORTING PERIOD

This section provides a list of priorities/activities for the subsequent reporting period. A detailed Work Plan should be produced separately and annexed to this report.

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

- *Activity 1.1* Conduct first training module on territorial development instruments for MEI
- *Activity 1.1* Initiate development of the Comparative Study on EU member states
- *Activity 1.2* Finalise the evaluation process of application under Call for Applications for development of Territorial Strategies, recommend final beneficiaries, award MoUs and initiate implementation of activities
- *Activity 1.2* Conduct first training module on territorial development instruments for LSGs and

RDAs

Result 2. Enhanced economic growth in targeted municipalities

- *Activity 2.1* Obtain PSCs approval and publish the Call for economic infrastructure projects (EIP)
Activity 2.1 Organise info sessions to promote the Call for EIP
- *Activity 2.1* Draft the Call for technical documentation for economic infrastructure, obtain PSCs approval and publish the Call.
- *Activity 2.2* Obtain PSCs approval and publish the Public Call for Proposals for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises
- *Activity 2.2* Organise info sessions to promote the Public Call for Proposals for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises
- *Activity 2.2* Evaluate project proposals and sign grant support agreements for BSO

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

- *Activity 3.1* Evaluate proposals for local infrastructure projects, obtain PSC approval and sign grant support agreements with selected beneficiaries
- *Activity 3.2* Publish the CFP for Strengthening Social Services and initiate evaluation process
- *Activity 3.3* Processing of the GSAs extension with 23 medical health centres, verification of second milestone reports and transfer of third instalment; Regular monitoring and evaluation of 23 grants to medical healthcare centre

ANNEXES

Annex I Improved Development Planning

Annex I Attn.1.1	Assessment of CCLD & SUD initiatives
Annex I Attn.1.2	Capacity Building Plan
Annex I Attn 1.3	Comparative Analysis of EU Member States proposal
Annex I Attn.1.4	ISTD Info sessions evaluation report
Annex I Attn.1.5	ISTD workshops evaluation report
Annex I Attn.1.6	The Reader on ISTD

Annex II Enhanced Economic Growth

Annex II Attn 2.1	BSO Info Session Summary Report
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Annex III Improved Social Infrastructure and Social Cohesion

Annex III Attn 3.1	Evaluation Report on LIP informative sessions
Annex III Attn 3.2	CFP for Strengthening Social Services
Annex III Attn 3.3	Overview of Programme assistance in support to COVID-19 related prevention

Annex IV Communications

Annex IV Attn 4.1	EU PRO Plus Overview of Communication Activities
Annex IV Attn 4.2	Summary of recommendations for EU PRO Plus Programme Communication Strategy
Annex IV Attn 4.3	Communications and visibility guidelines related to the projects and activities financed through EU PRO Plus Programme
Annex V Attn 4.4	EU PRO Plus Overview of Communication Activities 2021

Annex V Programme Management

Annex V Attn 5.1	Logical Framework Matrix
Annex V Attn 5.2	EU PRO Plus Work Plan for Q1 of 2022

Annex V Attn 5.3	Overview of LSG Survey Results
Annex V Attn 5.4	Gender Action Plan