

TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA



March 2024.

ISBN-978-86-906824-1-6



Ministry of European Integration
REPUBLIC OF SERBIA

**#EY
ЗА ТЕБЕ**

 **UNOPS**

Implementing partner



EU THE EUROPEAN UNION FOR
PRO+ LOCAL DEVELOPMENT

INTRODUCTORY SPEECH

Šabac has always been committed to progress and development. Looking to the future, it accepted all the positive achievements of civilization, always respecting our rich heritage and traditional values. We strive proudly to follow world trends, installing to our future everything left to us by the generations of our ancestors. Hardworking and dedicated citizens of Šabac, relying on ours two the beautiful rivers Drina and Sava, the fertile plains of Mačva, Podrinje, Posavina and Mount Cer in the hinterland, they are always watching further and want to achieve more.



Šabac is a city with a long tradition of planning. We have come a long way since the military fortification to developed industrial centre, trying hard to minimize negative natural and social impacts, while using our resources in an optimal way. The future presents us with new challenges, of which climate change is one of the biggest. Strategic planning is an activity by which we predict and plan our future, establishing a long-term and sustainable framework for social, territorial and economic development.

The goal of developing the Territorial Strategy of the City of Šabac Urban Area is to contribute to the sustainable development of the territory based on the improvement of social, economic, ecological, climatic, cultural and territorial aspects of development. Special attention is paid to finding solutions for climate and environmental protection challenges, the transition to a climate-neutral economy, better use of the potential of digital technologies for innovative purposes, as well as encouraging development in urban areas. The strategy sets priorities for sustainable urban development, contributes to optimizing the value of financing and developing connections within and outside the environment.

Defining the vision and project ideas should ensure the creation of a strategic framework for the development of the urban area and enable a wider range of participants, especially local actors, to actively participate and contribute to the realization of a common vision of development.

The initial basis for formulating the Strategy was already defined as the direction of development of the Republic of Serbia, the City of Šabac and the European Union, with perception and appreciation of national and local development documents and public policy documents, programs and projects that are implemented in the City of Šabac.

I express my personal gratitude and on behalf of the citizens of Šabac to the European Union, the EU programme for local development EU PRO Plus i The United Nations Office for Project Services (UNOPS), which implements this programme, on comprehensive support in the process of drafting the Territorial Strategy of the City of Šabac Urban Area.

In Šabac

February 27, 2024

Mayor of Šabac

Aleksandar Pajić, Ph.D.

LIST OF PARTICIPANTS

The mayor

Aleksandar Pajić, Ph.D.

The Development Council of the City of Šabac

Dr. Aleksandar Pajić

Aleksandar Jovanović

Blaža Knežević

Ana Anđelić

Ana Marinković

Bogdan Vasilić

Dragan Vasić

The working group for the development of the Territorial Strategy of the City of Šabac Urban Area

Dejan Vujić, City Administration of Šabac

Slavica Ferenc, SO Infrastructure Šabac

Jasmina Stevanović, City Administration of Šabac

Bojan Alimpić, SO Infrastructure Šabac

Jana Bogdanović, SO Infrastructure Šabac

Irena Dragičević, City Administration of Šabac

Nikola Živanović, SO Infrastructure Šabac

Jelena Šobić, City Administration of Šabac

Nenad Mišković, Sava water management company, Šabac

Dejan Jovanović, Elektrodistribucija Šabac

Branko Vujković, MD, Institute of Public Health Šabac

Jovan Vraneš, PUC Vodovod Šabac

Aljoša Garibović, PUC Stari Grad Šabac

Rajko Šušić, PUC Toplana Šabac

Zorica Gvozdenović, City Administration of Šabac

Mirjana Perić, Museum, Šabac

Biljana Mrkonjić, centre for Social Work Šabac

Dragana Milosavljević, City Administration of Šabac

Mirjana Mecić Marinković, City Administration of Šabac

Dragan Randić, City Administration of Šabac

Dušan Simić, Tourist organisation of the town of Šabac

Slobodan Ilić, Association of Farmers

Miroljub Nikolić, Caritas Šabac

UNOPS / EU PRO Plus programme

Marko Vujačić, Head of Programme, UNOPS

Olivera Kostić, Programme Manager, EU PRO Plus

Viktor Veljović, Capacity Building Sector Manager and manager of the process of developing urban development strategies, EU PRO Plus

Ratka Čolić, Specialist in capacity development and territorial development, EU PRO Plus

Velimir Šećerov, Senior Capacity Development Specialist, EU PRO Plus

Marija Maksin, Senior Capacity Development Specialist, EU PRO Plus

Uroš Radosavljević, Senior Capacity Development Specialist, EU PRO Plus

Ana Graovac, Senior Capacity Development Specialist, EU PRO Plus

Milena Zindović, Senior Capacity Development Specialist, EU PRO Plus

Aleksandar Đukić, Senior Capacity Development Specialist, EU PRO Plus

Predrag Cvetković, Capacity Development Expert, EU PRO Plus

Stefan Kah, Capacity Development Advisor, EU PRO Plus

Nikolaos Karadimitriou, Specialist for capacity building and territorial development, EU PRO Plus

Martin de Bruijn, Specialist for capacity building and territorial development, EU PRO Plus

Loris Servillo, Specialist for capacity building and territorial development, EU PRO Plus

Aleksandra Radivojević, Associate in the Capacity Building sector, EU PRO Plus

Marija Kosić, Senior Assistant in the Capacity Building sector, EU PRO Plus

Maja Tanjga, Senior Assistant in the Capacity Building sector, EU PRO Plus

CONTENT

1	INTRODUCTION	1
2	APPROACH AND STEPS IN STRATEGY DEVELOPMENT	3
2.1	DESCRIPTION OF THE INTEGRATED APPROACH	4
2.2	DESCRIPTION OF INVOLMENT OF PARTNERS	5
2.3	APPROACH TO STRATEGY DEVELOPMENT	8
2.4	STEPS IN STRATEGY DEVELOPMENT	9
3	DESCRIPTION OF THE TERRITORY	14
4	TERRITORIAL CONTEXT	16
5	CONTEXTUAL ANALYSIS	19
5.1	SOCIETY	19
5.1.1	Demographics	19
5.1.2	Social inclusion and social protection	19
5.1.3	Housing	20
5.1.4	Social standard facilities	21
5.2	ECONOMY	23
5.2.1	General economic trends and the labor market	23
5.2.2	Economy and business environment	24
5.2.3	Tourism and culture	25
5.3	URBAN ENVIRONMENT	27
5.3.1	Historical overview of the spatial and urban development of the city	27
5.3.2	Urban area	28
5.3.3	Natural environment	29
5.3.4	Quality of environmental factors, exposure to environmental risks and climate change risks	31
5.3.5	Primary utility infrastructure	36
5.3.6	Primary transport infrastructure and traffic	38
5.4	URBAN AND TERRITORIAL GOVERNANCE	43
5.4.1	Access to governance	43
5.4.2	Sources of financing	46
5.4.3	Transparency and information	47

6	SWOT ANALYSIS AND NEEDS	48
6.1	IDENTITY OF THE URBAN AREA	48
6.2	GREEN AND ENERGY TRANSITION AND MOBILITY	50
6.3	INNOVATIVE AND SMART ECONOMY	52
6.4	SOCIAL WELLBEING	53
6.5	URBAN AND TERRITORIAL DEVELOPMENT GOVERNANCE	55
7	VISION, OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES	58
7.1	VISION	58
7.2	THEMATIC OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES	58
8	PRIORITY AREAS OF INTERVENTION	66
8.1	STRATEGIC APPROACH AND SPATIAL DIMENSION	66
8.2	PRIORITY AREAS OF INTERVENTION - FIGURE	67
8.3	LIST OF STRATEGIC PROJECTS	70
	8.3.1 Identity of the urban area	70
	8.3.2 Green and energy transition and urban mobility	70
	8.3.3 Innovative and smart economy	70
	8.3.4 Social wellbeing	70
	8.3.5 Urban/territorial development governance	71
8.4	STRATEGIC PROJECTS - FIGURE	71
9	SOURCES OF FUNDING	74
10	MONITORING AND EVALUATION	80
11	IMPLEMENTATION	88
12	SOURCES	91
13	ANNEXES	95
	ANNEX 1 - DECISION ON DEVELOPMENT OF TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA	95
	ANNEX 2 - LIST OF PROJECT IDEAS	98
	ANNEX 3 – PARTICIPANTS IN STRATEGY DEVELOPMENT	100
	ANNEX 4 - NATIONAL AND INTERNATIONAL SOURCES OF FUNDING URBAN AND TERRITORIAL DEVELOPMENT	101
	ANNEX 5 - DECISION ON ADOPTION OF THE TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA	171

1 INTRODUCTION

The European Union program for local development - EU PRO Plus contributes to a more balanced socio-economic development by strengthening the management of urban and territorial development, supporting economic growth and improving social cohesion in 99 local governments in two regions: Šumadija and Western Serbia and Southern and Eastern Serbia. The European Union (EU) has allocated 40 million euros through the Instrument for Pre-Accession Assistance (IPA) 2020 to finance this Program, which is led by the Ministry of European Integration of the Republic of Serbia and implemented by the United Nations Office for Project Services (UNOPS).

Relying on the results of three previous development programs, the Program in all its activities focuses special attention on good governance, digitalization and innovation, environmental and climate change aspects, as well as gender equality. In addition, as part of its activities, where relevant and possible, EU PRO Plus will contribute to eliminating some of the negative consequences of the COVID-19 pandemic.

The direct beneficiaries of the EU PRO Plus Program are the Ministry of European Integration, 99 local self-government units (LSGs), local government structures, regional development agencies (RDAs), other business support organisations, micro, small and medium-sized enterprises (SMEs) and civil society organisations (CSOs), while the final beneficiaries of the program are residents of 99 cities and municipalities. All program activities are undertaken in partnership with the Government of the Republic of Serbia, while respecting national policies and priorities, in order to ensure national “ownership” of them and contribute to the development of national capacities. The EU PRO Plus program is based on the National Priorities for International Aid until 2025 of the Republic of Serbia, which is of key importance for economic and social development and the process of European integration, where it will especially contribute to the preparations for fulfilling the requirements from Chapter 22 of the accession negotiations EU - Regional policy and coordination of structural instruments.

Direct technical assistance was provided with the aim of improving the competences of LSGs to introduce and implement an integrated approach to territorial development, in accordance with EU territorial development policies. In order to apply an integrated and sustainable approach to development planning, the Program provided support to local governments through the development of territorial strategies. A total of 12 territories - urban areas that include 31 LSGs were selected through the Public Call for submission of applications for the development of territorial strategies.¹ The activities of the Program included the following: a) support to interdisciplinary working groups formed for the development of strategies, in the form of advisory assistance and the organisation of training and workshops for the development of strategies, b) organisation and facilitation of stakeholder involvement (thematic round tables and workshops with experts and the general public) and citizen participation (surveys, public

¹ Urban areas of Bor, Kruševac, Leskovac, Loznica, Novi Pazar, Smederevo, Šabac; The urban area of the city of Kragujevac and the municipalities of Arandjelovac, Batočina, Knić, Lapovo, Rača and Topola; The urban area of the city of Zaječar and the municipalities of Boljevac, Knjaževac and Sokobanja, the urban area of the city of Niš and the municipalities of Gadžin Han, Merošina and Svrlijig; The urban area of the city of Pirot and the municipalities of Babušnica, Bela Palanka and Dimitrovgrad and the urban area of the city of Užice and the municipalities of Bajina Bašta, Čajetina, Požega and Priboj.

forums and public hearings), c) provision of technical support for consolidation of materials and formulation of strategies, g) preparation for the press and printing of strategies, and support for strengthening transparency through the development of a strategy website with a presentation of the strategy development process.

The time horizon foreseen for the realization of territorial strategies is the year 2034, that is, the period that includes two program periods of the EU Cohesion Policy.

2 APPROACH AND STEPS IN STRATEGY DEVELOPMENT

The goal of the Strategy is to contribute to the sustainable development of the urban area based on encouraging:

- application of an integrated and participatory approach to the development of society and economy, development of the landscape, cultural and architectural heritage, natural heritage, sustainable tourism and strengthening of urban-rural linkages;
- transition to clean and fair energy, green and blue investments, climate change mitigation and adaptation, risk prevention and management, sustainable and multimodal urban mobility;
- innovative, smart, low-carbon and circular economies, with better use of the potential of digital technologies for innovative purposes;
- strengthening the social component by implementing the European pillar of social rights in the field of employment, education, socioeconomic inclusion and integration, housing, social and health care, culture, sports and recreation, creating a stimulating environment for youth initiatives and activities, and social innovation.

The strategy sets priorities for sustainable and integrated territorial development, contributes to a more efficient pooling of funding sources and more effective use of financial resources and development of connections within and outside the environment.

Urban Area Development Strategy --- strategy of urban development:

- encouraging sustainable and integrated development of the urban area;
- identifying the key needs of the development of the urban area;
- encouraging the effective use and improvement of urban/territorial capital management;
- the application of EU development management instruments, which enables the establishment of a framework for sustainable and integrated urban and territorial development of the urban area by connecting the traditional system of spatial and urban planning, the planning system of public policies, the improvement of urban development financing and the management of local public finances;
- improving the conditions for urban development in accordance with the New EU Cohesion Policy, the Paris Agreement, the EU Urban Agenda, the New Leipzig Charter on Sustainable European Cities, the Green Deal for the Western Balkans and other EU documents;
- implementation of the Sustainable Urban Development Strategy of the Republic of Serbia until 2030: Measure 5.2.3 Application of EU Cohesion Policy instruments - integrated territorial investments (*ITI – Integrated Territorial Investment*), within the Package of measures 5.2 - Improvement of public finance management for sustainable and integrated urban development, and measure 5.3.3 Local strategies of integrated urban development within the Package of measures 5.3 - integrated planning of sustainable urban development) within the Urban Development Governance Strategic axis;
- encouraging multi-level development governance and application of various governance instruments (collaborative, command, hybrid); encouraging a multi-stakeholder

approach (economy, education, science, public and civil sector); improvement of inter-municipal cooperation; encouraging a participatory approach and involvement of local actors; encouraging mixing *blending*) financing urban development from different types of (domestic and international); strengthening the transparency of decision-making at the level of the urban area;

- improvement of institutional and personnel capacities and governance mechanisms for the implementation of the Strategy.

2.1 DESCRIPTION OF THE INTEGRATED APPROACH

Integration is one of the four key elements of the integrated and sustainable territorial development (ISTD) planning approach tested within the EU PRO Plus programme. Integration has two main dimensions: territorial and thematic integration. The territorial dimension of integration, although it is important for all types of urban areas, is especially relevant for those who prepared strategies of integrated territorial investments (ITI), that is, urban areas that cover more than one LSG.

The thematic aspect of the integrated approach is a key characteristic of territorial strategies, which implies an integrated approach among different sectoral policies. Strategies can cover a wide range of policies, from different types of infrastructure, to business support, social measures or environmental investments. The instruments tested in the EU PRO Plus programme apply a multisectoral approach that goes beyond traditional sectoral policies, while supporting place based solutions) and integrated, thus enabling interconnected and cross-sectoral responses to urban challenges.

Within the EU Cohesion Policy 2021-27, the integrated approach is one of the four mandatory elements of territorial strategies, with regulations requiring *“description of an integrated approach to solving the recognized development needs and potential of the area”*². The aforementioned approach and prescribed content of territorial strategies, defined by the new legislation of the European Commission from 2021, determined the legal basis for the adoption of this strategy, namely Articles 49 and 50 of the Law on the Planning System³. Namely, integration is a key dimension of Cohesion Policy in a broader sense, which implies not only integration between different management levels (vertical) and different spatial levels and areas (territorial), but, most importantly, coordination between different policy areas (horizontal).

The intersectoral approach aims to overcome “silo structures”, i.e. the traditional division of functions according to sectors or policy areas, which is typically present in public administration. There are both horizontal and vertical dimensions of the intersectoral approach: horizontal refers to the relationship between departments in the same administration (e.g. in LSGs), and vertical refers to the relationship between departments in different administrations, state administration departments or other service providers. According to the Handbook on Sustainable Urban Development Strategies of the Joint Research centre of the European

² See Article 29 of the Common Provisions Regulation: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R1060&from=EN>

³ Law on the Planning System of the RS (Official Gazette of the Republic of Serbia No. 30/2018) <https://www.paragraf.rs/propisi/zakon-o-planskom-sistemu-republike-srbije.html>

Commission, cross-sectoral integration can be achieved by: 1) ensuring the consistency of policy-making principles and goals among different policy sectors in public administration, harmonizing priorities and time frames; and 2) cooperation between different departments at all levels, in order to jointly create policies⁴.

Just as in EU Cohesion policy, the strategies developed in the context of EU PRO Plus are multi-sectoral, organised under five objectives representing different thematic areas, and therefore require cross-sectoral integration. In practice, this can be supported by strong coordination structures involving stakeholders and other organisations at all stages, thus providing support for the implementation of a cross-sectoral strategy. Supported projects should contribute to the objectives of the strategy and be cross-sectoral. This requires adequate procedures, such as project eligibility and selection criteria, as these will have a major impact on how integrated the projects will be and how they will be linked to the strategy.⁵

2.2 DESCRIPTION OF INVOLVEMENT OF PARTNERS

In the dynamic environment of sustainable and integrated urban and territorial development, the creation and implementation of effective strategies is of key importance for ensuring the prosperity and sustainability of cities and wider urban areas. The territorial strategy traces the path for development, including various sectors such as: infrastructure, economy, environment, social protection services, etc. However, the complexity of contemporary challenges requires a collaborative approach that goes beyond LSGs. The involvement of partners - different levels of government, non-profit organisations, private companies, social groups, universities, institutes, development and research organisations, plays a key role in shaping and implementing a successful territorial strategy.

Partners in territorial strategy:

The development and implementation of a territorial strategy has enormous benefits as it involves different perspectives, expertise and resources brought by different partners. The comprehensive territorial strategy includes the following types of partners:

- **Administration:** Local (municipal, city) and national administration bodies are decisive partners because of their regulatory powers, financial resources and policy-making competences. Their participation ensures alignment with broader development goals and effective coordination of efforts.
- **Non-profit organisations:** Civil society organisations often work closely with communities, addressing social and environmental challenges. Their knowledge of the environment can help identify the specific needs, concerns and priorities of the local population.
- **Private companies:** Private sector participation is vital for infrastructure development, innovation and economic growth. Partnerships with businesses can lead to investment in real estate, transportation, energy and technology, driving progress in urban areas.

⁴ Fioretti C, Pertoldi M, Busti M and Van Heerden S (2020) Handbook of Sustainable Urban Development Strategies, <https://publications.jrc.ec.europa.eu/repository/handle/JRC118841>

⁵ Pertoldi M, Fioretti C, Guzzo F, Testori G, De Bruijn M, Ferry M, Kah S, Servillo L A and Windisch S (2022) Handbook of Territorial and Local Development Strategies. <https://publications.jrc.ec.europa.eu/repository/handle/JRC130788>

- **Academic and research institutions:** Universities and research organisations contribute intellectual capital by conducting studies, analysing data and proposing evidence-based solutions. Their research can lead to the formulation of a strategy based on sound principles.
- **Community groups and citizens:** Local people and community organisations ensure that the real needs of citizens are taken into account, thus creating the basis for strategies to be developed on local knowledge. The participation of local residents fosters a sense of ownership, ensures inclusiveness and increases the likelihood of successful implementation of strategies.
- **International organisations:** Cooperation with international organisations and cities enables learning from examples from the world's best practices, access to finance and exchange of experiences. These partnerships can facilitate knowledge sharing and cross-border cooperation.

The involvement of partners in territorial strategies has several advantages, it will improve the quality of strategy development and support its effective implementation. Therefore, partnership and participation are important prerequisites for developing a territorial strategy within the EU's cohesion policy. Also, the New European Bauhaus initiative emphasises the added value of combining local knowledge with an interdisciplinary approach in achieving creative solutions to social problems - solutions that are inclusive, sustainable and beautiful.

Involving partners in the strategy development phase will help in:

- **Identification of the problem:** Partners contribute their expertise to comprehensively assess development challenges and opportunities. This joint effort provides a more "nuanced" understanding of the urban area.
- **Data collection and analysis:** Academic and research institutions, along with non-governmental organisations, can help collect and analyse data to identify trends, gaps and potential solutions.
- **Stakeholder involvement:** Community groups, NGOs, government and public organisations work together to involve citizens - in meetings, workshops and research. This participatory approach ensures that the strategy is aligned with the needs of those it serves.
- **Establishing a strategic vision:** Collaborative workshops involving different actors enable the creation of a common vision of the development of the urban area. This process ensures that the strategy reflects diverse views.
- **Formulating a solution:** Drawing knowledge from different sectors, private companies, non-governmental organisations and academic institutions contribute to proposing innovative solutions with their ideas.

Equally important is the involvement of partners in the phase of implementing the territorial strategy. This often presents a challenge because it is easier to give an opinion or provide data than to engage in concrete activities. A common pitfall in the development of a territorial strategy is to expect activities from partners who were not involved in the development of the strategy and who do not feel engaged. Or vice versa, partners who engaged resources and knowledge in the strategy development phase were not later involved in the implementation

of activities, which leads to disappointment. The territorial strategies of the EU PRO Plus program pay special attention to this.

The roles that partners can play in implementing the strategy are as follows:

- **Support through resources:** Partners play a key role in providing financial resources necessary for the successful implementation of various aspects of the strategy of sustainable and integrated urban and territorial development. National and local governments, their agencies and companies, private companies and international organisations allocate funds that enable the implementation of infrastructure projects, community programs and sustainable initiatives. These resources are of vital importance for the improvement of the traffic system, the improvement of water and sewage systems, the promotion of the use of renewable energy sources and economic growth within the wider urban area.
- **Technology and innovation:** Partners, including academic institutions and private companies, bring their expertise in technology and innovation to the fore. To face the urgent challenges of urban development, they propose innovative solutions. The application of “smart city” technology enables the optimization of city services, and solutions that include renewable energy reduce carbon emissions. Digital management platforms and data analysis systems, for example GIS, improve operational efficiency. This infusion of innovation helps create a sustainable and thriving urban area.
- **Community participation:** Partners actively engage with local communities to ensure that the strategy of sustainable and integrated urban and territorial development is adapted to the specific needs and aspirations of the residents. This participation process not only encourages a sense of ownership (over the process and decisions) and inclusiveness, but also helps in the realisation of targeted social and environmental projects and improves, for example, environmental awareness, waste reduction or the introduction of new green areas. Civil society organisations and advocacy groups can collaborate with the public sector to advocate for policy changes that are consistent with the strategy of sustainable and integrated urban and territorial development, thereby ensuring that the principles of the strategy are incorporated into the legal framework.
- **Data-driven decision making:** Academic institutions and research groups contribute to the implementation of the strategy by collecting, analysing and using data. This data-driven approach guides the decision-making process and allows all stakeholders to monitor progress, identify areas for improvement, and make informed decisions. Data analysis provides insight into the effectiveness of various initiatives, helping urban planners and policy makers to adapt and improve strategies in real time. This analytical approach ensures that the territorial strategy remains relevant and responds to the needs of a changing and evolving urban area.
- **Capacity building and cooperation:** Partners collaborate to develop capacity among stakeholders involved in strategy implementation. This takes place through training programs, workshops and knowledge exchange initiatives aimed at improving the competencies of public administration employees, local community leaders and other key participants. This capacity building effort ensures that those responsible

for implementing the strategy have the understanding, knowledge and skills to apply the various instruments necessary for successful implementation. Furthermore, cross-sectoral collaboration among partners fosters a culture of collaborative problem-solving, drawing on the strengths of different actors to address complex urban challenges and promote inclusive development.

The wider urban area is a complex milieu that requires a collaborative approach to create lasting positive change. The involvement of partners in the preparation and implementation of the territorial strategy enriches that process with different views, resources and expertise. By encouraging the establishment of partnerships between the administration, non-profit organisations, private companies, academia and research institutions and various community groups, urban areas in the EU PRO Plus program have the opportunity to develop and implement high-quality territorial strategies that will lead to a sustainable and inclusive transformation of urban areas.

2.3 APPROACH TO STRATEGY DEVELOPMENT

In the development of the Strategy, a participatory and integrated approach was applied, taking into account the spatial dimension of urban and territorial development and the organisation of the process, which ensures coordination and cooperation.

The strategy starts from the topics contained in international and national policies of integrated and sustainable urban and territorial development, which are adapted to the local context of urban and territorial development in the Republic of Serbia. This was achieved by applying a participatory approach through public dialogue and inter and transdisciplinary cooperation of a wide range of actors from different sectors, professional fields and levels of administration. The applied participatory procedure is characterised by diversity (represented institutions/ participants, levels of administration, policies, disciplines, etc.), interaction using methods of consultation and active participation, and the existence of mechanisms for selection (prioritisation). The purpose is to:

- identify the key needs of urban and territorial development and improve the use of urban/territorial capital;
- defines a strategic framework (for the time horizon until 2034, ie two program periods of the European Union's cohesion policy), which is based on management instruments and oriented towards efficient and effective implementation;
- enable an open and flexible approach to urban and territorial development governance topics in the local context, taking into account the administrative, legal, institutional framework, capacities, etc.;
- enable inter- and transdisciplinary discussion on cross-sectional (eng. *cross-cutting*) urban development topics in order to overcome the limitations of the sectoral approach;
- ensure the participation of interested actors in solving key problems and challenges, identifying areas of intervention and prioritising urban development projects, as well as to enable the optimal combination of resources.

The development of the Strategy was carried out in accordance with the Law on Gender Equality ("Official Gazette of RS", No. 52/2021) through the application of the principle of gender perspective in planning and adoption of public policies in the areas of planning, traffic and infrastructure (Article 40). The integration of the gender perspective in the process of creating the Strategy is supported by a participatory approach and communication as instruments for the representation of various interests within the local community concerning daily work, economic habits, social and cultural practices, as well as the need to access public purposes.

The organisation of the Strategy development process implies the coordination of cooperation between different sectors and levels of administration, facilitated communication with the participants of the planning process, the establishment of networks of administration and actors in the covered urban area and with the environment, as well as the involvement of the local economy, representatives of public institutions, education and science, and other relevant actors in the planning and implementation of urban development programs and projects.

2.4 STEPS IN STRATEGY DEVELOPMENT

The process of developing the Strategy was initiated in 2022 with the establishment of an institutional framework, the adoption of the Decision on joining the development of the Strategy, the Decision on the formation of the Council for the Development of the Urban Area and the Decision on the formation of the Working Group for the development of the strategy. The task was to assess needs, formulate vision, goals and measures, and to map areas of intervention and strategic projects within an intersectoral, transparent and participatory environment with actors from different sectors.

The steps in the process of creating the Strategy were as follows (Figure 1):

- 1) Contextual analysis by thematic areas;
- 2) SWOT analysis through identification of key problems of urban and territorial development and assessment of needs;
- 3) Vision, objectives and measures;
- 4) Sources of funding;
- 5) Priority areas of intervention and strategic projects;
- 6) Monitoring, evaluation, implementation of strategies and governance mechanisms.

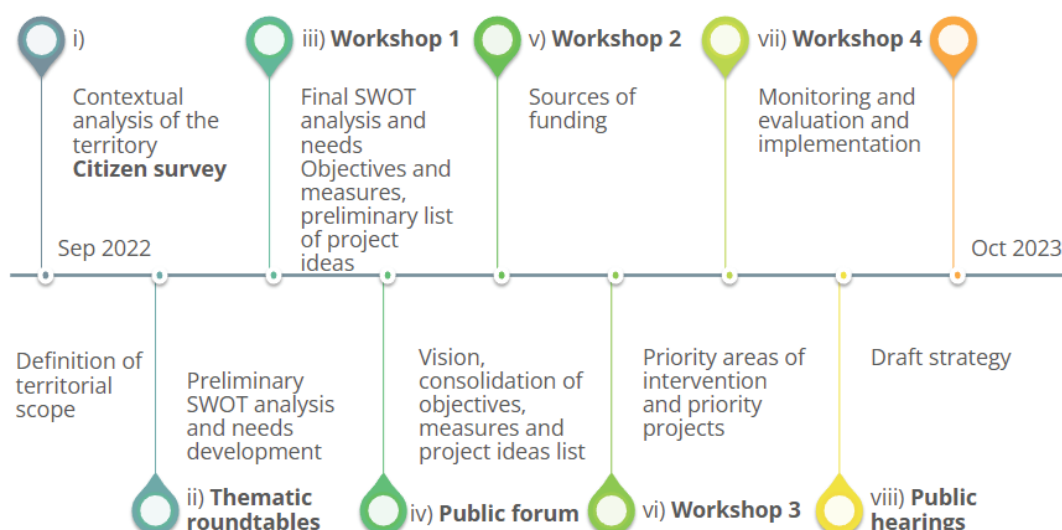


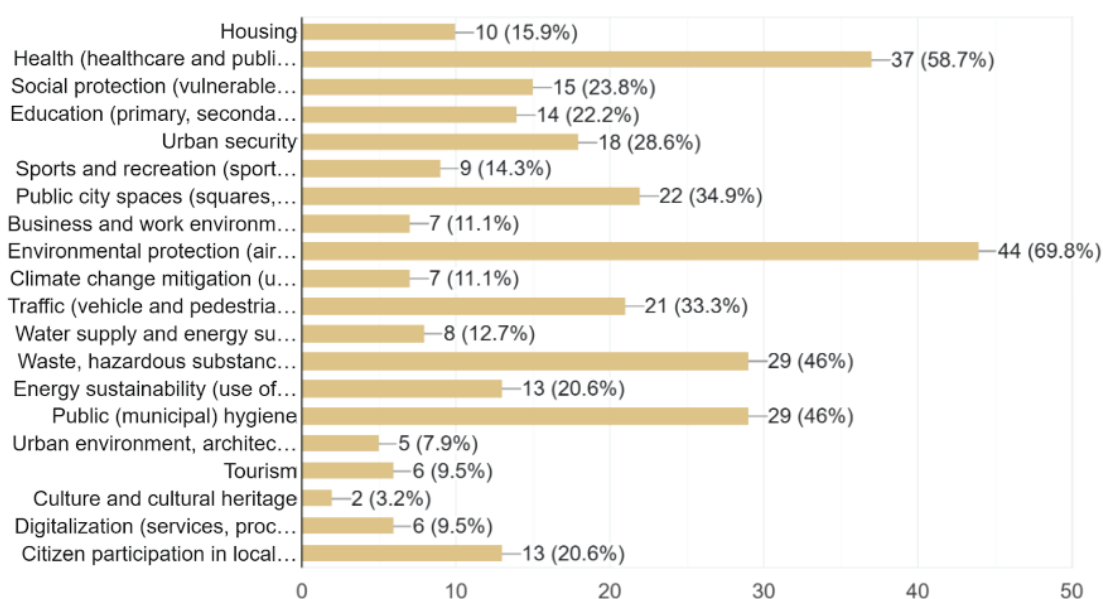
Figure 1 Steps in the strategy making process

In the first step, a contextual analysis was made by thematic areas: a) Society (demography, social inclusion and social assistance services, social and health infrastructure, education); b) Economy (general economic trends, labor market, business environment, tourism and culture); c) Urban environment (quality of urban structures and public spaces, quality of urban environment, exposure to environmental risks and climate risks, primary infrastructure, infrastructure for mobility and internet connectivity, urban transport, urban development governance). The analysis of the situation was followed by an online survey of citizens during December 2022, the results of which were separately presented at thematic round tables.

Appendix 1 Citizen survey results (source of data: City of Šabac)

6. In which of the following areas should local government take action? (list five)

63 responses

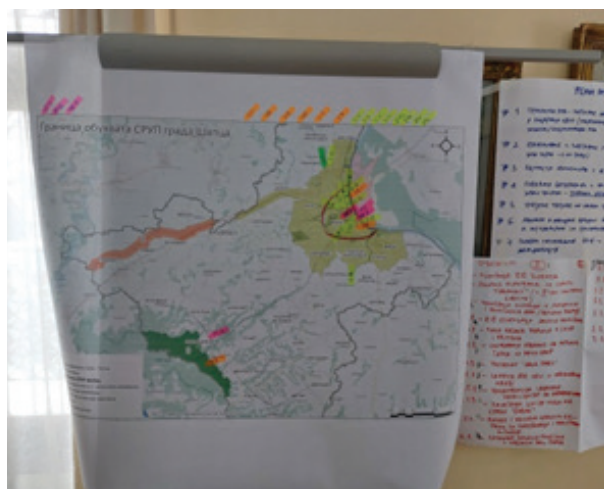


After this step, a preliminary SWOT analysis was prepared, which was presented, discussed and supplemented at the thematic round tables. Thematic round tables were held on the following topics: 1) Economic development (innovative, smart, low-carbon and circular economy); 2) Energy (clean and fair), green and blue investments; mitigating and adapting to climate change, preventing and managing risks; 3) Sustainable and multimodal urban mobility; 4) Social wellbeing - employment, education, housing, social and health care, culture, socio-economic inclusion and integration, social innovation; 5) Urban renewal and regeneration (urban structures, public spaces, etc.), development of landscape, cultural and architectural heritage, natural heritage, sustainable tourism and strengthening of urban-rural ties; and 6) Urban and territorial governance. At the same time, the first ideas for projects and priority areas of intervention began to be recorded at the thematic round tables, for which the mapping technique was used.



Pictures 1 and 2: *Thematic round tables, preliminary SWOT and contextual analysis, Dunjića house, Šabac, February 27 and 28, 2023.*

In the next step, after inputting all the participants' comments and consolidating the material, a final SWOT analysis was prepared with a needs assessment, as well as a proposal of goals and measures, which was discussed and verified at the first workshop with members of the Development Council and Working Group



Pictures 3 and 4: *Workshop with members of the Development Council and Working Group - proposal of goals and measures, Dunjića House, Šabac, April 4, 2023.*

The summarised results were presented at the Citizens' Forum, which followed. On that occasion, the participants of the forum gave proposals for the formulation of the vision of the development of the urban area, the addition and reformulation of measures and goals. At the forum, the proposal of the area of intervention was discussed and additional proposals of ideas for projects were given. The meeting opened with an exhibition of children's drawings by elementary school students on the topic "My city/territory in the future", and the participants evaluated the children's works. At the end of the forum, the best children's works were awarded with awards and appropriate books.



Пикtures 5 and 6 *Forum of citizens: the formulation of the vision of the development of the urban area, the addition and reformulation of measures and goals, and the exhibition of children's drawings by elementary school students on the topic "My city/territory in the future", Šabac Theatre, Šabac, May 23, 2023.*

At the next workshop on sources of funding for urban and territorial development, national and international sources of funding for urban and territorial development in Serbia were presented in detail. The participants of the workshop pointed to some other national funding sources, and expressed their satisfaction with the latest review of the possibilities for using various funds, donations, loans, etc. The prepared material in a broader version was delivered to all local and regional partners of the EU PRO Plus program in all 99 LSGs.

At the third workshop in a row, mapped priority areas of intervention and consolidated strategic projects were presented. Here, too, after discussion with local partners, the materials were corrected and supplemented.



Pictures 7 and 8 Workshop priority areas of intervention and strategic projects, centre for professional training Šabac, July 25, 2023.

The last in a series of workshops was held on the topic of monitoring, evaluation, strategy implementation and governance mechanisms. It took place with a lively discussion about the necessary development of institutional capacities and considering the possibility of establishing a project coordination unit.

The prepared material of the Draft Strategy was presented at a public hearing, which took place in the form of a presentation and discussion, and submission of suggestions and objections by the public. After correcting the draft strategy in relation to the submitted suggestions and remarks, the material was sent to the assembly for adoption.

After its adoption, the important task of implementing the Strategy awaits the city and professional institutions in the field of urban and territorial development. Similar to international experiences, this Urban Area Development Strategy aims to establish more effective and efficient financing of urban and territorial development.

3 DESCRIPTION OF THE TERRITORY

Urban areas in the Republic of Serbia are defined through the system of urban centres in the Draft Spatial Plan of the Republic of Serbia from 2021 to 2035 and the report on the strategic assessment of the impact of the Spatial Plan of the Republic of Serbia from 2021 to 2035 on the environment. Cities - centres of urban areas that can establish urban areas for the purposes of testing the application of the mechanism of integrated territorial investments (ITI) are defined by the Guidelines for applicants within the Public Call for submitting applications for the development of territorial strategies within the EU PRO Plus program through two sets of criteria:

Basic criteria

- a) That the local self-government units (LSGs) are classified as an urban area - an integration centre of more than 100,000 inhabitants, or an urban area - an integration centre of more than 40,000 inhabitants as defined in the system of urban centres in the Draft Spatial Plan of the Republic of Serbia from 2021 to 2035 and the report on the strategic assessment of the impact of the spatial plan of the Republic of Serbia from 2021 to 2035 on the environment and in the case of the wider territory,

Additionally in the case of a wider territory:

- b) They fulfil the condition of spatial continuity of the territory,
- c) Ensure partnership with at least three LSGs, which is confirmed by signing a declaration of partnership for application and a partnership agreement between LSGs, and
- d) Ensure partnership with the Regional Development Agency (RDA) covering the territory in question.

Additional criteria

- a) Capacities of the applicant to apply instruments of territorial development,
 - 1) Existence of internal institutional capacities, i.e. capacities for urban planning within the department, institute or public enterprise LSG; local offices for economic development or other similar capacities; departments/institutions for social and environmental issues, etc.
 - 2) Experience in similar actions - in implementing participatory processes, applying new methods and innovative approaches in urban development and related projects funded by the EU
- b) Socio-economic and spatial characteristics
 - 1) in the case of a narrower territory: industrial/business and commercial zones and brownfield locations: illegally built and undeveloped peripheral city zones (areas of uncontrolled expansion of urban settlements) and degradation of rural areas; endangered urban structures and central city zones; parts of urban settlements with a concentration of social problems - social inclusion and poverty reduction; settlements or parts of settlements exposed to problems of environmental protection and climate change; spatial entities with cultural and architectural heritage, important features

of the cultural and historical development of an urban settlement/group of urban settlements and

2) in the case of a wider territory: common characteristics – important infrastructure corridors, geography, morphology, industrial capacities; endogenous potential; common needs, problems and challenges and joint development plans and initiatives.

c) Experience in partnerships (in the case of a wider territory)

1) Relevant partnerships established for the implementation of similar or related initiatives in the previous period, which can represent the foundations for the establishment of management mechanisms that will ensure the implementation of the territorial strategy.

4 TERRITORIAL CONTEXT

The City of Šabac is located in western Serbia and is included in the Mačvan administrative district, of which it is the administrative centre. According to the nomenclature of statistical territorial units, it belongs to the statistical region (NSTJ2) of Šumadija and Western Serbia. The LSG area is located between the LSGs of Sremska Mitrovica and Ruma in the north (AP Vojvodina), Vladimirci and Koceljeva in the east, Krupanj and Loznica in the south and Bogatić (Mačva district) and Bijeljina (Republika Srpska, Bosnia and Herzegovina) in the west.

According to the Spatial Plan of the Republic of Serbia from 2010 to 2020⁶ Šabac is classified as an urban centre of state importance, on the secondary development belt. According to the Draft Spatial Plan of the Republic of Serbia until 2035⁷, the urban area of Šabac is classified as an area with an influential zone with more than 40,000 inhabitants, which as a priority must improve its functional capacity, especially in the domain of economy, public services and institutions. The urban area of Šabac is located on the secondary sub-mountain belt of development, which enables the networking of small centres in rural areas and the improvement of cross-border cooperation.

Šabac has traffic connections with Belgrade, Novi Sad, Valjevo and Loznica: state road IB row no. 21 - Novi Sad - Irig - Ruma - Šabac - Koceljeva - Valjevo - Kosjerić - Požega - Arilje - Ivanjica - Sjenica; and state road IB order no. 26 - Belgrade - Obrenovac - Šabac - Loznica - state border with Bosnia and Herzegovina (border crossing Mali Zvornik). It is also connected to Sremska Mitrovica, smaller centres and other settlements in the surrounding area by a network of IIA and IIB state roads. In addition to road transport, railway (regional non-electrified railway line Ruma - Šabac - Loznica - Mali Zvornik) and water transport are represented on the territory of the LSG. The port of Šabac is located on the Sava River, an international waterway, 103 km upstream from Belgrade and 33 km downstream from Sremska Mitrovica. The gravity area of the port “Šabac” covers Mačva, part of Srem and the eastern part of the Republic of Srpska (Figure 2).

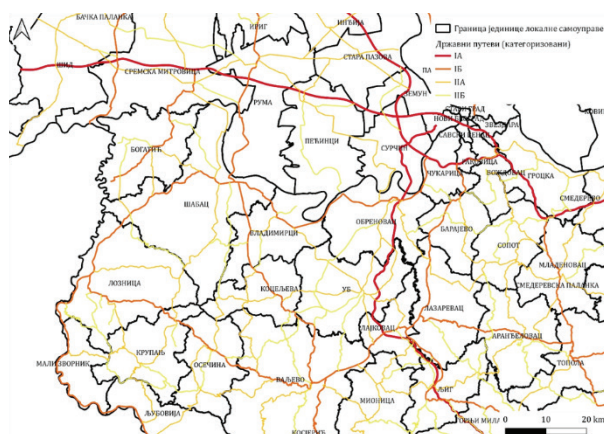


Figure 2 Position and traffic connectivity of the Šabac urban area (source of spatial data: Map of state roads, SO “Serbia Roads”, 2022; Register of spatial units)

6 Spatial plan of the Republic of Serbia from 2010 to 2020, “Official Gazette of the RS”, number 88/2010

7 Draft Spatial Plan of the Republic of Serbia until 2035, Ministry of Construction, Transport and Infrastructure, 2023.

Local government Šabac includes a territory of 797 km², which in a physical-geographical sense is differentiated into plains in the north and low mountains and hills in the south and southwest. The structure of land use is dominated by used agricultural areas, which cover 60.8% of the total area of the LSG, while overgrown forest areas occupy only 12.5%. Arable land and gardens make up 88.5% (42,854 ha) of used agricultural land, 6.6% (3,184ha) are orchards, while meadows and pastures make up only 3.9% (1,877.5ha) (Figure 3).

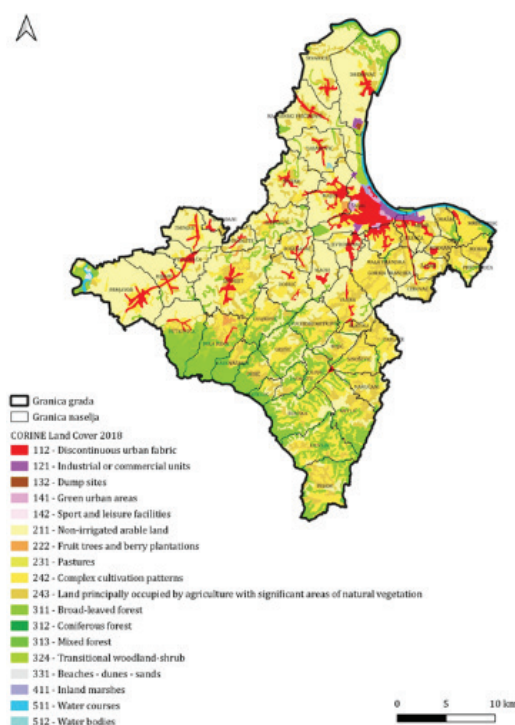


Figure 3 Land use (spatial data source: Copernicus Land Monitoring Service, 2022; Republic Geodetic Authority, 2020)

According to the 2011 census, 115,884 inhabitants lived in Šabac LSG area (1.6% of the population of the Republic, i.e. 38.8% of the population of the Mačva district), while according to the first results of the 2022 census, 106,066 inhabitants live in the same area, almost 10 thousand fewer inhabitants compared to the previous census and almost 17 thousand fewer inhabitants compared to the beginning of the 21st century, i.e. Population census in 2002 (when 122,893 inhabitants lived in the LSG).

LSG Šabac includes 52 settlements, of which only the urban settlement of Šabac has the status of urban settlement, in which, according to the 2011 Census, 53,919 inhabitants lived, i.e. 46.5% of the total population. The network of LSG settlements is demographically differentiated into the northern part, which includes the city centre with suburban and other demographically significant settlements (over 1,000 inhabitants), and the southern part, which is characterised by the concentration of demographically smaller settlements (up to 1,000 inhabitants). On the territory of urban and suburban settlements (Majur, Jevremovac, Pocerški Pričinović, Jelenča and Mišar) a process of morphological merging is noticeable. Unfavourable demographic trends (decrease in natural growth and emigration) led in the period from 2002 to 2011 to a decrease in the number of inhabitants in most settlements, including urban settlements. The

increase in the number of inhabitants in the mentioned period was recorded in the suburban settlements of Majur, Pockerski Pričinović and Jevremovac, and two demographically smaller settlements on the state road towards Belgrade (Orašac and Korman).

32 immovable cultural assets (IMC) have been recorded on the territory of Šabac LSG, of which: 28 cultural monuments, one archaeological site, two famous places and one spatial cultural-historical entity. In the IMC category, the Memorial Ossuary in Prnjavor is of exceptional importance. The building of the Old Hospital, the building of the Gymnasium, the Church of the Transfiguration in Krivaja and the Šabac Fortress are cultural monuments classified in the IMC category of great importance. On the territory of LSG Šabac, there are internationally important areas of Donje Podrinje and Cer, and in the process of protection is the landscape of exceptional features of the Cer mountain.

In the structure of the economically active population of LSGs according to their activities, the following dominate: manufacturing industry (31.6%); trade (17.3%), transport and storage (6.7%) from tertiary sector activities; and primary sector activities (7.6%). Construction (5.7%) and activities from the domain of public services: health and social care (6.2%), education (6%) and administration and social insurance (4%) take a larger part in total employment. Compared to the economic structure at the level of the Republic, in the territory of LSGs there is a higher representation of agriculture (7.6% compared to 4%), industry (31.6% compared to 21.7%), trade (17.3% compared to 15.8%) and traffic (6.7% compared to 5.5%), while the activities of the quaternary sector are comparatively less developed. The average net salary in the territory of LSG Šabac for the year 2021 was 58,190 dinars, which is 88% of the average salary at the level of the Republic of Serbia for the same year (65,864 dinars).

5 CONTEXTUAL ANALYSIS

5.1 SOCIETY

5.1.1 Demographics

In the 2011 census, Šabac LSG had 115,884 inhabitants. In relation to the estimate from 2021 of 109,340 inhabitants, the decrease in the number of inhabitants is by about 9.4%. The ratio between urban and rural population is about 47:53%. The ratio between male and female population is about 49:51%. The birth rate is in constant decline and in 2021 it was 8.9, which is slightly higher than the average of the Mačva district (8.6) and lower than the average of Serbia (9.1).

The average age of the population in 2021 is 43.2 years (slightly below the RS average of 43.5), life expectancy is 71.10 for men and 75.89 for women (at the level of Serbia 69.95/75.64), while the ageing index is 140.1 (below the Mačva district average of 150.9 and the Serbian average of 144.5).

There is no recent study that would accurately show the directions and intensity of migratory movements. It can be assumed that internal daily migrations between rural and urban areas are extremely pronounced. Taking into account the good traffic connection with the surrounding cities, the intensity of daily migratory movements is greatest towards Belgrade, then Loznica, Sremska Mitrovica, Bjeljina and Novi Sad, and slightly less towards Valjevo.

According to the 2011 census, the average population density of Šabac LSG is 145.7 persons/ha, significantly higher than the average of the Mačva district, which is 91.5 persons/ha. Population density has been in constant slight decline since 1981, when it was the highest and amounted to 150.5 (103.5 in the district), in 2020 it was 137 st/ha. LSG Šabac belongs to densely populated areas with significant differences in the spatial distribution of population density. The most densely populated parts are the urban settlements Šabac with suburban settlements and Mačva, while the population density is significantly lower in Pocerina and Posavina.

In Šabac there are no significant ethnic groups and minorities and parts of the urban settlement with cultural and social division. There is a settlement Šabačka mahala, where mainly citizens of Roma nationality are concentrated, but who are fully integrated.

5.1.2 Social inclusion and social protection

Average salary of inhabitants

The average net salary per employee in the territory of Šabac local authority for 2021 is RSD 58,181, which is 6.6% more than the district average (54,567) and 11.7% less than the RS average (65,864)⁸.

⁸ Data source: RZS.

Social assistance services

LSG Šabac has a wide range of rights and services from social protection, which it provides to its citizens. From year to year, the amount of budget funds allocated to social protection services increases, due to the appearance of new users, so that “waiting lists” do not exist for a long time and do not include a large number of users. There is a need to develop supported housing services for adults with disabilities and shelter services. The preparation of the conditions for the development of the supported housing service for adults with disabilities is underway, and it is expected that the implementation of the service will begin in 2023.

Endangered zones

Zones with pronounced social problems are informal Roma settlements, of which there are 36 in the territory of the urban settlement. The problems are reflected in unresolved property and legal relations, and the lack of infrastructure connections, as well as the impossibility of registering at a specific address and thus the impossibility of exercising rights from the domain of social protection .

Security

The assumption is that there are no areas in the LSG that are unsafe or where certain groups of the population do not feel welcome (excluded).

5.1.3 Housing

Housing offer

According to the 2011 census, there were 47,577 apartments in Šabac Local Government Area, with an average area of 71.7 m² and with an average of 2.4 people in the apartment⁹. Accordingly, the average area of living space per inhabitant is 29.9 m².

In 2021, 154 new apartments were built (with 347 under construction), i.e. 1.4 apartments per 1,000 inhabitants, which is below the Mačva district average of 2.5 apartments per 1,000 inhabitants¹⁰.

The demand for apartments is higher than the demand for houses. The highest demand for apartments is in the settlement of Benska bara, in the central zone of the urban settlement, followed by Bair, Trkalište, etc.¹¹. Zones with pronounced substandard housing are: Šumice settlement, Grganov sokak and Savska street in Mišar.

There is no trend of building larger residential complexes on the territory of Šabac local authority (there are two complexes built in the 1960s - Benska bara and Trkalište). The existing trend is the construction of individual collective housing facilities by the private sector.

9 Source: RZS, Publication of Municipalities and Regions in the Republic of Serbia, 2021

10 Source: RZS, Publication of Municipalities and Regions in the Republic of Serbia, 2021.

11 Source: Agency “Tim”

The price of housing

The average price of newly built apartments sold in 2021 is RSD 127,060¹², which is about 28% less than the average in Serbia (177,500 RSD). Compared to the average of three years ago (2019, RSD 104,098), there is a noticeable increase in prices by about 20%, which is a trend that continues.

Based on the data that the average price of housing is on a significant increase, and that wages are nominally increasing, but are decreasing in real terms due to inflation, it is easy to draw the conclusion that the affordability of purchasing housing is decreasing. Also, the trend of rising prices of construction materials has a significantly greater negative impact on the construction, reconstruction and investment maintenance of individual residential buildings.

There are only 52 apartments under the jurisdiction of LSGs and there is an obvious need for a significantly larger number of social/affordable apartments.

There is no exact data on the number of people without a resolved housing issue.

Illegal construction

The number of illegal buildings listed since 2016 is 71,538. In the period from 2016 to October 24, 2022, 7,060 facilities were legalised.

5.1.4 Social standard facilities

Social infrastructure

Social protection is organised within the centre for Social Work and the Gerontological centre. The gerontology centre has 230 beds, provides the services of a gerontology club and a reception centre for adults and the elderly. Since 2015, Caritas Šabac has had a licence to provide home care services.¹³ In Šabac, there are numerous citizen associations that deal with improving the quality and living conditions of socially disadvantaged population groups.¹⁴

There is a great need for social infrastructure services and facilities. First of all, these are the services of a child's personal companion for children with developmental disabilities and a day care centre for people with mental disabilities and intellectual disabilities.¹⁵ Due to the constant ageing of the population, it is necessary to expand social protection services for the elderly. One of the types would have to be day care centres for this population. Also, according to the data of the centre for Social Work "Šabac", the shelter facility for emergency interventions is also missing. Šabac is one of the few urban settlements that does not have such a facility. In the current care of children, the elderly, people with disabilities, victims of violence, etc., there is no adequate facility for these purposes, so shelters in other urban settlements are contacted, which usually do not have the capacity or these services are charged additionally.

Social housing facilities with support are necessary for users of the social protection system who need more intensive support, such as people with disabilities and people with disabilities.

¹² Source: Republic Institute of Statistics

¹³ Strategic plan for the social policy of the city of Šabac 2016-2020, 2015.

¹⁴ <https://sabac.rs/uprava-grada/ustanove/socijalna-zastita/socijalna-zastita/>

¹⁵ Strategic plan for the social policy of the city of Šabac 2016-2020, 2015.

Health infrastructure

The health institutions on the territory of the LSG are: Šabac Health centre, which includes the Health centre and the General Hospital, the Šabac Pharmacy Institution (responsible for the Šabac, Bogatić, Vladimirci and Koceljeva) and the Public Health Institute Šabac. The network of primary health care facilities of the Šabac Health centre includes 33 health clinics in urban (4) and suburban and rural settlements.¹⁶ (29).

There is a lack of medical personnel. The private sector is centralised in the centre of the urban settlement, but there is no accurate data on the percentage of health needs it meets.

There is organised public transport to the neighbouring place for health care facilities that do not exist in Šabac, but no specialised transport for elderly and less mobile users of health care services.

Educational infrastructure

Preschool education on the territory of the LSG is conducted within the Preschool Institution “Naše dete” Šabac, which includes 15 facilities (13 facilities in the urban settlement and one facility each in the suburban settlements of Majur and Jevremovac). There is a lack of kindergartens in the centre of the urban settlement as well as on its outskirts. In order to meet these needs at the moment, the preschool institution “Naše dete” has been renting two buildings from the budget of the LSG for the past five years. Data can be obtained from the same institution that the enrollment of children is increasing, especially from families who immigrated from all over the territory of Serbia, most often for work. Apart from the centre, the most requests for a place in the kindergarten also come from parts of the urban settlement Čavić and Letnjikovac. Due to the expansion of the industrial zone and the creation of new jobs, it is believed that this trend will continue.

Primary education is provided in 13 primary schools (in the urban area (8)¹⁷, the suburban area of Majur and the areas of Lipolist, Zminjak, Prnjavor and Volujac) and 49 separate departments. Secondary education is provided in 8 secondary schools (all in the urban area): Gymnasium, School of Economics and Trade, Medical School, Technical School, Vocational Chemical and Textile School, Secondary Agricultural School (with a dormitory), School of Applied Arts and Music School. In Šabac there are also 3 colleges of vocational studies: College of Vocational Studies for Teachers, College of Technology of Vocational Studies and College of Agriculture of Vocational Studies. In Šabac, there is also a centre for Professional Development, which provides education and training for educators at the regional level.¹⁸

Vocational and higher education programs are only partially aligned with the requirements of the local labor market. Among the most sought-after professions are all kinds of craftsmen, computer scientists, engineers (geodesy, construction, architecture, mechanical engineering, electrical engineering...), drivers, etc.

¹⁶ Health clinics in the settlements of Majur, Drenovac, Ševarice, Tabanović, Mačvanski Pričinović, Slepčević, Štitar, Ribari, Petlovača, Petkovića, Prnjavor, Zminjak, Lipolist, Bela Reka, Duvanište, Dobrić, Bogosavac, Jevremovac, Varna, Grušić, Desić, Krivaja, Bukor, Gornja Vranjska, Orid, Letnjikovac, Jelenča, Zablac and Volujac.

¹⁷ “Sveti Sava” elementary school, which is attended by children with special needs, has regional importance, because it is also attended by children from neighboring municipalities.

¹⁸ <https://sabac.rs/uprava-grada/ustanove/obrazovanje/centar-za-strucno-usavršavanje/>

Cultural and scientific infrastructure

Cultural institutions on the territory of the LSG are: Šabac Theater (with three stages - Children's, Small Stage - Dr. Branivoj Đorđević and Big Stage), National Museum, Inter-Municipal Historical Archive, Šabac Library (with a collection of about 200,000 books) and Cultural centre in Šabac. as well as the Prnjavor Cultural centre. A significant place in cultural life is also represented by numerous associations such as the Association of Fine Artists of Šabac, the cultural and artistic associations KUD Abrašević, the Hajduk Stanko folk dance ensemble and the Čivija artistic ensemble.¹⁹

The cultural centre is the organizer of the "Mišar Art Colony", the international poetry festival "Poetry Marathon", the literary competition "Laza K. Lazarevic", the music festival "Easter Rock Marathon", the theater festival "High School Theater Festival" and the educational and entertaining program "Mini Children's Street Festival".²⁰

With the support of EUPRO+, a facility is provided for the accommodation of the Science centre and the development of programs for gifted children in Šabac.²¹

Sports infrastructure

Sports facilities owned by JLS Šabac are: sports centre with two stadiums (city stadium, football stadium), hippodrome, building of the Sokol Society, basketball stadium and city swimming pool. On the territory of the urban settlement there is also the sports hall "Zorka", nine halls of primary and secondary schools, several fields for football, tennis and small sports, as well as two fitness tracks.²² In Šabac, the city swimming pool was reconstructed in 2015, while the hippodrome is one of the highest quality sports facilities of this type in the country and the place where the most important equestrian races in Serbia are held, such as the Trial stakes.²³

With daily sports activities, events and competitions, we are continuously working on the promotion of sports among school children, aged from the first to the fourth grade of elementary school, through the projects "Sports in schools - Grow healthy" and "Šabac - a city without non-swimmers". Šabac Sports Association is the largest sports association in the region with 130 sports clubs and sports associations and two municipal sports branch associations (football and handball).²⁴

5.2 ECONOMY

5.2.1 General economic trends and the labor market

Employment

In 2020, the employment rate in the territory of Šabac LSG was 43.01%, with a slight upward trend (2019: 42.52%, 2018: 40.84%).

¹⁹ <https://sabac.rs/uprava-grada/ustanove/kultura/kultura/>

²⁰ Ibid.

²¹ <https://www.euproplus.org.rs/lisu/sabac>

²² Capital investment program of the city of Šabac for the period 2022 - 2024, 2022.

²³ <https://sabac.rs/uprava-grada/ustanove/sport/sport/>

²⁴ Ibid.

In 2020, the unemployment rate in the territory of Šabac LSG was 6.87%, with a slight downward trend (2019: 7.81%, 2018: 9.08%).

On the records of the National Employment Service - Šabac branch, the largest share of older categories of the population are those who are long-term unemployed.

The structure of the available workforce in Šabac corresponds to the needs of the economy. In order to improve attractiveness on the labor market, LSG Šabac also organizes trainings for unemployed persons in agreement with businessmen and in accordance with the needs of the economy.

Employee mobility

In the urban settlement of Šabac, there is organised public transport for daily trips to and from work.

The city administration of the city of Šabac - the Department for Inspection and Communal-Housing Affairs has registered and certified the timetables on the city lines: Jevremovac - Letnjikovac - Novo groblje, Jevremovac - Mišar dom, Bogosavac entrance - Pocerški Pričinović, Bogosavac entrance - Mišar dom and Štitar - Sokina kafana-Orašac-Mišar dom, with departure times that primarily suit students and employees in the first shift. There is no gender-disaggregated data on the use of public transport.

5.2.2 Economy and business environment

Business subjects

According to the data from the financial report for the year 2020, the following were registered in the Šabac local authority:

1. 1,260 companies, of which:
 - 1,022 micro-legal entities (81.11%)
 - 189 small legal entities (15%)
 - 40 medium-sized legal entities (3.17%)
 - 9 large legal entities (0.71%);
2. 1,531 entrepreneurs, of which
 - 1,509 micro-legal entities (98.56%)
 - 22 small legal entities (1.44%)

In relation to the observed period of three years (2018-2020), there is a noticeable trend of a slight increase in the number of small businesses (158-189) and medium-sized businesses (33-40); almost twice as many large enterprises (5-9) and a large increase in micro-entrepreneurs (237-1,509) and small entrepreneurs (0-22).

Based on incomplete data from the financial reports for 2020, the number of employees in micro and small enterprises exceeds 95%, and the remaining 5% belongs to medium and large enterprises. The data is incomplete due to the fact that most companies do not submit reports despite the legal obligation, but the sample is representative and quite precisely indicates the ratio of employment to the size of the company.

The largest and most significant foreign direct investment in the last two years is Minh (China, automotive industry) with an amount of over €50 million.

Dominant industrial branches in the economic activity of LSGs are: chemical industry, pharmaceutical industry, metal processing industry, machine industry, food industry, construction and building materials industry.²⁵

Commercial zones

In the urban settlement of Šabac, there are two main, large industrial zones: Northwestern industrial zone and Eastern industrial zone, and they are intended exclusively for business facilities.

According to the general regulation plan of Šabac - revision (2015), about 367 ha of land in the North-West working zone is intended for the construction of economic and production facilities, while about 100 ha is intended for the construction of communal infrastructure facilities. There are 292 ha of land in the free zone regime. The zone is 5 km from the centre of the urban settlement, 20 km from the Belgrade-Zagreb highway, 5 km from the railway station, 7 km from the river pier on the Sava. The zone has built infrastructure (access road, water supply, fecal and atmospheric sewage, high-voltage electrical network, distribution gas network, TT infrastructure, connection to the waste water treatment plant, public parking lot for trucks on 4 ha). Within the zone, successful companies operate, such as: Mlekara Šabac, Vescovini Group - SBE Serbia, Vopachel, FRUTTI - Sinalco, Yazaki, Duga El, Mondi, FSH De Heus, Kartonval, SET, Darkom, Prodanović, Juprom, Jugokop - Podrinje, Candy Rush, Palco, Savro, Minh.

The eastern industrial zone is located on the 98th kilometer of the waterway of the Sava River, in the direction of state roads IB order number 21 and 26. Within this zone is The Šabac goods transport centre A.D., which covers an area of 41.46 ha, where the construction of a new international port is planned. There are 35 ha within the free zone regime. A modern road passes by the complex of the zone, and the zone is connected to the Serbian Railways network by a 3,000 m long industrial track. In the circle is the headquarters of the Šabac Customs House. Successful companies such as: Elixir Zorka mineral fertilizers, Hemofarm, BMR, HBIS Group Serbia Iron&Steel Šabac, Zorka keramika, Conceria Pasubio Spa, Camozzi, Refrion Refrigeration, Axsyntha, M - Inox Construct, Vukochem, ODS Technology and others operate in the zone.²⁶

5.2.3 Tourism and culture

Tourist infrastructure

There is a large number of catering and accommodation facilities in Šabac, including one category A hotel (Hotel Sloboda in the centre of Šabac), and in the last two years there has been a trend of increasing private accommodation capacities and hostels (categorized facilities), as well as two rural tourist households in Varna and Pockerski Metković.

According to the latest report for 2021, over 40,000 overnight stays were achieved on an annual basis. The trend at the annual level is the growth in the number of visitors - tourists, as well as school and other excursions.

²⁵ Capital investment program of the city of Šabac for the period 2022-2024. year, 2022

²⁶ Ibid.

Accompanying contents for tourists exist to a certain extent, but it is necessary to work on their design, expansion and realization of new contents.

The main objects of cultural heritage in the city of Šabac and the surrounding area are:

- The fortress in the Old Town, which is a great attraction for tourists, and whose decoration would certainly increase its attractiveness for visitors;
- The memorial complex on Mišar, which includes a monument from 1906 and the House of Culture (reconstructed in 2022), which also houses the “Boja na Mišar” museum, has great potential to establish this important historical place on the tourist map, arranging and designing points related to the battle on Misar, as well as building accommodation and catering facilities;
- The monument and complex on Cer, which is shared with Loznica, within is a monument and a museum dedicated to the Battle of Cer, as well as a large number of hiking trails.

The most important recreation areas are:

- Sava Avenue, which tends to expand and improve in the coming years;
- Park on Letnjikovac with hiking and biking trails;
- Hiking trails on Mount Cer, in the locality of Lipove vode, where it is necessary to make better tourist signage, increase the number of accommodation and catering establishments, in order to increase their attractiveness for the population and tourists.

The Spatial Plan of the City of Šabac (2012) proposed 7 cultural trails: Old Rome, the First and Second Serbian Uprising and Wars in the 20th Century, Jevremov Šabac, Life in the Village Through Time, Monasteries and Churches on the City’s Territory, Jews in Šabac, and Industrial Archeology Shapaca.

Until now, there have been no initiatives for place branding at the level of the Šabac urban area (public or private sector) with the aim of increasing tourist attractiveness (e.g. related to Boj na Mišaru).

Cultural heritage

32 immovable cultural properties (ICP) have been registered on the territory of Šabac. In the ICP category, the Memorial Ossuary in Prnjavor is of exceptional importance. The building of the Old Hospital, the building of the Gymnasium, the Church of the Transfiguration in Krivaja and the Šabac Fortress are cultural monuments classified in the ICP category of great importance. Numerous buildings, houses and Ulica Gospodara Jevrema (spatial cultural-historical unit) in Šabac, churches and monasteries, the monument on Mišar (a landmark), the Early Byzantine fortification of Konjuša on Ceru (archaeological site) and others are protected. 136 archaeological sites have been recorded on the territory.²⁷

In the urban settlement of Šabac, 18 ICPs have been identified, two are in the process of being declared, and three cultural properties are in the process of being proposed for declaration. 13 archaeological sites were recorded and 49 valuable objects of architectural heritage were

²⁷ Spatial plan of the city of Šabac, “Official Gazette of the City of Šabac and the municipalities of Bogatić, Vladimirci and Koceljjeva”, number 7/12

registered.²⁸ The Institute for the Protection of Cultural Monuments in Valjevo is responsible for the protection of immovable cultural assets.

13 elements of Serbia's intangible cultural heritage are represented on the territory of the LSG, of which the burning of the Petrovdan lilacs (Lilanje) is related to Šabac and Mačva district.²⁹

5.3 URBAN ENVIRONMENT

5.3.1 Historical overview of the spatial and urban development of the city

Medieval Šabac was divided into two parts, the fortress and the suburbs, which together formed an irregularly shaped quadrangle. The longest, northwestern, side was secured by the Sava coast, and the shortest, facing southeast, was supported by the Šabačko polje, the marsh and marshland in it. It was located on completely flat ground, but it was quite inaccessible to possible invaders because it was surrounded by water on all sides. Water protected and enabled river trade. It was a very suitable place for fortification, from where one could control the fertile Mačva plain and at the same time control the river over which it was possible to cross to Srem. Today's remains of a large fortification are located near the very bank of the Sava and the most visited city bathing area.

Until the beginning of the 19th century, the life of Šabac took place in the palanquin near the fortress, in Tabana-mala above the fortress and on Bair. The fortress and Bair were separated by Poljana, the Šabac field, which was often under water. Across the field there was a wooden bridge about 200 paces long with porches and military posts. As the city expanded over time, streams and ponds were drained and regulated by canals. The immediate surroundings of Šabac were uninhabited until the 20th century and were not farmed because the artisans did not engage in agriculture, so even today there are names of parts of the town such as: Šipurske livade, Kasarske livade.

During the middle of the 19th century, the urbanization of Šabac began according to the orthogonal matrix. The orthogonal matrix enables the rapid expansion of the urban area and the large growth in the number of inhabitants (up to about 10,000 inhabitants), which lasts until the First World War when Šabac suffers great destruction. After the war, reconstruction begins, but with a reduced population. In the interwar period, the border was no longer important for trade, but due to immigration, the number of inhabitants increased again and the urban area expanded. In that period, the first urban plan from 1931 was created, according to the designs of engineer A. Bučina. The industrial zone of the Zorka factory is being developed, and the first draining of the swamps in the stretch from the centre to the Sava river begins. Then a large park is created, and parks are planned along the stretch of Benska Bara and in the peripheral part of the "meadow".

After the Second World War and the change of the administrative system, the urban area expanded rapidly and the peripheral areas were urbanized in an orthogonal matrix with individual residential buildings. In the centre, large modernist settlements Benska bara and

²⁸ General regulation plan Šabac, Revision, 2015.

²⁹ List of elements of intangible cultural heritage of the Republic of Serbia, Ministry of Culture and Information, Ethnographic Museum in Belgrade; <https://nkns.rs/cyr/elementi-nkns>

Trkalište, as well as smaller settlements Block of solidarity, Jelin block, etc. are formed. After the change in the social system of the state, the expansion of the urban area continues mostly within the suburban settlements, and within the older peripheries there is urban renewal and remodeling where individual residential buildings are replaced by smaller multi-family buildings.

5.3.2 Urban area

Network of settlements

The urban settlement of Šabac is an urban centre of state importance, i.e. the centre of an urban area to which more than 40,000 inhabitants gravitate.³⁰ According to the Spatial Plan of the city of Šabac (2012), suburban areas Majur, Jevremovac, Pockerski Prčinović, Jelenča and Majur gravitate towards the central urban area. In the settlement network, Varna, Prnjavor, Drenovac and Bogosavac have the function of rural community centres (4), rural areas are (8) Mačvanski Pričinović, Štitar, Petlovača, Ribari, Lipolist, Dobrić, Volujac and Orid. The other 34 areas are primary rural settlements.

Urban units

According to the General Regulation Plan of Šabac³¹ the urban settlement is divided into the following spatial-urban entities:

SO I - Innermost centre: Blocks (1-42) in the innermost centre where the priority is the protection of cultural and historical heritage. Height regulation is defined in most streets within this unit. The construction lines of the buildings most often coincide with the regulation lines. Blocks are mainly covered by detailed regulation plans or were realized in accordance with urban plans, that is, the development of new detailed regulation plans is conditional. It is characterized by the intertwining of different uses with housing, where buildings and areas of public use dominate, with a large number of buildings under protection.

SO II - Wider centre: Blocks (43-118) immediately adjacent to the narrower centre. In the streets that represent the main pedestrian connections with the centre, height regulation is defined. The construction lines of the buildings most often coincide with the regulation lines. Blocks are mostly covered by detailed regulation plans or were realized in accordance with urban plans. It is characterized by the intertwining of different purposes, where buildings and residential areas dominate, with a certain number of buildings under protection.

SO III - City Half-Ring: Blocks (119-362) radially tangent to the wider centre blocks. The blocks were mostly built with previously adopted urban plans. The purpose of housing dominates: general residential and mixed zones in medium-density settlements and zones of rare settlements and family construction, with different types of housing. A zone of multi-family buildings has been differentiated along the collector roads, while within the blocks, the construction of single-family buildings on plots of optimal size for the urban area is dominant. Within the zone there are also larger complexes for communal purposes, sports and recreation, etc.

³⁰ Spatial plan of the Republic of Serbia from 2010 to 2020, "Official Gazette of RS", number 88/2010; Draft Spatial Plan of the Republic of Serbia until 2035, Ministry of Construction, Transport and Infrastructure, 2023.

³¹ General regulation plan of Šabac - revision, "Official Gazette of the city of Šabac and the municipalities of Bogatić, Vladimirci and Koceljeva", no. 18/15 and 23/15

SO IV - Sava: Blocks (119-362) located between the area of the wider centre and the Sava River. Apart from the narrow area around the fortress, which is arranged as a sports and recreation area, the rest of the land is mostly unorganised and undeveloped. The revision of the PGR defines the conditions for the transformation of the entire zone into the city park zone "Sava Park" and the extension to the grounds located in SO VII North ("Sava Park" includes the coastal area from the Kočina Canal to the New Bridge).

SO V - East: Blocks (377-392) which are mainly located within the work zone "East" where industrial production (chemical industry) is dominant. In addition to industrial production, other work functions and utility services are also represented. These are mostly brownfield and greenfield sites. The share of housing is minimal.

SO VI - West: Blocks (393-415) located in the "West" working zone, in the area between the ring road and the "North" working zone which is mostly undeveloped (greenfield sites). The purposes of the areas in a certain number of blocks are defined in compliance with the strict conditions of the "Mali Zabran" spring protection sanitary zone.

SO VII - North: Blocks (416-480) which are mainly located within the work zone "North" where industrial production (food industry) is dominant. In addition to industrial production, other work functions are also represented, mostly in contact zones with existing housing, which is found and peripherally represented. These are mostly greenfield locations. Part of the zone along the coast is being transformed into the zone of the city park "Sava Park".

SO VIII - South: Blocks (481-623) located to the south of Cerski canal. The purpose of housing dominates, namely the zone of rare settlements and family buildings, with different types of housing. Within the zone there are also larger complexes of work functions (work zone "South"), communal purposes (Letnjikovac cemetery), greenery, sports and recreation (Veliki Zabran, Letnjikovac Forest) and the like.

Brownfield sites

There are two military complexes within cadastral municipality (CM) Šabac and one within CM Jevremovac and one within CM Pocerški Pričinović, three of which are in use, and the fourth is in the process of solving property issues and will become the property of LSGs. Sava Park is planned for this complex.

As for industrial complexes, there are only smaller complexes that can become brownfield sites - the Stare Jele complex and the Nama complex. Complexes within the east work zone are still used for industry, although ownership structures have changed.

5.3.3 Natural environment

Protected natural assets

The area of exceptional features of Mount Cer is in the process of protection. On the territory of Šabac local authority, it covers 20.10 km² (in parts of the cadastral municipalities of Rumska, Dvorište, Desić, Radovašnica, Bela Reka and Petkovica), with protection regimes II (in the areas of Greben Cera and Trojanov grad – Konjuša) and III degree.³²

³² Spatial plan of the special purpose area of Mount Cer, Draft, MGSI, 2019.

The International Important Bird Area (IBA) called “Cer” (classification code - RS024IBA), established by the Decree on the Ecological Network (“Official Gazette of RS”, number 102/10), has 130 registered bird species (it is assumed that there are more of them - about 160), of which 90 are nesting species. Decisive species for acquiring the status of an internationally important area are the country woodpecker (*Dendrocopas syriacus*), wood lark (*Lullula arborea*) and Russian sparrowhawk (*Lanius collurio*). Another IBA area is called “Donje Podrinje” (classification code - RS023IBA). Based on the Regulation on the ecological network, the Drina and its tributaries with the coastal strip in a natural and near-natural state, as well as landscape elements within the cultural landscape (green belts, individual and groups of trees, moats, borders and hedges) have the status and role of ecological corridor.³³

In addition, natural monuments are protected on the territory of Šabac local authority:

- The forest complex “Lipove vode” was declared a forest with a special purpose (“Official Gazette of the Municipality of Šabac”, number 5/72),
- The small-leaved linden tree (*Tilia parvifolia* Ehrh.-sun. *Tilia Cordata* Mill.) under the name “Lipa in Šabac”, was placed under protection as a nature monument of category III - significant natural asset (“Official Gazette of Šabac municipality”, number 3/01).

Green infrastructure

According to PGR Šabac, green areas in the area covered by the Plan occupy an area of 483.43 ha, i.e. 307.66 ha of protective greenery, and 175.77 ha of public green areas (parks, squares, forest areas in the city fabric), of which only parks and the squares cover an area of 7.92 ha. The area of the Sava Park, which is close to 300 ha, was not included in the coverage. The plan does not include areas of limited and special purpose greenery.

In relation to the total area covered by the Plan, public green areas occupy 7.5%. With Sava Park, the percentage would be increased to 15.2%.

No data is available for all other public greenery (within different complexes) and green areas within other land.

Based on the latest data on the number of inhabitants in the City of Šabac (115,884), public green areas (parks, squares, forest areas in the city fabric) per inhabitant amount to about 15.2 m²/person, and with the area of Sava Park, they would amount to 40 m²/ person.

This percentage would be higher if unaccounted green areas for other purposes are taken into account.

Pedestrian and bicycle paths are planned to connect open public spaces in the central zone with the banks of the Sava River and Sava Avenue and to interconnect green areas. The main planned intervention is the creation of Sava Park of 294 ha, in order to connect it with the centre and transform the roads into green corridors that extend the park deep into the urban fabric. Parts of the park were previously a landfill, a military barracks and a railroad. The park should have a positive impact on the city’s climate and flood protection through a system of canals, pumps and artificial lakes.³⁴

³³ Ibid.

³⁴ PDR of the Sava Park area, “Official Gazette of the City of Šabac and the Municipalities of Bogatić, Vladimirci and Koceljjeva”, No. 07/2017

In order to achieve not only a larger area under greenery, but also to improve ecological conditions, it is necessary to introduce a new urban planning parameter, the so-called Ecological index, the target value of which would be achieved through urban-architectural solutions. The introduction of this parameter would greatly contribute to the optimization of (micro)climatic conditions. How much the green area is in contact with the ground will determine the final value of the given index.

5.3.4 Quality of environmental factors, exposure to environmental risks and climate change risks

The spatial differentiation of the environment in the Urban area includes the following four categories³⁵:

1. Areas of polluted and degraded environment - area of Šabac urban agglomeration, Sava river (up to IV class), immediate influence zone of corridors of first and second order state roads, immediate influence zone of work, industrial zones and facilities, area of municipal waste dump "Dudara", landfill areas industrial waste and urban areas with high population density. The characteristics of this area are as follows: exceeded values of pollutants in the air, surface and underground waters and soil; large unsanitary municipal waste dump; historical landfills of industrial and other waste. In this part of the territory, it is necessary to prevent further degradation and ensure the improvement of the existing situation.
2. Areas of endangered environment - localities with occasional exceeding of limit values of pollutants in the air; zones of intensive agriculture; national roads of the first and second order with minor impacts on people, the living world and the quality of life; railway lines; river docks. In this area, it is necessary to provide solutions that eliminate or reduce existing sources of negative influences, or increase positive ones.
3. Areas of quality environment - localities without exceeding the limit values of pollutants in the air; class II river courses; forest areas; tourist complexes and places with controlled visits; areas of artificial reservoirs; local roads and railways; rural settlements, agricultural areas; areas with natural degradation; meadows and pastures; hunting and fishing areas. In this area, it is necessary to provide solutions that eliminate or reduce existing sources of negative impacts, that is, increase positive ones as a comparative advantage in development planning; protect areas from pollution for strategic reasons.
4. Areas of high quality environment - areas protected and planned for the protection of natural assets, areas protected by international conventions, mountain peaks and difficult-to-access terrains, Class I watercourses dominated by positive influences on humans and the living world.

The area of LSG Šabac belongs to category 2-4. quality of the environment, with the exception of the urban settlement area, which is in category 1. quality of the environment.

Air

Based on the measurement of SO₂ and CO₂, the air in the urban area of Šabac in 2019 and 2020 was classified into category I - clean air or slightly polluted air. Based on the measurement

³⁵ Draft Spatial Plan of the Republic of Serbia until 2035, MGSI, 2023; Spatial plan of the city of Šabac, 2012.

of soot, sulfur dioxide, nitrogen dioxide, total precipitable substances (including metals), ammonia, hydrogen fluoride, PM10 and PM 2.5, the air quality in 2021 belonged to category III - excessively polluted air, due to the deviation of more parameters.

Water

On the territory of Šabac LSG, the most important water body is the part of the Sava watercourse from the mouth of the Drina to the Kupinski road. The quality of the Sava River has been monitored for many years and indicators of the quality and solvency of the Sava River near Šabac. The physico-chemical indicators of the performed analyses were within the second class, while the microbiological indicators showed greater oscillations and in this respect the quality varied between the second and fourth class of watercourses. The maximum value of microbiological indicators was obtained in July 2010. and a value of 240,000 total coliform bacteria per liter of water was recorded³⁶. According to the monitoring data carried out by the Environmental Protection Agency in the period 2017-2019, the status of the Sava River in terms of biological quality elements was assessed in the range from good to poor (depending on the type of parameters) and the status in terms of physico-chemical and chemical elements that support biological elements are rated as good (physico-chemical parameters) and moderate (specific pollutants). As the overall status of the water body is defined by the weakest status of certain indicators, the overall status of the water body of the Sava River near Šabac is assessed as weak.³⁷

Another significant watercourse on the territory of the LSG Šabac is the Drina River on the western border of the LSG, with a length of five kilometers, but its activity affects the quality of the river. According to the monitoring data carried out by the Environmental Protection Agency in the period 2017-2019, the status of the Drina River near Badovinac (a settlement in the Bogatić Local Government Area, immediately north of the border with Šabac Local Government Area) is significantly better than the Sava River, and is rated as moderate.³⁸

On the territory of Šabac Local Government Area, there are also several smaller watercourses that gravitate towards the Sava River, the most important of which are Dumača, Dobrava, Bela reka, Jerez and Bitva. In addition to this, a network of drainage canals (Obodni cerski canal, Kočin canal, etc.) has been developed on the territory of the LSG, which play a vital role in flood protection of the urban settlement of Šabac and surrounding settlements on the territory of the LSG. The monitoring system on these watercourses has not been established, and there is no data available on their quality and creditworthiness, nor on the degree of their possible influence on the quality of the Sava River.

The Mačva area is the richest region in Serbia in terms of the quantity and quality of groundwater. Groundwater in Mačva is mostly of bicarbonate type, with mineralization mostly ranging from 400 to 1200 mg/l. In terms of hardness, medium hard, hard and very hard waters predominate. In terms of physico-chemical and bacteriological correctness, at depths greater than 20 m, and below the clay protective layer, the waters are sterile and chemically correct. At depths of up to 20 m, where the majority of individual water catchment facilities

³⁶ The analyses were done by the Institute for Public Health - Šabac.

³⁷ "Status of surface waters of Serbia in the period 2017-2019", Environmental Protection Agency, Belgrade, 2021.

³⁸ Ibid.

are located, the waters are generally sterile, but, since ten years ago, with a nitrate content that is above the permitted limit and originates predominantly from artificial fertilizers. Conventional agricultural production is the main threat to the quality of Mačva's underground water, with the tendency to degrade deeper aquifers as well. If the existing pollution trends continue, in the next 20 to 30 years, big problems can be expected in the use of Mačva's underground water to supply the settlements with drinking water. The hills of the Šabac LSG territory (Pocerina, Posavotamnava and Posavina) are threatened, primarily in terms of water quality and available quantities (Pocerina). It should be emphasized that shallow, open, water facilities and especially a large number of permeable septic tanks constantly pollute shallow aquifers and make them practically unusable for drinking from the aspect of microbiological (fecal pollution) and chemical quality (nitrates, ammonia, nitrites, organic compounds and very likely residues of plant protection products - Posavina). The extremely poor quality of water in the mountains can be seen from the results of a systematic review of water quality from individual water bodies.³⁹

The above data were taken from the LEAP of the city of Šabac (2010, 2011). In the meantime, a sewage treatment plant was built and put into operation at a location downstream from the urban settlement.

Land

Taking into account the agricultural potential of Šabac LSG, soil pollution can be caused by the following factors:

- large livestock farms (cattle and pigs) belonging to the Pocera area and some Mačvani villages closer to the urban settlement Šabac;
- unsecured and inadequate disposal of manure (organic fertilizer), which is reflected in careless storage and protection from spillage and environmental pollution, because good agricultural practices are not implemented;
- unregulated sewage network for waste water from rural households;
- uncontrolled use of mineral fertilizers and pesticides, as well as careless throwing of packaging near the plots where they are used;
- occupation of agricultural land for disposal of waste, both from rural households, and waste from the chemical industry and other private processors on the territory of LSGs.

The above data were taken from the LEAP of the city of Šabac. In the meantime, the regional landfill "Srem - Mačva" was built and put into operation, located on the territory of the city of Sremska Mitrovica.

Noise

During 2021, the noise level was measured in six zones of the urban settlement:

In zone 1 - the area for rest and recreation, hospital zones and convalescent centres, cultural and historical sites, large parks - the measuring points are located next to busy city roads, they are most exposed to the influence of traffic noise and the official noise levels are higher than the limit values during all measurements.

³⁹ LEAP of the city of Šabac, 2010, 2011.

In zone 2 - tourist areas, camps and school zones - measuring points are located next to busy city roads, they are most exposed to the influence of traffic noise and the official noise levels are higher than the limit values during all measurements.

In zone 3 - individual housing - no measurement was performed.

In zone 4 - business-residential areas, commercial-residential areas and children's playgrounds - the measuring points are located next to busy city roads, they are exposed to the influence of traffic noise and the official noise levels are higher than the limit values during all measurements.

In zone 5 - centre, craft, commercial, administrative administrative zone with apartments, zone along highways, main and city roads - measuring points are located next to busy city roads, they are exposed to the influence of traffic noise and the official noise levels are higher than the limit values for all measurements in the night reference time interval of measurements, while in the day and evening they are within the limit values.

In zone 6 - industrial, storage and service areas and transport terminals without residential buildings - the measuring points are located next to the IB state road number 26, which is quite busy, there are a lot of trucks, and the official noise levels are higher than the limit values during all measurements .

Heat islands

Urban heat islands are in parts of the wider centre of the urban settlement, in places where asphalt and concrete dominate as materials, in streets with a narrower profile and those without tree lines with weak air flow (wind), but also on frequent roads, also without green areas that would moderate the temperature asphalt in the summer (e.g. Hajduk Veljkova Street). So, in places without appropriate greenery, especially rows of trees, roof greenery and vertically green facades of buildings.

Vulnerability from floods, landslides, earthquakes, erosion and climate risks

Floods

Due to its location and terrain configuration, Šabac is highly exposed to floods from external and internal waters. In terms of flooding by external waters, the most significant threat is from the Sava River, and along its banks on the territory of the Local Government Area, defensive embankments have been erected that are part of the broader system of Sava defensive embankments. The urban settlement of Šabac was protected from floods during the catastrophic floods of 2014, but this event indicated an urgent need for the reconstruction and improvement of the defense system, so that since then projects to improve flood defenses of the Sava River have been gradually designed and implemented.

Due to the configuration of the terrain and the proximity of the Sava River, the urban settlement and the entire LSG are potentially very vulnerable to inundation by inland waters. In order to defend against flooding, a developed system of amelioration canals was created, of which the Obodni Cerski canal is the most important for the defense against flooding of the city. In addition to it, a network of melioration canals with foundations and pumping stations has been developed throughout the territory of the LSG, which plays a vital role in defending the territory of the LSG from internal water floods, as well as floods from the Sava River and

torrential flows from Mount Cer. In recent years, the maintenance and cleaning of the canal network has been intensified. However, it is clear that in order to further reduce the risk of inundation by internal waters of the urban area, it will be necessary in the future to apply well-planned retentions, green roofs and street profiles with water outlets in the so-called. rain gardens, which can greatly influence the improvement of stormwater collection and prevention of excessive runoff.

Landslides and erosion

Landslides and erosion are common in the Pocerina area.

Seismic hazard

Šabac belongs to the 6th category of seismic hazard according to the data of the Seismological Survey of Serbia.

Climate and climate change

The territory of Šabac is characterized by a moderately continental climate. General climatic conditions are modified by specific local influences, primarily morphological features (amphitheatrical openness to the north, low altitude, etc.). From the south, the influences of the wetter altitude climate penetrate from the mountainous area, i.e. mountain variety of moderate continental climate, and from the north across the Srem plain the influences of the drier Pannonian continental climate penetrate. In Mačva, a moderately continental climate similar to the climate of Vojvodina prevails, while on the undulating terrain of Posavina and Pocerina, this climate is somewhat wetter due to orographic influences. In summer, temperatures are mostly uniform in the entire area, while winter temperatures are somewhat milder in Posavina and Pocerina, which is explained by somewhat weaker influences from the Pannonian plain and possibly a weak penetration of warmer air masses from the Mediterranean. In lowland Mačva, due to higher wind speed and faster passing of clouds, a smaller amount of precipitation occurs than in hilly Pocerina. According to the agroclimatic rezoning of moisture conditions for agricultural needs, Mačva belongs to insufficiently humid areas. Regarding average monthly values in Šabac (1961-2007), maximum precipitation occurs in June, with an average monthly value of 78.2 mm and July with 64.2 mm. The minimum precipitation occurs in February (41.9 mm) and January (46.4 mm).

According to available data⁴⁰, climate changes in Šabac that, at the current level of knowledge, can be expected in the long term in the future are:

- An increase in average temperature, where the magnitude of this increase will depend on future greenhouse gas emissions. Compared to other parts of Serbia, the territory of the LSG will have a moderate increase in temperature (a larger increase is expected in the southern parts of Serbia)
- An increase in average maximum and minimum temperatures, where the temperature increase during the colder part of the year will be slightly lower than the temperature increase during the warmer part of the year.

⁴⁰ "Observed climate changes in Serbia and projections of the future climate based on different scenarios of future emissions", UNDP Serbia, 2018

- No pronounced changes in mean annual total precipitation are expected, but a decrease in precipitation is expected during the June-August period (this trend has already been observed in the recent past).
- The number of frosty and icy days is progressively decreasing in the future due to rising temperatures.
- The number of summer and tropical days will continue to increase.
- Heat waves during future climate periods will become more intense and more frequent.

Of interest are the data of climate models which indicate that in the future we can expect slightly higher flows in the Danube River, which may affect the flood defense of Šabac, because the decline of Đerdap is felt along the Sava River to the town of Šabac.

Waste management

From the territory of urban and suburban settlements, 25.5 thousand tons of waste are removed annually for about 27,000 users. Every day, the Garbage Collection Service collects 70 tons of waste from the Šabac Local Government Area. Collected garbage is taken to the Transfer Station in Šabac, from where it is transported, prepared, by tractor trucks to the “Srem-Mačva” Regional Landfill in Sremska Mitrovica.

Šabac Public Utility Company “Stari Grad” started in mid-September 2015, organised garbage removal from the area of rural communities. The first truck collected waste from local communities in the Orida Basin. Garbage removal service in rural areas is 530.00 dinars per month. The start of the Regional Landfill “Srem-Mačva” was a technical prerequisite for the start of this very important work. The expansion of the service included all users in rural local communities on the territory of the town of Šabac.

The user’s debt, depending on where they live, is calculated according to the volume of the container that households purchase independently, with a common volume of 120 liters each, or according to the amount of produced waste that is disposed of in containers (Pocerina). Emphasis is placed on the primary selection of waste, and the Public Enterprise “Stari grad” is unique in Serbia in that, in cooperation with the local self-government, it works on the removal of hazardous waste, i.e. pesticide packaging, which the villagers dispose of in special bags, which they receive from PUC “Stari grad” three times a year.

There are registered wild landfills in the immediate and wider environment that pose a high risk of waste pollution.

5.3.5 Primary utility infrastructure

Plumbing and sewerage

The water distribution network of Šabac has over 390 km of pipelines and about 120 km of connecting pipelines. There are currently 21,813 connections to the public water network. The water supply system is managed and maintained by PUC Vodovod Šabac.

In addition to residents, institutions and parts of industrial plants from the narrow and wider centre of the urban settlement, residents of the surrounding settlements are also connected to the public water supply: Majur, Jevremovac, Pocerski Pričinović, Jelenča, Štitar, Slepčević, Tabanović, Ševarice, Drenovac, Mačvanski Pričinović, Vranjska and Mouser. In an urban

settlement, 97% of residents are connected to the public water supply, and if the territory of the entire LSG is observed, then 60% of the population of the LSG is connected to the public water supply. The rest of the population is supplied with water from their own wells. There is a tendency to expand the water distribution network to more distant rural areas. The planning and technical documentation exists, but the implementation has slowed down due to the lack of financial resources for further expansion of the network.

All current consumers of the water supply system are located between 80 and 115 m above sea level, so the total annual water consumption is 4,686,092 m³, of which the population consumes 3,635,855 m³, and institutions and the economy 1,050,259 m³. The average consumption (need) of water per inhabitant is 159 l/apartment. day.

The water resources that are used as sources of drinking water are underground water, and the water is captured by wells at two locations - sources: Mali Zabran (old source) and Tabanović. The contaminated water is purified at the Mali Zabran and Tabanović plants. The Letnjikovac water tower is located in the southern part of the city. The capacities of the springs are sufficient and there are no restrictions on water supply.

The sanitary protection zones of the springs are defined by local regulations, protected and fenced off, however there is a danger of contamination by underground water, such as the tendency to increase the level of nitrates at the source of Tabanović due to agricultural production in the area. Accordingly, the reconstruction of the supervisory and management system is needed.

In Šabac, a separation system of public sewage was adopted - separate collection and removal of used (fecal) and storm water. In the centre of the urban settlement, where the sewerage network is the oldest, a significant area of the city is still covered by the general sewerage system, while in the suburbs separation sewerage is planned, but so far only fecal sewerage has been built.

In the centre of the urban settlement, 96% of the population (households), institutions and part of the industry are connected to public sewerage, and if the entire LSG is considered, then 50% of the population of the LSG is connected to public sewerage. In the sewage system, there are 12 pumping stations for sewage, 5 pumping mixed water (rain and sewage) and 1 pumping station for rainwater. Further expansion of the sewerage network was planned, especially the reconstruction of the general system and the separation of fecal and storm sewerage, as well as the construction of a new sewerage system, but the implementation was slowed down due to the lack of financial resources for further expansion of the network. Planning and technical documentation exists.

Drainage of storm water is solved by individual hydrographic units, where rain water is drained by open and closed storm sewers. Catchment areas gravitate towards melioration channels and pumping stations and discharge into the Sava River. The industrial zone is a separate catchment area with its own storm sewer. The ACS "Voćnjak" pumping station was built to protect against inland waters and to remove stormwater from the urban settlement and industrial zone.

Šabac is one of the few cities in Serbia that has a functional central waste water treatment plant (CPPV). The construction of CPPOV in Šabac started in 2014, and three phases are

planned. Currently, the first phase of the CPPOV has been completed, which included the construction of a water line with a capacity of 84,000 equivalent inhabitants (ES) and a sludge dewatering line with a capacity of 126,000 ES. In the second and third phases, the construction of a line for anaerobic digestion of sludge with a capacity of 126,000 ES and the upgrading of the water line to a capacity of 126,000 ES are planned. Purified waste water at the outlet of CPPOV into the Sava River is checked daily, and meets the conditions prescribed by national regulations. The daily production capacity of CPPOV is 17,000 - 18,000 m³ of waste water, and about 5,850,000 m³ of waste water is treated annually. About 4,000 tons of sludge are produced annually in the wastewater treatment process. The existing system functions as a single high-altitude supply zone.

Energy

There is a hot water pipe in the urban settlement, to which slightly less than 8,000 users/facilities are connected.

The primary alternative sources of thermal energy are gas and individual fireplaces.

The entire narrow urban area is covered by a gas pipeline network. About 3,500 users are connected to the gas pipeline network.

The ratio of electricity consumption at the level of urban settlements for housing and economy is 80% : 20%. There are sufficient capacities for the delivery of electricity for households and multi-family housing facilities, while there is not enough capacity for economic entities.

Less than 1% of the population is not connected to electricity, this includes buildings that do not have a building permit or are not legalized.

In Šabac, there is the possibility of using electricity from renewable sources, namely solar sources in the urban area, and biomass sources and solar sources in the rural areas. In the area of urban settlements, alternative energy sources are used by less than 1% of households and businesses in total, but there is a tendency to increase.

It is not known how many buildings there are with an energy passport and which categorization.

5.3.6 Primary transport infrastructure and traffic

Traffic network

In a broader sense, Šabac is relatively well connected by traffic to Belgrade (about 85 km), Novi Sad (73 km), Valjevo (68 km) and Loznica (56 km). The traffic importance of Šabac was increased by the establishment of the state border on the Drina, and it represents the intersection of state roads of the first and second order.

The following state roads pass through the territory of Šabac local authority:

- 2 IB routes: 21 Novi Sad - Irig - Ruma - Šabac - Koceljeva - Valjevo - Kosjerić - Požega - Arilje - Ivanjica - Sjenica and 26 Belgrade - Obrenovac - Šabac - Loznica - state border with Bosnia and Herzegovina (Mali Zvornik border crossing);
- 4 IIA routes: 124 Sremska Mitrovica - Drenovac - Šabac, 135 Badovinci - Prnjavor, 136 Majur - Bogatić - Petlovača and 137 Šabac - Volujac - Zavlaka - Krupanj - Gračanica; and

- 3 IIB routes: 322 Glušci - Mačvanski Pričinović - Šabac (connection with state road 124), 323 Prnjavor - Čokešina - Lipove Vode - Volujac - Sinošević - Nakučani - Matijevac - connection with state road 21 and 324 Šabac (connection with state road 26) - Nakučani – Gradojević.

The construction of the IB road Šabac - Loznica, with a branch towards Bijeljina, is also underway.

The reconstruction of state roads II A and B order is necessary.

In 2011, the Local Government of Šabac adopted a Decision on the traffic regime for freight vehicles through Šabac. This decision prohibits the traffic of freight vehicles whose load capacity exceeds 3 tons within the zone limited by the streets: Jevrejska - Hajduk Veljkova - Bypass road (from the intersection with Hajduk Veljkova St. to the intersection with Zapadna transversal Z1) - Zapadna transversal Z1 - Severn transversal S1. The implementation of this solution had a positive impact on the environment and the health of citizens in the centre of the urban settlement.

The bypass road is overloaded with traffic and accident situations occur, and due to the higher speed of the vehicle, the outcomes are often fatal. On that section, the "Bypass Road" coincides with road IB row no. 26 on which the number of vehicles is increasing. In addition, this road cuts the access to the city to the suburban settlements of Kasarske livade, Jevremovac, Pockerski Pričinović, which according to the results of the census have an increased number of inhabitants. The solution to the problem is the construction of the planned second bypass, that is, the second ring located on the outside of the suburbs, as well as the construction of a fast road to Loznica, the construction of which will reduce the number of vehicles on the mentioned road. There are also roundabout projects that will increase flow at critical intersections. One of the ways to solve the problem is to work on improving sustainable and efficient transportation, improving public transportation, safe bicycle and pedestrian paths that will reduce the number of private cars at critical points.

Most streets in the city become endangered and unsafe in terms of traffic due to non-compliance with traffic regulations. One of the biggest problems is illegal parking of vehicles on the road in residential areas.

In Šabac LSG, there is a regional single-track non-electrified railway line number 9 Ruma - Šabac - Dinja Borina junction - state border (Zvornik) and railway stations in Šabac, Majur, Štitar, Petlovača, Ribari and Mačvanski Prnjavor.

The general operational condition of railways and tracks in the area of the Šabac local authority is poor. The tracks have a low load capacity, for an axle pressure of up to 16 t, and the rails and track materials are in poor condition due to wear and tear. It is characteristic of Šabac station that about two-thirds of the total volume of goods work is done on industrial tracks and about 70% of the total goods work belongs to the chemical industry "Zorka".

Urban and suburban railways are poorly developed for passenger transport. Passenger transport has an insignificant share and amounts to 0.81% of the total daily volume of rail transport. The reason for the small number of transported passengers from the Šabac railway station is the low level of transportation service in railway traffic as well as an inadequate timetable. In relation to the requirements of users arriving or departing from Šabac by train,

the station is well located because it is within an acceptable walking distance from the central city facilities (schools, shops). Users of the railway station, passengers, companions and visitors access the facility from Janka Veselinovića Street. The station building has an area for waiting passengers and a ticket office⁴¹.

There are not enough trambuses that run to the city's train station, even though the station has a convenient location in the city centre. The railway is a problem because parts of the settlement are cut by the railway line and the ramps at the crossings are often not functional. There are also a large number of unsecured level crossings which pose a safety problem.

The Sava River is navigable through Šabac. Freight river traffic has been developed with the industrial port "Port Šabac" in the urban settlement, whose operator is the company Elixir Zorka Šabac, which owns 2 gantry cranes, a railway line and a road within the working reach of the crane. About 200,000 tons of goods can be handled annually.

The transport of passengers by water transport is completely neglected and underdeveloped and there is no passenger pier. It is necessary to affirm this mode of transport.

The nearest Nikola Tesla airport is located about 70 km from Šabac.

Public urban and suburban transport

Public urban transport is well developed only in rural and partly suburban areas where there is a sufficient number of lines for the needs of students and employees.

As for public city transport within the urban settlement, it almost does not exist and is not used by citizens. There is no public transport within the public sector. There were attempts to introduce city lines, but they were unsuccessful mainly due to the corona epidemic and insufficient affirmation. Due to poorly developed public transport, private companies are forced to organize their own special transport for workers, so all transporters are private.

The biggest problem in coordination between LSGs is the transport that functions between AP Vojvodina and central Serbia, e.g. between Sremska Mitrovica and Šabac, although the two urban settlements are about 30 km apart, there are no adequate and frequent intercity lines. As for intercity lines between larger cities (Novi Sad and Belgrade) there is a sufficient number of lines. There is a sufficient number of lines between smaller municipalities in the vicinity of the Šabac LSG.

In the framework of public transport, vehicles were replaced with new methane-powered vehicles, which have the capacity to enable the entry of persons with disabilities and persons with reduced mobility.

Pedestrian zones

Šabac has a pedestrian zone in the streets of Gospodar Jevremova and Karađorđeva with a length of about 500 m, which is not enough for an urban settlement of this size. There is no temporary pedestrian zone as a mechanism for the phased extension of the permanent pedestrian zone.

⁴¹ Source: POUM of Šabac city

In addition to expanding the pedestrian zone in the centre, it is necessary to introduce slow traffic zones, shared spaces, restricted movement zones, etc.

For the safe pedestrian movement of all users, it is necessary to ensure the accessibility of public facilities and open spaces for people with reduced mobility.

Bicycle traffic

The total existing bicycle network is close to 18 km long. The bicycle network in its current state is discontinuous. Individual bicycle paths represent separate entities and allow movement only along one route. Bicycle crossings are not provided at certain traffic junctions, and the bicycle paths/lanes end suddenly, without a secured roundabout. The greater part of the connected bicycle network is located in the centre of the urban settlement, in the streets surrounding the pedestrian zone Trg Šabački žrtava. There is a tendency to enable the movement of cyclists along the longitudinal north-south corridor (Masarikova street), as well as to connect the wider centre of the urban settlement with the “Capitol Park” shopping centre. An initiative was presented to connect Šabac with Klenak by bicycle path.

Most of the constructed bicycle paths are located on the sidewalk, where the directions are spatially separated (a one-way bicycle path along one sidewalk). Two-way bicycle lanes have been constructed on Šabaci victims Square, along Savska Avenue and on the stretch from 6. Puk Street to the “Capitol Park” shopping centre. Bicycle lanes make up a smaller part of the existing bicycle infrastructure: they were constructed on the roadway of Kralja Aleksandra Street and on one side of Masarikova Street. In Dr. Andre Jovanovića Street, which is an integrated street, one-way bicycle lanes have been built on both sides of the street.

In the distribution of movement from 2019, the share of bicycles is recorded at 16%⁴². At the level of Serbia, that is a very high share of cycling. Compared to 2004, the share of cyclists is growing and increased from 13% to 16%, which is a very positive trend that should be nurtured and encouraged further.

The fact that almost 3/4 of respondents is also very significant⁴³ owns a bicycle in the household (over 70%). This is a huge potential for changing the way of movement and reducing the degree of motorization, because the vast majority of citizens already own this means of transport. The results of the survey also clearly indicate that the bicycle is an important form of transportation in Šabac and that citizens want good conditions for cycling, regardless of whether they use a bicycle daily or not. Based on the answers given, it can be concluded that the participation of bicycles in visual distribution would be higher if a safe and comfortable bicycle infrastructure were built, with the removal of current obstacles to its use, such as manholes, drains and parked vehicles.

The planning documents provided space for the development of a network of bicycle paths and lanes in the existing streets in a high-quality manner, but there is a lack of connection between the plan and the project, in order to implement the plan. Guidelines for the implementation

⁴² Source: Sustainable Urban Mobility Plan of the City of Šabac (Official Gazette of the City of Šabac and Municipalities: Bogatić, Vladimirci and Koceljjeva No. 31/2020) - traffic study “Guidelines for implementing bicycle infrastructure in Šabac”, author of the study Dr. Biljana Ranković Plazinić, B.Sc. communication engineer

⁴³ As part of the European Mobility Week 2019, the City of Šabac surveyed citizens about the characteristics of travel. An online survey was also conducted in which 1385 respondents participated.

of bicycle infrastructure in Šabac (2020), provide technical instructions for the development of this type of sustainable movement and should help the development of bicycle infrastructure in the urban settlement. Since 2016, Šabac has carried out several projects that improved the safety of cycling.

Parking

The urban settlement Šabac has a very pronounced parking problem. The existing number of parking lots is not satisfactory, nor is their arrangement. A completely new plan is needed to solve the stationary traffic in the area of the urban settlement, which would rely on an adapted system of public urban transport, etc. There is a lack of parking spaces in the centre. There are no built-up garages, and zoned street parking is cheap and has no time limits, so street parking capacity is largely 100% full all the time. There is also the problem of informal parking, parking on sidewalks and on green areas, which also pose a problem for pedestrian safety. On the outskirts of the urban settlement, there is a lot of free street parking and the traffic capacity of the street network is greatly reduced. The biggest lack of parking spaces is in modernist neighborhoods built in the 70s and 80s with a large number of residential units without meeting parking standards. Also in individual housing zones, multi-family housing facilities are being built, which increases the density of housing in those zones and additionally generates the need for parking.

The centre of the urban settlement is additionally burdened with parking because there is no adequate alternative for moving to the centre by individual vehicles (bad public transport, unsafe movement for cyclists, a large number of one-way streets, etc.)

Commuting

According to the distribution of trips by mode of transport in Šabac in 2019, 40% of trips are made on foot, 34% by car, 16% by bicycle, 8% by public transport and 2% by scooter.⁴⁴

Daily migrations are oriented to and from the centre and industrial zones of the urban settlement, where the largest number of jobs are located. On the territory of LSGs, to a lesser extent, there are movements towards rural schools for pupils and employees.

There are no intermodal hubs in Šabac. There is an RTC within which the construction of the port is planned (the water area has been excavated, the works are not finished). In addition to this, the Elixir Zorka company also plans to build an intermodal centre with a shunting station, an existing port and a direct connection to state roads.

Internet and digitalization

There is public free Internet in the urban area. The centre, square and pedestrian zone, CSU, Old Town and a couple of smart benches with free internet are covered.

Some smart systems have been introduced, such as electronic parking billing, GPS vehicle tracking of PUC "Stari Grad Šabac" and others.

⁴⁴ Source: POUM of the city of Šabac.

5.4 URBAN AND TERRITORIAL DEVELOPMENT GOVERNANCE

5.4.1 Access to governance

In the framework of sustainable and integrated urban development governance refers to the methods used by the administration and various relevant actors in planning, financing and managing the development and implementation of the strategy. The key aspects of urban development governance are: 1) a multi-level governance approach, which refers to the coordination and harmonization of activities between different levels of governance; 2) multi-stakeholder approach, which refers to the inclusion of all relevant actors during the public policy development cycle; and 3) “bottom-up” and participatory approach, which refers to initiatives led by the local community and encouraging the involvement of local actors.

Multi-level governance approach and partnerships

In previous practice, the City of Šabac, through programs and projects financed by the EU and international funding sources, participated in the realization of projects supported through:

- IPA—Instrument for pre-accession assistance, Cross-border and transnational cooperation, EU programs and other EU funds (IPA 2010; IPA I, IMPRES; IPA 2012; IPA, Open Embrace; IPA 2014, Program EXCHANGE 5; IPA 2016; IPA, Regional Program of Local democracies in the Western Balkans; IPA 2018, EU PRO; IPA II and Interreg IPA CBC);
- international financial instruments - banks (World Bank), as well as bilateral and multilateral cooperation and donor programs (The Swiss Agency for Development and Cooperation (SDC); Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); The Swedish International Development Cooperation Agency (SIDA); UNDP, Global Fund for Environmental Protection).

Through the implementation of programs and incentive funds of the ministries of the Republic of Serbia and their agencies, the City achieves cooperation with national institutions: Ministry of Culture, Ministry of Mining and Energy of the RS, Ministry of Environmental Protection, Ministry of Youth and Sports, Ministry of State Administration and Local Self-Government, Ministry of Culture and Information, Office for the Management of Public Investments of the RS.

A multi-stakeholder approach

In the past practice, the following institutions and sectors were involved in the projects implemented by the Šabac local authority:

Public sector/administration

- City administration of Šabac
- Headquarters for emergency situations of the City of Šabac
- Department for emergency situations, Department in Šabac

Public sector/enterprises

- Secondary agricultural school with student dormitory - Šabac
- Health centre “Dr. Draga Ljočić” Šabac
- Institute for Public Health Šabac

- centre for Social Work Šabac
- “Our child” preschool
- Professional training centre
- Elementary school “Vuk Karadžić” Šabac,
- Elementary school “Laza K. Lazarević” Šabac,
- Elementary school “Nikolaj Velimirović” Šabac,
- PUC “Infrastructure Šabac”

Economy/private and public sector

- Belgrade College of Social Work
- Civil sector
- Citizens Association “League for Health” Šabac
- centre for interactive pedagogy
- Caritas Šabac
- Ecumenical humanitarian organisation Novi sad
- Association of teachers Šabac
- Educational association of Mačvan district
- Association “Smart City”

Scientific and research institutions

- it is not known

Partnerships and networks

In the past practice, projects in which Šabac was involved were implemented in joint cooperation with the following institutions and actors:

Foreign partnerships:

- Brod-Posavina County
- CTR - Development Agency of Brod-Posavina County d.o.o.
- Department of Emergency Medicine of Brod-Posavina County
- Croatian Mountain Rescue Service - Slavonski Brod station
- Brod-Posavina County Fire Brigade
- The city of Nova Gradiška
- LAG “Western Slavonia”
- Housing centre

Domestic partnerships:

- City of Sremska Mitrovica
- Directorate for Agriculture of the city of Šabac
- Institute for Public Health Šabac
- Headquarters for Emergency Situations of the City of Šabac, Department for Emergency Situations, Department in Šabac
- Belgrade College of Social Work
- Ecumenical Humanitarian organisation Novi Sad
- SO “Infrastructure Šabac”

- centre for Social Work Šabac
- “Our child” preschool
- Professional training centre,
- association of Šabac teachers and Educational Association of Mačvan district
- Association “Smart City”
- Caritas Šabac

Networks:

- Partner cities: Kralupi (Czech Republic), Argostoli (Greece), Fujimi (Japan), Kiryat Ata (Israel), Celje (Slovenia).

Participatory approach

The application of citizen participation in the development of public policies, plans and projects was applied in the field of urban planning, during the development of PDR “Sava Park”, PDR “Kamičak”, PDR Veternička and UP “Benska bara”. In all three cases, the method of workshops with citizens was applied in order to choose an adequate planning solution.

The best example is the UP for the development of the Benska Bara settlement. During the development of the “Revitalization Project for the Benska bara settlement in Šabac” in 2014, the city administration conducted a survey of the residents of this settlement. The survey contained a number of questions about the quality of life in this settlement, and the goal was to get the most authoritative data about the settlement by questioning the citizens themselves.

The conclusions obtained through the results of the citizens’ survey were directly incorporated into the study and provided guidelines for further steps in the improvement of the space. In order for spatial interventions not to be imposed on citizens, but to reach a solution through cooperation with the local community, a series of workshops were held with citizens living in the settlement of Benska bara, in order to translate their needs and ideas into a design solution. After a session of meetings with representatives of house councils, local residents, professional services and other interest groups, three solutions were proposed for arranging the central area of the settlement. The final session was held in the form of an exhibition where three conceptual solutions were presented and where citizens could vote for one of them. The selected conceptual solution was developed through a situational plan and incorporated into the urban project.

LSG capacities for urban development governance

The bearer of activities on the implementation of projects financed through external sources of financing is the Department for Local Economic Development. In addition, a large number of public, private and civil sector institutions participate in the implementation of projects.

Constant education of all actors involved in all types of decision-making and preparation of planning documents is necessary. It often happens that even among experts there is no will and desire for research and improvement in their professional fields, and often decisions and solutions are outdated, uneconomical and populist and serve to satisfy petty current needs, rather than solving key problems of the city.

In the course of 2022, officials of the City Administration of Šabac attended training provided by the General Professional Training Program for employees in local self-government units, as

well as training provided by the Sectoral Professional Training Program for Employees in Local Self-Government Units, organised by the National Academy for Public Administration.

Trainings were attended in the following thematic areas:

- Human resource management
- Good management
- Development of digital competences
- Safety in the local community
- Public policies
- Personal development and skills
- Business communication
- Local development and investments in local self-government
- Project management
- Inspection supervision

In the organisation of the Permanent Conference of Cities and Municipalities, trainings in the field of “Management of human resources” were attended.

5.4.2 Sources of funding

The main domestic sources of urban development financing are the budget of LSGs and the funds of activity holders (companies), as well as MGSI tenders, which are used for smaller projects, such as support in the development of development plans and strategies, etc. In the past practice, the projects implemented by the Šabac local authority were also financed from the following programs:

Programs of ministries and agencies

- Ministry of Culture
- Ministry of Mining and Energy of the RS
- Ministry of Environmental Protection, Green Fund
- Ministry of Youth and Sports
- Ministry of State Administration and Local Self-Government, Budget Fund
- Ministry of Culture and Information, Cities in Focus 2021
- Office for the Management of Public Investments of the RS

In addition to domestic sources of financing⁴⁵, the projects implemented by LSG Šabac were also financed from the following sources:

EU programs

- IPA - Instrument for pre-accession assistance, Cross-border and transnational cooperation, EU programs and other EU funds
- IPA 2010, Program to support the development of local infrastructure
- IPA I, IMPRES
- IPA 2012, Support Program for the Improvement of Living Conditions of Forced Migrants

⁴⁵ Funds, commercial banks, projects, local government budget, own funds of activity holders (companies), funds of interested domestic investors and loans from investment and commercial banks in the territory of the Republic of Serbia

- IPA, Open Embrace
- IPA 2014, Program EXCHANGE 5
- IPA 2016, EU Support for Roma Inclusion
- IPA, Regional Program of Local Democracy in the Western Balkans
- IPA 2016, EU PRO
- IPA 2018, EUSHAI
- IPA 2020, EU PRO
- IPA II, Cross-Border Cooperation Program Serbia and Croatia
- Interreg IPA CBC, Cross-border Cooperation Program Serbia and Croatia
- EU, Human resource management in local self-government

Bilateral and multilateral cooperation and donor programs

- The Swiss Agency for Development and Cooperation (SDC), bilateral cooperation
- German Society for International Cooperation (GIZ), bilateral Saradka
- The Swedish International Development Cooperation Agency (SIDA), bilateral cooperation
- UNDP, Global Fund for Environmental Protection.

World Bank Funds, as well as foreign investment funds from countries outside the EU (China) are used as foreign sources of urban development financing.

5.4.3 Transparency and information

The Local Self-Government Transparency Index (LTI) in 2022 is 45, which represents a drop of 10% compared to the previous year 2021, or 21% compared to 2020.

In 2021, Šabac was on the 55th LTI place in Serbia.

In Šabac, there is a developed system of electronic communication between the administration and citizens.

No data on donor programs and projects are available on the website of LSG Šabac.

A geographic information system (GIS) is used in the management of urban development.

6 SWOT ANALYSIS AND NEEDS

6.1 IDENTITY OF THE URBAN AREA

advantages/strengths

- High degree of urbanity of the City of Šabac
- Historically, Šabac has always been a modern city in the context of the time - the preserved old core of the city, the Letnjikovačka kosa neighborhood as an example of quality housing, the complex around the agricultural school as a valuable green complex
- Rich cultural heritage - 32 immovable cultural assets, of which: 28 cultural monuments (Memorial ossuary in Prnjavor, Old Hospital building, Gymnasium, Church of the Transfiguration in Krivaja, Šabac fortress...), 2 famous places (monument on Mišar), archaeological site (Konjuš fortress on Cer) and spatial cultural-historical unit (Gospodara Jevrem Street)
- Natural heritage. The region of exceptional features of the Cer mountains, the forest complex "Lipove vode"
- The trend of increasing the number of tourists

weaknesses/deficiencies

- Undeveloped polycentric structure of the LSG settlement network
- Insufficient population concentration in villages
- The slow transformation of a former military brownfield into a city park
- Underutilization of smaller industrial brownfields
- Underdeveloped system of public and green spaces in the city (insufficient pedestrian zones, insufficient area of existing squares and parks)
- Lack of accompanying facilities for tourists
- Lack of interest in cultural contents; lack of urban culture of living
- The fortress in the Old Town is not adequately included in the tourist offer and its reconstruction has started inadequately
- A large number of illegal buildings and an ineffective legal system
- Inefficient construction land management

potentials/possibilities

- Polycentric development aimed at the largest settlements and the development of links between the village and the city; Majur as a secondary centre; the development of quality residential areas in the urban area in order to reduce the pressure on the central urban zone
- Developing specific functions of the settlement
- Urban renewal of the wider city centre
- Conversion of smaller industrial brownfields into new activity generators (Stara Jela, Nama)
- Reconstruction and arrangement of the fortress in the Old Town and its surroundings

- Mišar as a cultural-historical entity
- Construction of Sava Park and Sava Avenue; connection with the fortress and the planned passenger pier
- Construction of green infrastructure in all settlements, pedestrian zones and creation of a new identity of public urban spaces; development of green areas on private plots, green roofs and walls
- Development of specific types of tourism on Sava, Drina, rural, business tourism and thematic routes; cooperation with education (developing local patriotism: thematic excursions about the sights of the city); event tourism and cultural heritage.
- Development and construction of tourist infrastructure - accommodation capacities and categorized rural households; innovative approach to the promotion of cultural content
- Construction of tourist signage, footpaths and routes
- Branding of the town of Šabac (e.g. related to Boj na Mišara)

threats/risks

- Population decline due to emigration to larger centres / abroad and negative natural increase
- The emptying of villages far from Šabac
- Dominant market regulation in the area of housing construction (low social and environmental standards - overbuilt, lack of greenery, parking...)
- Deterioration of individual housing blocks and infrastructure
- Unsettled ownership and environmental burden of abandoned military and industrial complexes
- Transformation of brownfields into residential and commercial zones, with a weak effect on sustainable urban development
- The competent institute for the protection of cultural monuments is in Valjevo
- Weakening of the planning system in relation to unplanned, wild construction and the so-called "investor urbanism"
- Loss of urban identity and urbanity due to the expansion of the construction area to suburban settlements and unplanned construction in contrast to the decrease in the number of inhabitants; wild construction on water land along the Sava
- Excessive public investments in equipping (transportation, infrastructure, utilities) existing settlements and due to further excessive expansion

needs

- Preservation of urban matrix and urban morphology; arrangement of the fortress in the Old Town and its surroundings according to a new project; adequate transformation and reactivation of brownfield sites;
- Formation of the institute for the protection of cultural monuments in Šabac and raising the awareness of the local population about identity and cultural heritage
- Permanent prevention of wild, unplanned construction; loss of valuable land; threats to natural, cultural heritage, identity and urbanity

6.2 GREEN AND ENERGY TRANSITION AND MOBILITY

advantages/strengths

- Gas network in an urban settlement
- The area of Mačva is the richest region in Serbia in terms of the quantity and quality of groundwater, two sources are used, Mali Zabran and Tabanović
- Subsidies of the LSG of the city for the construction of artesian wells for irrigation (without the conditions of the competent authorities)
- Existence of regional landfill
- The Sava River is an international waterway with a port for cargo traffic
- The regional railway passes through Šabac

weaknesses/deficiencies

- Lack of gas pipeline network in suburban settlements
- Lack of energy policy of the city
- There is no systematic monitoring of soil and groundwater pollution and the implementation of adequate protection measures (especially for the application of pesticides and mineral fertilizers in agriculture)
- Only 60% of users are covered by the water network (97% in the urban core); part of the population does not want to join
- Only 50% of users are covered by the sewage network (96% in the urban core), combined system; part of the population does not want to join
- Wild landfills; the old landfill has not been rehabilitated
- Insufficiently good connectivity and functioning of traffic in the urban settlement - especially pedestrian and bicycle traffic, bypass roads overloaded with traffic, insufficient utilization of passenger rail traffic, no passenger river pier, intermodal hubs....
- Unbuilt sidewalks in residential areas due to vehicle parking needs
- Insufficient safety at certain traffic sections and junctions (especially the bypass road)
- Inadequate lines and poorly developed JGP (it does not exist in the city centre, it exists only with rural and partly suburban areas)
- Poor traffic coordination with neighboring LSGs (especially AP Vojvodina)
- PUC Parking does not have enough capacity to perform its activities
- The lack of public garages and street parking (especially in the urban core and modernist blocks), is the result of illegal parking - on sidewalks and on green areas
- There is no public free internet

potentials/possibilities

- A gas pipeline network has been built, with larger capacities than those that are distributed
- Use of renewable forms of energy (solar, biomass) with incentives from the state and LSGs
- Introduction of a new urban planning parameter - ecological index in order to optimize (micro)climatic conditions

- Green construction
- Retentions (Sava Park is a retention with specific use during the summer), green roofs and street profiles with water outlets in the so-called rain gardens, in order to prevent floods
- Development of passenger railway traffic from Šabac to Zvornik as urban-suburban passenger transport, favourable location of the railway station in an urban settlement
- Further development of suburban transport
- Development of a passenger pier on the Sava and river passenger traffic
- Development of pedestrian and bicycle paths (there are planning documents); street regulation is wide enough in most of the settlement
- The trend of increasing bicycle traffic (the share of bicycle traffic is increasing, 70% of households own a bicycle)
- Connection with Klenak - construction of a bicycle path

threats/risks

- Due to its location and terrain configuration, Šabac is highly exposed to floods
- Landslides and erosion in the Pocerina area
- Extension of dry periods and more periods of heavy rainfall
- The impossibility of forming a complete and continuous green system in an urban settlement
- Air pollution as a result of heating (boiler rooms and individual fireplaces) and traffic
- Groundwater pollution as a result of the use of pesticides in agriculture, seepage from illegal landfills and septic tanks in all rural settlements
- Uncontrolled exploitation of groundwater
- Soil pollution due to burning of arable land, use of pesticides, spontaneous conversion of land into construction...
- The departure of the young population due to the polluted environment
- Privatization of the bus station
- Continuous decrease in the number of public city transport passengers (depopulation)
- Increasing the density of housing in central areas (construction of multi-family buildings) additionally generates the need for parking
- There is a lack of link between the plan and the project, in order to implement the plan (e.g. bicycle paths)

needs

- Energy management and energy council of the city; construction of MRS in the industrial zone
- Improvement of communal policy of LSGs and water management infrastructure
- Better traffic connections and improvement of public transport -
- Improving traffic safety
- Construction/arrangement and organisation of stationary traffic

6.3 INNOVATIVE AND SMART ECONOMY

advantages/strengths

- Within the administrative districts of Kolubara and Mačva, Šabac is in the second group in terms of development (after LSG Valjevo, which belongs to the first)
- The tradition of Mačva in cattle and grain breeding
- Cultivation of raspberries, blueberries and other fruit and vegetable crops for urban needs
- A strategy for the development of agriculture was drawn up
- favourable conditions for foreign direct investments; good management support for economic development
- favourable business environment; Šabac is a traditional shopping centre with an entrepreneurial tradition
- Three industrial zones; a large number of economic entities

weaknesses/deficiencies

- Lack of workforce of all profiles and levels of education
- Insufficient interest of the economy in dual education programs
- Vocational and higher education programs are only partially aligned with the requirements of the local labor market
- Intensive chemicalization in agriculture From the workshop
- Traditional approach to the development of economy and industry
- Lack of brownfield sites for economic development outside the Zorke complex
- Lack of processing capacity for the development of fruit growing
- Insufficient utilization of the port pier and railway for freight traffic and the absence of an intermodal hub

potentials/possibilities

- Three higher schools of professional studies
- Retraining and retraining financed by foreign JLS
- Surplus agricultural products for the market; smart specialisation strategy (food for the future)
- Leading producers of honey in Serbia; they have 7 honey associations
- Cooperatives and clusters of specific producers (dairy farmers and livestock farmers)
- Growth of active entrepreneurial activities and active companies
- Further development of trade, industry (especially in the free zone, port), agriculture, fishing...
- Transformation of smaller industrial brownfields (Stara Jela, Nama) into new generators of innovative activities
- Existence of companies (Elixir) dealing with circular economy (purchase of secondary raw materials and recycling)

threats/risks

- The decline in the number of farmers (especially small farmers) and deagrarianization,
- A long-term process of transition to an innovative, low-carbon, circular economy
- Development of construction and traditional industry, instead of innovative and creative industries
- Distrust in programs and measures for the local economy

needs

- Analysis of the supply and demand of agricultural products in the field of agricultural production (selection of the right varieties and species in relation to the expected directions of climate change)
- Warehouse and distribution centre for agricultural products with primary processing; city slaughterhouse
- Control of chemicalization in water protection zones - directing the cultivation of agricultural crops to those that are less demanding for fertilization with nitrogen fertilizers
- Affirmation and provision of capacity of the processing industry
- The need for institutional and non-institutional support for start-up companies
- Staff education in accordance with the needs of the economy and the great demand for engineers of all profiles

6.4 SOCIAL WELLBEING***advantages/strengths***

- The existence of awareness (traditionally) about the value and importance of the domain of social well-being
- The widest range of social care and care services (mental health protection, social, palliative care, geronto housewives - home help service and its continuity), centre for social work and cooperation with CARITAS
- Continuous cooperation with the civil sector in the field of social protection
- Education and health care in the public sector, a built and decentralized network of exemplary health care facilities
- Transportation of preschoolers in rural areas
- Colleges of vocational studies
- Network of cultural objects
- Built sports facilities
- Good intersectoral cooperation (health, education, social protection)

weaknesses/deficiencies

- Not enough good employment opportunities, the average salary in Šabac is 12% lower than in Serbia
- Substandard (Roma) settlements - Šumice, Grganov sokak and Savska ulica in Mišar (36 in total)

- Lack of housing units for social housing, negligible number of social housing owned by LSGs (only 52), the centre for social work does not have data on the number of people without a solved housing issue
- Lack of management mechanisms in the area of affordable - social housing
- Lack of institutions for the protection of elderly, immobile persons
- Lack of staff in the centre for social work
- organisation of classes in rural areas, maintenance of facilities and socialization of children
- Migration of students from rural schools to urban settlements
- There is no specialized transport for elderly and less mobile users of health care services
- Bad conditions in health institutions and lack of health workers
- Only one theater in Šabac
- Lack of scientific centres in Šabac and surroundings
- Uneven distribution and lack of sports and recreational spaces
- The city stadium has no management capacity

potentials/possibilities

- Wage growth due to economic development
- Growth in the number of employees due to foreign direct investments and independent activities
- Inclusion in vocational training measures, especially for those under 30 years of age; support of LSGs in harmonizing the needs of businessmen for educational profiles
- Development of social entrepreneurship
- NOVITAS consulting - social entrepreneurship
- Solving the problem of substandard settlements through foreign donations (EU projects, some of which have already been implemented)
- Supported housing for young married couples and people with disabilities
- The trend of increasing social protection services and good cooperation with LSGs and the health and education sectors
- Pilot initiatives for innovative social services
- Development of the private sector in the domain of public services - homes for the elderly, clinics, secondary and vocational schools
- Centralization of schools in rural areas and conversion of others into multi-functional facilities
- Cooperation between the education and health sectors
- Partnership and cooperation of LSGs and primary health care
- Equal accessibility of health services in the private and public sector
- Science centre - under construction
- Objects of architectural and cultural heritage as a potential for transformation into multifunctional objects

threats/risks

- Unemployment of people over 50 years old
- The largest number of unemployed people with formal education that the labor market does not demand
- Ghettoization of substandard settlements
- Insufficient interest of members of the Roma minority in work and education
- Unaffordability of new apartments for the local population, especially in the central urban area
- Unaffordability of social and health care prices in the private sector
- Tendency to drop out of primary education (especially among Roma children)
- Lack and departure of personnel in the field of education
- Departure of trained health workers abroad and the private sector
- More and more old people and patients with malignant diseases

needs

- Improvement of services and accessibility of the network of social protection facilities
- Improvement of services and availability of the network of education facilities
- Improvement of services and availability of the network of health care facilities
- Improvement and networking of cultural programs, content and objects
- Improvement of services and availability of the network of sports and recreation facilities

6.5 URBAN AND TERRITORIAL DEVELOPMENT GOVERNANCE***advantages/strengths***

- Multi-level management > achieved cooperation with international, national and regional institutions as carriers of various programs and projects; regional cooperation on the implementation of high-level projects
- Experience in forming partnerships and networking with domestic and international partners
- A step forward from formal participation with citizens - both in the creation of spatial and urban plans and in public policy documents
- Experience in using various (international and domestic) sources of project financing, realizing bilateral and multilateral cooperation
- A system of electronic communication between the administration and citizens has been established
- Cadastre of public property in GIS (with about 9000 units)

weaknesses/deficiencies

- Lack of management capacity, systemic approach and institutional cooperation in the field of urban development and urban planning
- Insufficient education of actors involved in all types of decision-making and preparation of planning documents, lack of staff and adequate education in the field of planning

- Lack of projects managed by LSGs and in which the private sector and scientific research institutions are involved
- Lack of staff for applying and implementing EU projects
- Insufficient communication of all actors of the public sector
- Absence of systemic solutions in communication with citizens and participation (not only in individual cases)
- Weak use of GIS to support urban development management
- The completed POUM is not used
- Lack of financial capacity of LSGs for maintenance of public areas (e.g. Sava Park)
- Lack of dual education in higher schools and colleges

potentials/possibilities

- Support of international, national, local institutions and organisations to strengthen the capacity of LSGs in urban development management
- Opening a dialogue towards collaborative planning
- Development of essential participation mechanisms for the purposes of drafting planning documents and development projects
- Formation of regional and LSG institutes for strategic planning
- Expanding networks and partnerships on international and regional projects
- Strengthening the cooperation of LSGs in the surrounding area (for joint care of the environment, district competitiveness, partner implementation of joint projects, etc.), learning from good examples from the practice of other LSGs
- Public-private partnerships in various fields > infrastructure, sustainable mobility and JGP, development of sustainable tourism...

threats/risks

- Strategic determinations and capital investments for development are not in the domain of LSGs, but of the state (regional roads, railways...) - impossibility to influence them
- Insufficient institutional capacities for managing urban development and solving key problems
- Shutdown of all urban planning institutions and inadequate generational change
- Lack of (institutional) practice for training responsible urban planners > lack of professional staff to manage the preparation of planning documents
- Slow reformation of administration for multi-level and multi-stakeholder management processes
- The outflow of quality staff from the management system and employment bans
- Citizens' lack of interest in essential participation in urban development processes
- Distrust of citizens that they can change something as individuals
- A hierarchy of development priorities in which only the economy is at the top

needs

- Capacity building in the integrated urban development governance; strengthening of institutional capacities for inter-municipal and regional cooperation
- Applying to international projects - greater involvement of international partners
- Better connection of the needs of LSGs with higher education (e.g. in urban planning)
- Essential participation of citizens and interested parties in the planning process
- Use of GIS and ICT tools to support urban development planning and management; WEB application with mapped investment locations

7 VISION, OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES

7.1 VISION

A CITY WITH A LOT OF CONTENT, DYNAMIC, CHANGING, A CONTINUOUS SOURCE OF INSPIRATION
ŠABAC IS BLUE - GREEN AND HEALTHY CITY ON THE SAVA

Šabac is an “island on the Sava”, the first in development, unique in its approach. Šabac is a safe and promising city, inclusive and attractive for life, a city with organised public spaces, green and mobile, accessible for sports, recreation and cycling. Šabac is a city that always follows contemporary, modern trends, and preserves its history and heritage. A city with many diverse contents, dynamic, changing, a continuous source of inspiration, a city of young people and attractive to people from outside.

7.2 THEMATIC OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES

The starting framework for formulating the objectives, specific objectives and measures of the urban area strategy (SUP) is the new legislation of the European Commission, which establishes common performance and result indicators for the European Fund for Regional Investments (Investments in Jobs and Growth and Interreg) and the European Cohesion Fund⁴⁶ (EC, 2021). The objectives of the new EU Cohesion Policy for the period 2021-2027 are: 1) A more competitive and smarter Europe by promoting innovative and smart economic transformation and ICT regional integration; 2) A greener, more resilient, low-carbon Europe, transitioning to a net-zero carbon economy by promoting the clean and fair energy transition, green and blue investments, circular economy, climate change adaptation and mitigation, risk management and its prevention, and sustainable urban mobility; 3) A more connected Europe by strengthening mobility; 4) A more inclusive Europe with a prominent social component by implementing the EU pillar of social rights, and 5) Europe closer to citizens by encouraging sustainable and integrated development of all types of areas and local initiatives.

The national framework for SUP consists of public policies, which are prepared and adopted in the process of Serbia's integration into the EU. They are listed chronologically starting from the most recent, namely: Draft Law on the Establishment and Functioning of the Cohesion Policy Management System, 2023⁴⁷; Sludge management program in Serbia from 2023 to 2032⁴⁸ (Government of RS, 2023); Low-carbon development strategy of the Republic of Serbia for the period from 2023 to 2030 with projections until 2050⁴⁹; Strategy for young people in the Republic of Serbia for the period from 2022 to 2030⁵⁰ (“Official Gazette of RS”, No. 9/2023); Strategy of deinstitutionalization and development of social protection services in

46 <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2021:231:FULL&from=EN>

47 <https://www.mei.gov.rs/srp/vesti/2811/detaljnije/w/0/nacrt-zakona-o-uspostavljanju-i-funkcionisanju-sistema-za-upravljanje-kohezionom-politikom-na-portalu-ekonsultacije/>

48 <https://www.ekologija.gov.rs/lat/saopstenja/vesti/prvi-put-usvojen-vazan-planski-dokument-%E2%80%93-program-upravljanja-muljem-u-republici-srbiji>

<https://www.srbija.gov.rs/vest/735156/usvojen-program-upravljanja-muljem-u-srbiji-od-2023-do-2032-godine.php>

49 <https://www.ekologija.gov.rs/saopstenja/vesti/vlada-republike-srbije-usvojila-strategiju-niskougljenicnog-razvoja-do-2030-godine>

50 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2023/9/1/reg>

the community for the period 2022-2026. year⁵¹ ("Official Gazette of the RS", no. 12/2022); Air protection program in the Republic of Serbia for the period from 2022 to 2030 with an action plan⁵² ("Official Gazette of RS", No. 140/2022); Circular economy development program in the Republic of Serbia for the period 2022-2024. year⁵³ ("Official Gazette of RS", no. 137/2022); Waste management program in the Republic of Serbia for the period 2022-2031. year⁵⁴ ("Official Gazette of RS", No. 12/2022); Program of adaptation to changed climatic conditions with Action Plan, Draft⁵⁵; Spatial Plan of the Republic of Serbia from 2021 to 2035, Draft⁵⁶; Strategic priorities for the development of the culture of the Republic of Serbia from 2021-2025. year⁵⁷ (Ministry of Culture and Information of the RS, 2021); Integrated national energy and climate plan of the Republic of Serbia for the period 2021 to 2030 with a vision until 2050⁵⁸; Strategy for the development of information society and information security in the Republic of Serbia for the period from 2021 to 2026⁵⁹ ("Official Gazette of RS", No. 86/2021); Strategy of scientific and technological development of the Republic of Serbia for the period from 2021 to 2025 "Power of knowledge"⁶⁰ ("Official Gazette of RS", No. 10/2021); Strategy for the development of the startup ecosystem of the Republic of Serbia for the period from 2021 to 2025⁶¹ ("Official Gazette of RS", number 125/2021); Industrial policy strategy of the Republic of Serbia from 2021 to 2030⁶² ("Official Gazette of RS", No. 35/2020); Employment strategy in the Republic of Serbia for the period from 2021 to 2026⁶³ ("Official Gazette of RS", no. 18/2021, 36/2021); Strategy for the development of education and upbringing in Serbia until 2030⁶⁴ ("Official Gazette of RS", No. 107/2021); Strategy of smart specialisation in the Republic of Serbia for the period 2020-2027. year⁶⁵ ("Official Gazette of RS", No. 21/2020); Strategy of sustainable urban development of the Republic of Serbia until 2030⁶⁶ ("Official Gazette of RS", No. 47/2019); Artificial intelligence development strategy in the Republic of Serbia for the period 2020-2025. year⁶⁷ ("Fig. Gazette of the RS", no. 96/2019); Public health strategy in the Republic of Serbia 2018-2026. year⁶⁸ ("Official Gazette of the RS", No. 61/2018); Tourism development strategy of the Republic of Serbia for the period from 2016 to 2025⁶⁹ ("Official Gazette of RS", No. 98/2016); Strategy of agriculture and rural development of the Republic of Serbia for the period 2014-2024. year⁷⁰ ("Official Gazette of RS", No. 85/2014); Strategy for

51 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2022/12/1>

52 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/drugiakt/2022/140/1>

53 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/drugiakt/2022/137/1>

54 http://demo.paragraf.rs/demo/combined/Old/t/t2022_02/SG_012_2022_010.htm

55 <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/javne-rasprave/javni-poziv-za-ucese-javnosti-u-procesu-konsultacija-u-vezi-sa-izradom-programa-prilagodjavanja-na-izmenjene-klimatske-uslove-sa-akcionim-planom-0>

56 <https://www.mgsi.gov.rs/sites/default/files/PPRS%20Nacrt.pdf>

57 <https://www.kultura.gov.rs/extfile/sr/6132/Strate%C5%A1ki%20prioriteti%20razvoja%20kulture.pdf>

58 <https://www.mre.gov.rs/dokumenta/strateska-dokumenta/integrisani-nacionalni-energetski-i-klimatski-plan-republike-srbije-za-period-2021-do-2030-sa-vizijom-do-2050-godine>

59 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/86/1/reg>

60 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/10/1/reg>

61 http://demo.paragraf.rs/demo/combined/Old/t/t2021_12/SG_125_2021_011.htm

62 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2020/35/1/reg>

63 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/ispravka/2021/36/1>

64 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/63/1/reg>

65 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/10/1/reg>

66 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2019/47/1/reg>

67 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2019/96/1/reg>

68 <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2018/61/1/reg>

69 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2016/98/1>

70 <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2014/85/1>

supporting the development of small and medium-sized enterprises, entrepreneurship and competitiveness for the period from 2015 to 2020⁷¹ ("Official Gazette of RS", number 35/15).

By harmonizing the objectives and measures from the EU and national policies, a framework for sustainable and integrated territorial development of urban areas was formulated, which consists of the following goals:

- 1) Strengthening the urban identity and renewal of the urban area by encouraging sustainable and integrated development;
- 2) Promoting the transition to clean and fair energy, green and blue investments, climate change adaptation and mitigation, risk prevention and management, and sustainable urban mobility;
- 3) Promoting innovative and smart economic transformation, circular and low-carbon economy and ICT integration;
- 4) Improvement of social wellbeing, and
- 5) Improvement of urban development governance.

The "localisation" of objectives, special objectives and measures was checked for each territory and adapted to the local context. It took place through workshops with local actors - members of working groups and strategy councils, as well as in public forums with citizens. After the cycle of checks on individual strategies, the next iteration was carried out where the proposals were sublimated and the specificities of local territories, problems, needs, project proposals were considered, and where the final correction of specific objectives and measures was made. The following text presents the objectives, specific objectives and measures for the urban area.

Table 1: Thematic objectives, specific objectives and measures

Explanation of abbreviations used: **O** – objective, **SO** – specific objective, **M** - measure⁷²

O 1. Strengthening the urban identity and renewal of the urban area by encouraging sustainable and integrated development
SO 1.1 Improved and uniform quality of arrangement and accessibility of the urban area
M 1.1.1 Development, renovation and regeneration of underutilized buildings, zones and units, including the revitalization of brownfield sites
M 1.1.2 Urban regeneration of parts of the settlement that are exposed to devastation processes, including flooding by internal waters (channels) and heat islands
M 1.1.3 Arrangement, preservation and connection of public spaces (surfaces and buildings) in accordance with the concept of accessibility
M 1.1.4 Establishing measures to improve management and maintenance, and raising the culture of housing in residential communities (multi-apartment buildings)
M 1.1.5 Improving security in urban settlements
SO 1.2 Encouraging the protection of cultural and architectural heritage
M 1.2.1 Active protection of cultural heritage

⁷¹ <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2015/35/1/reg>

⁷² In accordance with EC Legislation (2021) Common performance indicators and common result indicators for the ERDF ("Investment for jobs and growth" and Interreg) and the Cohesion Fund and national strategies

M 1.2.2 Recommendations for the character and intensity of acceptable activities in urban development planning
M 1.2.3 Restoration and protection of buildings and wholes of architectural and urban heritage that are not protected cultural assets (traditional types, vernacular architecture, industrial buildings, architecture and urban planning after World War II, etc.)
M 1.2.4 Preservation of cultural landscape diversity
SO 1.3 Encouraging the development of sustainable tourism
M 1.3.1 Diversification of the tourist offer based on the identity of the urban area with the sustainable use of natural and cultural assets, their more effective and comprehensive protection, and mitigation of the negative impacts of tourism
SO 1.4 Encouraging an integrated and sustainable approach in remediation of illegal construction and its prevention
M 1.4.1 Prevention of uncontrolled expansion of construction land at the expense of agricultural, forest and water land
M 1.4.2 Rehabilitation and renovation of existing substandard or unorganised residential areas and units through their infrastructural equipment, construction of public facilities and improvement of the quality of public spaces
M 1.4.3 Removal of illegal structures in zones under protection regimes (sanitary protection of sources of drinking water, floodplains, wetlands, protected cultural and natural assets,...)

O 2 Promoting clean and fair energy transition, green and blue investments, climate change adaptation and mitigation, risk prevention and management, and sustainable urban mobility
SO 2.1 Improvement of energy efficiency and reduction of greenhouse gas emissions
M 2.1.1 Establishment of sustainable energy by applying energy efficiency measures
M 2.1.2 Establishment of sustainable energy using renewable energy sources and application of standards and innovative materials for environmental protection and reduction of harmful effects on the climate
SO 2.2 Encouraging the use of renewable energy sources
M 2.2.1 Provision of incentives for the installation and use of the O.I.E. system. (renewable energy sources)
SO 2.3 Development of smart energy systems, networks and storage
M 2.3.1 Energy efficiency monitoring, development of smart cities, energy efficient lighting, etc.
SO 2.4 Adaptation to climate change and disaster risk prevention, strengthening resilience to climate change, taking into account an ecosystem-based approach
M 2.4.1 New or improved systems for risk monitoring, preparedness, warning and response to natural disasters
M 2.4.2 Protection against flooding by external waters of the Sava River and its tributaries
M 2.4.3 Built or improved green infrastructure to adapt to climate change
SO 2.5 Ensuring equal access to sanitation and water supply and promoting sustainable water management
M 2.5.1 New or improved systems to improve the quality of drinking water delivered to consumers in public water systems
M 2.5.2 New or improved public distribution water systems
M 2.5.3 New or improved public sewage collection systems
M 2.5.4 New or improved capacities for wastewater treatment and sewage sludge treatment

M 2.5.5 New or improved stormwater flood protection systems, including rainwater harvesting systems
SO 2.6 Improvement of waste management
M 2.6.1 The primary selection of waste and support for incentive measures for households and the economy in the urban area has been transferred
SO 2.7. Strengthening the protection and preservation of nature, biodiversity and green infrastructure, and reducing all forms of pollution
M 2.7.1 Green and blue infrastructure
M 2.7.2 Reclaimed land (for green areas, housing support, economic or other purposes)
M 2.7.3 Areas covered by the installation of air quality monitoring systems
M 2.7.4 Areas covered by the protection against major chemical accidents and the limitation of the consequences of those accidents on human health and the environment through the control of the Seveso plant/complex
SO 2.8 Encouraging sustainable multimodal urban mobility
M 2.8.1 Environmentally acceptable vehicles for collective public transport
M 2.8.2 Infrastructure intended for bicycle traffic
M 2.8.3 Infrastructure for the supply of alternative fuels
SO 2.9 Development of a smart, safe, sustainable and multimodal transport network of international and national importance that is resistant to climate change
M 2.9.1 Inclusion of population impact assessment in technical and planning documentation
M 2.9.2 Harmonization of spatial and urban planning documents at the level of LSGs and urban areas with the development of the traffic network of international and national significance
SO 2.10 Development and strengthening of sustainable, smart and multimodal national, regional and local mobility that is resilient to climate change, including better access to the transport network of international and national importance and cross-border mobility
M 2.10.1 Modernised inland waterway (Sava River) and river traffic
M 2.10.2 Renovated and modernised railway
M 2.10.3 New and modernised multimodal connections

O 3. Promoting innovative and smart economic transformation, circular and low-carbon economy and ICT integration

SO 3.1 Development and strengthening of research and innovation capacities and application of advanced technologies

- M 3.1.1** Supporting companies and creating jobs, strengthening innovation capacities and applying advanced technologies in micro, small, medium and large companies
- M 3.1.2** Increasing the number and support of companies cooperating with scientific research organisations
- M 3.1.3** Encouraging interregional investment for innovation
- M 3.1.4** Development and strengthening of the network for the promotion and development of the start-up innovation ecosystem and technological entrepreneurship
- M 3.1.5** Strengthening organisations for business support in the development of innovative and technological entrepreneurship

SO 3.2 Using the advantages of digitization for citizens, businesses, research institutions and public administration bodies
M 3.2.1 Improving citizens' digital knowledge and skills, raising the capacity of employees in the public and private sector to use new technologies and improving digital infrastructure in educational institutions
M 3.2.2 Improvement of information security of citizens, public administration and economy
SO 3.3 Strengthening sustainable growth and competitiveness of SMEs and job creation
M 3.3.1 Improved operations and development of SMEs, improved business infrastructure, strengthening of innovation and stimulation of business association and creation of value chains
SO 3.4. Development of competences for smart specialisation 4S, industrial transition and entrepreneurship, within the quadruple spiral of innovation (economy, education, science, public and civil sector - institutional participants)
M 3.4.1 Developing the competences of SMEs and institutional participants oriented towards innovation and entrepreneurship
M 3.4.2 Provision of broadband access with high data transmission capacity
SO 3.5 Strengthening digital connectivity
M 3.5.1 Education of business entities and citizens and connection with other actors in the process of transition to a circular economy
SO 3.6 Encouraging and promoting the transition to a net zero carbon economy
M 3.6.1 Encouraging investments in low-carbon economy solutions as generators of growth, more efficient use of material resources and energy efficiency

O 4. Improvement of social wellbeing
SO 4.1 Improving the inclusiveness of the labour market and access to quality employment and dignified work and encouraging social entrepreneurship
M 4.1.1 Development of new or modernisation of existing employment services
M 4.1.2 Encouraging social entrepreneurship
M 4.1.3 Promoting socioeconomic inclusion of marginalised communities, low-income households and disadvantaged social groups, including persons with disabilities
SO 4.2. Development of social infrastructure and services and encouragement of social inclusion and social innovation
M 4.2.1 Development of social infrastructure
M 4.2.2 Integrated action that includes housing and active social inclusion
M 4.2.3 Improved access and expansion of the network of social services and social innovations in the community
M 4.2.4 Integrated action for persons at risk of security (for persons at risk)
M 4.2.5 Development of new or modernisation of existing facilities for temporary reception and intervention care (homeless, begging children, victims of violence, migrants, etc.)
SO 4.3 Improving equal access to inclusive and quality education services
M 4.3.1 Development of new or modernisation of existing child care services for preschool, primary and secondary education
M 4.3.2 Improvement of lifelong education and acquisition of practical skills

SO 4.4 Ensuring equal access to health care and fostering health system resilience
M 4.4.1 Creation of conditions for retention of existing and engagement of new personnel in the health care system
M 4.4.2 modernisation of health infrastructure
M 4.4.3 Improving the system of public health care
M 4.4.4 Development of new and modernisation of existing integrated health and social care services
SO 4.5 Ensuring equal access to cultural services, programs and facilities
M 4.5.1 Improvement of technical and spatial capacities of cultural facilities
M 4.5.2 Development of human resources and management of cultural institutions
M 4.5.3 Improving the quality, mobility and promotion of cultural and creative programs
M 4.5.4 Improving the system of preservation, protection, presentation and availability of movable cultural assets (documentation and objects)
M 4.5.5 Adaptation of cultural programs to the needs of users
SO 4.6 Ensuring equal access to sports and recreation services, programs and facilities
M 4.6.1 Improvement of management and maintenance and construction of sports and recreational infrastructure
M 4.6.2 Development of human resources and professional capacities of sports workers
M 4.6.3 Creating conditions for the availability of recreational sports for all categories of the population
M 4.6.4. Raising awareness of the importance of recreational sports
SO 4.7 Creating a stimulating environment for youth initiatives and activities
M 4.7.1 Improving conditions for active participation of young people in the local community
M 4.7.2 Creating conditions for offering programs and content for young people
M 4.7.3 Development of the “Youth Club” model
M 4.7.4 Encouraging young people to volunteer in various fields

O 5 Improvement of urban development governance

SO 5.1 Encouraging multi level governance - local, national, international, EU, etc.

M 5.1.1 Establishment of a unit for the implementation of strategy and other public policies (representatives of the working group and other institutions)

M 5.1.2 Strengthening public dialogue, more effective implementation of networks, partnerships, programs and projects of urban development management at multiple levels in order to improve the quality of work and introduce innovations

SO 5.2 Encouraging a multi-stakeholder approach - economy, education, science, public and civil sector

M 5.2.1 Application of the quadruple and quintuple helix model of innovation within the knowledge economy (Quadruple and quintuple Helix Model of innovation)

M 5.2.2 Improving the implementation of public policies (plans, strategies, etc.), monitoring and evaluation

SO 5.3 Encouraging a participatory approach and community-led initiatives involving local actors

M 5.3.1 Raising the awareness of citizens and stakeholders about their right to be included in the decision-making process on urban development through information, consultation and active participation

M 5.3.2 Directing participation towards strengthening social responsibility and balancing public and private interests in decision-making processes

M 5.3.3 Improvement of citizen participation procedures and stakeholder involvement in decision-making processes in accordance with the Decree on the Promulgation of the Law on Confirmation of the Additional Protocol to the European Charter on Local Self-Government on the Right to Participate in the Affairs of Local Authorities⁷³ and standards of open administration

SO 5.4 Encouraging mixing (*blending*) urban development financing from different types of financing (domestic and international)

M 5.4.1 Support for the use of various sources of funding for the priority areas of the urban area strategy intervention

M 5.4.2 Application of EU Cohesion Policy instruments and others. - integrated territorial investments (ITI - Integrated Territorial Investments), sustainable urban development (SUD - Sustainable Urban Development), local development managed by LSGs (CLLD - Community Led Local Development)

SO 5.5 Strengthening the transparency of decision-making at the level of the urban area

M 5.5.1 Development of information systems for the needs of territory development management (monitoring and evaluation of the implementation of the urban area strategy)

M 5.5.2 Establishment of registers (registries/records of public property and public goods, brownfield sites, underutilised sites and facilities, mapping of illegal construction, traffic monitoring, water management infrastructure, risk management, etc.)

73 Official Gazette of the RS - International Agreements, No. 8/2018-1

8 PRIORITY AREAS OF INTERVENTION

8.1 STRATEGIC APPROACH AND SPATIAL DIMENSION

The central zones of cities and urban areas with different degrees of urbanization, in the network of rural settlements and areas of extensive agricultural production and natural landscapes, require increased capacities for the implementation of development policies. The overarching context, which is the framework for this condition, can be broken down into several key aspects. First, the different local contexts and conditions make it extremely difficult to formulate a single approach for policy making in these urban areas. These areas have a unique territorial capital, so this requires different strategies for conceiving potential directions of sustainable and integrated urban and territorial development.

Second, these areas are predominantly under the influence of national and even supranational policies that are primarily organised by sector. And the understanding of their socio-economic and spatial dynamics and adapted policies are often limited to their main advantages or only sectoral issues: subsidies for industrial restructuring initiatives, investment promotion, preservation of natural resources and cultural heritage, etc. In the long term, this approach can foster the status quo and hinder flexibility in the implementation of innovative policies.

Finally, a movement advocating greater sensitivity to this diverse range of urban areas has emerged in the last few decades and has encouraged research focused on lagging regions and processes of spatial marginalization. The result has been several attempts to formulate recommendations for alternative policies. This change has led to an increased emphasis on spatial complexity and the application of a tailored approach to directing national and international (e.g. EU) resources to the different characteristics of each place.

In response to criticism of the neglect of the spatial aspect within territorial policies, a new orientation emerged. Place-based access (*place-based approach*) supports the development of specific locations, adapting interventions and investments to unique spatial contexts with the intention of releasing their underutilized potential. This approach accelerated a significant transition towards a strategically oriented attitude, with additional emphasis on participatory processes and extensive engagement of various actors. The approach is based on a clear understanding of different contexts, their vulnerabilities or their unique complexities, and implies a more comprehensive strategic orientation in shaping development policies. In this sense, two dimensions are important: the importance of the geographical context and the key role of actors' knowledge in the creation of spatial initiatives.

First, planning urban areas requires a thorough understanding of local characteristics and adapting strategies to local resources and capacities. This implies looking at the appropriate territory, with appropriate spatial coverage, to create a critical mass and effectively mobilize resources in a coherent manner.

Second, the knowledge of actors is crucial in shaping the structure and implementation of territorial policies. Given that no level of management possesses all the necessary knowledge for effective action, the interaction between different administrative entities and actors

becomes the most important. Knowledge is exchanged in numerous dialogue spaces of local communities, and this knowledge, rooted in everyday activities, is an invaluable resource.

These dimensions find their way to effective expression through a strategic approach, which serves as an operational framework for better utilizing the potential of urban areas by adopting a “challenge-oriented” mindset. This approach includes the formulation of transformative processes within public action, together with the definition of relevant socio-spatial goals that can be achieved within a limited time frame, all based on social agreement and activities that unite the efforts and resources of stakeholders.

This approach must be inherently pragmatic. A strategy cannot solve all development issues at once, and while it is crucial to strategically address selected problems, it should also aim to create an effective learning environment and testing ground for refining and evaluating vision and goals. Accepting the strategy implies monitoring the decision-making process and the operational process, in which tangible actions and projects arise from a common spatial vision of the urban area. This process is created through the interaction of different actors.

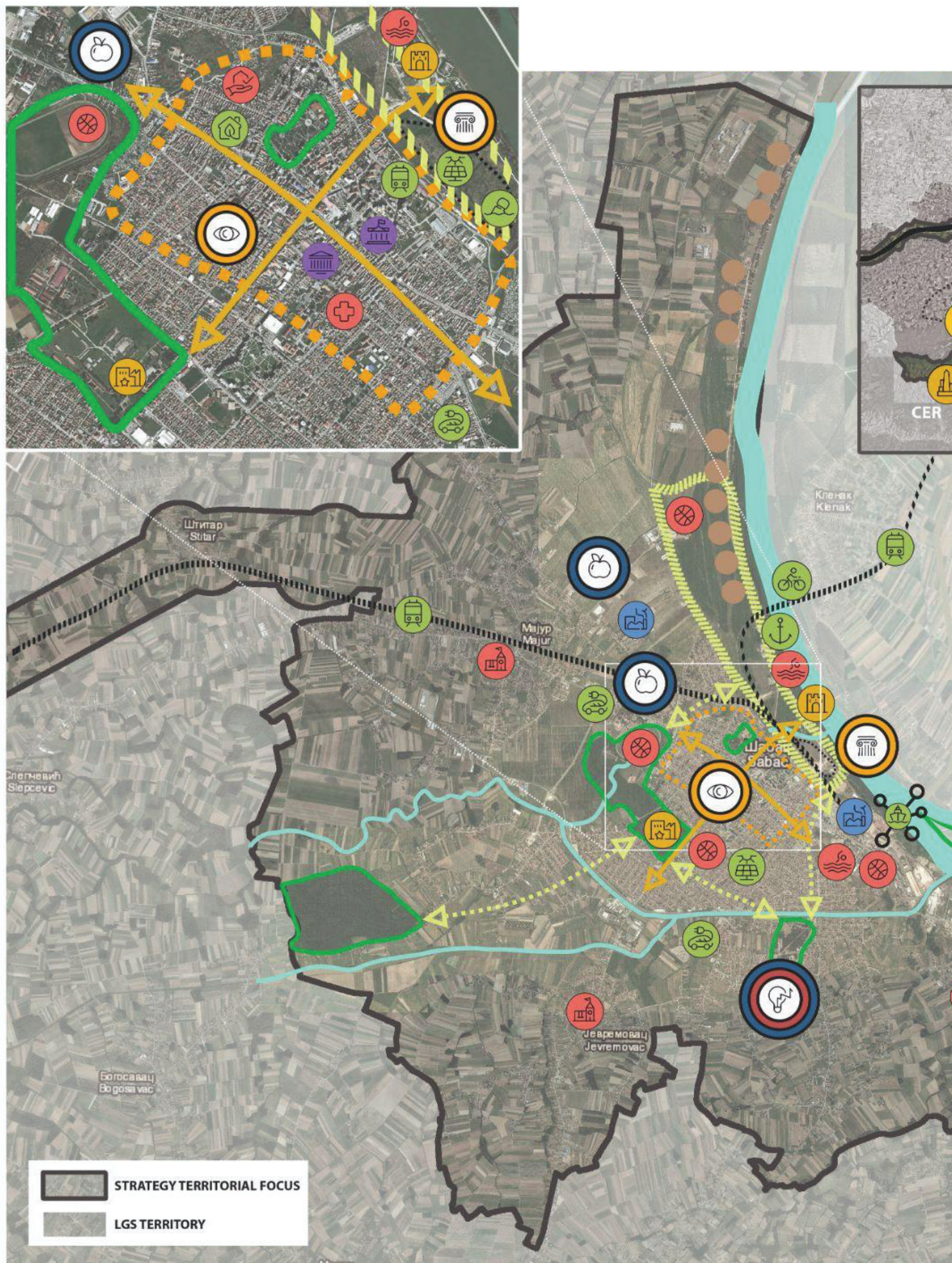
Based on the above approach, the following are graphical representations:

- priority areas of intervention (development generators, intervention areas, development routes and hubs, protection and development zones, development points and networks) and
- strategic projects (according to thematic goals), which were reached through the participatory process of creating a territorial strategy.

8.2 PRIORITY AREAS OF INTERVENTION - FIGURE

TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA

PRIORITY AREAS OF INTERVENTION





DEVELOPMENT GENERATORS



THE CAPITAL OF CULTURE: Theatre, Museum, Library, cultural centre, monuments and architectural heritage



CENTRES OF INNOVATION - Centre for professional development, innovation centre for supporting development of the regional economy, Cooperative "Ceramics" for creative industries



SMART SPECIALIZATION CENTRES - FOOD FOR THE FUTURE

Agricultural School, Chamber of Agriculture, Regional wholesale market, Šabac Dairy



MULTIFUNCTIONAL AND INCLUSIVE "City Forum" on the banks of the Sava River

PRIORITY AREAS

SAVA PARK - Reaffirmation of urban identity - development of culture, art, sports and recreation functions: the descent of the city to the river with an accompanying and complementary network of multifunctional facilities



MAIN PEDESTRIAN ZONES AND ROUTES - Historical urban identity



BROWNFIELD SITES AND UNUSED FACILITIES - Compound

PROTECTION AND DEVELOPMENT ZONES



URBAN RENEWAL ZONE



GREEN INFRASTRUCTURE - Zones of preservation and improvement of green areas



BLUE INFRASTRUCTURE



ENVIRONMENTAL CORRIDORS - Connecting green infrastructure with green public spaces



SANITATION AND REMEDIATION ZONE - Dudara City Landfill



COASTAL REGULATION ZONE AND PROTECTION AGAINST ILLEGAL CONSTRUCTION



DEVELOPMENT ROUTES AND HUBS

ROUTE OF THE NEW ROAD



RAILWAY



HIKING AND BIKING TRAILS AND ROUTES - Tourist trail connecting the monasteries in Pocerina, cycling trail to Klenak



INTERMODAL AND LOGISTICS HUB (road-railway-water transport)



PASSENGER RAILWAY TERMINAL



TOURIST MARINA



DEVELOPMENT NODES AND NETWORKS

LANDMARKS AND NATIONAL CULTURAL HERITAGE: Šabac fortress



"CER" MEMORIAL COMPLEX - Culture of remembrance and special tourist offer on Cer



HOUSE OF CULTURE MISAR



ELECTRIC CHARGERS



ENERGY RENOVATION AND EFFICIENCY OF BUILDINGS



SOLAR POWER PLANTS City heating plant, Dudara, Tabanović



BUSINESS ZONES



SOCIAL PROTECTION INSTITUTIONS



HEALTHCARE INSTITUTIONS - Hospital



SPORTS CENTRES - Stadium, Sports Hall, Hippodrome, etc.



CONSTRUCTION OF KINDERGARTEN in suburban settlements



CITY POOL, CITY BEACH



ESTABLISHMENT OF THE INSTITUTE FOR THE PROTECTION OF CULTURAL MONUMENTS of Šabac



ESTABLISHMENT OF THE CLIMATE MANAGER'S OFFICE

8.3 LIST OF STRATEGIC PROJECTS

8.3.1 Identity of the urban area

1. Affirmation and promotion of the culture of memory and historical heritage
2. Development of the system of green areas in the city and resistance to climate change - "Green City"
3. Construction of the multifunctional and inclusive building "City Forum" on the banks of the Sava
4. Affirmation of urban identity - development of culture, art, sports and recreation functions on the territory of the Sava Park (the descent of the city to the river) with an accompanying and complementary network of multifunctional facilities (village cultural centres) in the rural hinterland
5. Mapping of old pubs (over 100) as part of the culture of memory - "Jazz gangs" in Šabac

8.3.2 Green and energy transition and urban mobility

1. Development of smart networks and services and sports and recreation in all areas of green areas of the city - "Smart and healthy city"
2. Increasing energy efficiency and use of RES
3. Green and blue investments - implementation of the Sava Park concept
4. Increasing the city's resistance to climate change and natural disasters (early announcement of floods in the Sava River and its tributaries, improvement of flood defenses, replacement of outdated pipes in the water supply network, reconstruction and construction of wastewater sewers, development and implementation of local systems for retention and use of rainwater)
5. Completion of the sludge line at CPPOV "Šabac"
6. Formation of a new traffic concept of the city
7. Relocation of the railway freight terminal from the city centre/
8. Intermodal hub (in the port) and passenger pier on the Sava

8.3.3 Innovative and smart economy

1. Establishing an innovation centre to support the development of the region's economy
2. Development of circular economy
3. Cooperative "Ceramics" (clay, ceramics, paints) in support of SMART specialisation in the sector of creative industries

8.3.4 Social wellbeing

1. Establishing an improved spatial and functional concept of preschool and primary school education, which would standardize living and working conditions on the territory of the city
2. Development of innovative integrated services (social and health services) and strengthening the sustainability of the existing system of health and social services
3. Development of new or modernisation of existing facilities for temporary reception and intervention care (homeless, begging children, victims of violence, migrants, etc.

4. Applying Šabac for the national capital of culture
5. Construction of children's playgrounds and outdoor gyms

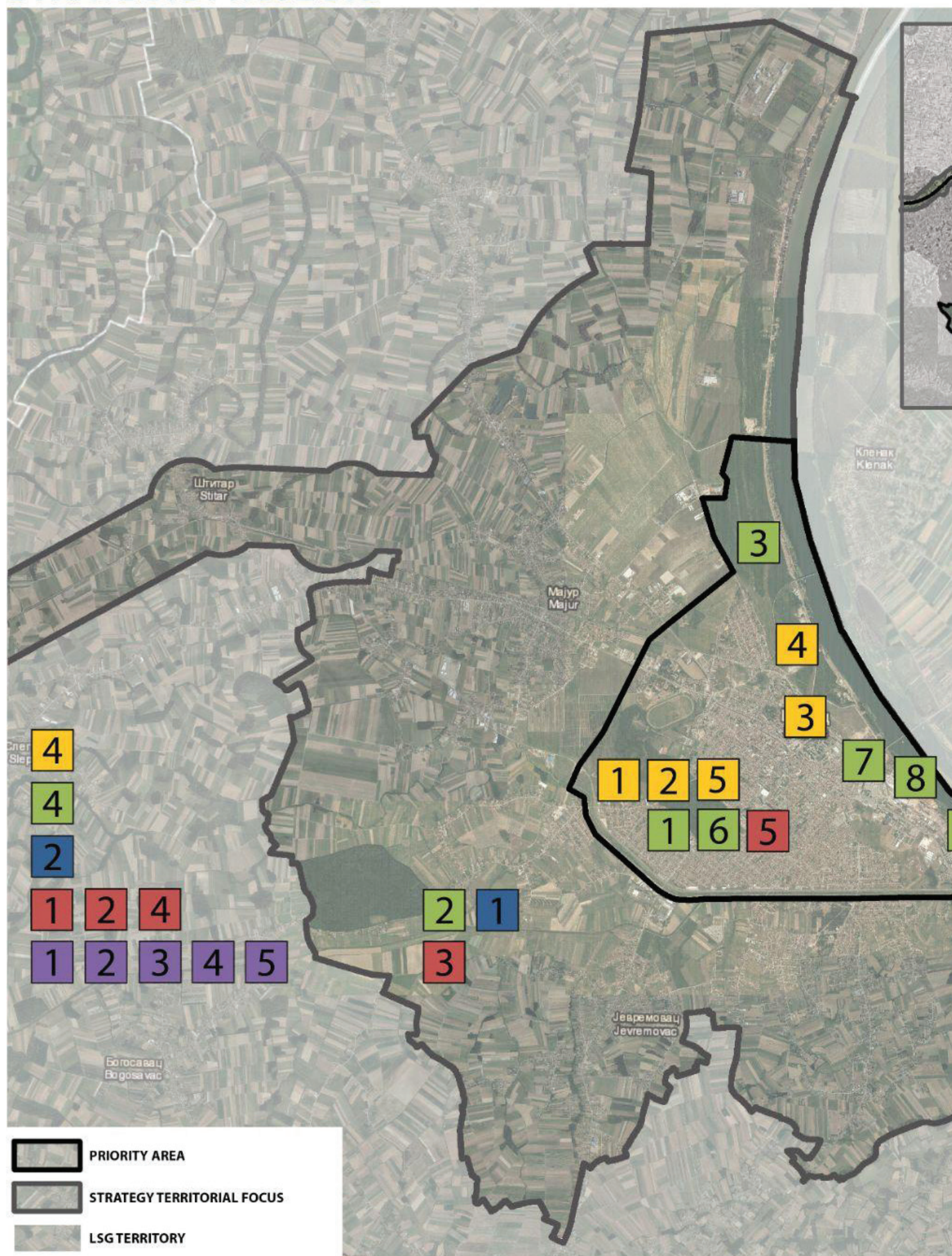
8.3.5 Urban/territorial development governance

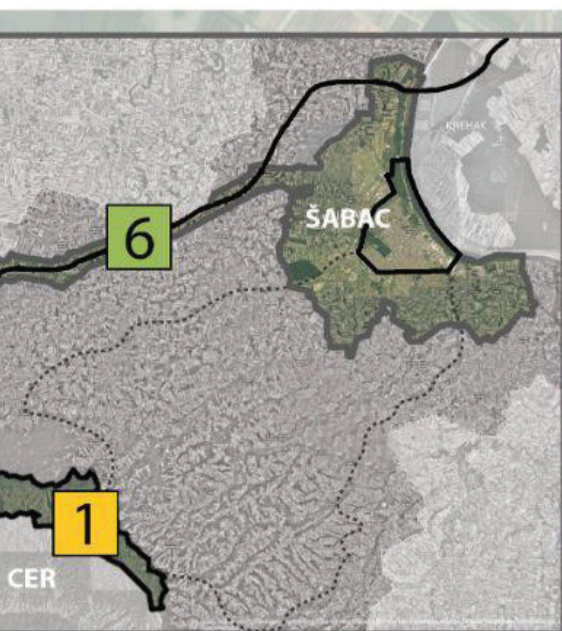
1. Improving the capacity for managing integrated territorial investments, including the formation of a project coordination unit
2. Establishment of the Institute for the Protection of Cultural Monuments of the City of Šabac
3. Project applications for the new European BAUHAUS
4. Establishment of the climate manager's office
5. Integration of all city systems for smart management (SMART city)

8.4 STRATEGIC PROJECTS - FIGURE

TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA

STRATEGIC PROJECTS





URBAN AREA IDENTITY

- 1 Affirmation and promotion of the culture of memory and historical heritage
- 2 Development of the system of green areas in the city and resistance to climate change - "Green City"
- 3 Construction of a multifunctional and inclusive building "City Forum" on the banks of the Sava River
- 4 Affirmation of urban identity - development of culture, art, sports and recreation functions on the territory of the Sava Park (the descent of the city to the river) with an accompanying and complementary network of multifunctional facilities (village cultural centers) in the rural hinterland
- 5 Mapping of old taverns (over 100) as part of the culture of memory - "Jazz gangs" in Šabac

GREEN AND ENERGY TRANSITION AND URBAN MOBILITY

- 1 Development of smart networks and services and sports and recreation in all areas of green areas of the city - "Smart and healthy city"
- 2 Increasing energy efficiency and use of Renewable energy
- 3 Green and blue investments - implementation of the Sava Park concept
- 4 Increasing the city's resistance to climate change and natural disasters (early announcement of floods in the Sava River and its tributaries, improvement of flood defenses, replacement of outdated pipes in the water supply network, reconstruction and construction of wastewater sewers, development and implementation of local systems for retention and use of rainwater)
- 5 Completion of the sludge line at wastewater treatment "Šabac"
- 6 Introduction of a new traffic concept of the city
- 7 Relocation of the railway freight terminal from the city center
- 8 Intermodal hub (in the port) and passenger pier on the Sava

INNOVATIVE AND SMART ECONOMY

- 1 Establishment of an innovation center to support the economic development of the region
- 2 Development of circular economy
- 3 Cooperative "Ceramics" (clay, ceramics, paints) as support for SMART specialization in the sector of creative industries

SOCIAL WELL-BEING

- 1 Establishing an improved spatial and functional concept of preschool and primary school education, which would standardize the conditions of life and work in the territory of the city
- 2 Development of innovative integrated services (social and health services) and strengthening the sustainability of the existing system of health and social services
- 3 Development of new or modernization of existing facilities for temporary reception and intervention care (homeless, begging children, victims of violence, migrants, etc.
- 4 Application of Šabac for the National Capital of Culture
- 5 Construction of children's playgrounds and outdoor gyms

URBAN/TERRITORIAL DEVELOPMENT MANAGEMENT

- 1 Improving the capacity for managing integrated territorial investments, including the establishing of a project coordination unit
- 2 Establishment of the Institute for the Protection of Cultural Monuments of the City of Šabac
- 3 Project applications for the new European BAUHAUS
- 4 Establishment of the Climate manager's office
- 5 Integration of all city systems for smart management (SMART city)



9 SOURCES OF FUNDING

Urban and territorial development requires significant financial resources for project implementation. Currently available financial resources in LSGs in the Republic of Serbia (RS) are only sufficient to cover smaller projects. The situation regarding the possibility of developing long-term investment projects (Strategy of Sustainable Urban Development of the Republic of Serbia until 2030) is slowly changing, as evidenced by the data in the following text.

On the basis of concluded bilateral and multilateral international framework agreements on development cooperation and agreements on the implementation of various instruments and programs financed from international development aid funds, LSGs in the RS have at their disposal funds from various national and international funds that finance the implementation of strategic reforms in the process accession to the EU and their socio-economic development.

Domestic sources of financing are: funds, agencies, commercial banks, projects, programs of various ministries, budgets of LSGs, own funds of activity holders (companies), funds of interested domestic investors, and loans from investment and commercial banks in the territory of RS.

In particular, the possibility of using funds from the following sources is pointed out:

- Programs and incentive funds of the ministries of the RS (Ministry of Finance⁷⁴; Ministry of Economy⁷⁵; Ministry of Agriculture, Forestry and Water Management⁷⁶; Ministry of Environmental Protection⁷⁷; Ministry of Construction, Transport and Infrastructure⁷⁸; Ministry of Mining and Energy⁷⁹; Ministry of Internal and Foreign Trade⁸⁰; Ministry of Justice⁸¹; Ministry of State Administration and Local Self-Government⁸²; Ministry for Human and Minority Rights and Social Dialogue⁸³; Ministry for European Integration⁸⁴; Ministry of Education⁸⁵; Ministry of Health⁸⁶; Ministry of Labour, Employment, Veterans and Social Affairs⁸⁷; Ministry of Family Care and Demography⁸⁸; Ministry of Sports⁸⁹; Ministry of Culture⁹⁰; Ministry of Rural Care⁹¹; Ministry of Science, Technological Development and Innovation⁹²; Ministry of Tourism and Youth⁹³; Ministry of Information and Telecommunications⁹⁴; Ministry of Public Investments⁹⁵; The cabinet of the

74 <https://www.mfin.gov.rs/>

75 <https://privreda.gov.rs/>

76 <http://www.minpolj.gov.rs/>

77 <https://www.ekologija.gov.rs/>

78 <https://www.mgsi.gov.rs/cir/projekti>

79 <https://www.mre.gov.rs/>

80 <https://must.gov.rs/>

81 <https://www.mpravde.gov.rs/>

82 <https://mduls.gov.rs/category/projekti-i-programi/>

83 <https://www.minlmpdd.gov.rs/>

84 <https://www.mei.gov.rs/>

85 <https://prosveta.gov.rs/>

86 <https://www.zdravlje.gov.rs/>

87 <https://www.minrzs.gov.rs/sr>

88 <https://minbpd.gov.rs/>

89 <https://www.mos.gov.rs/>

90 <https://www.kultura.gov.rs/>

91 <https://www.mbs.gov.rs/>

92 <https://nitra.gov.rs/>

93 <https://www.mto.gov.rs/>

94 <https://mit.gov.rs/>

95 <https://www.obnova.gov.rs/>

minister without portfolio in charge of improving the development of underdeveloped municipalities⁹⁶; The cabinet of the minister without portfolio responsible for the coordination of activities and measures in the field of relations between the Republic of Serbia and the diaspora⁹⁷; Cabinet of the minister without portfolio in charge of balanced regional development⁹⁸), their bodies and agencies (Customs Administration; Free Zones Administration; Republic Water Directorate; Forestry Administration; Agricultural Payments Administration; Agricultural Land Administration; National Academy of Public Administration; Development Agency of Serbia⁹⁹; Port Management Agency¹⁰⁰) and funds (Development Fund of the Republic of Serbia¹⁰¹; Fund for innovation activity¹⁰²; Science Fund of the Republic of Serbia¹⁰³;

- The local budget, as well as loans from commercial banks (Erste Bank A.D.¹⁰⁴; UniCredit bank¹⁰⁵; Banca Intesa¹⁰⁶; NLB Komercijalna banka¹⁰⁷; Bank Poštanska štedionica¹⁰⁸; ProCredit bank¹⁰⁹) that operate on the territory of RS.

Foreign sources of financing are: EU funds and programs, credit lines (credit lines of foreign governments and credit lines of international financial institutions), development and other funds of non-EU countries, projects and funds of interested foreign investors. International development assistance of the RS includes support from bilateral and multilateral development partners, including financial support from international financial institutions, and is provided either in the form of grants or concessional loans, which are approved under significantly better conditions than market ones.

In the coming period, special attention should be paid to the possibilities of mobilizing funds from the following international funds and programs:

- IPA - Instrument for pre-accession assistance¹¹⁰ (2021-2027; 2014-2020; 2007-2013), Programs of European territorial cooperation in the Republic of Serbia 2021-2027¹¹¹, Investment framework for the Western Balkans¹¹² (Western Balkans Investment Framework - WBIF), IPARD III¹¹³, a multi-user IPA¹¹⁴;

96 <https://rnro.gov.rs/javni-konkursi/>

97 <https://www.mbpdiijaspora.gov.rs/>

98 <https://rrrz.gov.rs/extfile/sr/472/%D0%88avni%20poziv.pdf>

99 <https://ras.gov.rs/>

100 <https://www.aul.gov.rs/>

101 <https://fondzarazvoj.gov.rs/cir>

102 <http://www.inovacionifond.rs/cir/>

103 <https://fondzanauku.gov.rs/>

104 <https://www.erstebank.rs/sr/Pravna-lica>

105 <https://www.unicreditbank.rs/rs/pi.html>

106 <https://www.bancaintesa.rs/>

107 <https://www.nlbkb.rs/>

108 <https://www.posted.co.rs/>

109 <https://www.procreditbank.rs/>

110 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpriustupnu-pomoc/instrument-za-pretpriustupnu-pomoc-2021-2027/>

111 https://www.mei.gov.rs/upload/documents/publikacije/Brosure%20nove/22/Programi_evropske_teritorijalne_saradnje_u_RS_2021-2027.pdf

112 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpriustupnu-pomoc/investicioni-okvir-za-zapadni-balkan-western-balkans-investment-framework-wbif/>

113 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpriustupnu-pomoc/ipard-iii/>

114 <https://www.mei.gov.rs/src/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpriustupnu-pomoc/visekorisnicka-ipa/>

- EU programs¹¹⁵ (Digital Europe¹¹⁶, HORIZON Europe, SME Competitiveness Program - COSME, Employment and Social Innovation Program, ERASMUS, Creative Europe, Europe for Citizens, European Health Program III, FISKALIS 2020, CUSTOMS 2020, EU Civil Protection Mechanism, Connecting Europe Facility, Rights, Equality and Citizenship, European Facility for Democracy and Human Rights);
- Cohesion policy and other EU funds¹¹⁷ (New Cohesion Policy 2021-2027, MADAD, EU Solidarity Fund, Regional Housing Program) and the Green Agenda for the Western Balkans¹¹⁸;
- International financial instruments-banks¹¹⁹ (Council of Europe Development Bank - CEB, European Investment Bank - EIB, European Bank for Reconstruction and Development - EBRD, World Bank - WB¹²⁰, German Development Bank - KfW);
- Bilateral and multilateral cooperation, donor programs (United Nations Team in Serbia¹²¹, German Agency for Technical Cooperation - GIZ¹²², French Development Agency¹²³, Japan, Denmark, Norway, Netherlands, Sweden, China, Austria, France, Greece, India, Korea, Poland, Singapore, Slovenia, Turkey, Germany, United States of America, Slovakia, United Kingdom, Switzerland, etc.).

Available data on funding sources were collected by searching multiple sources: RS budget, medium-term plans of authorities, data on websites of RS authorities, websites of programs and projects, and available data on banks' websites. Data on the amount of funding are not publicly available for all sources.

The following table shows the available sources of funding for urban development, a detailed overview of which is given in Annex 4.

115 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/programi-unije/>

116 <https://digital-strategy.ec.europa.eu/en/activities/digital-programme>

117 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/koheziona-politika/>

118 <https://balkangreenenergynews.com/rs/usvojeni-akcioni-plan-za-zelenu-agendu-za-zapadni-balkan-donosi-devet-milijardi-evra-grantova-rok-za-uskladjivanje-s-eu-ets-om-2024-godine/>

119 <https://www.mei.gov.rs/srp/fondovi/bilateralni-i-multilateralni-partneri/po-medjunarodnim-organizacijama/>

120 <https://www.worldbank.org/en/country/serbia/brief/green-livable-resilient-cities-in-serbia-program>

121 <https://serbia.un.org/sr/about/about-the-un>

122 <https://nemackasaradnja.rs/giz/>

123 <https://rs.ambafrance.org/AFD-4148>

Table 2: Sources of financing (as of July 2023)

NATIONAL SOURCES	NATIONAL AND REGIONAL SOURCES		
	Ministry of Finance; Ministry of Economy; Ministry of Agriculture, Forestry and Water Management, Ministry of Environmental Protection; Ministry of Construction, Transport and Infrastructure; Ministry of Mining and Energy; Ministry of Internal and Foreign Trade; Ministry of Justice; Ministry of State Administration and Local Self-Government; Ministry for Human and Minority Rights and Social Dialogue; Ministry for European Integration; Ministry of Education; Ministry of Health; Ministry of Labour, Employment, Veterans and Social Affairs; Ministry of Family Care and Demography; Ministry of Sports; Ministry of Culture; Ministry of Rural Care; Ministry of Science, Technological Development and Innovation; Ministry of Tourism and Youth; Ministry of Information and Telecommunications; Ministry of Public Investments; The cabinet of the minister without portfolio in charge of improving the development of underdeveloped municipalities; The cabinet of the minister without portfolio responsible for the coordination of activities and measures in the field of relations between the Republic of Serbia and the diaspora; Cabinet of the minister without portfolio in charge of balanced regional development; Customs Administration; Administration for Free Zones; Republic Water Directorate; Forest Directorate; Administration for Agrarian Payments; Administration for Agricultural Land; National Academy for Public Administration; Development Agency of Serbia; Agency for Port Management) and funds (Fund for the Development of the Republic of Serbia; Innovation Fund; Science Fund of the Republic of Serbia		
INTERNATIONAL SOURCES	BANKS		
	Erste Bank A.D.; UniCredit Bank; Banca Intesa; NLB Komercijalna banka; Bank Poštanska štedionica; ProCredit Bank		
INTERNATIONAL SOURCES	EUROPEAN UNION FUNDS		
	IPA – Instrument for pre-accession assistance	EU programmes	Cohesion policy and other EU funds
INTERNATIONAL SOURCES	IPA 2021-2027	Digital Europe	New cohesion policy 2021-2027
	IPA 2014-2020	HORIZON Europe	MADAD
INTERNATIONAL SOURCES	IPA 2007-2013)	SME competitiveness programme – COSME	EU Solidarity Fund
	Programmes of European territorial cooperation in the Republic of Serbia 2021-2027	Programme for employment and social innovation	Regional housing programme
INTERNATIONAL SOURCES	Investment framework for the Western Balkans	ERASMUS	Green Agenda for the Western Balkans
	IPARD III	Creative Europe	
INTERNATIONAL SOURCES	A multi-user IPA	Europe for citizens	
		European Health Programme III	
INTERNATIONAL SOURCES		FISCALIS 2020	
		CUSTOMS 2020	
INTERNATIONAL SOURCES		EU Civil Protection Mechanism	
		An instrument for connecting Europe	
INTERNATIONAL SOURCES		Rights, equality and citizenship	
		European Instrument for Democracy and Human Rights	
INTERNATIONAL SOURCES	INTERNATIONAL FINANCIAL INSTRUMENTS-BANKS		
	Council of Europe Development Bank - CEB, European Investment Bank - EIB, European Bank for Reconstruction and Development - EBRD, World Bank - WB, German Development Bank - KfW		
INTERNATIONAL SOURCES	BILATERAL AND MULTILATERAL COOPERATION, DONOR PROGRAMMES		
	United Nations Team in Serbia, German Agency for Technical Cooperation - GIZ, French Development Agency, Japan, Denmark, Norway, Netherlands, Sweden, China, Austria, France, Greece, India, Korea, Poland, Singapore, Slovenia, Turkey, Germany, United States of America, Slovakia, United Kingdom, Switzerland		

The areas of activity for the establishment and operation of high-potential mechanisms for financing urban development at the local management level are:

- increasing available finances - by supporting them to collect funds for investment in urban development through bilateral cooperation, attracting EU and other donor funds (*raising*);
- management - creating conditions that enable private investment in sustainable urban development - by shaping the market, e.g. through tax mechanisms, other pricing mechanisms and/or supporting sustainable alternatives (*steering*);
- mixing/combining financial sources - attracting private financial capital using incentives and incentives from public finance to change the risk ratio - return on capital investment, PPP and so-called. “investment vehicle” can play an important role in establishing evidence or conditions for commercial return (*blending*).

For the area of increasing funds (*raising*) the local level of administration can support the implementation of the entire scale of high-potential financial instruments intended for urban development in several ways and use the following:

- *Real estate valuation* is a means of financing large development projects that raise the value of real estate. This increase in value can be used as a source of income;
- *Prices, regulation and standards* - they are of particular importance for sectors characterised by smaller amounts of required investment funds and where consumer choices are key investment drivers, such as distributed production from renewable energy sources, electromobility and green construction;
- *International investment vehicle* - international financial instruments also have significant potential for movements in the field of sustainable urban development (*raising*), and have the potential to mix different sources in case domestic sources have limited capacity;
- *Public-private partnership* - are particularly important because the effectiveness of PPPs largely depends on the appropriate identification of effects, structuring and maturity of projects, contractual arrangements and management capacities.

Examples from the past practice of combining funding sources are given in the following table.

Table 3: Examples from practice of combining funding sources

Priority areas of intervention (Strategy of sustainable urban development of the RS until 2030)	Funding sources used	
	National sources of financing	International sources of funding
Commercial and commercial zones and brownfield sites	Ministry of Economy IPA - competitiveness + RS Government PPP Banks Diaspora	European Investment Bank European Bank for Reconstruction and Development KfW Bank UN SDGs Switzerland, Japan GIZ EU PRO
Uncontrolled elemental expansion of urban settlements and degradation of rural areas	MGSI MDULSU Ministry of Public Investments	European Investment Bank UN SDGs
Endangered urban structures, urban matrices and central urban areas	Ministry of Culture MGSI PPP	Creative Europe European Investment Bank World Bank WB Green fund KfW UN SDGs GIZ/AMBERO EU PRO
Parts of urban settlements with a problem improvement of social standard or solving social problems	RS Housing programme for security forces Ministry of Public Investments	IPA European Bank for Reconstruction and Development Bank of the Council of Europe CEB Regional housing programme UN SDGs SWISS PRO UNOPS
Settlements and parts of settlements exposed to problems environmental protection and climate change	Ministry of Mining and Energy Ministry of Public Investments	IPA European Bank for Reconstruction and Development GIZ + KfW UN SDGs bilateral cooperation
Settlements with immovable cultural heritage and architectural heritage, important rappers cultural and historical development of urban settlements, grouping of urban settlements	Ministry of Culture Ministry of Tourism	World heritage foundation Creative Europe IPA cross-border cooperation Transnational cooperation INTERREG ADRION DANUBE UN SDGs EU PRO

10 MONITORING AND EVALUATION

The aim of this chapter is to provide a general framework of indicators for monitoring and evaluating the progress of the implementation of territorial strategies of the EU PRO Plus program. Monitoring and evaluation are important elements in the process of implementing territorial strategies and fulfil a number of important functions:

- **Efficiency and effectiveness strategy:** monitoring generates data and knowledge to monitor progress and provides a basis for revisions, and helps to evaluate the results of the measures contained in the strategies.
- **Transparency and accountability:** monitoring shows that activities and results follow the agreed objectives and makes the data transparent to all actors, including local communities.
- **Visibility and capacity:** showing what has been achieved strengthens local mobilization and ownership; engagement in monitoring by local actors affects capacity development and learning.

Successful monitoring depends on the quality and appropriateness of the indicators used. When choosing indicators, some basic principles should be kept in mind. Ideally, the indicators should be:

- **relevant** - closely related to the objectives of the strategy;
- **accepted** - by employees and relevant actors;
- **reliable** - for those who are not experts, unambiguous and easy to interpret;
- **easy** - monitoring is possible with low costs and acceptable administrative burden; and
- **indestructible** – in relation to manipulation.

The list of indicators below is designed in accordance with the five thematic objectives defined in the EU PRO Plus territorial strategies (table 4). Its purpose is to act as a “menu” for strategy “owners” to select appropriate indicators depending on their choice of objectives. Although indicators cover a wide range of objectives, they cannot capture all locally specific contexts. Thus, each urban area can select additional strategy-specific indicators to be included in the local strategy.

The proposed indicators are based on a number of different international and domestic sources. As far as possible, indicators are drawn from existing national sources, such as the Sustainable Urban Development Strategy of the Republic of Serbia until 2030 (SOURRS), the Smart specialisation Strategy of the Republic of Serbia 2020 until 2027 (SPSRS) and the Low Carbon Development Strategy (SNUR). However, most of the indicators are taken from the list of so-called common performance indicators (eng. *RCO*) and results (eng. *RCR*) defined in the context of the EU Cohesion Policy 2021-27. They are complemented by the UN’s Sustainable Development Goals (COR).

Table 4: List of indicators (indicators) for monitoring and evaluating the progress of implementing territorial strategies

Objectives	Indicators	Unit of measure	Sources
Thematic objective 1			
SO 1.1 Improved and uniform quality of arrangement and accessibility of the urban area	- Strategies of integrated territorial development for which support has been received	Number of strategies	RCO 75 RCO 76 SOURRS
	- Integrated territorial development projects for which support has been received	Number of contracted projects	RCO 114 RCR 52 SOURRS
	- Newly created or renovated open public spaces in urban areas	m ²	
	- Reclaimed land used for green areas, social (affordable) housing, economic or other purposes	m ²	
SO 1.2 Encouraging the protection of cultural and architectural heritage and promotion of sustainable construction	- Total funds spent for the protection, preservation and conservation of cultural and architectural heritage and vernacular architecture	Euro	SPRKRS SDG 11 SRKRS SOURRS
SO 1.3 Encouraging the development of sustainable tourism and a unified tourist offer	- Visitors to cultural and tourist sites for which support has been received	Number of visitor increase	RCR 77 SRTRS PPRS
SO 1.4 Encouraging an integrated and sustainable approach in remediation of illegal construction and its prevention	- Rehabilitated, renovated and reused substandard or informal settlements and units	ha/m ²	SOURRS
SO 1.5 Strengthening and improving the management of urban-rural links	- Integrated territorial development projects for ecosystem services that rural areas provide to urban settlements	Number of projects	RCO 76 SOURRS SPRRS
Thematic objective 2			
SO 2.1 Improvement of energy efficiency and reduction of greenhouse gas emissions	- Annual consumption of primary energy (of which: residential buildings, public buildings, companies, other)	Reduction (MJ)	RCR 26 RCR 29 SNURRS
	- Estimated greenhouse gas emissions	Reduction of t CO ₂	
SO 2.2 Encouraging the use of renewable energy sources	- Total renewable energy produced (of which: electricity, thermal energy)	MWh	RCR 31 SNURRS

SO 2.3 Development of smart energy systems, networks and storage	-Users connected to smart energy systems	Number of users	RCR 33 SNURRS
SO 2.4 Adaptation to climate change and disaster risk prevention and resilience, strengthening resilience to climate change, taking into account an ecosystem-based approach	- Green infrastructure built or improved to adapt to climate change	ha/m ²	RCO 26 PPIKUAP SNURRS
	- Population benefiting from flood protection measures	Number of people	
SO 2.5 Ensuring equal access to sanitation and water supply and promoting sustainable water management	- Population connected to an improved public water supply network	Number of households	RCR 41 RCR 35 RCR 42 RCO 25 PPRS
	- Population connected at least to the secondary public network for wastewater treatment	Number of households	
	- Newly built or reinforced flood protection on the banks of rivers and lakes	Length in km/m	
SO 2.6 Improvement of waste management	- Separately collected waste	t	RCR 103 RCR 47 PUORSSNU RRS
	- Recycled waste	t	
SO 2.7. Strengthening the protection and preservation of nature, biodiversity and green infrastructure, and reducing all forms of pollution	- Green infrastructure for which support was received in order to protect biodiversity and preserve natural habitats	ha/m ²	RCO 36 RCO 37 RCO 38 RCO 39 RCR 50 RCR 95 PPIKUAP PPRSPZVRS
	- The area of the Natura 2000 network covered by protection and restoration measures	ha/m ²	
	- Area of restored land for which support was received	ha/m ²	
	- Area covered by air pollution monitoring systems	ha/m ²	
	- Population benefiting from air quality measures	Number of people	
	- A population that has access to new or improved green infrastructure	Number of people	
SO 2.8 Encouraging sustainable multimodal urban mobility	- Annual number of users of new or modernized public transport - Annual number of users of new or modernized tram lines and (underground) railway lines - Annual number of users of infrastructure intended for cycling	Increasing the number of users	RCR 62 RCR 63 RCR 64 PPRS

SO 2.9 Development of a smart, safe, sustainable and multimodal transport network of international and national importance that is resistant to climate change	- Annual number of users of newly built, renovated, improved or modernized roads	Increasing the number of users	RCR 55 RCR 58 RCR 59 RCR 60 SNURRS PPRS
	- Annual number of users of newly built, improved, renovated or modernized railways	Increasing the number of users	
SO 2.10 Development and strengthening of sustainable, smart and multimodal national; regional and local mobility that is resilient to climate change, including better access to the transport network of international and national importance and cross-border mobility	- Freight rail transport	t	
	- Freight transport by inland waterways	t	
Thematic objective 3			
SO 3.1 Development and strengthening of research and innovation capacities and application of advanced technologies	- Companies that received support (of which: micro, small, medium, large)	Company number	RCO 01 RCR (3)01 RCR 102 SNTRRS SRVIRS SIPRS SRSERS
	- Jobs created in entities that received support	Number of people	
	- Jobs created in the field of research in the entities that received support	Number of people	
SO 3.2 Using the advantages of digitization for citizens, businesses, research institutions and public administration bodies	- Users of new and improved public digital services, products and processes	Number of users	RCR 11 RCR 12 RCR 13 SRIDIB SNTRRS SRVIRS
	- Users of new and improved digital services, products and processes developed by businesses	Number of users	
	- Companies that have achieved high digital intensity	Company number	
SO 3.3 Strengthening sustainable growth and competitiveness of SMEs and job creation	- New businesses that survive on the market	Number of companies that survive on the market 2 years after opening	RCR 17 RCR 18 RCR 19 RCR 25 SPRMS PPK SIPRS
	- SMEs that use the services of the incubator after the creation of the incubator	Company number	
	- Companies with higher turnover	Company number	
	- SMEs with higher added value per employee	Company number	

SO 3.4. Development of competences for smart specialization 4S, industrial transition and entrepreneurship, within the quadruple spiral of innovation (economy, education, science, public and civil sector - institutional participants)	<ul style="list-style-type: none">- Internships made possible by grants in SMEs- SME staff completing skills training for smart specialization, industrial transition and entrepreneurship (by skill type: technical, managerial, entrepreneurial, green, other)	Number of people	RCR 97 RCR 98 SPSRs SOURRS SNTRRS SRVIRS SIPRS SRSERS
SO 3.5 Strengthening digital connectivity	<ul style="list-style-type: none">- Residential buildings with a subscription to broadband access to a network of very high capacity	Number of apartments	RCR 53 RCR 54 SRIDIB SNTRRS
	<ul style="list-style-type: none">- Businesses with a subscription to broadband access to a very high capacity network	Company number	
SO 3.6 Encouraging and promoting the transition to a circular and resource-efficient economy	<ul style="list-style-type: none">- Waste used as raw material	Increase (t)	RCR 48 SNURRS PRCERS SIPRS PUMS
SO 3.7 Encouraging and promoting the transition to a net zero carbon economy	<ul style="list-style-type: none">- Estimated greenhouse gas emissions	Reduction of t CO ₂	RCR 29 RCR 105 RCO 59 SNURRS SIPRS
	<ul style="list-style-type: none">- Estimated greenhouse gas emissions by boilers and heating systems converted from solid fossil fuels to gas	Reduction of t CO ₂	
	<ul style="list-style-type: none">- Infrastructure for alternative fuels (filling/refueling points)	Number of points	
	<ul style="list-style-type: none">- Afforestation	ha/m ²	
Thematic objective 4			
SO 4.1 Improving the effectiveness and inclusiveness of the labor market and access to quality employment and dignified work and encouraging social entrepreneurship	<ul style="list-style-type: none">- Area of new or modernized facilities for employment services	m ²	RCO 61 RCR 65 SZRS
	<ul style="list-style-type: none">- Annual number of users of new or modernized facilities for employment services	Number of users	
SO 4.2 Development of social infrastructure and services and encouragement of social inclusion and social innovation	<ul style="list-style-type: none">- Annual number of users of new or modernized social protection facilities- The population covered by projects within the framework of integrated action for the socioeconomic inclusion of marginalized communities, low-income households and disadvantaged social groups	Number of users	RCR 74 RCO 113 SDRUSZZ

SO 4.3 Promoting socio-economic inclusion of marginalized communities, low-income households and disadvantaged social groups, including persons with special needs, through integrated action that includes housing and social services	- Annual number of users of new or modernized social housing	Number of households	RCR 67 SOURRS SDRUSZZ
SO 4.4 Improving equal access to inclusive and quality education services	- Annual number of users of new or modernized childcare facilities - Annual number of users of new or modernized educational facilities	Number of users	RCR 70 RCR 71 SROVRS
SO 4.5 Ensuring equal access to health care and fostering health system resilience	- Annual number of users of new or modernized e-healthcare services - Annual number of users of new or modernized health care facilities	Number of users	RCR 72 RCR 73 SJZRS
SO 4.6 Ensuring equal access to cultural services, programmes and facilities	- Annual number of users of new or modernized cultural facilities	Number of users	SRKRS
SO 4.7 Ensuring equal access to sports and recreation services, contents and facilities	- Annual number of users of new or modernized sports and recreation facilities	Number of users	SMRS PPRS
SO 4.8 Creating a stimulating environment for youth initiatives and activities	- Annual number of beneficiaries of new or modernized youth initiatives and activities	Number of users	SMRS
Thematic objective 5			
SO 5.1 Encouraging development management at multiple levels - local, national, international, EU, etc.	- A project unit was established for the implementation of the Strategy	Yes/no	RCO 75 RCO 76 SOURRS
	- Integrated projects of territorial development that include local, national, international and EU level, and include the application of various management instruments - collaborative, command, hybrid	Number of contracted projects	
SO 5.2 Encouraging a multi-stakeholder approach – economy, education, science, public and civil sector	- Application of the quadruple and quintuple innovation spiral models	Initiative number	SPSR SOURRS SNTRRS
SO 5.3 Improvement of inter-municipal cooperation through institutional cooperation	- The population covered by projects within the strategy of integrated territorial development	Number of people	RCO 74

SO 5.4 Encouraging a participatory approach and community-led initiatives involving local actors	- Actors who participated in the preparation and implementation of integrated territorial development strategies	Number of participants	RCO 112 RCO 80 ZRR SOURRS
	- Community-led local development strategies for which support has been received	Number of participants	
	- Developed innovative solutions, such as an open innovation platform, a living laboratory, citizen science, etc.	Number of innovative solutions	
	- Application of a gender-responsive approach in the preparation and implementation of strategies	Number of participants	
SO 5.5 Encouraging mixing (<i>blending</i>) urban development financing from different types of financing (domestic and international)	- Application of different sources of funding of priority interventions in urban areas of territorial strategies	Euro	RCO 75 RCO 80 SOURRS
	- Implementation of public-private partnership	Number of PPP projects	
	- Strategies of integrated territorial development for which support has been received - Community-led local development strategies for which support has been received	Number of strategies	
SO 5.6 Strengthening the transparency of decision-making at the level of the urban area	- Development of an information system for the needs of territorial development management	Number of developed systems	SOURRS SRIDIB

Sources of indicators:

REGULATION (EU) 2021/1058 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund. Official Journal of the European Union L 231/60. Common output and result indicators for ERDF and the Cohesion Fund – Article 8(1)(1)	RCO – performance indicators; RCR – result indicators
Sustainable Development Goals / SDGs (Sustainable Development Goals), UN	SDG
Law on Gender Equality, 2021	ZRR
Sludge management program in Serbia from 2023 to 2032	PUMS
Low-carbon development strategy of the Republic of Serbia for the period from 2023 to 2030 with projections until 2050	SSNRRS
Strategy for young people in the Republic of Serbia for the period from 2022 to 2030	SMRS
Strategy of deinstitutionalization and development of social protection services in the community for the period 2022-2026. year	SDRUSZZ

Air protection program in the Republic of Serbia for the period from 2022 to 2030 with an action plan	PZVRS
Circular economy development program in the Republic of Serbia for the period 2022-2024. year	PRCERS
Waste management program in the Republic of Serbia for the period 2022-2031. year	PUORS
Program of adaptation to changed climatic conditions with Action Plan, Draft.	PPIKUAP
Spatial Plan of the Republic of Serbia from 2021 to 2035, Draft	PPRS
Strategic priorities for the development of the culture of the Republic of Serbia from 2021-2025. year	SPRKRS
Integrated national energy and climate plan of the Republic of Serbia for the period 2021 to 2030 with a vision until 2050	INEKPRS
Strategy for the development of information society and information security in the Republic of Serbia for the period from 2021 to 2026	SRIDIB
Strategy of scientific and technological development of the Republic of Serbia for the period from 2021 to 2025 "Power of knowledge"	SNTRRS
Strategy for the development of the startup ecosystem of the Republic of Serbia for the period from 2021 to 2025	SRSERS
Industrial policy strategy of the Republic of Serbia from 2021 to 2030	SIPRS
Employment strategy in the Republic of Serbia for the period from 2021 to 2026	SZRS
Strategy for the development of education and upbringing in Serbia until 2030	SROVS
Strategy of smart specialisation in the Republic of Serbia for the period 2020-2027. year	SPSRS
Strategy of sustainable urban development of the Republic of Serbia until 2030	SOURRS
Artificial intelligence development strategy in the Republic of Serbia for the period 2020-2025. year	SERVIRS
Public health strategy in the Republic of Serbia 2018-2026. year	SIZRS
Tourism development strategy of the Republic of Serbia for the period from 2016 to 2025	SRTRS
Strategy of agriculture and rural development of the Republic of Serbia for the period 2014-2024. year	SPRRRS
Strategy for supporting the development of small and medium-sized enterprises, entrepreneurship and competitiveness for the period from 2015 to 2020	SPRMSPPK

11 IMPLEMENTATION

The implementation period of this Strategy begins immediately after its final approval. Implementation has highly demanding governance requirements, mainly in order to:

- Prepare and prioritise projects
- Prepare and launch calls for proposals, and approve operations
- Procure projects for construction/delivery
- Implement and close projects
- Operate and manage/maintain projects

All these functions are bound to put the existing City of Šabac structures and institutions under pressure, even more so where coordination between multiple LSGs would be required. The City of Šabac does not have the required capacity, resources and know-how in place in order to perform these functions effectively. It is for this reason that a Project Coordination Unit (SOU) will be set up, to support the City of Šabac to implement this Strategy.

The current governance arrangements for the Strategy drafting process involve:

- a Working Group (WG) which is effectively a stakeholder & sectoral partnership board
- a Development Council (DC), which is effectively a political coordination board

The DC's remit already covers the political aspect of project selection and strategy implementation. Therefore, the operation of the infrastructures created should be added to its remit, in order to facilitate Strategy implementation. The WG is tasked with supporting the DC during the drafting of the Strategy and it will be dissolved once the Strategy is approved.

Therefore, the Project Coordination Unit will follow on the steps of the WG in order to:

- Support the Development Council in the operation (project) identification process taking place between the different parties concerned (Urban Authority, Managing Authority/Intermediate Body, the EIB, the EBRD etc)
- Coordinate cross-sectorally all the studies needed to mature the project and the business planning process, with the involvement of other LSG departments if appropriate. Support the coordination between the ITI plan and the Municipal Capital Investment Programme. The SOU shall not be directly responsible for planning and programming at Municipal level but shall liaise closely with the competent department(s) and any other competent authority.
- In coordination with the City of Šabac procurement services, establish and approve contracts with contractors and consultants for each project, including studies/surveys that are required for applications, authorizations, permits (i.e. EIA, ESIA, Traffic survey, etc.).
- Contract administration is the duty of each department under which the project is carried out (i.e. the Dept. of Cleaning & Recycling for Waste management contracts etc.). The SOU shall be involved in the coordination of the administration of service agreements and contracts with the different departments (and consultants).
- Liaise with permit-granting authorities and with consultants during the process of drafting and submission for approval/permit, in order to satisfy the requirements of the permit/licensing authorities and get the necessary approvals/permits/licences.

- Support the Urban Authority and the MA/IB in managing the project fund to prepare the required financial and technical documents/studies/expertise for disbursement requests and disbursement monitoring, within the relevant municipal accounting system and finance systems. This function should be closely aligned to the Financial Management of the whole municipality.
- Project management, to ensure projects meet planned objectives. The following tasks should be carried out by the SOU, as a minimum: Ensuring that projects meet overall programme objectives (urban planning as well as business planning) and specific key performance indicators as determined by the ITI policy framework; Coordinating regular progress meetings at local level and regional levels as well as with funding bodies and consultants; Take care of associated (EU-funded) project management administrative functions, from project identification and evaluation through to final project completion reports.
- Ensure that project-related capacity building objectives are met. This capacity-building might be for the SOU staff in some specific fields dealing with the management and coordination duties of the Unit, and in broader context for other relevant key parties/stakeholders that are involved in the investment programme and where a need for capacity building has been identified.
- Ensure that the necessary PR, publicity and communications activities are carried out, in coordination with and in support of the City of Šabac communications and community engagement service. These activities should include appropriate communication and liaison with the community, with respect to project planning and implementation, to ensure buy-in and the long-term sustainability of the projects.
- Manage the monitoring database and prepare all necessary reports to the MA/IB. The SOU will be responsible for: Follow-up of the projects, during their implementation and after completion. Completion of the project shall be according to Serb and EU standards. Socio-economic impact assessments detailing how the investment programme has impacted on the communities and municipalities in terms of skills development, community involvement, municipal partnerships, local economic development and how the lives of the communities have improved. Carrying out such studies would be highly recommended. The facilitation and support of required studies and expertise (such as social and environmental impact assessments of projects when necessary, or risk assessment studies etc.).

To that end, the City of Šabac has one of the following three options in order to suit the SOU up:

- a) Set up the SOU as a special task force which will utilise existing members of staff, who will be transferred to the SOU. In this case, the SOU would 'borrow' human and other resources from existing LSG administrative units.
- b) Set up the SOU as a new administrative unit within the LSG structure. In this case new members of staff could be hired in order to resource the SOU, but existing members of staff and resources could be transferred to the new unit.
- c) Base the SOU on an existing administrative unit whose scope and remit could be suitably adjusted to also cover the SOU tasks and functions.

In any case, the SOU should have a clear mandate by the city Mayor and be directly accountable to the Mayor's Office. The following personnel are required within the municipality to resource the functions of the SOU as a minimum:

- Head of the SOU;
- Project Manager;
- Engineer/Project implementation expert;
- Procurement Officer;
- Financial Manager or Administrator;
- Data Capture IT specialist;
- Community officer & Communications liaison officer;
- Policy and Sectoral Coordination Officer;¹²⁴

After project closing, the City of Šabac would have to Operate and Maintain the facilities created. In the case of 'soft' projects, the LSG should consider the implementation of the project's exit strategy. Usually this would mean that either an existing LSG service would take over or a special unit would be created, or civil society /NGO would be given responsibility. It is therefore imperative that Operation and Maintenance as well as exit strategies are given due consideration when feasibility studies are carried out for any project, and that the City of Šabac uses the project delivery period to put in place the systems and institutions which would ensure the long-term operation of the projects concerned. It would be the responsibility of the SOU to ensure that the municipality has the resources to fulfil the Operations and Maintenance obligations for all capital projects. The SOU will assist directly or indirectly wherever possible with regard to the Operation and Maintenance (O&M) programmes.

¹²⁴ This person would facilitate the alignment between policy, strategy, projects and funding sources. It would support the DC with operation/project identification. It would also facilitate cross-sectoral coordination, and coordination between the ITI investment plan and the Municipal Capital Investment Plan, in the context of EU cohesion policy objectives.

12 SOURCES

- European Commission (2021). Common Regulations and Regulations. Common performance and result indicators for the European Regional Investment Fund (Investment in jobs and growth and Interreg) and the European Cohesion Fund (EC, 2021) <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2021:231:FULL&from=EN>
- EC New Cohesion Policy 2021-2027. https://ec.europa.eu/regional_policy/2021-2027_en
- Law on the establishment and functioning of the cohesion policy management system, 2023, Draft. <https://www.mei.gov.rs/srp/vesti/2811/detaljnije/w/0/nacrt-zakona-o-uspostavljanju-i-funkcionisanju-sistema-za-upravljanje-kohezionom-politikom-na-portalu-ekonsultacije/>
- Employees in the Republic of Serbia, 2020, Republic Statistical Office, 2021.
- Law on the Spatial Plan of the Republic of Serbia from 2010 to 2020, "Official Gazette of the RS", No. 88/2010
- Integrated national energy and climate plan of the Republic of Serbia for the period 2021 to 2030 with a vision until 2050. <https://www.mre.gov.rs/dokumenta/strateska-dokumenta/integrisani-nacionalni-energetski-i-klimatski-plan-republike-srbije-za-period-2021-do-2030-sa-vizijom-do-2050-godine>
- Map of state roads, JP Putevi Srbije, 2022, https://www.putevi-srbije.rs/images/pdf/referentni-sistem/Karta_drzavnih_puteva.pdf
- LEAP of the city of Šabac, 2010, 2011, https://sabac.rs/wp-content/uploads/2020/06/leap_saSOa_knjiga_ii_-_akcioni_planovi.pdf
- List of elements of intangible cultural heritage of the Republic of Serbia, Ethnographic Museum in Belgrade, <https://nkns.rs/cyr/elementi-nkns?page=5>
- Primary education - Data on locations and facilities, Ministry of Education, 2023.
- Municipalities and regions in the Republic of Serbia, RZS, 2022
- Municipalities and regions in the Republic of Serbia, RZS, 2021
- Municipalities and regions in the Republic of Serbia, RZS, 2020
- Observed climate changes in Serbia and projections of the future climate based on different scenarios of future emissions, UNDP Serbia, 2018
- Pertoldi M, Fioretti C, Guzzo F, Testori G, De Bruijn M, Ferry M, Kah S, Servillo LA and Windisch S (2022). Handbook of Territorial and Local Development Strategies, <https://publications.jrc.ec.europa.eu/repository/handle/JRC130788>
- Šabac General Regulation Plan, Revision, "Official Gazette of the City of Šabac and the Municipalities of Bogatić, Vladimirci and Koceljeva", no. 18/15 and 23/15
- Detailed regulation plan of the Sava Park area, "Official Gazette of the City of Šabac and the Municipalities of Bogatić, Vladimirci and Koceljeva", No. 07/2017
- Sustainable Urban Mobility Plan of the City of Šabac, "Official Gazette of the City of Šabac and Municipalities: Bogatić, Vladimirci and Koceljeva", no. 31/2020
- Census 2011, RZS
- Preschool Education - Data on Locations and Facilities, Ministry of Education, 2023.
- Capital investment program of the city of Šabac for the period 2022 - 2024, 2022.

- Program of adaptation to changed climatic conditions with Action Plan, Draft. <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/javne-rasprave/javni-poziv-za-ucescje-javnosti-u-procesu-konsultacija-u-vezi-sa-izradom-programa-prilagodjavanja-na-izmenjene-klimatske-uslove-sa-akcionim-planom-0>
- Circular economy development program in the Republic of Serbia for the period 2022-2024. ("Official Gazette of RS", no. 137/2022) <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/drugiakt/2022/137/1>
- Sludge management program in Serbia from 2023 to 2032, Belgrade, September 28, 2023. <https://www.ekologija.gov.rs/lat/saopstenja/vesti/prvi-put-usvojen-vazan-plan-ski-dokument-%E2%80%93-program-upravljanja-muljem-u-republici-srbiji>
- Waste management program in the Republic of Serbia for the period 2022-2031. ("Official Gazette of RS", no. 12/2022) http://demo.paragraf.rs/demo/combined/Old/t/t2022_02/SG_012_2022_010.htm
- Air protection program in the Republic of Serbia for the period from 2022 to 2030 with an action plan ("Official Gazette of RS", no. 140/2022) <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/drugiakt/2022/140/1>
- Spatial plan of the city of Šabac, "Official Gazette of the city of Šabac and the municipalities of Bogatić, Vladimirci and Koceljeva", number 7/12
- Spatial plan of the special purpose area of Mount Cer, Draft, Ministry of Construction, Transport and Infrastructure, 2019.
- Spatial Plan of the Republic of Serbia from 2021 to 2035, Draft. <https://www.mgsi.gov.rs/sites/default/files/PPRS%20Nacrt.pdf>
- The first results of the 2022 Census, RZS, 2022
- Register of SEVESO facilities on the territory of the Republic of Serbia, Ministry of Environmental Protection, 2023, https://www.ekologija.gov.rs/sites/default/files/2023-01/registar_seveso_postrojena_na_teritoriji_republike_srbije_0.pdf
- Republic of Serbia, Negotiating Group for Chapter 22 (2019). Action plan for meeting the requirements in the area of EU cohesion policy Chapter 22 - Regional policy and coordination of structural instruments https://www.mei.gov.rs/upload/documents/pristupni_pregovori/akcioni_planovi/ap_pg_22.pdf
- Guidelines for the implementation of bicycle infrastructure in Šabac, Traffic study, author of the study Biljana Ranković Plazinić, Ph.D., B.Sc. Eng., SKGO and GIZ, 2020. http://www.skgo.org/storage/app/uploads/public/158/435/038/1584350384_Studija%20Smernice%20za%20implementiranje%20biciklisticke%20infrastrukture%20u%20SaSOu.pdf
- List of immovable cultural assets of exceptional importance, Republic Institute for the Protection of Cultural Monuments, https://heritage.gov.rs/latinica/nepokretna_kulturna_dobra.php
- List of immovable cultural assets of great importance, Republic Institute for the Protection of Cultural Monuments, https://heritage.gov.rs/latinica/nepokretna_kulturna_dobra.php
- Secondary education - data on locations and facilities and premises, Ministry of Education, 2023.

- Status of surface waters of Serbia in the period 2017-2019, Environmental Protection Agency, Belgrade, 2021.
- Strategy of deinstitutionalization and development of social protection services in the community for the period 2022-2026. ("Official Gazette of RS", no. 12/2022). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2022/12/1>
- Strategy for supporting the development of small and medium-sized enterprises, entrepreneurship and competitiveness for the period from 2015 to 2020 ("Official Gazette of RS", number 35/15). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2015/35/1/reg>
- Employment strategy in the Republic of Serbia for the period from 2021 to 2026 ("Official Gazette of RS", no. 18/2021, 36/2021). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/ispravka/2021/36/1>
- Industrial Policy Strategy of the Republic of Serbia from 2021 to 2030 ("Official Gazette of the RS", No. 35/2020). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2020/35/1/reg>
- Public health strategy in the Republic of Serbia 2018-2026. ("Official Gazette of RS", no. 61/2018). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2018/61/1/reg>
- Strategy for scientific and technological development of the Republic of Serbia for the period from 2021 to 2025 "The power of knowledge" ("Official Gazette of RS", No. 10/2021). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/10/1/reg>
- Low-carbon development strategy of the Republic of Serbia for the period from 2023 to 2030 with projections until 2050. <https://www.ekologija.gov.rs/saopstenja/vesti/vlada-republike-srbije-usvojila-strategiju-niskouglenicnog-razvoja-do-2030-godine>
- Strategy of sustainable urban development of the Republic of Serbia until 2030 ("Official Gazette of RS", No. 47/2019). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2019/47/1/reg>
- Strategy of smart specialisation in the Republic of Serbia for the period 2020-2027. ("Official Gazette of RS", No. 21/2020). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/10/1/reg>
- Strategy of agriculture and rural development of the Republic of Serbia for the period 2014-2024. ("Official Gazette of RS", No. 85/2014). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2014/85/1>
- Strategic priorities for the development of the culture of the Republic of Serbia from 2021-2025 (Ministry of Culture and Information of the RS, 2021) <https://www.kultura.gov.rs/extfile/sr/6132/Strate%C5%A1ki%20prioriteti%20razvoja%20kulture.pdf>
- Artificial intelligence development strategy in the Republic of Serbia for the period 2020-2025. years ("Fig. Gazette of the RS", no. 96/2019). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2019/96/1/reg>
- Strategy for the development of the information society and information security in the Republic of Serbia for the period from 2021 to 2026 ("Official Gazette of RS", No.

86/2021). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/86/1/reg>

- Strategy for the development of education and upbringing in Serbia until 2030 ("Official Gazette of RS", number 107/2021). <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2021/63/1/reg>
- Strategy for the development of the startup ecosystem of the Republic of Serbia for the period from 2021 to 2025 ("Official Gazette of the RS", number 125/2021) http://demo.paragraf.rs/demo/combined/Old/t/t2021_12/SG_125_2021_011.htm
- Tourism Development Strategy of the Republic of Serbia for the period from 2016 to 2025 ("Official Gazette of RS", No. 98/2016). <https://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/strategija/2016/98/1>
- Strategic plan for the social policy of the city of Šabac 2016-2020, 2015.
- Regulation on the plan of the network of health institutions, "Official Gazette of the RS", no. 5/2020, 11/2020, 52/2020, 88/2020, 62/2021, 69/2021, 74/2021 and 95/2021
- Decree on the National Ecological Network, "Official Gazette of RS", No. 102/2010
- Questionnaire for local self-government units (LSGs) - Šabac, 2022.
- Fioretti C, Pertoldi M, Busti M and Van Heerden S (2020). Handbook of Sustainable Urban Development Strategies, Luxembourg: Publications Office of the European Union. <https://publications.jrc.ec.europa.eu/repository/handle/JRC118841>
- <https://sabac.rs/uprava-grada/ustanove/socijalna-zastita/socijalna-zastita/>
- <https://sabac.rs/uprava-grada/ustanove/obrazovanje/centar-za-strucno-usavrsavanje/>
- <https://sabac.rs/uprava-grada/ustanove/kultura/kultura/>
- <https://www.euproplus.org.rs/lisu/sabac>
- <https://sabac.rs/uprava-grada/ustanove/sport/sport/>

13 ANNEXES

ANNEX 1 - DECISION ON DEVELOPMENT OF TERRITORIAL STRATEGY OF THE CITY OF ŠABAC URBAN AREA

У складу са чланом 12. Закона о планском систему ("Службени гласник Републике Србије", број 30/2018), чланом 13. став 6, и чланом 21. Закона о локалној самоуправи ("Службени гласник Републике Србије", број 129/2007, 83/2014 - др.закон, 101/2016 - др.закон, 47/2018, 111/2021 - др.закон), чланом 20. Закона о територијалној организацији Републике Србије ("Сл.гласник РС", бр. 129/2007, 18/2016, 47/2018 и 9/2020 - др. закон), Правилником о смерницама добре праксе за остваривање учешћа јавности у припреми нацрта закона и других прописа и аката ("Службени гласник РС", број 51/2019), Стратегијом одрживог урбаног развоја Републике Србије до 2030. године ("Службени гласник Републике Србије", број 47/2019), члана 39 Статута града Шапца ("Службени лист града Шапца и општина Коцељева, Владимирци и Богатић", број 5/2019) и Меморандумом о разумевању, закљученог између града Шапца и Канцеларије Уједињених нација за пројектне услуге, дана 24.05.2022. године, којим се дефинише техничка подршка Програма Европске уније за локални развој ЕУ ПРО Плус у изради и спровођењу Стратегије развоја урбаног подручја града Шапца, Скупштина града Шапца на седници од 30.06.2022. године, донела је

ОДЛУКУ О ПРИСТУПАЊУ ИЗРАДИ СТРАТЕГИЈЕ РАЗВОЈА УРБАНОГ ПОДРУЧЈА ГРАДА ШАПЦА

Члан 1.

Град Шабац приступа изради Стратегије развоја урбаног подручја града Шапца.

Члан 2.

Под Стратегијом развоја урбаног подручја града Шапца (у даљем тексту: Стратегија), у смислу ове Одлуке, подразумева се плански документ развоја, а у складу са правилима Европске Уније.

Члан 3.

Циљ израде Стратегије је да допринесе одрживом развоју територије заснованом на унапређењу социјалних, економских, климатских, културних и просторних аспеката развоја, као и аспеката животне средине. Посебна пажња се посвећује проналазку решења за аспекте животне средине и климатске изазове, прелаз на климатски неутралну економију, боље коришћење потенцијала дигиталних технологија у иновационе сврхе, те подстицање развоја урбаних подручја. Стратегија поставља приоритете одрживог урбаног развоја, доприноси максимизирању вредности финансирања и развијању веза унутар и изван окружења.

Члан 4.

Полазиу основу за формулисање Стратегије представљају дефинисани правци развоја Републике Србије и Европске уније и града Шапца, кроз сагледавање Европских, националних и локалних развојних докумената и докумената јавних политика, и програма и пројекта који се реализују у граду Шапцу.

Процес израде Стратегије подразумева следеће фазе:

- а. Израда анализе стања/SWOT анализе и идентификација потреба и потенцијала;
- б. Дефинисање визије, циљева, пакета мера, усклађених са циљевима из хијерархијски надређених аката стратешког планирања;
- в. Идентификација приоритетних пројеката;
- г. Дефинисање приоритетних подручја интервенције;
- д. Дефинисање управљачког механизма за спровођење Стратегије;
- ђ. Спровођење Стратегије.

Члан 5.

Кроз процес израде Стратегије промовисаће се интегрални и партиципативни приступ планирању развоја, међусекторска сарадња и размена информација, укључивање и координација јавног, приватног, цивилног сектора и научно-истраживачког сектора у процесу одлучивања, и партнерство међу институцијама.

Члан 6.

У циљу спровођења ове Одлуке и израде Стратегије, образоваће се Савет за развој урбаног подручја града Шапца (у даљем тексту: Савет) и Радна група за израду Стратегије (у даљем тексту: Радна група).

Члан 7.

Савет има задатак да координира и надзире процес израде Стратегије, да разматра Стратегију по фазама припреме, даје мишљење на предложени нацрт, прибавља мишљења релевантних институција и упућује коначни нацрт Стратегије на усвајање. Затим, Савет даје предлог за реализацију одређених стратешких пројеката важних за развој урбаног подручја, учествује у успостављању управљачког механизма за спровођење Стратегије и координира процес спровођења Стратегије.

Савет чине градоначелник, и изабрани чланови: представници градске управе и скупштине града (посебно градских служби задужених за послове урбанизма и урбаног развоја), представници јавних предузећа, установа и институција, представници привредног сектора, организација цивилног друштва и научно-истраживачких институција из области урбанизма, као и релевантне регионалне развојне агенције.

Градоначелник именује чланове Савета посебним решењем/одлуком. Радом Савета руководи градоначелник.

Савет доноси Пословник о раду на првој седници Савета, која ће се одржати најкасније у року од месец дана од дана усвајања ове Одлуке.

Члан 8.

Радна група има задатак да спроведе све фазе у процесу израде Стратегије, дефинише кључне циљеве и приоритете развоја и предложи стратешке пројекте Савету.

Чланове и координатора Радне групе именује градоначелник.

Члан 9.

Одељење за ЛЕР ГУ Шабац, Одељење за урбанизам ГУ Шабац и Служба за просторно и урбанистичко планирање, ЈП „Инфраструктура“ Шабац, пружају стручну подршку и административно-техничку помоћ Радној групи током израде Стратегије, кроз обезбеђење простора за рад у сарадњи са градском управом, прикупљање и достављање свих званичних релевантних података и др.

Члан 10.

Током израде Стратегије биће организовани тематски округли столови, радионице, форуми за стручне и јавне расправе, на којима ће се усаглашавати предложена решења. У њихов рад могу бити укључени и сви остали заинтересовани учесници, како би се обезбедила партиципација и транспарентност процеса одлучивања и правовремено обавештавање јавности.

Члан 11.

Рок за израду Стратегије је 8 (осам) месеци од дана ступања на снагу ове Одлуке.

Члан 12.

Реализација ове Одлуке обезбеђује се кроз програм ЕУ ПРО Плус. За реализацију ове Одлуке задужена је организациона јединица градске управе надлежна за послове урбанизма (Одељење за урбанизам ГУ Шабац).

Члан 13.

О овој Одлуци информисаће се јавност у складу са одредбама Закона о планском систему, Закона о локалној самоуправи и Правилника о смерницама добре праксе за остваривање учешћа јавности у припреми нацрта закона и других прописа и аката, објавом на службеним страницама јединице локалне самоуправе.

Члан 14.

Сви појмови у овој Одлуци употребљени у граматичком мушком роду подразумевају мушки и женски природни род.

Члан 15.

Ова Одлука ступа на снагу осмог дана од дана објављивања у "Службеном листу града Шапца и општина Коцељева, Владимирци и Богатић".

Број: 020-00-89/2022-14

Датум: 30.06.2022.године



ПРЕДСЕДНИК СКУПШТИНЕ
ГРАДА ШАПЦА

Немања Пајић

ANNEX 2 - LIST OF PROJECT IDEAS

O 1. IDENTITY OF THE URBAN AREA	
1.	Tourist route - connecting monasteries and churches (cultural heritage) in the Pocer area (Radovašnica, Petkovica, Krivaja, Nakučani) with a pedestrian and bicycle path
2.	Increasing the safety and accessibility of public spaces - urban pockets
3.	Arrangement of the fortress and its surroundings in the old town
4.	Analysis and mapping of valuable buildings and urban units and development of a set of recommendations for acceptable uses in the environment
5.	Mapping of old pubs (over 100) as part of the culture of memory - "Jazz gangs" in Šabac
O 2. GREEN AND ENERGY TRANSITION AND MOBILITY	
6.	Greening and connection of public spaces, Sava Park zone - towards the city
7.	Education of the population in the field of green construction
8.	Establishing a cadastre of green areas in the urban part of Šabac
9.	Increasing the energy efficiency of buildings
10.	Construction of a solar power plant at the source of Tabanović, second zone of sanitary protection
11.	Use of energy from underground and surface water
12.	Improvement of the flood defense of the city of Šabac from the Sava River
13.	Green and blue investments - implementation of the project "Sava Park"
14.	Replacement of pipes in the water supply network
15.	Reconstruction and construction of sewerage for waste water
16.	Completion of the sludge line at CPPOV "Šabac"
17.	Development and implementation of local systems for retention and use of rainwater
18.	Chemical control in water protection zones, move - Tabanović
19.	Reconstruction of the old city landfill "Dudara"
20.	Monitoring of air quality in urban areas
21.	Development of a network of bicycle paths
22.	A study of sustainable multimodal urban mobility
23.	Electric chargers for EVs in public areas
24.	The second bypass around Šabac
25.	Multimodal hub in the port and passenger pier on the Sava
O 3. INNOVATIVE AND SMART ECONOMY	
26.	Establishment of an innovation centre to support the development of the region's economy (at the level of Mačva, Podrinje, the wider region of western Serbia and the cross-border region of 3 neighboring countries)
27.	organisational strengthening of the association of dairy farmers-cattle farmers-beekeepers-fruit growers (connection into one entity - the Chamber of Agriculture of the city of Šabac)

28.	Introducing children in secondary schools and the local economy to the use of “3D modeling” (innovations in work - new digital knowledge and skills)
29.	Formation of the regional market in Quanta
30.	Construction of a slaughterhouse
O 4. SOCIAL WELLBEING	
31.	Reconstruction of the building of the centre for Social Work
32.	Development of new or modernisation of existing facilities for temporary reception and intervention care (homeless people, begging children, victims of violence, migrants, etc.)
33.	Reconstruction of the building of Elementary School “Vuk Karadžić”
34.	Construction of sports halls in Elementary School “Vuk Karadžić” and Technical School
35.	organisation of children’s and youth educational and scientific camps
36.	Reconstruction of cultural facilities - Šabac Theater, Cultural centre, KUD “Abrašević” Building
37.	Application of the city of Šabac for the national capital of culture
38.	Organizing creative, cultural and educational programs in functional centres of culture and school facilities in rural areas
39.	Revival of the Šabac Summer Festival (ŠLF) as a cultural and entertainment event
40.	Rose Festival in the village of Lipolist for the urban identity of Šabac
41.	Construction of children’s playgrounds and outdoor gyms
42.	Development of the concept, construction of the building and functioning of the pilot club for young people and implementation of the program for young people
43.	Providing financial support for activities that strengthen the endogenous, locally specific, potentials of Šabac’s urban identity (Šabac fair, theater events, music school, Chivija republic, fortress, Sava Park - retention...)
O 5. URBAN/TERRITORIAL DEVELOPMENT GOVERNANCE	
44.	Development of a database and web-application for the road service
45.	Development of a database and web-application for the region of exceptional features Cer
46.	Development of a database and web application for the Strategy for the Development of the Urban Area of Šabac
47.	Mapping of underutilized locations, with a new inventory
48.	Cooperative “Ceramics” (clay, ceramics, paints) in support of SMART specialisation in the sector of creative industries
49.	Inclusion of the city of Šabac in URBACT
50.	Project applications for the new European BAUHAUS

ANNEX 3 – PARTICIPANTS IN DEVELOPING THE STRATEGY

Participants in the Strategy development process

Željko Dragojević, Saša Maksimović, Dragan Pavlović, Sanja Petronić, Jelena Mišković, Jelena Milošević, Slavica Brajić, Igor Čurčić, Miroljub Mijušković, Zvonko Damjanović, Goran Vasić, Vladan Vuković, Milutin Stojinović. Stevan Matić, Tamara Stefanović, Milan Vasić, Ivan Spajić, Marko Panović, Ljiljana Stojanović, Aleksandra Kurdulić, Saša Despotović, Sonja Živković, Suzana Mijušković, Gordana Berić Pantić, Marija Popović, Vladimir Marković, Dragoslav Pavlović, Vladimir Vasilić, Ivan Jovanović, Radivoj Kostadinović, Milan Simić, Miloš Mitrović, Aleksandra Savatić, Radmila Sekulić, Slavica Matić, Aleksandar Prica, Jasmina Stanković, Milence Srećković, Darko Vučićević.

ANNEX 4 - NATIONAL AND INTERNATIONAL SOURCES OF FUNDING URBAN AND TERRITORIAL DEVELOPMENT

July 2023.

1 NATIONAL SOURCES OF FUNDING URBAN AND TERRITORIAL DEVELOPMENT

MINISTRIES OF THE GOVERNMENT OF THE REPUBLIC OF SERBIA

MINISTRY OF FINANCE

MINISTRY OF ECONOMY

MINISTRY OF AGRICULTURE, FORESTRY AND WATER MANAGEMENT

MINISTRY OF ENVIRONMENTAL PROTECTION

MINISTRY OF CONSTRUCTION, TRANSPORT AND INFRASTRUCTURE

MINISTRY OF MINING AND ENERGY

MINISTRY OF INTERNAL AND FOREIGN TRADE

MINISTRY OF JUSTICE

MINISTRY OF STATE ADMINISTRATION AND LOCAL SELF-GOVERNMENT

MINISTRY OF HUMAN AND MINORITY RIGHTS AND SOCIAL DIALOGUE

MINISTRY OF EUROPEAN INTEGRATION

MINISTRY OF EDUCATION

MINISTRY OF HEALTH

MINISTRY OF LABOR, EMPLOYMENT, VETERANS AND SOCIAL AFFAIRS

MINISTRY OF FAMILY CARE AND DEMOGRAPHY

MINISTRY OF SPORTS

MINISTRY OF CULTURE

MINISTRY OF RURAL CARE

MINISTRY OF SCIENCE, TECHNOLOGICAL DEVELOPMENT AND INNOVATION

MINISTRY OF TOURISM AND YOUTH

MINISTRY OF INFORMATION AND TELECOMMUNICATIONS

MINISTRY OF PUBLIC INVESTMENTS

CABINET OF THE MINISTER WITHOUT A PORTFOLIO IN CHARGE OF PROMOTING THE DEVELOPMENT OF UNDERDEVELOPED MUNICIPALITIES

CABINET OF THE MINISTER WITHOUT PORTFOLIO IN CHARGE OF COORDINATING ACTIVITIES AND MEASURES IN THE FIELD OF RELATIONS OF THE REPUBLIC OF SERBIA WITH THE DIASPORA

CABINET OF THE MINISTER WITHOUT A PORTFOLIO IN CHARGE OF EVEN REGIONAL DEVELOPMENT

AUTHORITIES OF THE REPUBLIC OF SERBIA: CUSTOMS ADMINISTRATION; ADMINISTRATION FOR FREE ZONES; REPUBLIC WATER DIRECTORATE; ADMINISTRATION FOR FORESTS; ADMINISTRATION FOR AGRARIAN PAYMENTS; ADMINISTRATION FOR AGRICULTURAL LAND, NATIONAL ACADEMY FOR PUBLIC ADMINISTRATION, DEVELOPMENT AGENCY OF SERBIA, PORT GOVERNANCE AGENCY

FUNDS: DEVELOPMENT FUND OF THE REPUBLIC OF SERBIA, INNOVATION FUND, FUND FOR SCIENCE OF THE REPUBLIC OF SERBIA, CENTER FOR THE PROMOTION OF SCIENCE (CPN)

BANKS: Erste Bank A.D.; UniCredit Bank; Banca Intesa; NLB Komercijalna banka; Bank Poštanska štedionica; ProCredit Bank.

1.1 MINISTRIES OF THE GOVERNMENT OF THE REPUBLIC OF SERBIA¹²⁵

1.1.1 MINISTRY OF FINANCE¹²⁶

From the RS budget, the Ministry finances the following program activities and projects:

- Support to local self-government - non-purpose transfers determined by Article 37 of the Law on Local Self-Government, financing and transfers for equalization - transfer of solidarity, which is determined in accordance with Article 38 of the Law on Local Self-Government Financing.
- Expropriation of land for the purpose of building capital projects - the funds are intended for expropriation, that is, the administrative transfer of real estate - land and buildings that may be subject to expropriation by law, for the purpose of building capital projects.
- Document management system - system for document management - electronic business.

1.1.2 MINISTRY OF ECONOMY¹²⁷

From the RS budget, the Ministry finances the following program activities and projects:

- Financial support program - use of standards to more competitive products. The program is designed as a form of necessary support, primarily for small and medium-sized enterprises, in order to encourage them to increase the use of standards in production and business organization, to certify products and management systems and use other services in the field of IC, which will result in an increase in competitiveness economy as a whole. The program includes an instrument of financial support to economic entities in the form of subsidies. The available funds are approved individually to the users, with a refund, as co-financing in the amount of 40% or 60% of justified costs without VAT for each project activity;
- Encouraging regional development - financial support that serves the purpose of supporting the development of business infrastructure through infrastructural equipping of the business zone and their connection with the environment, as well as the improvement of infrastructure capacities in order to develop tourism and other economic activities. Program activities strengthen the capacities of local self-government units and accredited regional development agencies, and connect all subjects of regional development, at the national, regional and local level, in order to implement the policy of regional development;

¹²⁵ <https://www.srbija.gov.rs/link/2497>

¹²⁶ <https://www.mfin.gov.rs/>

¹²⁷ <https://privreda.gov.rs/>

- Support program for small businesses for the purchase of equipment - grants are awarded for investments in new production equipment to micro and small businesses, entrepreneurs and cooperatives for the purpose of strengthening their competitiveness, improving and improving their business and internationalization, as well as creating new jobs. The program is a combination of grants from the budget (25%), loans from commercial banks and leasing companies (70%) and the client's own funds (5%);
- Program to encourage the development of entrepreneurship through financial support for beginners in business - grants are awarded for financial support to newly founded entrepreneurs, micro and small businesses, which have been registered in the Agency for Economic Registers for the earliest two years in relation to the year of application submission. The support is a combination of 30% grants from the budget and 70% loans from the Development Fund, as well as non-financial support through a standardized set of services from accredited regional development agencies - education and assistance in creating a business plan;
- Support through a standardized set of services for MSMEs related to training, advisory services, as well as promotion of available types of support for small and medium at the local level, free of charge The program is implemented by 17 accredited regional development agencies, with the coordination of the Development Agency of Serbia;
- Support for industrial development, industrial restructuring in the direction of approaching innovative and technology-intensive and moving away from labor-intensive sectors and improvement and digitization of business models of industrial production;
- Incentive program to support the digital transformation of industry - Continuous co-financing of the implementation costs of approved projects proposed within the digital transformation strategy of individual economic entities (improvement/introduction of new business processes, business models, products, services);
- Incentives for industrial business entities for the development of innovative solutions through cooperation projects with the scientific and research community;
- Support program for industrial economic entities for the procurement of first generation technological equipment;
- Infrastructure development support program for the needs of industrial zones;
- Investments of special importance - allocation of funds to business entities that invest in fixed assets or create a large number of new jobs, in relation to the object of investment and the territorial concentration of certain economic branches and economic activities;
- Credit support to companies in the privatization process, which ensures the efficient continuation of the company's privatization process, i.e. the company's survival until the end of the process;
- The Podrinje Development Program - a joint initiative of the governments of the Republic of Serbia and the Republic of Srpska, is predominantly of an economic nature, foresees the possibility of joint activities and cooperation in the implementation of projects in the field of economic development. The following LGUs are participating from the Republic of Serbia: Šid, Sremska Mitrovica, Bogatić, Šabac, Loznica, Mali Zvornik, Krupanj, Valjevo, Osečina, Ljubovija, Kosjerić, Bajina Bašta, Užice, Čajetina, Priboj and Koceljeva.

1.1.3 MINISTRY OF AGRICULTURE, FORESTRY AND WATER MANAGEMENT¹²⁸

From the RS budget, the Ministry finances the following program activities and projects:

- Incentive for investments for the improvement and development of rural public infrastructure - incentives include support for investments in the construction and equipping of facilities:
 1. for water supply;
 2. road infrastructure;
 3. for storage and processing of agricultural products.
- The right to incentives is exercised by the local self-government unit, if the investment in question is realized in a populated place with less than 10,000 inhabitants.
- Incentive for the improvement of the system of creation and transfer of knowledge through the development of technical-technological, applied, developmental and innovative projects in agriculture and rural development. A legal entity registered in the Register of Scientific Research Organizations, a research and development center, an innovation center, an accredited faculty, an entrepreneur and a legal entity that meets the conditions for performing advisory and expert work in agriculture are entitled to incentives.
- Incentive to support programs related to the preparation and implementation of local strategies for rural development (LSRR).
- Incentives include support for programs, namely:
 1. incentives for preparing LSRR;
 2. incentives for the implementation of LSRR.
- The right to incentives is exercised by the Partnership for Territorial Rural Development (an association of representatives of the public, private and civil sectors of a certain rural area, which was established in accordance with the law regulating associations).
- Incentive for the implementation of activities aimed at increasing competitiveness through the certification of food quality systems, organic products and products with geographical origin.
- Regulation of watercourses and protection against harmful effects of water - undertaking measures and activities for protection against flooding by external and internal waters and ice, protection against erosion and torrents and elimination of the consequences of such effects of water and management of risks from the harmful effects of water, as well as preparation of technical documentation for the above objects.

Other projects implemented by the Ministry, which are financed from other sources:

- The project for competitive agriculture in Serbia - funded by the World Bank. The project refers to the improvement of productivity and promotion of entrepreneurial spirit on family farms, cooperatives, cooperatives, associations and micro, small and medium-sized enterprises through financial support and capacity development of advisory services, business and financial planning. The Ministry, through the Administration for Agrarian Payments, is issuing a public call for investments related to improving the

¹²⁸ <http://www.minpolj.gov.rs/>

competitiveness of primary livestock production in the areas of milk production, meat production, beekeeping and aquaculture.

- Instrument of pre-accession assistance for rural development (IPARD) - funds of the European Union. Within the IPARD program, the following measures were implemented:
 1. Investments in physical assets of agricultural holdings
 2. Investments in physical assets related to the processing and marketing of agricultural and fishery products
 3. Ecologically oriented and organic agriculture
 4. Implementation of local development strategies—LEADER approach
 5. Diversification of agriculture.
- Program for resilience to climate change and irrigation in Serbia - phase II - funds from the European Bank for Reconstruction and Development. The project finances the construction and rehabilitation of critical irrigation infrastructure in local governments.
- The project of integrated development of the Sava and Drina river corridors - funds from the International Bank for Reconstruction and Development. The goal of the Project is to improve flood protection and enable cross-border cooperation in the area of water on the Sava and Drina river corridors. The project finances flood protection, investment in environmental management, dams and related activities in selected priority areas along the Sava and Drina river corridors.
- Construction of the irrigation system - first phase - funds from the Abu Dhabi Development Fund. The project finances the construction, reconstruction, arrangement and rehabilitation of water facilities and irrigation systems, namely regional irrigation hydrosystems and dual-purpose systems in the area of Srem, Bačka and Banat and hydromelioration systems in the area of Šabac, Čačak, Pančevački Rit and Topola.
- Environment and climate - funds IPA program 2020. Taking measures and activities to protect and improve the quality of surface and underground water through the construction of a wastewater treatment plant for the agglomeration of Loznica; construction of new collectors and reconstruction of existing ones, construction of pumping stations and pressure pipelines and construction of parts of the new atmospheric sewage, as well as through the construction of systems and facilities for the collection, removal and purification of waste water in Sokobanja.

1.1.4 MINISTRY OF ENVIRONMENTAL PROTECTION¹²⁹

From the RS budget, the Ministry finances the following program activities and projects:

- Incentives for the purchase of environmentally friendly vehicles - subsidized purchases of new vehicles that have an exclusively electric drive, as well as vehicles that run with atmospheric and electric hybrid drive, in order to protect and improve air quality,
- Reducing air pollution in Serbia from individual sources - reducing the release of polluting substances from individual sources into the environment with the aim of implementing measures to improve air quality and undertaking preventive measures in segments important for protecting air from pollution, through cooperation with local self-government units

¹²⁹ <https://www.ekologija.gov.rs/>

- Protection and preservation of water as a natural resource - preservation of the quality of water as a natural resource, elimination of the consequences of pollution and application of preventive measures prescribed by the law on environmental protection through cooperation with local self-government units.
- Procurement, replacement, reconstruction and rehabilitation of boiler rooms for heating - reduction of the release of polluting substances into the environment, from boiler rooms for heating within the facilities that are under the jurisdiction of local self-government units, with the aim of improving air quality, undertaking preventive measures in segments important for air protection from pollution and protection and improvement of the environment.
- Incentives for management programs of protected natural assets of national interest - co-financing of management programs for national parks and protected areas.
- Afforestation for the purpose of protecting and preserving landscape diversity - co-financing the purchase of seedlings and the execution of works for the afforestation of the land with indigenous species of trees and shrubs, on land under the jurisdiction of local self-government units.
- Preservation and protection of soil as a natural resource - prevention or elimination of harmful changes in the soil, which aims to preserve the surface and functions of the soil as a natural resource and to prevent or eliminate harmful changes in the soil that may occur as a result of: erosion processes, reduction content of organic matter in the soil, acidification, salinization and alkalization of soil, soil compaction, landslides and landslides, fires and chemical accidents, pollution.
- Reducing the carbon footprint of local communities by applying circular economy principles - co-financing the development of innovative projects and business models based on circular economy principles that contribute to low-carbon development.
- Integrated management of waste, waste water, chemicals and biocidal products - establishment of a system for regional waste management and improvement of the waste management system, establishment of a system for waste water management at the level of local governments and water protection.
- Rehabilitation and closure of unsanitary landfills - support to local self-government units that are unable to independently finance the rehabilitation and closure of unsanitary landfills on their territory,
- Removal and permanent disposal of hazardous waste - solving the issue of removing hazardous waste in companies undergoing restructuring and bankruptcy, as well as removing other hazardous historical waste.
- Prevention of illegal dumping of waste and removal - by providing support to local self-government units in preventing illegal dumping of waste and preventing the creation of new illegal landfills.
- Waste management and circular economy - support to local governments in the application of innovative technologies and solutions in recycling and reuse of waste, reducing the use of natural resources and improving the quality of the environment through the reduction of emissions of pollutants into the environment.
- Procurement of collection and recycling equipment - raising the capacity of local and regional PUCs in order to increase their efficiency and improve waste management.

- Support for civil society projects in the field of environmental protection - financing of projects in the field of environmental protection carried out by associations and other civil society organizations, which were selected through a competition.
- Incentives for the reuse and utilization of waste - incentives for enterprises to encourage the reuse and utilization of waste as a secondary raw material, or to obtain energy, as well as to encourage the production of biodegradable bags.
- Technical assistance in the preparation of project documentation for infrastructure projects in the field of environment - preparation of the necessary planning and project documentation for infrastructure projects in certain local governments.
- Improvement of infrastructure for environmental protection - construction of waste water treatment facilities including collectors and sewage network.

From other funds, the Ministry realizes the following projects:

- IPA 2010 - Support to municipalities in the Republic of Serbia in the preparation and implementation of infrastructure projects;
- IPA 2017 - Environmental Protection Sector;
- IPA 2018 - Environmental Protection Sector;
- IPA 2020 - Environment and climate;
- Construction of regional centers for waste management - funds of the European Bank for Reconstruction and Development;
- District heating project in Kragujevac - funds from the European Bank for Reconstruction and Development.

1.1.5 MINISTRY OF CONSTRUCTION, TRANSPORT AND INFRASTRUCTURE¹³⁰

- From the RS budget, the Ministry finances the following program activities and projects:
- Road transport, roads and traffic safety - development of road transport reflected in easier access to the international transport market
- Railway and intermodal transport - improvement and development of railways (including cable cars) and intermodal transport through the arrangement of railway and intermodal transport systems.
- Realization of infrastructure projects of importance for the Republic of Serbia - and realization of construction and reconstruction projects of traffic infrastructure and infrastructure projects.
- Program of integral development of Southwestern Serbia - financing of projects in the field of tourism, environment and infrastructure.
- Water supply and waste water treatment program in medium-sized municipalities in Serbia and Green Cities - construction of drinking water treatment plants and waste water treatment plants, as well as rehabilitation and expansion of the municipal water supply, waste water collection and disposal system.
- Reconstruction of the railway line Nis - Dimitrovgrad.
- Program of integrated solid waste management in Serbia - improvement of municipal infrastructure for efficient management of municipal solid waste in selected cities.

¹³⁰ <https://www.mgsi.gov.rs/cir/projekti>

- Project for the construction of municipal (sewage) infrastructure and infrastructure for the disposal of municipal solid waste - a project with the working title "Clean Serbia", the construction of a sewage network and facilities for the processing of waste water and rehabilitation, reconstruction, recultivation and construction of landfills with solid waste treatment.

From other funds, the Ministry realizes the following projects:

- IPA 2020 - Support for EU integration.
- IPA 2020 - Democracy and Governance.
- The project to improve the trade and transport of the Western Balkans with the application of a multi-phase programmatic approach - funds of the International Bank for Reconstruction and Development.
- Rehabilitation of roads and improvement of traffic safety - funds International Bank for Reconstruction and Development, European Investment Bank and European Bank for Reconstruction and Development.
- Modernization of the railway sector in Serbia - funds from the World Bank, the International Bank for Reconstruction and Development.

1.1.6 MINISTRY OF MINING AND ENERGY¹³¹

From the RS budget, the Ministry finances the following program activities and projects:

- Public call for the allocation of funds for the financing of the Program of Energy Rehabilitation of Family Houses and Apartments implemented by local self-government units, as well as city municipalities.
- Public call for the allocation of funds for the financing of energy efficiency improvement projects in facilities of public importance in local self-government units, as well as city municipalities.
- Energy efficiency and energy management in municipalities in Serbia - systematic and comprehensive energy management through the introduction of the European Energy Award certificate, improvement of the energy efficiency of public buildings in Kruševac and Užice.
- Improving the energy management system to increase investments in the energy efficiency of public buildings in Serbia - reducing GHG emissions through improving energy efficiency and promoting the use of renewable energy sources in public buildings with a special focus on state-owned buildings.

From other funds, the Ministry realizes the following projects:

- Encouraging the use of renewable energy sources - development of the biomass market, funds from the German Development Bank KfW. The project is implemented in the relevant local self-government units that were included in previous justification studies based on their own initiative, potential and previously taken steps in order to use biomass and geothermal energy.

¹³¹ <https://www.mre.gov.rs/>

- Rehabilitation of the district heating system in Serbia - funds from the German Development Bank KfW. The project envisages the rehabilitation and modernization of 7 heating plants through the implementation of projects in the field of construction/improvement/replacement of thermal energy production facilities, replacement/expansion of heating pipes, improvement/replacement/installation of substations and installation/improvement/expansion of modern SCADA systems.

1.1.7 MINISTRY OF INTERNAL AND FOREIGN TRADE¹³²

From the RS budget, the Ministry finances the following program activities and projects:

- Incentives for the development of the national brand of Serbia and the preservation of old crafts - subsidies to economic entities for the development and preservation of traditional crafts.
- Support for programs of consumer associations and out-of-court settlement of consumer disputes - financing or co-financing of programs of registered consumer associations, which include activities of providing information, education, advice and legal assistance to consumers, as well as conducting independent research.

1.1.8 MINISTRY OF JUSTICE¹³³

From the RS budget, the Ministry finances the following program activities and projects:

- Public competition for the allocation of funds collected on the basis of the postponement of criminal prosecution - for projects prepared by natural persons, legal persons, authorities, organizations, public institutions, entrepreneurs, associations, funds, humanitarian organizations, which realize the public interest in the field of health, culture, education, humanitarian work.

1.1.9 MINISTRY OF STATE ADMINISTRATION AND LOCAL SELF-GOVERNMENT¹³⁴

From the RS budget, the Ministry finances the following program activities and projects:

- Support for the development and functioning of the local self-government system - establishment of a better system of local self-government, realization of infrastructure projects of local self-government units, improvement of the work of LGUs and good administration, improvement of the efficiency of the work of local self-government in the area of personnel capacities, modernization of the work of local self-government units in terms of IT and technical equipment.
- Local self-government for the 21st century - support for the implementation of functional analysis and functional organizational models, building and strengthening the capacities of LGUs, development and improvement of inter-municipal cooperation through the Fund for Inter-Municipal Cooperation.

¹³² <https://must.gov.rs/>

¹³³ <https://www.mpravde.gov.rs/>

¹³⁴ <https://mduls.gov.rs/category/projekti-i-programi/>

- Partnership for local development - improvement of service provision in selected municipalities: renovation of public institution buildings, reconstruction/construction of local markets, establishment of a municipal center for monitoring the provision of local services by local public utility companies, reconstruction of public space - (sports fields, parks, pedestrian paths , etc.), construction/replacement of lighting.
- Management of the public administration reform - establishment of unique administrative positions through support to local self-government units and city municipalities whose purpose is to increase the efficiency, effectiveness and economy of the work of the authorities, in situations where, in order to exercise one or more rights, the actions of one or more authorities are required.
- Budget fund for the Program for Local Self-Governments - improvement of infrastructure, work efficiency and quality of life in LGUs.
- Establishing solid coordination mechanisms for the development and functioning of e-Government and rounding off the legal framework and procedures for the development of e-Government - awarding grants to a maximum of 35 LGUs for the development and implementation of procedures and procedures relevant to the introduction of e-Government, training and mentoring support for the provision of e-Government services - Management, and support for data opening.
- Improving the function of human resource management (HRM) in state administration and local self-government through the introduction of new instruments and strengthening the capacity for HRM - Building the capacity of cities and municipalities to implement and improve the function of human resource management in local self-government.
- Improving the sustainability of public finances through reforming and developing public property management - Implementation of LGU projects within the grant scheme for improving public property management at the local level, implementation of 20 packages of direct technical support to municipalities for improving public property management at the local level.
- Improvement of the process of planning and budget preparation at the local level - raising the capacity of LGUs to implement program budgeting in accordance with the methodology for program budgeting through the creation of instructional documents for the preparation of the program budget, the organization of 24 regional trainings for all LGUs and direct technical support for 12 LGUs selected by competition.
- Raising awareness of the rights of national minorities - encouraging the establishment and effective functioning of councils for inter-ethnic relations at the local level in all municipalities with ethnically mixed populations through trainings and meetings with LGU representatives.
- Empowerment of civil society organizations - competition for the allocation of funds from the Budget Fund for National Minorities for programs and projects from a specific priority area of funding.

1.1.10 MINISTRY OF HUMAN AND MINORITY RIGHTS AND SOCIAL DIALOGUE¹³⁵

From the RS budget, the Ministry finances the following program activities and projects:

- The rights of national minorities to self-governance - strengthening of civil society organizations and business companies by announcing tenders for financing programs and projects of organizations whose founders are national councils of national minorities that deal with the protection and promotion of the rights of national minorities in areas where national councils of national minorities are entrusted with the exercise of public powers.
- Encouraging environment for the development of civil society - implementation of measures and activities with the aim of improving the legal, institutional and financial framework for the development of civil society and raising the capacity of public administration bodies and civil society organizations in order to improve mutual cooperation.
- Public competition for financing programs of associations that contribute to greater involvement of civil society organizations in the creation of gender-responsive policies.
- Competition for civil society organizations, for projects related to the implementation of the Prevention and Protection Against Discrimination Strategy.
- Informative, educational and promotional activities to encourage women and girls to participate in innovative activities related to the digital, circular and green economy through research teams as experts, but also as entrepreneurs in these fields.
- Informative, educational and promotional activities for the increased participation of women in the protection of intellectual property and patents, increasing knowledge and information about the protection of intellectual property and innovation activity.
- Informative, educational and promotional activities for increased inclusion of women and girl soldiers in science and technology parks, innovation incubators and similar centers.
- Competition for financing scientific-research projects in the field of gender equality.
- Programs and projects by which Roma men and women are informed and educated on the topic of access to rights and preservation of identity.
- Training programs that include the topics of gypsyism as a form of racism and discrimination for employees of LGUs.
- Campaign to increase the representation of Roma men and women in political decision-making bodies at the local level.
- Formation of local councils for the social inclusion of Roma and Roma women.
- Forming new mobile teams for the inclusion of Roma in all local governments with a significant share of Roma and ensuring capacity building for members of the mobile teams.
- The program of educational work and other forms of work and services provided by the preschool institution with the aim of supporting families and children up to three years of age.
- Partnership between LGUs, preschool institutions and CSOs in the implementation of programs to encourage the development and learning of children, as well as the development of parenting skills in the community.

¹³⁵ <https://www.minljpdd.gov.rs/>

- Training for employees in public administration bodies on the inclusion of CSOs in the process of drafting, implementing, monitoring the implementation and evaluating the effects of public policies and regulations.
- Training for CSOs to understand the role, competences and functions of public administration and participation in the process of drafting, implementing, monitoring and evaluating public policy documents and regulations.

From other funds, the Ministry realizes the following projects:

- Support for participation in EU programs - IPA program funds. Providing financial support to associations and other civil society organizations for the implementation of projects previously approved by the European Union.

1.1.11 MINISTRY OF EUROPEAN INTEGRATION¹³⁶¹³⁷

From the RS budget, the Ministry finances the following program activities and projects:

- Support for the effective use of Instruments for EU pre-accession aid and development aid.
- Call for project ideas from the Territorial Strategy for the collection of project concepts within the Integrated Territorial Strategy (Interreg VI-A) Program Bulgaria-Serbia 2021-2027.

1.1.12 MINISTRY OF EDUCATION¹³⁸

From the RS budget, the Ministry finances and co-finances the following program activities and projects:

- Modernization of the infrastructure of primary and secondary schools, institutions of higher education and institutions of student standards by implementing projects of construction, reconstruction, rehabilitation, adaptation, projects to improve the energy efficiency of existing buildings by applying energy efficiency measures, projects of investment maintenance of school buildings, as well as the implementation of projects to equip newly built and existing school facilities and institutions and school contents
- Support for the digitization program in the area of the national education system
- Construction of educational and scientific centers Inclusive preschool upbringing and education The Ministry provides support for integration into the European educational space through the programs Erasmus+ (Erasmus+), iTwinning (eTwinning), Juridajs (Eurydice), Euroguidance, EPALE, Europass and EOK (EQF).

The Ministry realizes the following projects from the funds of contracted loans and credits:

- Dual Education Training Center, Council of Europe Development Bank funds;
- Associated schools in Serbia B, funds of the European Investment Bank;
- School modernization program, funds of the European Investment Bank;

¹³⁶ <https://www.mei.gov.rs/>

¹³⁷ <https://www.mei.gov.rs/srp/pozivi/165/detaljnije/w/0/raspisan-prvi-poziv-za-projektne-ideje-iz-teritorijalne-strategije/>

¹³⁸ <https://prosveta.gov.rs/>

- Education for social inclusion, funds from the Development Bank of the Council of Europe;
- Inclusive preschool education and upbringing, funds of the International Bank for Reconstruction and Development;
- Student housing in Serbia, Development Bank of the Council of Europe;
- Improvement of university education, Council of Europe Development Bank funds;

Other projects in which the Ministry participates

1. The project of accelerating innovation and encouraging the growth of entrepreneurship in the Republic of Serbia (SAIGE)

The project to accelerate innovation and encourage the growth of entrepreneurship in the Republic of Serbia (SAIGE) supports the further reform of the scientific research sector, the strengthening of links between the economic and academic sectors, and the development of innovative companies.

Funds for the implementation of the SAIGE Project were provided on the basis of a joint investment by the Republic of Serbia, i.e. the Ministry of Education, Science and Technological Development) through a loan and technical support from the World Bank in the amount of 43 million euros and non-refundable financial support from the European Union in the amount of 41.5 million euros .

The SAIGE project is implemented jointly by the Ministry of Education, the World Bank and the European Union, and the beneficiaries are the scientific community, scientific research organizations, the innovative economy, as well as the Fund for Science and the Fund for Innovation Activities.

The SAIGE project provides support to the competitive programs of the Science Fund of the Republic of Serbia and the best scientific research projects that were chosen based on an independent international selection.

Project activities:

- Support for scientific research

The support includes grants for basic and applied research, which are implemented within the framework of two programs, the Special Program for Research on COVID-19 and IDEA.

Through the Program for Cooperation with the Serbian Diaspora, the SAIGE project finances the connection and cooperation of Serbian science with the community of the Serbian diaspora in order to improve the ecosystem of research, innovation and entrepreneurship in Serbia. The program should attract promising scientists, researchers and entrepreneurs from the Serbian diaspora community to transfer knowledge and skills through various activities. It will include networking, advisory participation in the creation of strategies, vouchers for exchange of knowledge for Serbian researchers, grants for joint basic and applied research, development and transfer of technologies, protection of intellectual property and commercialization of research.

The project provides technical assistance to the Science Fund in terms of developing new programs and strengthening internal capacities and procedures.

- Empowerment of innovative startup companies

In order to strengthen the startup community in Serbia, the Innovation Activity Fund, within the SAIGE Project, launched the Catapult acceleration program.

Through this program of the Fund, innovative entrepreneurship is encouraged, it provides access to sources of financing for the development of innovative companies and attracts private investments.

Catapult is the first accelerator in Serbia that provides young companies with intensive, three-month mentoring and connections with investors.

The Catapult program helps innovative, growth-oriented companies to position themselves in the global market, as well as to improve their business development capabilities, which will increase the possibility of attracting private investment.

- Support for the reform of the science and research sector

The SAIGE project supports the reform of scientific and research organizations through the design and implementation of institutional transformation plans by providing incentives, financial and technical support for undertaking the planned steps of institutional reforms.

Through a phased approach, scientific institutes that have expressed interest in transformation and have been approved by the Ministry of Education, Science and Technological Development to participate in the process, undergo an independent international expert assessment and, based on the assessment results, receive detailed transformation plans, with concrete expected results.

2. Program of institutional financing of accredited institutes founded by the Republic of Serbia, autonomous province, unit of local self-government and institutes founded by the Serbian Academy of Sciences and Arts and Program of institutional financing of institutes of national importance for the Republic of Serbia.

The programs regulate issues of importance for their implementation and develop priorities and indicators for evaluating the work of accredited institutes founded by the Republic of Serbia, an autonomous province, a unit of local self-government and the Serbian Academy of Sciences and Arts, and institutes of national importance for the Republic of Serbia, as well as other issues of importance for the implementation of these programs including the rights and obligations of researchers at accredited faculties regarding the establishment and duration of the employment relationship.

The aim of these programs is to strengthen scientific research institutions in order to be more recognizable and competitive at the national and international level, to strengthen research teams for participation in competitive projects, to achieve dynamic development of science, technological development and innovation, to increase the efficiency of the use of resources of the scientific research system.

1.1.13 MINISTRY OF HEALTH¹³⁹

From the RS budget, the Ministry finances the following program activities and projects:

- Improving the availability of health care for the Roma population - engaging health mediators and supporting projects that are implemented in cooperation with Roma citizens' associations in order to improve the health of Roma men and women.
- Support for the activities of citizens' associations in the field of health care - support for the work of associations that deal with activities of importance for health care, financing the organization of expert meetings at the regional level, organizing national meetings, meetings with international participation, implementing projects that include certain health care systems, maintaining courses and continuous education.
- Support for the activities of citizens' associations in the field of HIV infection prevention and control - a contracting mechanism with citizens' associations for the selection of implementers, who are engaged on an annual basis based on an open call for submission of project proposals in the field of HIV infection prevention and control,
- Programs of the Serbian Red Cross - aimed at socially vulnerable populations, especially children, the elderly, refugees and internally displaced persons, and include first aid, preventive health activities, education and training for young people, care for the elderly, psychosocial support for families of missing and kidnapped persons .
- Construction and equipping of state-owned health institutions founded by the Republic of Serbia - investment investment, investment maintenance of premises, medical and non-medical equipment and means of transport, procurement of medical and other equipment necessary for the operation of health institutions, means of transport, procurement of equipment for the development of integrated health information system.
- Public call for project financing for the implementation of program 1802 "Preventive health care" project 0012 "Support to the activities of citizens' associations in the field of health care".
- Public call for project financing for the implementation of program 1802 "Preventive health care" project 0010 "Improving the availability of health care for the Roma population".
- Public call for project financing for the implementation of program 1802 "Preventive health care" project 4013 "Support to the activities of citizens' associations in the field of prevention and control of HIV infection".

The Ministry realizes the following projects from the funds of contracted loans and credits:

- Reconstruction of university clinical centers - funds of the European Investment Bank.
- Health development - funds from the International Bank for Reconstruction and Development
- Program "Interreg" IPA Romania - Serbia 2021-2027.

¹³⁹ <https://www.zdravlje.gov.rs/>

1.1.14 MINISTRY OF LABOR, EMPLOYMENT, VETERANS AND SOCIAL AFFAIRS¹⁴⁰

- From the RS budget, the Ministry finances the following program activities and projects:
- Public call for the allocation of support packages to local self-government units for the improvement of social protection - support to local self-government units for the improvement of the social protection system at the local level and financial support in the form of grants for the establishment/expansion of at least one social protection service.
- Public call for project proposals in the field of veterans-disabled protection - funding of projects by citizens' associations to improve the position of veterans, disabled veterans, civilian war veterans and families of fallen veterans and to improve the area of nurturing the traditions of the liberation wars.
- Public call for project proposals for the investment maintenance of war memorials of importance for nurturing the traditions of Serbia's liberation wars - for the competent Institutes for the Protection of Cultural Monuments
- Public competition for submitting program proposals to the permanently open competition for the improvement of the position of persons with disabilities in the Republic of Serbia in 2023 - financing of programs implemented by citizens' associations registered on the territory of the Republic of Serbia.
- Public competition for submitting program proposals to the Program competition for the improvement of the position of persons with disabilities in the Republic of Serbia in 2023.
- Carrying out the activities of social welfare institutions - performing entrusted tasks in centers for social work and providing social welfare services in institutions founded by the Republic.
- Support for the work of foster parents - financing placement in foster families on the basis of the allowance for the maintenance of the beneficiary and the allowance for the work of the foster parent.
- Support for the work of social protection institutions - investments in facilities and equipment in institutions and provision of missing funds in order to smoothly carry out activities in cases where problems arise in the settlement of obligations based on the costs of communal services and energy sources, extraordinary and occasional costs based on judicial and administrative proceedings, decision of courts or authorities state bodies.
- Rights of users outside the network of social protection institutions - assistance for job training of asylum seekers, financial assistance for accommodation in special hospitals.
- Support to associations in the field of family and child protection - co-financing of citizens' associations to help children - grants to encourage programs and activities of public interest in the field of family and child protection.
- Support to associations and local communities - financing of associations and local communities that include the affirmation of various activities aimed at improving social protection in the community.
- Support for associations in the field of veterans and disabled protection - financial support for projects of associations with various programs, interests and activities

¹⁴⁰ <https://www.minrzs.gov.rs/sr>

related to the field of veterans and disabled protection, protection of their families, as well as nurturing the tradition of Serbia's liberation wars, based on a public tender.

- Support to companies for the professional rehabilitation of persons with disabilities - wage subsidies for employees with disabilities and funds for improving working conditions in these companies with the aim of strengthening the capacity to carry out professional rehabilitation, employment and maintenance of employment of persons with disabilities.
- Protection of the position of persons with disabilities - a public tender of public importance for the submission of program proposals for the improvement of the position of persons with disabilities.
- Support for the development of social entrepreneurship - an incentive for the development of social entrepreneurship, which aims to increase the work activation of able-bodied persons who are in the social protection system, less employable unemployed persons in accordance with the regulations in the field of employment and other less employable persons from particularly sensitive categories.

From other funds, the Ministry realizes the following projects:

- Public call for providing comprehensive support for the establishment / improvement of local mechanisms for the inclusion of Roma and Roma women - funds of the IPA 2020 Program.

1.1.15 MINISTRY OF FAMILY CARE AND DEMOGRAPHY¹⁴¹

From the RS budget, the Ministry finances the following program activities and projects:

- Public call for the allocation of grants designated for the co-financing of population policy measures and support in the area of family and children to local self-government units.
- Support to associations in the field of family and child protection - co-financing of citizens' associations to help children - grants to encourage programs and activities of public interest in the field of family and child protection.
- Public call for submission of program proposals to the permanently open call for grants intended for projects of family law protection of citizens, support for families and children - for the use of grants to non-governmental organizations for projects of family law protection, citizens, support for families and children.
- Public competition for submitting program proposals to the permanent open competition for the awarding of grants intended for projects of family law protection of citizens, coordination and policy implementation in the field of demography - for the use of grants to non-governmental organizations for projects of family law protection of citizens, coordination and policy implementation in the field of demography.
- Public call for submission of program proposals to the permanently open call for grants intended for projects of family law protection of citizens, coordination and

¹⁴¹ <https://minbpd.gov.rs/>

implementation of population policy - for the use of grants to non-governmental organizations for projects of family law protection of citizens, coordination and implementation of population policy.

- Public call for submission of program proposals to the permanently open call for grants intended for projects of family law protection of citizens, support for associations in the field of family and child protection - for the use of grants to non-governmental organizations for projects of family law protection of citizens, support for associations in the field of family protection.

1.1.16 MINISTRY OF SPORTS¹⁴²

From the RS budget, the Ministry finances the following program activities and projects:

- Special programs in the field of sports - financing the activities of organizations in the field of sports that are carried out with the aim of providing security
- conditions for free and safe sports, especially for children, women, young people and people with disabilities.
- Construction and capital maintenance of sports infrastructure - projects of construction, equipping and maintenance of sports facilities in local self-government units from the 4th development group are specially financed.
- Public call for submission of program proposals, i.e. projects related to the construction of sports facilities for the needs of people with disabilities and adaptation of existing sports facilities to the needs of people with disabilities.
- Public call for submission of program proposals, i.e. projects in the field of sports through the construction, equipping and maintenance of sports facilities that are important for the development of sports in the entire territory of the Republic of Serbia.

1.1.17 MINISTRY OF CULTURE¹⁴³

From the RS budget, the Ministry finances the following program activities and projects:

- Support for improving the capacity of the cultural sector at the local level - Co-financing of the Cities in Focus program through a public call that will improve the area of culture and art in local areas, encourage the development of creativity and recognize the specifics of cultural identity and sustainable development of local communities.
- Support for research, protection and preservation of immovable cultural heritage - competition in the field of protection, preservation and use of immovable - architectural and archaeological heritage. Supported projects include work on the preparation of technical project documentation, implementation of technical protection measures and conservation work on immovable cultural assets, research and protection of archaeological sites and work related to the presentation of architectural and archaeological cultural heritage, publication of materials as well as other activities on the protection of immovable inheritance.

¹⁴² <https://www.mos.gov.rs/>

¹⁴³ <https://www.kultura.gov.rs/>

- Digitization of cultural heritage - financing of the work of institutions in the field of culture, for projects related to equipping laboratories for digitalization of cultural heritage, as well as projects related to the process of digitization of the cultural heritage of the Republic of Serbia and strengthening the infrastructure capacities of institutions.
- Support for research, protection and preservation of intangible and movable cultural heritage - Competition in the field of protection, preservation and presentation of museum heritage, Competition in the field of protection, preservation and presentation of archival materials, Competition in the field of protection, preservation and presentation of old and rare library materials and Competition in areas of protection, preservation and presentation of intangibles cultural heritage.
- Support for the development of library and information activities and the library and information activities of the Association of the Blind of Serbia - Competition in the field of library and information activities for financing the procurement of information and communication technologies for public libraries, publication of professional publications, digitization of library materials, support for the education of librarians, improvement of storage conditions and protection of library and information materials, support for interactive programs for children and young people.
- Support for the work of the Institute for the Protection of Cultural Monuments and Historical Archives.
- Strengthening cultural production and artistic creativity - public competition for financing and co-financing of projects in all artistic fields / music, drama, dance, visual arts, literature, film, etc., and through cultural activities of sensitive groups/national minorities, persons with disabilities , children, young people. financing and co-financing of the work and program activities of cultural institutions founded by the RS in the field of musical arts, performing arts /drama, opera, artistic dance and traditional folk art/, film art and audio-visual creativity, and through scientific research programs in culture and art .
- Support for the development of literary creativity and publishing
- Support for the development of musical creativity - support and stimulation of projects and programs in the field of musical art, their presentation and affirmation, continuous raising of the level of cultural needs of the population, institutions and engaged individuals.
- Support for the cultural activities of socially sensitive groups - support for projects that contribute to greater social cohesion, fostering intercultural dialogue, developing conditions for the diversity of cultural expressions and identities, and strengthening the availability of cultural content.
- Support for the development of artistic play - financing and co-financing of institutional and independent production, implementation of domestic and international exchange and professional development of artists (participation in conferences or masterclasses) in the field of artistic play.
- Support for the strengthening of theater art - financing and co-financing of institutional and independent productions, implementation of domestic and international exchange and professional development of artists (participation in conferences or masterclasses) in the field of theater art.

- The Capital of Culture of Serbia - strengthening the operational and professional capacities of local self-governments in the field of culture through the preparation of strategic documents for the development of culture (Strategy and Action Plan), support for the improvement of infrastructure, human resources and programs with the aim of raising them to a higher level.
- Support for the work of institutions in the field of protection and preservation of cultural heritage - preparation of technical project documentation, implementation of technical protection measures and conservation work on immovable and movable cultural assets, research and protection of archaeological sites and work related to the presentation of architectural and archaeological cultural heritage.
- Digitization in the field of protection and preservation of cultural heritage - public tender for financing the work of institutions in the field of culture, for projects related to equipping laboratories for digitalization of cultural heritage, as well as projects related to the process of digitization of the cultural heritage of the Republic of Serbia and strengthening the infrastructure capacities of institutions.
- Public call for the allocation of incentives to an investor to produce an audiovisual work in the Republic of Serbia.
- Competition for financing or co-financing of projects in the field of protection of old traditional crafts and their modern application.
- Competition for financing and co-financing of projects in cinematography for 2023 in the category: pre-digitalization and digitalization of cinema.

1.1.18 MINISTRY OF RURAL CARE¹⁴⁴

From the RS budget, the Ministry finances the following program activities and projects:

- Support for the development of cooperatives - a public tender for the allocation of grants for old and newly formed agricultural and agricultural cooperatives, agricultural and agricultural cooperatives whose registered activity is rural tourism (tourist cooperatives) or whose registered activity is the production of traffic or the activity of performing old and artistic crafts (crafts cooperatives), that is domestic crafts.
- Support for the organization of events in the villages of the Republic of Serbia - a public competition for the implementation of the grant award program can be in the field of dramatic arts, literature, literary skills and other arts (competitions in singing, recitation, acting, painting, etc.), holding sports competitions, promoting , preservation and improvement of old crafts and cultural-artistic heritage, creation of art and domestic crafts, as well as other activities in which the inhabitants of the village can show their knowledge and skills and compete in them.
- Support for the adaptation of multifunctional facilities - adaptation of facilities in rural areas to provide a clinic, pharmacy, post office, club for the elderly, children's club, cinema hall, municipal administration counter, local community office, etc.
- Incentive for the purchase of minibusses for the transportation of the rural population - grants are intended for the purchase of minibusses that can be used exclusively for

¹⁴⁴ <https://www.mbs.gov.rs/>

the transportation of the rural population from one village to another village or from the village to the city/municipal headquarters.

- Public competition for the allocation of grants for the organization of the event called “Miholjski susreti village”.

1.1.19 MINISTRY OF SCIENCE, TECHNOLOGICAL DEVELOPMENT AND INNOVATION¹⁴⁵

From the RS budget, the Ministry finances the following program activities and projects:

- Support for the realization of interests in innovation activity - providing support for the development or significant modification of existing innovative products, technologies, processes and services, in order to encourage the application and commercialization of scientific research results, as well as providing support for the use of modern technologies and the construction of innovative organizations for infrastructural support of innovation activities.
- Support for the digitization program in the area of the national scientific research system - equipping and maintaining the software resources needed for keeping electronic records.
- Support for the work of NTP Niš.
- Support for education and training of young talents - awarding high school students for the results achieved in national and international competitions and providing scholarships to students for studies in the country and abroad.
- Research and development in the public sector - adaptation of existing buildings and laboratories, construction of science and technology parks in Belgrade, Novi Sad, Niš; construction of residential buildings for rent to young scientists in Belgrade, Novi Sad, Niš and Kragujevac, construction of centers of excellence in priority areas (stem cells, nano-sciences, agricultural-biology center, biomedicine), procurement of new capital equipment for research, construction of science centers .

From other funds, the Ministry realizes the following projects:

- IPA 2018 – Competitiveness
- The project of acceleration of innovation and encouragement of the growth of entrepreneurship - SAIGE
- IPA Support for participation in EU programs
- IPA 2019 - Competitiveness and Innovation

1.1.20 MINISTRY OF TOURISM AND YOUTH¹⁴⁶

- From the RS budget, the Ministry finances the following program activities and projects:
- Support of LGUs in the implementation of youth policy - cooperation with local self-governments in the development of an institutional framework for the improvement of youth policy at the local level, providing support for the formation of youth offices, local youth councils, the development and implementation of local action plans for

¹⁴⁵ <https://nitra.gov.rs/>

¹⁴⁶ <https://www.mto.gov.rs/>

youth, the formation of sustainable youth clubs and the establishment of local youth services, establishment of KZM work standards and assessment, monitoring and improvement of KZM work.

- Programs and projects supporting young people in education, upbringing, safety, health and participation - funding or co-financing of programs and projects aimed at providing support for youth networking and improving the conditions for participation in decision-making through a sustainable institutional framework, based on the needs of young people and in partnership with to young people, raising the awareness of young people about healthy lifestyles, safety and environment.
- Programs and projects to support youth in employment - financing or co-financing of programs and projects to encourage and stimulate various forms of employment, self-employment and entrepreneurship of young people, developing services and mechanisms that promote employability and employment of young people through intersectoral cooperation and empowering young people to acquire skills for active, responsible and efficient career management.
- Incentives for the construction of infrastructure and superstructure in tourist destinations - financing/co-financing of tourism development projects to encourage the quality of the tourist offer implemented by companies and entrepreneurs registered to perform activities in the field of tourism, as well as registered agricultural farms. Financial support for the realization of these projects is provided by granting loans.
- Incentives for projects of promotion, education and training in tourism - co-financing of tourism development projects, promotion of tourist products and tourist areas of Serbia and encouragement of a receptive tourist-hospitality offer, improvement and implementation of statistical research and methodology of satellite accounts, as well as education and training in tourism.
- Incentives for the improvement of the receptive tourist and hospitality offer - incentives for travel agencies, travel organizers, as a way of support for promotional and marketing activities that are necessary to reach the required level of traffic of foreign tourists.

1.1.21 MINISTRY OF INFORMATION AND TELECOMMUNICATIONS¹⁴⁷

From the RS budget, the Ministry finances the following program activities and projects:

- Development of ICT infrastructure in institutions of education, science and culture
- Construction of broadband communication infrastructure in rural areas
- Digitization of Serbia's tourist offer - preparation of infrastructural communication and application bases for the implementation of long-term goals of digitization of tourist locations.
- Support for the achievement of public interest in the field of information - co-financing through competitions, media projects, independent productions, associations and organizations engaged in the production of media content for projects that contribute to the diversity of media content and the pluralism of ideas and values, the development of media creativity in the fields of culture, education and science , information and improving the position of all segments of society.

¹⁴⁷ <https://mit.gov.rs/>

- Support for informing national minorities in their own language - co-financing through tenders for media projects, productions and associations aimed at informing members of national minorities.
- Support for the information of persons with disabilities - co-financing through the competition of media projects, productions and associations intended for the information of persons with disabilities.

1.1.22 MINISTRY OF PUBLIC INVESTMENTS¹⁴⁸

From the RS budget, the Ministry finances the following program activities and projects:

- Restoration and construction of public purpose buildings and remediation of the consequences of natural disasters - restoration and renovation of public purpose buildings in public ownership.
- Renovation and construction of public facilities in the field of healthcare.
- Renovation and construction of public purpose buildings in the field of education and science.
- Renovation and construction of public facilities in the field of sports infrastructure.
- Renovation and construction of public facilities in the field of social protection.
- Renovation and construction of public purpose buildings in the field of culture.
- Renovation and construction of public facilities in the field of local communal infrastructure.

1.1.23 CABINET OF THE MINISTER WITHOUT A PORTFOLIO IN CHARGE OF PROMOTING THE DEVELOPMENT OF UNDERDEVELOPED MUNICIPALITIES¹⁴⁹

From the RS budget, the Cabinet of Ministers without portfolio finances the following program activities and projects:

- Public call for submission of project proposals to the Program for financing projects of public interest implemented by associations from the territories of extremely underdeveloped municipalities (units of local self-government from the fourth group).
- Public call for application of projects for the Development Support Program of extremely underdeveloped municipalities (units of local self-government from the fourth group)
- Support for the implementation of measures of balanced regional development - preparation of project-technical documentation, planning documentation and strategic documents under the jurisdiction of local self-government units.

¹⁴⁸ <https://www.obnova.gov.rs/>

¹⁴⁹ <https://rnro.gov.rs/javni-konkursi/>

1.1.24 CABINET OF THE MINISTER WITHOUT PORTFOLIO IN CHARGE OF COORDINATING ACTIVITIES AND MEASURES IN THE FIELD OF RELATIONS OF THE REPUBLIC OF SERBIA WITH THE DIASPORA¹⁵⁰

From the RS budget, the Cabinet of Ministers without portfolio finances the following program activities and projects:

- Protection of the rights and interests of members of the diaspora and Serbs in the region - co-financing projects of citizens' associations, professional education and legal assistance to the diaspora and Serbs in the region.
- Competition for co-financing of projects that contribute to the preservation and strengthening of ties between the home country and the diaspora, as well as between the home country and the Serbs in the region - support for the organization of schools, camps (programs aimed at getting to know the mother country), summer schools of the Serbian language, educational workshops and educations (for the improvement Serbian language classes) intended to preserve the cultural and linguistic identity of children and youth in the diaspora and the region.
- Competition for the co-financing of projects that, with their quality, contribute to the preservation and strengthening of ties between the home country and the diaspora, as well as between the home country and the Serbs in the region.

1.1.25 CABINET OF THE MINISTER WITHOUT A PORTFOLIO IN CHARGE OF EVEN REGIONAL DEVELOPMENT¹⁵¹

From the RS budget, the Cabinet of Ministers without portfolio finances the following program activities and projects:

- Public call for applications for projects for the Regional Growth Promotion Program in the Republic of Serbia for funds for the co-financing of development documents of regional development and for co-financing of projects of importance for regional growth - the right to use funds for the co-financing of development documents at the level of LGUs and regional areas has one or more LGUs and ARRA or LGUs independently, who participate in projects together.

1.2 AUTHORITIES OF THE REPUBLIC OF SERBIA

1.2.1 CUSTOMS ADMINISTRATION¹⁵²

From the RS budget, the Customs Administration finances the project:

- Construction of the complex of the customs office at GP Gradina.

¹⁵⁰ <https://www.mbpdiijaspora.gov.rs/>

¹⁵¹ <https://rrrz.gov.rs/extfile/sr/472/%D0%88avni%20poziv.pdf>

¹⁵² <https://www.carina.rs/>

1.2.2 ADMINISTRATION FOR FREE ZONES¹⁵³

From the RS budget, the Administration for Free Zones finances the project:

- Promotion, development, control and supervision of free zones - additional benefits of local self-government for investments in the area of the free zone, expansion of the area of free zones, promotion of free zones.

1.2.3 REPUBLIC WATER DIRECTORATE¹⁵⁴

From the RS budget, the Directorate finances the following program activities and projects:

- Arrangement and use of water - construction, reconstruction of water facilities for the supply of drinking water and sanitary hygiene needs, plants for the preparation of drinking water, main pipelines and reservoirs, in order to provide healthy drinking water in sufficient quantity for settlements and industry in municipalities and cities.
- Protection of water from pollution - protection and improvement of the quality of surface and underground water, which enables the protection of the environment and human health through the reduced risk of water epidemics, as well as the protection of water sources through the construction and reconstruction of water facilities for the collection, removal and purification of waste water.
- Regulation of watercourses and protection from the harmful effects of water - protection from flooding by external and internal waters and from ice, protection from erosion and torrents and elimination of the consequences of such water effects and risk management from the harmful effects of water.
- Electrification of the irrigation system - construction of the missing power facilities, in order to create the conditions for the connection of facilities of agricultural producers.
- Project of Integrated Development of the Sava and Drina Corridor - financing of flood protection, investment in environmental management, dams and related activities in selected priority areas along the Sava and Drina River Corridor and providing support for the implementation of waterway improvements by demining the right bank of the Sava and Drina River Corridor.
- Construction of irrigation systems - construction, reconstruction, arrangement and rehabilitation of water facilities and irrigation systems, on regional irrigation hydrosystems and dual-purpose systems in the area of Srem, Bačka and Banat and hydromelioration systems in the area of Šabac, Čačak, Pančevački Rit and Topola.
- Completion of the existing network for public water supply in settlements, with its extension to suburban areas - Implementation of the Program for the Improvement of the Water Supply System in the Cities and Municipalities of Sombor, Vršac, Šabac, Pančevo, Sremska Mitrovica, Loznica, Smederevo, Kraljevo, Jagodina, Trstenik, Aleksinac, Vranje, Piroć Leskovac, Paraćin, Knjaževac, Vrbas and Kikinda.

¹⁵³ <https://www.usz.gov.rs/>

¹⁵⁴ <https://rdvode.gov.rs/>

Other projects implemented by the Directorate, which are financed from other sources

- Environment and climate - funds of the IPA Program, protection and improvement of the quality of surface and underground water through the construction of a wastewater treatment plant for the agglomeration of Loznica.

1.2.4 ADMINISTRATION FOR FORESTS¹⁵⁵

From the RS budget, the Administration finances the following program activities and projects:

- Sustainable development and improvement of forestry - forest protection, planting of forest trees in autumn of the current year and spring of the following year, forest care, construction of forest roads, production of forest seeds and production of forest planting material.
- Competition for the allocation of funds under the Annual program of the use of funds for sustainable development and improvement of forestry - the right to the allocation of funds belongs to the owner, that is, the user of forests and forest land, a legal entity and entrepreneur, and a scientific research institution.
- Competition for the allocation of funds under the Annual Program for the Construction and Reconstruction of Forest Roads - the right to the allocation of funds belongs to the owner, that is, the user of forests and forest land, a legal entity and an entrepreneur.
- Competition for the allocation and use of funds for the sustainable development and improvement of hunting for subsidies in the field of hunting.

1.2.5 ADMINISTRATION FOR AGRARIAN PAYMENTS¹⁵⁶

From the RS budget, the Administration finances the following program activities and projects:

- Direct payments - payments that are directly awarded to producers through certain support measures, namely through the milk premium, incentives for crop and livestock production and the realization of recourse.
- Measures of rural development - increase in competitiveness (including reaching a higher level of added value and quality standards, as well as risk management), improvement of the environment, diversification of income and improvement of the quality of life in rural territories.
- Public call for submission of applications for exercising the right to incentives in agriculture and rural development.
- Credit support in agriculture - through subsidizing a part of the interest rate for approved loans in the field of agricultural production, intended for the development of animal husbandry, farming, fruit growing, viticulture, vegetable growing and flower growing, as well as various forms of investments and procurement of agricultural machinery and equipment.
- Special incentives - incentives for the production of planting material and certification and clonal selection, incentives for the implementation of breeding programs, in order to achieve breeding goals in animal husbandry, as well as incentives for the

¹⁵⁵ <https://upravazasume.gov.rs/>

¹⁵⁶ <https://uap.gov.rs/>

implementation of scientific research, development and innovation projects in agriculture.

Other projects implemented by the Administration, which are financed from other sources:

- The project of market-oriented agriculture - funds of the International Bank for Reconstruction and Development, intended for the financing of a grant scheme for agricultural producers and the establishment of a unique information system of the Ministry of Agriculture and its constituent bodies.

1.2.6 AGRICULTURAL LAND ADMINISTRATION¹⁵⁷

From the RS budget, the Administration finances the following program activities and projects:

- Support for the development of agricultural land - financial support through tenders for the performance of works in the area of development of agricultural land through: melioration of meadows and pastures, cultivation of agricultural land, construction of irrigation systems, construction of drainage systems.
- Competition for the distribution of funds for the execution of works on the protection, arrangement and use of agricultural land.
- Support for the protection and use of agricultural land - financial support through tenders to local self-government units and scientific institutions for the development of programs, projects and study research works of importance for LGUs and the Republic of Serbia.

1.2.7 NATIONAL ACADEMY FOR PUBLIC ADMINISTRATION¹⁵⁸

From the RS budget, the Academy finances the following program activities and projects:

- Professional training in public administration - preparation, implementation and development of general professional training programs and training programs for managers and employees.
- Strengthening the professional capacities of civil servants in their positions.

1.2.8 DEVELOPMENT AGENCY OF SERBIA¹⁵⁹

- Public call for participation in the competitiveness development support program - financing of projects to increase the level of use of standards in production and business organization, product certification, management systems and increase the use of other services in the field of quality infrastructure.
- Public call for participation in the Program for the Improvement of Cooperation and Capacity Building at the Regional and Local Level - financing of projects for the improvement of economic and regional development through the strengthening of inter-institutional cooperation and the capacity of accredited regional development agencies and local self-government units.

¹⁵⁷ <https://upz.minpolj.gov.rs/sadrzaj/>

¹⁵⁸ <https://www.napa.gov.rs/>

¹⁵⁹ <https://ras.gov.rs/>

- Public call for the allocation of incentive funds in order to attract direct investments in the automation of existing capacities in the area of the food industry.

1.2.9 PORT MANAGEMENT AGENCY¹⁶⁰

From the RS budget, the Academy finances the following program activities and projects:

- Public call within the cross-border and transnational cooperation program “Transnational Danube Program” (INTERREG) for financing coordination projects for priority areas within the EU strategy for the Danube region.

1.3 FUNDS

1.3.1 DEVELOPMENT FUND OF THE REPUBLIC OF SERBIA¹⁶¹

- Investment loans to clients who need funds to finance the purchase of equipment, machines, plants, then the construction or purchase of production or business premises.
- Permanent working capital required for financing current obligations that arise in the regular business activities of the end user of the loan, and refer to the procurement of raw materials and materials, supplies, as well as other production costs, receivables from customers, obligations to suppliers.
- Loans for business entities operating in underdeveloped and extremely underdeveloped areas.

1.3.2 FUND FOR INNOVATION ACTIVITY¹⁶²

The Fund supports the development of innovations through appropriate instruments of financial, technical and advisory support, with the aim of empowering innovative companies and strengthening the connection between research and development on the one hand and the business sector on the other, respecting the highest ethical, financial and business standards and practices.

- **Voucher program in the 4S areas** - The “Innovation Vouchers” program is a simple financial mechanism that enables small and medium-sized enterprises to, using the services of the scientific research sector, raise the level of innovation of their products and become more competitive on the market. The maximum amount approved for the innovation voucher is up to 800,000 dinars, that is, the innovation voucher covers up to 60% of the total costs of the service. Innovation vouchers are awarded on the basis of a public call.
- **Science and business cooperation program in the areas of 4S** - aims to advance industrial research by encouraging private sector enterprises and public sector (majority state-owned) scientific research organizations to carry out joint research and

¹⁶⁰ <https://www.aul.gov.rs/>

¹⁶¹ <https://fondzarazvoj.gov.rs/cir>

¹⁶² <http://www.inovacionifond.rs/cir/>

development projects with the idea of creating new or improving existing commercially viable products and services, like and innovative technologies with significant impact on future development and market potential. Beneficiaries of the funds are consortia developing new commercially applicable technologies, services and products in the priority areas of smart specialization. Consortia must be composed of at least one private company and one public scientific research organization, and may have a maximum of five members. Through this program, the Fund for Innovation Activities awards co-financing in the maximum amount of up to 300,000 euros per project, i.e. a maximum of 70% of the total project budget, with mandatory co-financing of the consortium in the amount of at least 30% of the total project budget, when the main member of the consortium is a micro or small company.

- **Program for financing development and innovation projects of companies in the areas of 4S** - the innovation co-financing program is intended for companies from the 4S area that need significant financial resources for the realization of the development cycle of technological innovations and covering the high costs for the transfer of research into a commercially viable product. The applicants are micro, small and medium-sized private companies established in the Republic of Serbia, which develop a technological innovation for which there is a market need and have the potential to create new intellectual property, as well as a competitive position in the global and domestic environment. The amount allocated by the Fund cannot exceed the amount of 300,000 euros, and the implementation of the projects can last no longer than 24 months. The funds allocated by the Fund for Innovation Activities within this program cover a maximum of 60% of the total approved project budget, while at least 40% must be provided by the applicant (enterprise) from other private sources, independent of the Fund.
- **Accelerator and subprogram intended for startups in the 4S area** - the program will consist of two components: one for the early stage (idea) and the other for companies in the scale-up stage (increasing the volume of business). Each component will include 20 companies (teams of two founders) per year, selected on a competitive basis by participating investors (including business angels, early-stage venture capital funds, etc.). Each component will have intensive training and mentoring programs lasting two to three months. The program will be implemented with the support of the World Bank in the amount of 8,000,000 dollars.
- **Proof of concept, program for researchers from scientific research organizations** - this measure is intended to support innovations from the earliest stages of development, created in scientific research organizations. This program provides financial and mentoring support to determine the emergence of a new product, process or technology with commercial potential. Thanks to this program, project teams that have been approved for funding will have a mentor at their disposal for product definition, business model development and future development.
- **Early Development Program** - is intended for private companies that develop a technological innovation for which there is a need on the market and that have the potential to create new intellectual property. The goal is to provide financing for the development of innovative technologies, products and services with market application

to encourage innovative entrepreneurship and enable business survival during the critical phase of research and development. The applicant can be a private micro or small company owned by a Serbian majority, established in the Republic of Serbia and no older than five years at the time of application, as well as a team consisting of a maximum of five members. The allocated funds can cover a maximum of 70% of the total approved project budget, while the amount of funding from the Fund for Innovation Activity cannot exceed 80,000 euros for projects lasting up to one year. At least 30% of the total approved project budget must be provided by the applicant (enterprise) from other private sources, independent of the Fund.

1.3.3 FUND FOR SCIENCE OF THE REPUBLIC OF SERBIA¹⁶³

The primary goal of establishing the Science Fund of the Republic of Serbia, as a special organization, is to provide support for scientific research activities and development activities in the Republic of Serbia, management and provision of financial resources, as well as providing professional support to researchers from accredited scientific research organizations in the realization of scientific projects within the program announced by the Science Fund of the Republic of Serbia. Program activities of the Science Fund of the Republic of Serbia are implemented through the following published programs:

- **Program for excellent projects of young researchers (PROMIS)** aims to involve young researchers in scientific research work, to strengthen the professional capacities of young researchers, to train young PhDs in project management, to train young researchers to apply for other research projects, especially in the European Union, to create new project teams, as well as to provide support for excellent ideas and scientific research work that will affect society and the economy. The program to support the development of projects in the field of artificial intelligence is designed to encourage the excellence and relevance of scientific research in the Republic of Serbia in the field of artificial intelligence, to encourage the application of the results of scientific research in the field of artificial intelligence in the development of the economy of the Republic of Serbia, to promote the excellence and development of human resources in the field of artificial intelligence for science and economy of the Republic of Serbia and promotes international cooperation in the subject domain of science and innovation.
- **Serbian science cooperation program with the diaspora** - vouchers for knowledge exchange, aims to enable the establishment of scientific cooperation with the diaspora for the purpose of improving and exchanging knowledge, establishing or improving scientific cooperation, joint work on scientific research and research and development problems and challenges, publication of joint works and patents, support for the development of new services, product commercialization, technology transfer, network expansion and cooperation with the diaspora, as well as the preparation of proposals for joint projects for applying to foreign funds.
- **IDEA program** aims to finance projects based on excellent ideas that may in the future have a significant impact on the development of science and research, the economy and/or society as a whole, the involvement of excellent researchers in scientific

¹⁶³ <https://fondzanauku.gov.rs/>

research work, the strengthening of the professional capacities of researchers and the creation of new project teams.

All programs implemented by the Science Fund of the Republic of Serbia through public calls should ensure a high scientific level, innovative results, competitiveness at the international level and relevance in relation to the challenges of society as a whole. Funds for the work of the Science Fund of the Republic of Serbia are provided from the budget of the Republic of Serbia, and additional funds are provided through an international agreement with the World Bank.

1.3.4 CENTER FOR THE PROMOTION OF SCIENCE (CPN) ¹⁶⁴

The Center for the Promotion of Science is a public institution, with the aim of promoting science and technology through cooperation with research and educational institutions in the country and around the world, with the private sector, the media, and state authorities. The role of CPN is to establish a link between science and society by bringing together all relevant actors and the general public in the process of research and innovation. The ultimate goal is the integration of society into research processes in order to gain the best possible insight into the needs of citizens and to face social challenges as adequately as possible.

From 2011, until 2020, the Center for the Promotion of Science through a public call finances projects for the promotion and popularization of science on the territory of the Republic of Serbia. In the indicated period, a total of 527 projects were approved and financed, and 113,445 million dinars were allocated for these purposes. From 2020, the Center for the Promotion of Science is specifically financing projects that are implemented through the established network of 15 science clubs⁵⁸ at regional centers for professional training (1,855 million dinars).

1.4 BANKS

1.4.1 Erste Bank A.D.¹⁶⁵

- Financing of the public sector - local self-government and public enterprises.
- Financing of renewable energy projects.
- Financing of investment projects based on the principles of project financing.
- Support programs for small and medium-sized enterprises to open and maintain sustainable businesses.

1.4.2 UniCredit bank¹⁶⁶

- Financing of companies dedicated to improving the social impact of their business as well as employment opportunities for different categories of women, young people and segments of the population that face greater obstacles to entering the labor market.
- Qualified investments and investments in energy efficiency related to improving the energy efficiency of buildings and the industrial sector.

¹⁶⁴ <https://www.cpn.edu.rs/>

¹⁶⁵ <https://www.erstebank.rs/sr/Pravna-lica>

¹⁶⁶ <https://www.unicreditbank.rs/rs/pi.html>

- The COSME program is intended for small and medium-sized enterprises, according to the EU segmentation, with the aim of supporting the strategy for sustainable and comprehensive growth.

1.4.3 Banca Intesa¹⁶⁷

- Loans for the improvement of energy efficiency - the loan is intended for investments in the installation of insulation, installation of new windows, doors, heat pumps, solar panels, replacement of lighting and numerous other energy-efficient solutions.
- Intesa Casa green loans - housing loan for the purchase of energy-saving apartments, with an energy passport of category A or B.

1.4.4 NLB Komercijalna banka¹⁶⁸

- ECG Investment loans are intended for financing energy efficient measures, measures for renewable energy sources, inclusion projects, circular economy.
- Investment loans are intended for financing the purchase of equipment, machines, vehicles, financing the purchase, construction of business premises for own use, refinancing of investment loans in other banks, refinancing of own investment - legalization of built objects - other investments in fixed assets for the purpose of carrying out activities.

1.4.5 Bank Poštanska štedionica¹⁶⁹

- Investment loans are intended for financing the long-term investment needs of companies. It can be investment in fixed assets, vehicles, plants, machines, equipment, construction or purchase of business premises, refinancing of own investment.
- Roma entrepreneurship promotion program, loans to small and medium-sized companies whose founders are residents of Roma nationality, as well as to entrepreneurs of Roma nationality.

1.4.6 ProCredit bank¹⁷⁰

- Credits for energy efficiency.
- Business loans for solar panels.
- Grants for new machines.

¹⁶⁷ <https://www.bancaintesa.rs/>

¹⁶⁸ <https://www.nlbkb.rs/>

¹⁶⁹ <https://www.posted.co.rs/>

¹⁷⁰ <https://www.procreditbank.rs/>

2 INTERNATIONAL SOURCES

2.1 EUROPEAN UNION FUNDS

2.1.1 IPA - INSTRUMENT FOR PRE-ACCESSION ASSISTANCE

Since 2007, the European Union (EU) has provided financial support to the countries of the “Western Balkans” through the unique Instrument for Pre-accession Assistance (IPA), which united all previous pre-accession financial assistance instruments: PHARE, SAPARD, ISPA, CARDS. In the period 2021-2027. 14.162 billion euros will be made available to all IPA beneficiaries. Total budget for the period 2014-2020. in 2015 it amounted to EUR 11.668 billion, and Serbia was allocated around EUR 200 million in non-reimbursable aid from the IPA 2015. Total IPA budget for the period 2007-2013. was 11.468 billion euros. In the period 2007-2013. 1.4 billion euros was allocated to the RS.

2.1.1.1 INSTRUMENT FOR PRE-ACCESSION ASSISTANCE IPA 2021-2027.

Following the political agreement between the European Parliament and the Council of the EU regarding the IPA III instrument, the Regulation on the IPA III instrument for the period 2021-2027 was adopted on September 15, 2021. The general objective of IPA III is to support the beneficiaries in the implementation of political, institutional, economic and social reforms necessary for their alignment with the values and rules of the EU and the achievement of EU membership. In addition, the regulation contains a list of specific objectives grouped into five categories (so-called “Windows”).

- 1) Rule of law, fundamental rights and democracy (15.1%);
- 2) Good governance, alignment with EU acquis, strategic communication and good neighborly relations (16.6%);
- 3) Green agenda and sustainable connectivity (42.4%);
- 4) Competitiveness and inclusive growth (22.3%);
- 5) Territorial and cross-border cooperation (3.5%).

In order to achieve a balanced distribution of funds among IPA beneficiaries, the European Commission (EC) proposed the principle of “fair distribution” to be measured during the entire period of implementation of IPA III (2021 - 2027), and not on an annual basis. However, in addition to the aforementioned principle, access to funds will be based on criteria such as: compliance with the strategic framework and the IPA III program framework, the readiness of projects / programs for implementation and their expected impact and progress in the process of European integration with special attention to the rule of law, fundamental rights and good governance.

The existing IPA structures should serve as a basis for the efficient use of this instrument as well as other potential sources of EU funds. In this way, as well as the implementation of the IPA program based on the model of indirect management, the strengthening of capacities necessary for the transition to the use of Cohesion Policy funds will continue. The main partners in the planning and programming process of the IPA III instrument will be, as before, the National IPA Coordinator and the EU Delegation¹⁷¹.

171<https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/instru->

2.1.1.2 IPA II - INSTRUMENT FOR PRE-ACCESSION ASSISTANCE 2014 - 2020

IPA II represents the framework for EU pre-accession support for the period 2014-2020. One of the changes in the programming and implementation of the IPA II instrument in relation to IPA I in the period 2007-2013. refers to the structure of the IPA II program, in which instead of the 5 components, which were characteristic of IPA I, policy areas were introduced (*"policy areas"*). The policy areas within IPA II are: reforms as part of preparations for EU membership and building institutions and capacities; socio-economic and regional development; employment, social policies, education, promotion of gender equality and development of human resources; agriculture and rural development, and regional and territorial cooperation.

About 200 million euros of non-reimbursed aid was intended for Serbia from the IPA 2015, from which projects in the fields of energy and transport, rule of law, state administration reform and agriculture would be financed. For the period 2014-2020, pre-accession aid in Serbia had two main pillars: Democracy and the rule of law and Competitiveness and development.

2.1.1.3 INSTRUMENT FOR PRE-ACCESSION ASSISTANCE IPA 2007-2013.

Implementation of IPA 2007-13. was intended to provide financial assistance through five channels (known as *"components"*): transition assistance and institution building; cross-border cooperation (*"Cross border cooperation"*- CBC); regional development; human resource development and rural development.

2.1.1.4 EUROPEAN TERRITORIAL COOPERATION PROGRAMS IN THE REPUBLIC OF SERBIA 2021-2027.

Territorial cooperation programs¹⁷² or Interreg programs represent financial support for the cooperation of border territories of neighboring states (cross-border cooperation) or the cooperation of parts or whole states (transnational and interregional cooperation) to solve issues of common interest - environmental protection, waste management, provision of services in various sectors, cultural and economic cooperation, tourism, traffic, etc. The basis for implementing the program is a seven-year operational program or cooperation program that consists of an analysis of the territory covered by the program, the challenges faced by that territory and an analysis of which of those challenges can be overcome through cooperation with institutions from other parts of the country covered by the program.

In the financial period 2021-2027. year, Serbia participates in ten programs of European territorial cooperation, namely: Hungary-Serbia, Romania-Serbia, Bulgaria-Serbia, Croatia-Serbia, Serbia-Bosnia and Herzegovina, Serbia-Montenegro, Serbia-North Macedonia, IPA Adriatic-Ionian program, the Program for the Danube Region and the URBACT Program. Also, there is a possibility that additional territorial cooperation programs will be approved for Serbia during this financial perspective.

The following text shows the programs that are available to cities and municipalities of the EU PRO plus program (all except the Hungary-Serbia cross-border cooperation program).

ment-za-pretpriustupnu-pomoc-2021-2027/

https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/overview-instrument-pre-accession-assistance/how-does-it-work_en

¹⁷² https://www.mei.gov.rs/upload/documents/publikacije/Brosure%20nove/22/Programi_evropske_teritorijalne_saradnje_u_RS_2021-2027.pdf

2.1.1.4.1 ROMANIA - SERBIA CROSS-BORDER COOPERATION PROGRAMSupport area¹⁷³

Priority 1: Environmental protection and risk management

The specific objectives within this thematic priority are:

- Improving the protection and preservation of nature, biodiversity and green infrastructure, including urban areas, and reducing all forms of pollution;
- Promotion of renewable energy in accordance with the Renewable Energy Directive (EU) 2018/2001. including the sustainability criteria set out therein;
- Promotion of energy efficiency and reduction of greenhouse gas emissions i
- Promoting adaptation to climate change and disaster risk prevention, adaptability in line with ecosystem-based approaches.

Priority 2: Social and economic development

The specific objectives within this thematic priority are:

- Improving equal access to inclusive and quality services in education, training and lifelong learning through the development of accessible infrastructure, as well as strengthening adaptability for distance and online education and training;
- Ensuring equal access to health care and improving the adaptability of health systems, including primary care, and promoting the transition from institutional to family and community-based care and
- Strengthening the role of culture and sustainable tourism in economic development, social inclusion and social innovation.

Priority 3: Increasing border management capacity

The specific objective within this thematic priority is:

- Strengthening the institutional capacity of public authorities, especially those authorized to manage a certain territory and interested parties.

Financial sources

IPA	74,566,827.00 euros
Total (IPA + co-financing)	87,725,678.82 euros

2.1.1.4.2 BULGARIA - SERBIA CROSS-BORDER COOPERATION PROGRAMSupport area¹⁷⁴

Priority 1: Competitive border region

The specific objective within this thematic priority is:

- Improvement of sustainable growth and competitiveness of SMEs and creation of new jobs in SMEs, including productive investments.

¹⁷³ <https://www.romania-serbia.net/>¹⁷⁴ <http://www.ipacbc-bgrs.eu/>

Priority 2: Integral development of the border region

The specific objective within this thematic priority is:

- Encouraging integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism and security in non-urban areas.

Priority 3: A more resilient border region

The specific objective within this thematic priority is:

- Promoting climate change adaptation and disaster risk prevention, resilience taking into account ecosystem-based approaches.

Financial sources

IPA	32,398,938.00 euros
Total (IPA + co-financing)	38,116,397.65 euros

2.1.1.4.3 CROSS-BORDER COOPERATION PROGRAM CROATIA - SERBIA

Support area¹⁷⁵

Priority 1: working for a smarter programming area

The specific goal within this thematic priority is:

- development and improvement of research and innovation capacities and adoption of advanced technologies.

Priority 2: working for a greener program area that is resistant to climate change

Specific goals within this thematic priority are:

- Promotion of renewable energy in accordance with the directive on renewable energy (EU) 2018/2001, including the sustainability criteria specified therein;
- Promoting climate change adaptation and disaster risk prevention, resilience, taking into account ecosystem-based approaches.

Priority 3: Coworking for a healthier and more inclusive program area

The specific goal within this thematic priority is:

- Ensuring equal access to health care and fostering the resilience of health systems, including primary care, and promoting the transition from institutional to family- and community-based care.

Priority 4: Coworking for more sustainable and socially innovative tourism and culture

The specific goal within this thematic priority is:

- Highlighting the role of culture and sustainable tourism in economic development, social inclusion and social innovation.

¹⁷⁵ www.croatia-serbia.com

Financial sources

IPA	38,281,653.00 euros
Total (IPA + co-financing)	45,037,238.82 euros

*2.1.1.4.4 CROSS-BORDER COOPERATION PROGRAM SERBIA - BOSNIA AND HERZEGOVINA*Support area¹⁷⁶

Priority 1: Encouraging tourism and cultural and natural heritage

The specific objective within this thematic priority is:

- Develop and promote joint tourist offers based on cultural and natural heritage

Priority 2: Investing in youth, education and skills

The specific objectives within this thematic priority are:

- Improve youth activism and youth socio-economic participation
- Increase the employability of certain groups by providing new skills.

Financial sources

IPA	14,000,000.00 euros
Total (IPA + co-financing)	16,223,529.41 euros

*2.1.1.4.5 SERBIA - MONTENEGRO CROSS-BORDER COOPERATION PROGRAM*Support area¹⁷⁷

Priority 1: Encouraging employment, labor mobility and social and cultural inclusion in the program area

The specific objective within this thematic priority is:

- Improve the quality of public health and social services to include marginalized groups in the program area.

Priority 2: Encouraging tourism and cultural and natural heritage

The specific objective within this thematic priority is:

- Improve and promote a jointly coordinated cross-border tourism offer based on protected cultural and natural heritage.

Financial sources

IPA	8,400,000.00 euros
Total (IPA + co-financing)	9,734,117.65 euros

¹⁷⁶ <http://srb-bih.org/>

¹⁷⁷ www.cbcsrb-mne.org

2.1.1.4.6 SERBIA - NORTH MACEDONIA CROSS-BORDER COOPERATION PROGRAMSupport area¹⁷⁸

Priority 1: Employment, labor mobility and social and cultural cross-border inclusion

The specific objective within this thematic priority is:

- Improvement of social and cultural inclusion and health

Priority 2: strengthening tourism and cultural and natural heritage

The specific objective within this thematic priority is:

- Improvement of cultural and natural heritage towards the sustainable development of tourism.

Financial sources

IPA	8,400,000.00 euros
Total (IPA + co-financing)	9,734,117.65 euros

2.1.1.4.7 ADRIATIC - IONIAN TRANSNATIONAL PROGRAMSupport area¹⁷⁹

Priority 1 – Support for a smarter Adriatic-Ionian region

- Development and improvement of research and innovation capacities and adoption of advanced technologies
- Developing skills for smart specialization, industrial transition and entrepreneurship

Priority 2 – Support for a greener Adriatic-Ionian region more resistant to climate change

- Promoting adaptation to climate change and disaster risk prevention, building resilience, taking into account ecosystem-based approaches
- Promoting the transition to a circular and resource-efficient economy
- Improving the protection and preservation of nature, biodiversity and green infrastructure, including urban areas, and reducing all forms of pollution
- Promoting sustainable multimodal urban mobility, as part of the transition to a net zero carbon economy

Priority 3 - A more connected Europe with better mobility (CP 3)

- Development and improvement of sustainable, climate-resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility

Priority 4 - Support for the management of the Adriatic-Ionian region (ISO1 - Better management of Interreg)

- Support for the management of the EU Strategy for the Adriatic-Ionian Region (EUSAIR) and the institutional capacities of authorities.

¹⁷⁸ <https://eu.rs-mk.org/>¹⁷⁹ www.adrioninterreg.eu

Financial sources

ERDF (EU Member States)	65,848,129.00 euros
IPA	70,840,386.00 euros
Total EU funds (ERDF+IPA)	136,688,515.00 euros
Total co-financing	24,121,502.65 euros
Total program	160,810,017.65 euros

*2.1.1.4.8 TRANSNATIONAL PROGRAMS FOR THE DANUBE REGION*Support area¹⁸⁰

Priority 1 – A smarter Danube region

- Specific objective 1.1 Development and improvement of research and innovation capacities and use of advanced technologies
- Specific objective 1.2 Developing skills for smart specialization, industrial transition and entrepreneurship

Priority 2 – A greener Danube region with low carbon emissions

- Specific objective 2.1 Promotion of renewable energy in accordance with Directive (EU) 2018/2001, including sustainable criteria defined by the directive
- Specific objective 2.2 Promotion of capacities for adaptation to climate change in the Danube region and management of natural disasters at the transnational level in relation to ecological risks, taking into account ecosystemic approaches
- Specific objective 2.3 Sustainable, integrated, transnational water and sediment management in the Danube river basin, ensuring a good quality and quantity balance between water and sediment deposits
- Specific objective 2.4 Protection and preservation of biodiversity in ecological corridors and eco-regions of transnational importance in the Danube region

Priority 3 – Socially oriented Danube region

- Specific objective 3.1 Accessible, inclusive and effective labor markets
- Specific objective 3.2 Quality, accessible and inclusive services in education, training and lifelong learning
- Specific objective 3.3 Strengthening the role of culture and sustainable tourism in economic development, social inclusion and social innovation

Priority 4 – Better management of cooperation in the Danube region

- Specific objective 4.1 Support the management of the EUSDR
- Specific objective 4.2 Strengthening institutional capacities for territorial and macro-regional management.

180 www.interreg-danube.eu

Financial sources

ERDF (EU Member States)	165,424,228.00 euros
IPA	30,000,000.00 euros
NDICI (neighboring countries of the EU)	19,623,629.00 euros
Total EU contribution	215,047,857.00 euros
Total program	268,809,822.00 euros

2.1.1.4.9 URBACT PROGRAM

URBACT¹⁸¹ is one of the programs of interregional cooperation. The goal of the program is to encourage sustainable integrated urban development in cities across Europe, and the projects are implemented by municipal administrations in partnership forming cooperation networks. URBACT's mission is to enable cities to work together and develop integrated solutions to urban challenges, by networking, learning from each other's experiences, drawing lessons and identifying good practices to improve urban policies.

Support area

Priority: Promoting integrated sustainable urban development through cooperation

- Specific objective: Improving the institutional capacity of local government, especially those who have a mandate to manage a certain territory, as well as other interested parties.

Financial sources

ERDF (EU Member States)	79,769,799.00 euros
IPA	5,000,000.00 euros
Total IPA	5,160,000.00 euros

2.1.1.5 WESTERN BALKANS INVESTMENT FRAMEWORK (WBIF)

Investment framework for the Western Balkans¹⁸² (The Western Balkans Investment Framework - WBIF) encourages socio-economic development and the process of accession to the European Union throughout the Western Balkans, by providing financial resources and technical assistance for strategically important investments. It represents a joint initiative of the European Union, international financial institutions (EIB, EBRD, CEB, KfW, AFD and WB), bilateral donors and the Western Balkan Six. The investment framework for the Western Balkans is considered the main regional instrument for providing support in the preparation and implementation of strategically relevant projects in the field of transport, energy, environmental protection and social infrastructure in "countries in the EU accession process". From February 2014 to December 2021, Serbia was awarded: 30 grants for technical assistance with a total value

¹⁸¹ <https://urbact.eu/>

¹⁸² <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/investicioni-okvir-za-zapadni-balkan-western-balkans-investment-framework-wbif/>

of over 54 million euros; 6 investment grants worth 134.45 million. EUR, whereby the total investment value of the co-financed infrastructure projects amounts to 605 million. euros.

Table: Overview of investment grants by sector

	Traffic	Investment amount. grant
1	Modernization of the railway line Nis-Dimitrovgrad-border with Bulgaria section: Sičevo-Staničenje-Dimitrovgrad	43,730,000 euros
2	Modernization of the Niš-Dimitrovgrad railway - border with Bulgaria - electrification and signaling	27,770,000 euros
3	Construction of the highway route E80 Niš-Medare (Phase I Niš-Pločnik)	40,600,000 euros
	Environment	
4	Makiš - extension of the drinking water processing plant	2.940865 euros
	Energy	
5	Construction of the 400 kV transmission line Kragujevac - Kraljevo with raising the voltage level to 400 kV at the Kraljevo 3 substation, Trans-Balkan Corridor - Phase I: Section II	6,600,000 euros
6	Construction of a new double 400 KV transmission line Obrenovac - Bajina Bašta, with the reconstruction of the existing Obrenovac and Bajina Bašta substations and raising the voltage level of the Bajina Bašta substation to 400 kV	12,800,000 euros
7/8	2 regional projects - part of the Regional Program for Energy Efficiency for the Western Balkans	2 investment grants in the amount of 28,765,972 euros

In 2021, a document titled “Strategic Orientation of the WBIF for the Western Balkans (EFSD+)” was presented. This document includes: policy context, legal basis and instruments, including the new EU connectivity strategy called “Global Gateway”, guiding principles and a description of the areas of intervention that will be supported through the European Fund for Sustainable Development plus (eng: The European Fund for Sustainable Development Plus EFSD+ and budget guarantees as well as combining loans and grants for the public and private sectors. Recommendations of the so-called of informal expert working groups (NRG) for accelerating the implementation of WBIF projects, the Green Agenda and socially responsible public procurement, information was provided on the addition of the Regional Energy Efficiency Program (REEP+) in the amount of over 100 million euros, information on priorities for support in the following period, rates of co-financing of projects with EU investment grant funds.

2.1.1.6 IPARD III

Within the instrument for pre-accession assistance IPA III period 2021-2027, which applies from January 1, 2021, there is also a special Program IPARD III¹⁸³ for support in the field of rural development. The EC has established a budget in the amount of 288,000,000 euros for this Program for the period 2021-2027. The governing body of IPARD submitted the final version of the IPARD III program to the European Commission on January 21, 2022. Of the 13 measures offered by the EC to the candidate countries for EU membership, the Republic of Serbia decided to implement seven measures within the IPARD III program. In relation to the IPARD II program and measures accredited so far, the following measures will be available to users:

- Measure 4 - Agroecology - climate and organic agriculture;
- Measure 5 - Implementation of local rural development strategies - LEADER approach;
- Measure 6 - Investments in rural public infrastructure.

It is planned to introduce new sectors through the IPARD III program, such as the fishing sector, the sector for the processing of grains and industrial plants, and within Measure 7, in addition to the rural tourism sector, new sectors are planned, namely: Direct sale of agricultural and local products and service sector in rural areas.

2.1.1.7 MULTI-USER IPA

The development of regional cooperation is one of the important prerequisites in the EU accession process, and at numerous summits between the EU and the Western Balkans, it was confirmed that the rapprochement of the EU will go hand in hand with the development of regional cooperation. In addition to individually supporting candidate countries and potential candidates for membership, the EU provides financial and technical support with the aim of realizing common (regional) priorities of the beneficiaries of the IPA II instrument. This support is provided from the Multi-user IPA instrument¹⁸⁴ (Multy Beneficiary IPA), whose goal is to improve regional cooperation and solve issues of general interest for all IPA beneficiaries. In accordance with the relevant EU procedure, the main guidelines in the process of defining regional projects/actions are presented in the document EU Program Framework for IPA III, which defines the general priorities, measures and areas that will be financially supported as part of this instrument in the period 2021- in 2027 The support provided under this IPA III component is focused on four priority areas:

- support for regional investments;
- support for territorial cooperation through the implementation of cross-border and transnational cooperation programs;
- support to regional structures and organizations i
- horizontal support to the common priorities of the beneficiaries from the region.

183 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/ipard-iii/>

184 <https://www.mei.gov.rs/src/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/visekorisnicka-ipa/>

2.1.1.8 DEVELOPMENT OF THE COHESION POLICY MANAGEMENT SYSTEM (IPA 2015)

Project “Development of the Cohesion Policy Management System in the Republic of Serbia”¹⁸⁵ is financed with EU funds through the IPA for 2015 in the amount of almost 2.7 million euros. It aims to prepare the state administration of the RS for the effective implementation of the Cohesion Policy (KP) of the EU. The basic purpose of the project is to improve the capacities of institutions in the RS at the national and sub-national level for efficient preparation, implementation, monitoring and evaluation of programs and projects financed from structural funds and the cohesion fund of the European Union. It consists of three basic components:

- establishing a legislative and institutional framework for the implementation of KP;
- preparation of relevant planning and program documents for the implementation of KP, i
- raising the capacity of institutions and bodies nominated for the implementation of KP, as well as partners and potential users at the national and subnational level.

In this way, the project should also contribute to the successful implementation of the measures defined by the Action Plan for negotiation chapter 22, which is the basic criterion for the opening of this chapter. The implementation of the project began in July 2019 and will last a total of 36 months. The main user and coordinator of the activity is MEI.

2.1.1.9 EU PRO PLUS

EU program for local development - EU PRO Plus¹⁸⁶ contributes to a more balanced socio-economic development of 99 local governments in two regions: Šumadija and Western Serbia and Southern and Eastern Serbia. The program works on improved management of territorial development, economic growth and improved social infrastructure and social cohesion.

For this three-year program, which began in January 2021, the EU has allocated funds in the total amount of 40 million euros, initially 30 million for contracted development activities and an additional ten million aimed at supporting local governments, small businesses and the health system in recovery from the consequences caused by the covid 19 pandemic. The program is led by MEI, a implemented by the United Nations Office for Project Services (UNOPS).

The direct beneficiaries of the EU PRO Plus program are MEI, 99 local governments, local government structures, regional development agencies, other business support organizations, micro, small and medium enterprises (MSMEs) and civil society organizations (CSOs). The end users of the program are residents of 99 cities and municipalities.

EU PRO Plus is based on the National Priorities for International Aid in the RS until 2025 (NAD), crucial for economic and social development and the EU integration process, while it especially contributes to the preparation for meeting the requirements from Chapter 22 of the EU acquis - Regional Policy and coordination of structural instruments. EU PRO relies on the good practices and achieved results of its predecessors, the development programs EU PROGRES, European PROGRES and EU PRO.

¹⁸⁵ <https://www.mei.gov.rs/srp/fondovi/projekti-ministarstva-za-evropske-integracije/razvoj-sistema-za-upravljanje-kohezivnom-politikom-ipa-2015/>

¹⁸⁶ <https://www.euproplus.org.rs/onama/o-programu>

2.1.2 PROGRAMS OF THE UNION

Union programs¹⁸⁷ represent a series of integrated measures that are intended to strengthen cooperation between the member states of the European Union and candidate states in various fields. The programs of the Union are financed from the common budget of the EU, with funds intended for the development of various priority areas: environmental protection, energy, transport, development of entrepreneurship, competitiveness, culture, education, etc.

The Republic of Serbia signed the Framework Agreement on participation in European Union programs on November 22, 2004. Participation in Union programs is an opportunity for the RS to become familiar with EU policies, European institutions, laws and their application in practice, as well as value systems and EU functioning mechanisms. According to EC rules, competent domestic institutions - ministries, associations, organizations, offices - are responsible for the participation of the RS in Union programs, which have a mandate for this. The coordination of participation in each individual program of the Union for which the Republic of Serbia has paid a financial contribution to the general budget of the EU is entrusted to the national contact points from the respective national institutions. MEI coordinates the process of European integration in the Republic of Serbia, which includes cooperation with relevant ministries regarding negotiations for appropriate negotiation chapters as well as in the management of EU programs, from which it follows that MEI is responsible for reporting to the Government and informing the public about all international development assistance, including and Union programs. In the previous period, the Republic of Serbia participated in thirteen programs of the Union, and from June 30, 2023. can also participate in the Digital Europe program:

2.1.2.1 DIGITAL EUROPE

Digital Europe Program (DIGITAL)¹⁸⁸ is a new program financed by the EU and aimed at connecting digital technologies to business, citizens and public administration. In June 2023, the Agreement between the European Union and the Republic of Serbia was signed on Serbia's participation in the European Union's Digital Europe program for the period until 2027.¹⁸⁹ On the basis of this agreement, legal and natural persons with residence or headquarters in Serbia will be able to apply for project financing in the European Union and will be on an equal footing with subjects from full member countries when it comes to granting grants from EU funds. IT companies and scientists will be able to apply for the following areas of digitization: artificial intelligence, High Performance Computing (HSO), advanced digital skills, and the development and application of digital capabilities and interoperability. The total value of the Digital Europe program is estimated at 7.5 billion euros.

2.1.2.2 HORIZON EUROPE

Horizon 2020 is the EU's largest integrated program for research and innovation, bringing together all programs previously funded by the Competitiveness and Innovation Framework Program (CIP), the Seventh Framework Program for Research and Innovation (FP7) and the European Institute

187 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/programi-unije/>

188 <https://digital-strategy.ec.europa.eu/en/activities/digital-programme>

189 <https://www.srbija.gov.rs/vest/716373/potpisan-sporazum-o-ucescu-srbije-u-programu-digitalna-evropa.php>

for Innovation and Technology (EIT). By bringing together innovation and research, the program seeks to make progress in three priority areas: Excellence in Science, Industry Leadership and Societal Challenges. The program is intended to build a society and economy in the EU based on knowledge and innovation. It is planned that - through the mobilization of additional funds for research, development and innovation, including the allocation of 3% of GDP for research and development throughout the EU by 2020 - the goals related to research and development will be achieved. The ultimate goal of this financial instrument is to create an innovative Union - by supporting the development of world science, removing barriers to innovation and making it easier for the public and private sectors to work together.

2.1.2.3 SME COMPETITIVENESS PROGRAM – COSME

The program for the competitiveness of small and medium-sized enterprises is a program for the promotion of the competitiveness of small and medium-sized enterprises. The goals of the program are: strengthening the competitiveness and sustainability of enterprises, especially small and medium-sized enterprises, encouraging entrepreneurial culture and promoting the establishment and growth of small and medium-sized enterprises. Measures also supported by this program include project writing trainings, activities that enable access to new markets, as well as the promotion of as many transnational partnerships as possible. The program also supports educational exchange between entrepreneurs (*Erasmus* for young entrepreneurs). As part of this program, 1.4 billion euros were allocated from the budget for companies, so that they could access loans more easily. This objective is implemented through direct financing or by providing loan guarantees.

2.1.2.4 PROGRAM FOR EMPLOYMENT AND SOCIAL INNOVATIONS

The program for employment and social innovation aims to reach a high level of quality and sustainable employment, while ensuring adequate social protection and social inclusion. Also, the program helps to prevent and reduce poverty, as well as to improve working conditions in the period from 2014 to 2020.

2.1.2.5 ERASMUS

Erasmus is a European Union program that provides funding for cooperation projects in three areas: education, youth and sports. In the broadest sense, the Erasmus program in the field of education has the following priorities: to promote and support the development of all levels of education, to strengthen the links between formal, non-formal and informal learning, to strengthen the connection between education and the world of work, to create additional values for the European area of education, to connect member countries in defining educational policies. The focus of the Erasmus program is to strengthen the potential of young people for active participation in civil society, the development of leadership skills, solidarity and understanding between cultures. From 2014 until now, educational institutions and youth organizations from Serbia have been coordinators or partners in projects with a total value of over 83 million euros. So far, according to available data, 7,644 individuals from educational institutions, organizations and institutions dealing with youth and non-governmental

organizations have been on exchanges in Erasmus member countries. It is responsible for the implementation and promotion of the Erasmus program in the RS Tempus Foundation.

2.1.2.6 CREATIVE EUROPE

Creative Europe is an EU program to support the culture and media sectors. The program consists of two sub-programs: Culture - for the promotion of the cultural sector and the Media program - for the support of the audiovisual sector.

Through the Culture sub-programme, the cooperation of cultural and creative organizations between different countries is promoted, initiatives are supported to translate and promote literary works throughout the European Union, as well as to develop networks that enable the competitiveness and international activity of the cultural and creative sector. Platforms for the promotion of new artists and the encouragement of European programs for cultural and artistic works are also being established. The sub-program Culture includes four competitions: European cooperation projects, European platforms, European networks and Literary translation projects.

The Media Program finances activities that include: the development of the European audiovisual sector, respecting and presenting the European cultural identity and heritage, the promotion of European audiovisual works within and outside the borders of the EU, strengthening the competitiveness of the audiovisual sector, facilitating access to financing and the promotion of the use of digital technologies. This fund will finance the European Capital of Culture and the European Heritage Label, as well as European awards for literature, architecture, heritage protection, film art and pop and rock music.

2.1.2.7 EUROPE FOR CITIZENS

The Europe for Citizens program aims to promote European identity and European citizenship. It is intended for citizens' associations, civil society organizations and local self-government units. The general objectives of the program are the financing of projects aimed at a better understanding of the EU, its history and diversity, as well as the promotion of European citizenship and the improvement of civic and democratic participation at the EU level. The Europe for Citizens program is divided into two areas: European memory and democratic engagement, and civic participation. The goal of the first area is awareness of historical continuity, common European values and goals. The purpose of the second area is to support the democratic participation of citizens in life and development in Europe.

2.1.2.8 EUROPEAN HEALTH PROGRAM III

The program is the main instrument used by the EC to implement the EU health strategy. The main goals of the program are to improve the health system and reduce inequality in providing/receiving health care. The program provides support in four areas: 1) Health promotion, healthy lifestyle and disease prevention; 2) Protect EU citizens from serious cross-border threats to health; 3) Contribution to the creation of innovative, efficient and sustainable healthcare systems and 4) Easier access to better and safer healthcare for EU citizens.

2.1.2.9 FISCALIS 2020

Fiskalis 2020 is a program that deals with the exchange of information and experiences between the tax authorities of European countries. The goal of the program is to, in partnership with other European countries, develop a trans-European information system and build a network between users of national authorities. The program supports the fight against tax evasion and avoidance, the planning of tax policy and the implementation of EU legislation in the field of taxation. This is achieved through the exchange of information, support for administrative cooperation and the increase of the administrative capacities of the participating countries, with the aim of reducing the administrative burden of tax authorities and harmonizing costs for taxpayers.

2.1.2.10 CUSTOMS 2020.

Customs 2020 is a program that supports the cooperation of customs authorities between EU member states and candidate countries. The goal is to improve their efficiency, by achieving better cohesion, in order to avoid damaging the Customs Union. The program supports the following measures: joint actions, seminars and workshops, project groups, teams of experts, building administrative capacities in customs administrations, studies, information campaigns, development of IT skills, training for developing the necessary professional skills and knowledge in the field of customs.

2.1.2.11 CIVIL PROTECTION MECHANISM OF THE EUROPEAN UNION

The aim of EU activities in the field of civil protection is to support efforts to prevent disasters and ensure the readiness of civil protection units to act in cases of disasters - at the national, regional and local levels. The EU Civil Protection Mechanism offers RS numerous opportunities for cooperation: application of tools for monitoring and early warning systems, participation in joint trainings and exercises, exchange of experts, participation in disaster prevention projects, direct communication with other civil protection authorities, exchange of information and best practices, etc.

In the new financial perspective from 2021 to 2027, most of the Union's programs are the successors of the previous programs, but changes, new programs, new rules for implementation, monitoring and reporting, as well as new criteria for participating in the programs have also been introduced.

2.1.2.12 INSTRUMENT FOR CONNECTING EUROPE

The Connecting Europe Facility (CEF) aims to support the achievement of EU policy objectives in the transport, energy and digital sectors, and in relation to trans-European networks, enabling or accelerating investments in projects of common interest, as well as supporting cross-border cooperation in the production of renewable energy. It aims to maximize synergies between the sectors covered by the CEF and other EU programmes.

2.1.2.13 RIGHTS, EQUALITY AND CITIZENSHIP

The overall goal is to contribute to the creation of an area in which the rights of persons contained in the Treaty on the Functioning of the European Union and the Charter of Fundamental Rights of the European Union are promoted and protected. Specifically, this program should promote the rights deriving from European citizenship, the principles of non-discrimination and equality between women and men, the right to the protection of personal data, the rights of the child, the rights deriving from the consumer legislation of the Union and from the freedom of doing business in the internal market.

2.1.2.14 EUROPEAN INSTRUMENT FOR DEMOCRACY AND HUMAN RIGHTS

The European Instrument for Democracy and Human Rights (EIDHR) aims to support the promotion of democracy and human rights in non-EU countries. The key objectives are: improving respect for human rights and fundamental freedoms, strengthening the role of civil society in promoting human rights and democratic reforms, supporting and strengthening the international and regional framework for the protection of human rights, justice, the rule of law and the promotion of democracy, building trust and increasing reliability and transparency of democratic elections process, especially through the monitoring of election processes, etc.

2.1.3 COHESION POLICY AND OTHER FUNDS

Cohesion policy¹⁹⁰ (KP), also known as Regional Policy, represents the EU's main investment policy, which contributes to creating new jobs, improving the quality of life of citizens and increasing the overall economic development of both member states and the EU as a whole. It is also an expression of solidarity, given that support is directed to less developed regions and EU member states - with the aim of strengthening the economic, social and territorial cohesion of the Union. In December 2013, the legal framework for KP for the period 2014-2020 was established. year. For the mentioned period, the budget of the KP amounted to 351.8 billion euros, and it was distributed among 28 member states. RS will be able to use funds from the mentioned funds when it becomes a member of the EU. Negotiations for the accession of the RS to the EU in the area of KP, in terms of the fulfillment of requirements and principles, and preparations for its effective implementation, are conducted through Chapter 22 - Regional policy and coordination of structural instruments. The Government of the RS adopted the Action Plan, which is a benchmark for opening negotiations under Chapter 22¹⁹¹. The EU project "Development of the EU Cohesion Policy Management System in Serbia" is being implemented for the implementation of activities and support for making the necessary

¹⁹⁰ <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/koheziona-politika/>

¹⁹¹ The key decisions and/or activities within Chapter 22 for the next period are: 1) Preparation of the negotiating position that will also reflect the new legal framework for the KP EU (first unofficial draft prepared); 2) Preparation and adoption of a law that will create a legal basis for the establishment of a system for the management of KP EU funds and the preparation of program documents (a working group was formed, a draft of the structure of the law was prepared); 3) Identification of institutions that will be the main bearers of tasks and responsibilities in the context of the management of cohesion policy funds in Serbia - management and intermediary bodies for the first goal of the KP "Investments for jobs and growth" (an option document for establishing an institutional framework for management has been prepared KP funds for the purpose of "Investments for jobs and growth"); 4) Making a decision on the number and structure of programs that Serbia will prepare for the European Fund for Regional Development, the European Social Fund+ and the Cohesion Fund; 5) Continuation of investment in capacities at the local and regional level, in cooperation with regional development agencies (in continuity).

decisions (see 2.1.8). In addition, the “EU Program for Local Development - EU PRO Plus” is implemented, which promotes the concept of integral urban and territorial development and contributes to the development of LGU capacities for balanced socio-economic development and the improvement of territorial development management, economic growth and improved social infrastructure and social cohesion (see 2.1.1.9). The use of KP funds depends on the ability of users from the public and private sectors - such as local governments, companies, the civil sector, etc. to use these funds. MEI actively cooperates with other institutions at the national and local level, in order to enable these subjects to use the mentioned funds¹⁹².

2.1.3.1 NEW COHESION POLICY 2021-2027 (ERDF, ESF, CF)

New cohesion policy of the EU¹⁹³ contributes to the strengthening of economic, social and territorial cohesion in the EU. It aims to correct imbalances between countries and regions. It fulfills the political priorities of the Union, especially the green and digital transition. In relation to the previous program period, novelties were introduced. The new EU Cohesion Policy for the period 2021-2027 strengthens the urban dimension (EC, New Cohesion Policy, 2021-27). The adopted five policy objectives focus on the following topics:

- 1) competitive and smart Europe (with a focus on innovation, digitalization, economic transformation and support for small and medium-sized enterprises);
- 2) green Europe (with the implementation of the Paris Agreement and investment in the energy, low-carbon transition towards an economy with net zero carbon emissions, renewable energy sources and the fight against climate change);
- 3) connected Europe (equipment with strategic transport and digital networks);
- 4) inclusive Europe (achieving social rights and supporting quality employment, education, skills acquisition, social inclusion and equal access to health and social care), and
- 5) Europe closer to the citizens (with support for the development of local strategies and sustainable urban development).

The new goal of “Europe closer to citizens” was introduced into the main political framework as an increased commitment to integral territorial development and includes the encouragement of sustainable urban development. Local actors are given opportunities to take the lead in recognizing and solving various challenges, but above all, to use their endogenous (locally specific) development potentials.

Through these goals, significant investments in urban areas are mobilized. At least 8% of the funds of the European Regional Development Fund (ERDF) in each member state will be

¹⁹² In this sense, special priority is given to cooperation with the Development Agency of Serbia (Sector for Regional Development) and the network of accredited regional development agencies, which represent a link between the central and local levels and a means for the active participation of local governments in the processes of planning and identification of development priorities on the one hand sides and preparation of projects that should be supported from the funds of the mentioned funds in in order to realize the defined priorities. This is particularly evidenced by cooperation in the field of cross-border cooperation, which confirms the importance of continuous support to local self-governments. For this reason, MEI concluded the Agreement on cooperation in the field of European integration with the Development Agency of Serbia and Agreements on cooperation with regional development agencies, trying to ensure their active participation in the processes that should ensure the efficient absorption and use of EU development funds at the local level. In this way, in accordance with the best European practice, as well as the expressed mood of regional development agencies, long-term cooperation with the aim of sustainable local development is ensured.

¹⁹³ https://ec.europa.eu/regional_policy/2021-2027_en

invested in priority projects that the cities themselves define based on the local strategy of sustainable urban development.

Asset priorities

- The European Regional Development Fund will support the investments of all 5 policy objectives, but 1 and 2 are the main priorities;
- The main priority of the European Social Fund+ is 4;
- The Cohesion Fund supports policy objectives 2 and 3;
- The Just Transition Fund provides support within dedicated specific objectives;
- Interreg programs have 2 additional policy objectives at their disposal (Article 14 of the Interreg Regulation): “Better cooperation in development management” and “A safer and more secure Europe”.

The basic instruments through which support is implemented and directed to specific programs and operations are:

EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF)

It provides support to EU member states and their regions with the aim of eliminating major regional inequalities and achieving self-sustaining growth. First of all, it is aimed at strengthening the competitiveness of the economy - through investments in research, development and innovation, investments in production and infrastructure, urban and local development, improving the competitiveness of small and medium-sized enterprises and supporting the transition to an economy based on low carbon dioxide emissions in all sectors.

EUROPEAN SOCIAL FUND (ESF)

It provides support to EU member states and their regions in achieving employment policy goals. It is aimed at investing in human resources through supporting the employment of as many people as possible, encouraging equal access and equal opportunities for everyone, encouraging entrepreneurship and activation on the labor market, integrating immigrants, ensuring gender equality, fighting poverty, strengthening social inclusion, improvement of education and lifelong learning. Through the Youth Employment Initiative from the ESF, activities aimed at people under the age of 25, who are not employed, are supported in education or training.

COHESION FUND (CF)

It provides support to the least developed EU member states whose GNI per capita does not exceed 90% of the EU-27 average. Large projects in the field of transport infrastructure and environmental protection are financed from this fund. In the program period 2014-2020, it provides support to the following member states: Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.

2.1.3.2 HELP

In 2014, the EC established the EU Regional Trust Fund in response to the crisis in Syria - the Madad Fund¹⁹⁴ (EU Regional Trust Fund in response to the Syrian Crisis, the “Madad Fund”). The original goal of this fund was to support refugees from Syria and their countries of residence (Egypt, Iraq, Jordan, Lebanon, Turkey). The fund was later expanded to include refugees and migrants from other vulnerable countries, as well as support for non-EU countries affected by the migrant crisis, which gave RS the opportunity to apply for funds. For the RS, in 2016 and 2017, from the funds of the Madad fund, support was approved for the financing of current operational costs, nutrition, provision of health services and access to education for migrant children and improvement of the conditions for the accommodation of refugees and migrants in reception centers - primarily in cooperation with by the Ministry of Labour, Employment, Veterans and social issues, the Commissariat for Refugees and Migration and the Ministry of the Interior, as well as the International Organization for Migration (IOM).

2.1.3.3 EU SOLIDARITY FUND - FSEU

The EU established the Solidarity Fund¹⁹⁵ (FSEU), with the aim of providing support to member states and countries that are in the process of negotiations for EU membership to more easily overcome the consequences of large-scale natural disasters. This expresses European solidarity with regions and countries within Europe that are affected by natural disasters. By covering parts of public expenditures, the FSEU contributes to the efforts of countries to implement activities for the reconstruction of the country and the rehabilitation of damage caused by natural disasters.

The Republic of Serbia, as a country in the process of negotiations for EU membership, submitted an application for funds from the EU Solidarity Fund on July 30, 2014, in order to repair the damage and restore the areas affected by the floods of May 2014.¹⁹⁶ Since the EU has adopted amendments to the regulation establishing the EU Solidarity Fund and its purpose is extended to cases of general threat to public health, the RS submitted an application for support from the EU Solidarity Fund in 2020. After a detailed assessment of applications for support from the EU Solidarity Fund, on March 11, 2021, the EC proposed to the European Parliament and the Council the mobilization of EUR 530 million in non-reimbursable support for 17 member states and 3 candidate states for membership in order to support measures to combat the coronavirus, of which Serbia should have received almost 11.9 million euros of non-refundable support from this Fund. Based on the decision of the EC and the accompanying communication, the Ministry of Finance, with the support of the MEI, initiated the process of determining which costs will be submitted for the allocated funds, given that it was designated as the coordinating body for this phase of the process during the preparation of the application¹⁹⁷.

194 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

195 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

196 On December 17, 2014, the European Parliament and the Council approved the proposal of the decision of the European Commission, which allocated funds to Serbia for rehabilitation and reconstruction of the areas affected by the May floods in the amount of 60.2 million euros (60,224,605 euros).

197 http://www.obnova.gov.rs/uploads/useruploads/Documents/Solidarnost_na_delu_preview.pdf

2.1.3.4 REGIONAL HOUSING PROGRAM

Regional housing program¹⁹⁸ is a joint initiative of four countries - Serbia, Bosnia and Herzegovina, Croatia and Montenegro - which aims to provide permanent housing solutions for the 27,000 most vulnerable refugee families (74,000 individuals) in the region. Of these, 16,780 families (about 45,000 individuals) are in Serbia. The program is implemented as part of the "Sarajevo Process", based on the "Belgrade Declaration", which was signed in 2011 by the ministers of foreign affairs of the four beneficiary countries of the program. These countries were the most affected by the war conflicts of the 1990s and therefore have a significant refugee population. In the RS, the Program is implemented on the basis of the Framework Agreement, concluded on October 25, 2013, between the RS and the Development Bank of the Council of Europe. The agreement regulates the basic settings of the program, the implementation mechanism, the obligations of the participants in the program and the amount of funds that will be engaged. The Program is managed by the Development Bank of the Council of Europe, which administers a multi-donor fund formed for the purpose of implementing the Program. The largest donor of this fund is the EU, which provides the largest part of the funds through the multi-user and national IPA. The total announced contribution to the EU fund is 235 million euros. Other donors are USA, Switzerland, Germany, Denmark, Italy, Norway, Turkey, Cyprus, Hungary, etc. The entire program is under the jurisdiction of the Commissariat for Refugees and Migration of the RS. Through the Program, a large number of different housing solutions are provided: the allocation of building material packages, the construction of prefabricated houses, the purchase of rural houses and the construction of residential buildings. In this way, it is ensured that refugee families solve their housing issue in the way that suits them best in their current place of residence, bearing in mind that the Program is implemented in over 120 municipalities in the Republic of Serbia. The donation agreement for the first subproject in the amount of 2,212,500 euros was signed in 2014. The following 8 donation contracts and associated amendments in the total value of EUR 169,930,645 (of which EUR 137,398,681 are donations from the Fund) were signed by the national IPA coordinator. These agreements collectively foresee the provision of a total of over 7,700 housing solutions¹⁹⁹.

2.1.4 GREEN AGENDA FOR THE WESTERN BALKANS

After signing the Sofia Declaration, the heads of state and government from the Western Balkans reached an agreement with the EU on the implementation of the Action Plan for the Green Agenda²⁰⁰, which paves the way for them to realize the economic and investment plan for the region worth 30 billion euros. They committed to put sustainable development, resource conservation, nature protection and climate action at the center of all economic activities and to align with EU goals. The Council for Regional Cooperation (RCC) was in charge of coordinating the drafting of the document, and it was adopted in Slovenia at the EU Summit - Western Balkans. In the Action Plan for the Green Agenda for the Western Balkans for the period up to 2030, the most important segments are the collection of greenhouse gas

198 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

199 www.regionalhousingprogramme.com; www.kirs.gov.rs

200 <https://balkangreenenergynews.com/rs/usvojeni-akcioni-plan-za-zelenu-agendu-za-zapadni-balkan-donosi-devet-milijardi-evra-grantova-rok-za-uskladjivanje-s-eu-ets-om-2024-godine/>

emissions, plans for the gradual cessation of coal use, regional integration, pollution control and environmental protection.

The investment package consists of nine billion euros in grants and 20 billion euros of investments, which will be implemented through the new Western Balkans Guarantee Facility. The countries of the region should implement economic and social reforms as well as strengthen the rule of law, the EU leaders stated and also pointed to the benefits for competitiveness and digital transition.

The EU announced that together with the 600 million euros that the European Commission will propose as part of the Instrument for Pre-Accession Assistance (IPA), it will make available 1.1 billion euros by the end of the year for the implementation of the Economic and Investment Plan. The Western Balkans has the task of declaring energy and climate aspirations that will match the EU's goal of reducing greenhouse gas emissions by 55 percent by the end of the decade, as well as other related goals, for which a massive transformation is necessary. The countries of the region will have to overcome the challenges that come with the gradual cessation of the use of coal, such as unemployment, disruptions in the economy and labor migration, the declaration from the summit states. Decarbonization will be achieved "through the use of fuels from renewable sources or fuels with reduced carbon emissions," the document states. Leaders of the 27-nation bloc have pledged to provide technical and financial assistance to develop a carbon charging system in the context of the Carbon Cross-Border Adjustment Mechanism (CBAM), which is essentially a carbon tax on imported goods and electricity.

The action plan for the Green Agenda has five pillars:

- 1) Decarbonization
- 2) Circular economy
- 3) Cleaning from pollution
- 4) Sustainable agriculture and
- 5) Protection of nature and biodiversity.

In the decarbonization part, the indicative deadline for harmonization with the European Climate Law and the adoption of the vision of achieving climate neutrality is 2025, and 2024 is set for harmonization with the EU Emissions Trading System (EU ETS) and the introduction of other carbon charging instruments. The countries of the Western Balkans have agreed to include among the priorities, which they will finance, energy efficiency measures, the abolition of coal subsidies and programs to combat energy poverty.

The segment of the circular economy implies that by 2023 at the latest, strategies will be developed that will encompass the entire product life cycle. Governments have pledged to raise awareness of waste prevention and separation and sustainable consumption.

On the pollution cleanup front, measures include the ratification of the Convention on Long-range Transboundary Air Pollution and its protocols by 2025. The implementation of air quality strategies and the construction of the necessary infrastructure for the processing of waste water by 2030 at the latest are also planned.

As for sustainable agriculture, the indicative time frame sets 2026 as the horizon for adopting standards on food safety, plant and animal health and welfare, and waste management, as

well as supporting organic and pollution-free food cultivation and reducing the amount of synthetic chemicals products in food production. Among the measures in agriculture will have to be the use of renewable energy sources and the reduction of emissions.

The countries of the region have taken responsibility for the preparation of plans for the restoration of the forested landscape until 2024, including a financial component.

2.2 INTERNATIONAL FINANCIAL INSTRUMENTS-BANKS

2.2.1 DEVELOPMENT BANK OF THE COUNCIL OF EUROPE CEB²⁰¹

Council of Europe Development Bank²⁰² (BSE) is a multilateral development bank with a social orientation. It was founded in 1956 in order to solve the problems of refugees, and later expanded the range of activities to the entire field of social development. RS joined this international bank in 2004. BSE provides concessional (favorable) loans and consulting services for socially oriented investment projects in the areas of:

- Sustainable and inclusive growth;
- Integration of refugees, displaced persons and migrants i
- Environmental protection.

Cooperation between RS and BSE is achieved primarily through projects financed through favorable loans such as: improvement of educational and scientific infrastructure and provision of accommodation for young researchers, reconstruction of housing infrastructure (landslides), construction of housing units for families affected by the earthquake in Kraljevo, construction and equipment new ones prison capacities in Pančevo and Kragujevac, etc. In addition to its own funds intended for lending, BSE also has funds entrusted to it for management by other donors. In this sense, as part of the response to the migrant crisis, the RS made available the “Fund for Migrants and Refugees”, through which the most urgent needs of migrant centers in Šid, Kanjiža and Preševo and other places are financed. In addition, the bank participates in the Investment Framework for the Western Balkans (see 2.1.1.5) and in this sense is responsible for part of the grants granted to the RS from this instrument, and is also in charge of managing the Regional Housing Care Program intended to solve the housing problem of refugees (see 2.1.3.4), whose biggest user is the RS.

2.2.2 EUROPEAN INVESTMENT BANK EIB

European Investment Bank²⁰³ (EIB) is an EU financial institution that plays a significant role in financing long-term investment projects. Outside the borders of the EU, the bank supports projects that contribute to economic development in countries that have signed a Stabilization and Association Agreement or a cooperation agreement with the EU or one of its members. The EIB provides support primarily through loans, but also through technical assistance, guarantee schemes and microfinancing. Loans are granted to the state as well as the private

201 <https://www.mei.gov.rs/srp/fondovi/bilateralni-i-multilateralni-partneri/po-medjunarodnim-organizacijama/>

202 www.coebank.org

203 <http://www.eib.org/>

sector. Beneficiaries of loans in a broader sense can be municipalities and cities, ministries, state-owned companies, but also private companies and large corporations.

In accordance with the mandate defined by the European Parliament and the Council of the EU, the EIB finances investments in the RS through loans (whereby the EIB can cover up to 50% of project costs), concluded directly with the project holder (individual loans) or indirectly, mainly through other banks (intermediate loans). In practice, individual loans are approved for strategically relevant projects and programs worth more than 25 million euros, while intermediate loans are credit lines to banks and financial institutions intended to help finance small and medium-sized enterprises and local projects with justified investment programs or projects worth up to 25 million euros. Loans are approved to support projects that are economically justified in the areas of transport, energy, environmental protection, industry and services, health and education, research and development, information and communication technology.

Currently, current projects in the Republic of Serbia financed by the EIB are:

- Construction of the Niš - Pristina highway. So far, the Republic of Serbia, with the support of the EIB, has received about 5 million through the Investment Framework for the Western Balkans. euros of grants.
- Modernization of the railway line Nis - Dimitrovgrad. Thanks to the support of the EIB, 44 mil. EUR of grants from WBIF, while in December 2017 another 28 million was approved. euros for the second phase of this project.

2.2.3 EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT EBRD

European Bank for Reconstruction and Development²⁰⁴ (EBRD) is has been active in RS since 2001. In the past period, the bank implemented more than 200 projects with a total value of around 4.24 billion euros, of which 62% were implemented in cooperation with the public sector, while 38% were implemented in cooperation with the private sector. The activities currently carried out by the EBRD are in accordance with the Strategy for Serbia approved by the Board of Directors in April 2014, and are focused on three key areas:

- The competitiveness of the private sector through the provision of financial and technical assistance primarily to the sector of small and medium enterprises. In this area, support to the private sector takes place directly through the provision of financial support, most often in the form of investment lending or securing working capital, or indirectly through financial intermediaries (such as banks). Technical assistance is reflected in the provision of consulting services or advice from experienced advisors, or the development of local advisory capacities.
- Stabilization of the financial sector through support to banking and non-banking institutions. In this area, the EBRD is focused on providing long-term financing for the banking sector and developing special products that would enable the marketing of special financial products, such as loans for energy efficiency and investment in renewable energy sources.

²⁰⁴ <http://www.ebrd.com/home>

- Development of sustainable public enterprises, including investment in energy, traffic and utility infrastructure. The bank also provides support for the preparation and implementation of major infrastructure activities in the energy, environment and transport sectors, through lending or a combination of loans and grants - independently or in cooperation with other partners such as the EU.

2.2.4 WORLD BANK WB

The activities of the World Bank, as a development partner in the Republic of Serbia, are defined by the document Framework for partnership for 2016-2020, with the main goal of supporting the process of accession of the Republic of Serbia to the EU, by creating a competitive and inclusive economy. The priority areas of development in this document are:

- fiscal and macroeconomic stability,
- strengthening management capabilities and institutional capacities,
- reform of public enterprises,
- improvement of business conditions,
- infrastructure development i
- labor market reform.

This cooperation is currently taking place through the implementation of projects worth more than 1.8 billion dollars, in the following areas: transportation, improving the business environment, competitiveness and employment, health, flood prevention and reconstruction, risk management, financial sector reform, public sector improvement, improvement of public enterprises i preschool education.

Recently approved projects²⁰⁵ у периоду 2021-2023 cy: Catalyzing Long Term Finance through Capital Markets, Improving public financial management for the green transition, First Serbia Green Transition Programmatic Development Policy Loan, Scaling-Up Residential Clean Energy (SURCE) Project, Serbia Local Infrastructure and Institutional Development Project, Public Sector Efficiency and Green Recovery DPL.

Program Green, living and resilient cities in Serbia²⁰⁶

In June 2021, the World Bank launched the Green, Living and Resilient Cities Program in Serbia, together with the Ministry of Construction, Transport and Infrastructure, to strengthen sustainable and resilient urban development²⁰⁷. This activity is part of the World Bank's Global Umbrella Program for Sustainable and Regional Development (SURGE) and is supported by the Swiss Confederation through the State Secretariat for Economic Affairs (SECO). The four-year

205 https://projects.worldbank.org/en/projects-operations/projects-summary?lang=en&countrycode_exact=YF

206 <https://www.worldbank.org/en/country/serbia/brief/green-livable-resilient-cities-in-serbia-program>

207 Serbian cities are of vital importance for national economic growth. However, in order to become drivers of regional development and poverty reduction, they need to be better managed in order to increase their ability to live and the quality of life of their citizens. Improved strategic urban development and management can help cities in Serbia to fully utilize their potential and play a key role in supporting the country's green transition. The Government of Serbia recognizes the importance of cities for the national economy. In 2019, the Sustainable Urban Development Strategy (SOUR) was adopted, followed by an action plan in March 2021, establishing a comprehensive and integral program for the next phase of urban development in Serbia. This program provides Serbia with a unique opportunity to advance towards the green transition at the sub-national/ municipal level, foreseen by the EU Green Deal. It also fits with the World Bank's strategic direction for post-COVID-19 recovery in line with the World Bank's Green, Resilient Inclusive Development (GRID).

technical assistance began in 2022 and will support selected cities in Serbia in the planning and implementation of sustainable, low-carbon and resilient urban development programs, while providing national level policy recommendations and proposed actions to facilitate the implementation of the RS Sustainable Urban Development Strategy. A detailed analysis will also help to identify challenges in the municipal solid waste management sector. The program aims to respond to existing gaps at the national level and to support selected cities to improve their capacities:

- To better plan, prepare and implement high-impact city-level investments that promote sustainable, low-carbon urban development and urban resilience, and
- Deepening the knowledge base and policy dialogue towards more inclusive, sustainable, resilient and green urban development, including lagging regions.

2.2.5 GERMAN DEVELOPMENT BANK (KfW)

KfW is Germany's leading development bank²⁰⁸. During the 1960s, the bank expanded its activities to the international level by implementing German financial cooperation with developing countries on behalf of the German government. At the end of 2021, the balance amount was about 550 billion euros, and the annual approved funds worldwide exceed 130 billion euros, of which about 12 billion euros are in development cooperation. The main goals are to improve the economic and social living conditions of people, reduce poverty and protect the climate and the environment. The German federal government, as an institution of public law, owns 80% of the bank's capital, while the remaining 20% is owned by the German federal states. KfW supports RS in achieving goals and fulfilling obligations related to the EU accession process with a special focus on climate and energy, as well as sustainable development of urban infrastructure. An overview of the projects implemented in Serbia is available at the following link <https://nemackasaradnja.rs/mapa-projekata/>

Regional Challenge Fund (RCF)

Regional Fund for Challenges²⁰⁹ (RCF) is a financial mechanism established with the aim of increasing employability, especially of young people. The fund strengthens the competitiveness of companies in the economies of the Western Balkans (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia and Serbia) through the financing of investments in equipment and infrastructure for selected cooperative or dual education projects that are carried out in partnership with professional educational institutions and companies. Funds are awarded after bidding (challenge) at the regional level.

The German Federal Ministry for Economic Cooperation and Development (BMZ) allocated 64.43 million euros for the RCF, and the Government of Switzerland, represented by the Swiss Agency for Development and Cooperation (SDC), co-financed an additional 9.7 million Swiss francs. The funds were entrusted to the German Development Bank (KfW), and the project is implemented by the Chamber Investment Forum of the Western Balkans (WB6-CIF), a joint initiative of chambers of commerce from the region.

²⁰⁸ <https://nemackasaradnja.rs/kfw/>

²⁰⁹ <https://rcf-wb6.org/sta-mi-radimo/?lang=me>

RCF supports projects jointly implemented by vocational training institutions and partner companies, which engage or plan to engage in cooperative education and training activities. Projects can receive support for the development of new programs or the expansion and improvement of existing programs. Grants are awarded to consortia that have successfully passed the two-phase selection process.

RCF provides financial and follow-up support to selected consortia for:

- Infrastructural works and equipment for facilities within institutions for vocational training and training
- Training of teachers from vocational training institutions, trainers in companies and coordinators for cooperative education and training (in vocational training institutions and in companies), required for the implementation of the funded training program
- Advisory support during project planning and implementation

More than 1,500 training places will be offered through the supported projects. Up to 19,776,650 euros will be invested in projects implemented by institutes and companies for professional training. Each project will be supported by grants from EUR 150,000 to EUR 600,000.

2.3 BILATERAL AND MULTILATERAL COOPERATION, DONOR PROGRAMS

2.3.1 UNITED NATIONS TEAM IN SERBIA

The United Nations (UN) has been present in the Republic of Serbia (former Yugoslavia) since the beginning of the crisis in the region, in the early 1990s. The United Nations team in Serbia²¹⁰ has been cooperating with the Government of the RS since the beginning of the 2000s. The UN team in Serbia currently includes 20 agencies, funds and programs, both resident and non-resident, who work together to improve national development priorities in accordance with the 2030 Agenda and 17 Sustainable Development Goals. The team is coordinated by the permanent coordinator of the UN, and works according to the principles of the Framework for cooperation of UN nations for sustainable development with the RS 2021-2025, signed between the Government of the RS and the UN Team in Serbia. The framework represents a path towards three strategic priorities:

- 1) Serbia uses the full potential of a green, sustainable and inclusive economy - Increasing opportunities for all and risk management;
- 2) Well-being, social justice and human potential are at the heart of systems, policies and practices - Everyone has equal opportunities, throughout life, to realize their full potential;
- 3) Building trust and mutual responsibility through the rule of law and respect for human rights and obligations - Encouraging transparency, fairness and effectiveness

Milestones:

- Serbia adopts and implements strategies to combat climate change and protect the environment, which increase the community's resilience, reduce the carbon footprint and enhance the positive effects of investments at the national level;

²¹⁰ <https://serbia.un.org/sr/about/about-the-un>

- Natural and cultural resources are managed in a sustainable manner;
- Fair economic and employment opportunities are fostered through innovation;
- Universal and inclusive access to quality, social and protection services has been improved;
- Skills, education and opportunities are improved to ensure fair outcomes for all;
- Mobility and demographic transition become vectors of positive change and prosperity for all people;
- All people, especially the more vulnerable, benefit from the realization of human rights, gender equality and improved rule of law in accordance with assumed international obligations;
- All people benefit from effective governance and meaningful civic engagement.

The Sustainable Development Goals are a global call to action to prevent poverty, protect the environment and climate, and ensure that all people live in peace and prosperity. The UN in Serbia is working on the implementation of 17 sustainable development goals.

In the period from 2011 to 2015, the UN team in Serbia provided assistance worth more than 230 million dollars. In June 2017, a new Development Partnership Framework (RDF) was signed between the Government of the RS and the UN Team in Serbia for the period 2016-2020. The new strategy is fully aligned with the Government's national priorities, the EU Accession Agenda and the Sustainable Development Goals Agenda. The value of the new UNDAF-and for the period 2016-2020. for Serbia, it is estimated at 170 million dollars, not including the funds set aside for emergency situations such as the refugee/migrant crisis.

2.3.2 DEVELOPMENT COOPERATION BETWEEN GERMANY AND SERBIA

Development cooperation between Germany and Serbia²¹¹ started immediately after the democratic changes in 2000. Since then, GIZ has been present in Serbia with one central office in Belgrade and a larger number of project offices. By order of the Federal Ministry for Economic Cooperation and Development (BMZ), GIZ provides support to Serbia in the process of approaching the European Union, strengthening the efficiency of the economy and strengthening democratic structures. GIZ implements programs and projects²¹² from the following areas:

- sustainable improvement of the economy and employment;
- good governance;
- environment.

²¹¹ <https://nemackasaradnja.rs/giz/>

²¹² The following projects are being implemented in Serbia: Rural development through integrated forest and water resources management in Southeast Europe; Waste management, circular economy and green job opportunities; Energy efficiency in public buildings; Development of a sustainable bioenergy market; Social rights for vulnerable groups; Public administration reform; Social services for disadvantaged population groups; Promoting EU Integration in the Western Balkans; Open regional funds for South-East Europe – legal reform; Open regional funds for South-East Europe – modernisation of municipal services; Public finance reform; Open Regional Fund for South-East Europe – Biodiversity; Open regional funds for South-East Europe – Energy Efficiency; Economic Diversification of Rural Areas; Zoran Djindjic Internship Programme of German Business for the Countries of the Western Balkans; Programme „Migration for Development“; Private sector development in disadvantaged regions; Sustainable recruitment of nurses; Open Regional Fund for South-East Europe – Foreign Trade; Western Balkans School Exchange Scheme; Dialogue on Employment Creation, Initiative and Dual Education; Supporting young people in rural regions of Serbia; Strengthening Rule of Law in Serbia (giz.de)

Serbia also benefits from GIZ's regional projects. The Open Regional Fund for Southeast Europe, which brings together several countries, supports measures implemented in the areas of legal reform, counseling in the field of foreign trade, modernization of communal services, as well as energy efficiency, biodiversity and integration into the European Union.

2.3.3 FRENCH DEVELOPMENT AGENCY AFD

French Development Agency²¹³ opened a regional office in Serbia in 2019, which is responsible for the entire Western Balkans, as well as a representative office in Albania. The group finances, supports and accelerates the transition to a more harmonious and resilient world for the common good - climate, biodiversity, peace, gender equality, education and health, thereby contributing to the achievement of the UN Sustainable Development Goals. Activities are aligned with the 2015 Paris Climate Agreement. This means that each project is evaluated according to its compliance with the implementation of the strategy of low-carbon development and long-term resilience. This principle is based on a clear fact: sustainable development and the fight against poverty cannot be separated from the fight against global warming and the protection of the environment or biodiversity.

With 5.2 billion euros approved for the year 2021 for the financing of climate projects, AFD is one of the main international financial institutions that support this type of projects, so that 55% of financial engagements have a direct impact on the fight against climate change and its mitigation consequences. In Serbia, AFD provided EUR 51 million for the reconstruction of railway infrastructure, capacity building and modernization of the sector, as well as EUR 50.5 million to support environmental reforms (implementation of Serbia's climate obligations in accordance with the Paris Agreement and the EU accession process). In cooperation with the International Bank for Reconstruction and Development (World Bank), the French Development Agency also contributes to the improvement of urban infrastructure in Serbia, through a valuable project (loan). 265.2 million euros (300 million US dollars).

Project "Development of local infrastructure and institutional strengthening of local self-governments of the Republic of Serbia"

Project holder²¹⁴ is the Government of the Republic of Serbia/Ministry of Construction, Transport and Infrastructure. The goal of the project is to improve the capacity of local governments to manage sustainable infrastructure, as well as to improve access to economic and social potential in a climate-conscious manner, in accordance with the obligations arising from the Sofia Declaration on the Green Agenda for the Western Balkans, adopted in 2020. as well as in accordance with the goals, measures and activities defined The strategy of sustainable urban development of the Republic of Serbia until 2030 and the Action Plan for its implementation. The project will primarily provide investments and technical support for the sustainable improvement of local roads and mobility, as well as the overall resilience of local governments to climate change. Each local self-government will be entitled to a certain amount of funds, according to a formula that takes into account the number of inhabitants,

²¹³ <https://rs.ambafrance.org/AFD-4148>

²¹⁴ <https://www.mgsi.gov.rs/cir/projekti/razvoj-lokalne-infrastrukture-i-institucionalnog-jachanja-lokalnih-samouprava-republike>

area, level of development, as well as vulnerability to climate change. The expected start of the project is June 2022, while the completion of the project is expected in November 2028.

- The project is structured through the implementation of activities divided into three basic components:
- Component 1: Climate Smart Mobility
- Component 2: Strengthening capacity to provide services in the field of infrastructure
- Component 3: Project management and awareness raising

Together with the European Bank for Reconstruction and Development, AFD supports the expansion of infrastructure for solid waste management, through a loan of 150 million euros. Investments in the Western Balkans amount to more than 630 million euros, to which should be added support for two regional projects. The first project is dedicated to improving the quality of life in cities thanks to the “Smart City” program. AFD also supports the RISE project, which provides support to young entrepreneurs from the Western Balkans, in cooperation with the Regional Office for Youth Cooperation (RYCO).

2.3.4 DONATION PROGRAMS

Japan

The strategic framework of development cooperation with the RS is defined in the Japanese Development Cooperation Charter of February 2015. Priority areas of Japan’s bilateral development assistance to the RS²¹⁵ are:

- Environmental protection,
- Health and social protection and education i
- Entrepreneurship and support to small and medium enterprises.

Some of the examples of assistance that Japan provides to the RS are: non-project donations in the form of Japanese products, projects for the basic needs of the population (POPOS projects) which include one-time assistance such as the reconstruction of school buildings and kindergartens, the delivery of medical equipment and ambulances, garbage collection vehicles and containers, tanks, special vehicles for transporting people with special needs, etc., but also consulting assistance from Japanese experts since 2009 through the volunteer program of the Government of Japan. Japan also provides concessional loans (yen loans), so the project “Construction of a desulfurization system at the Nikola Tesla Thermal Power Plant” will be realized from the funds of one of the loans.

Kingdom of Denmark

Denmark provides its development assistance to beneficiaries in most cases bilaterally, but also multilaterally mainly through the UN, EU institutions and the World Bank. Development cooperation strategy of the Kingdom of Denmark with the Republic of Serbia²¹⁶ it is defined within a broader regional concept - the Danish Neighborhood Program for Eastern Europe. Since 2017, with the completion of two large programs financed by Danish bilateral grant aid in

²¹⁵ <https://www.jica.go.jp/balkan/english/office/index.html>

²¹⁶ <http://serbien.um.dk/en/danish-cooperation/danish-cooperation-with-serbia/>

the south of Serbia and the adoption of a new Danish development aid strategy, the Republic of Serbia has ceased to be the so-called Danish “partner state” and since then there has been no significant bilateral development aid from the Kingdom of Denmark to the Republic of Serbia, given that the focus of Danish development aid in Europe is directed towards Ukraine and Georgia.

Kingdom of Norway

The Kingdom of Norway is one of the largest bilateral donors to the RS, whose support from 2008 to today amounts to more than 100 million euros. Norway provides assistance to Serbia through the Bilateral Cooperation Program, the Embassy’s Fund for Small Projects, as well as direct grants to civil society organizations²¹⁷. In January 2018, a Memorandum of Understanding (MoU) was signed between MEI RS and the Ministry of Foreign Affairs of the Kingdom of Norway, which refers to bilateral cooperation through projects and which defines the basic principles of cooperation between the two ministries with the aim of supporting Serbia’s integration into EU structures through projects that contribute to reform processes and the development of supported sectors in accordance with the requirements of the European integration process.

Kingdom of the Netherlands

Dutch development aid to the Republic of Serbia²¹⁸ has in the past years been focused on supporting the development of the agricultural sector, environmental protection, the private sector, employment, the rule of law, assistance to refugees and internally displaced persons, and the building of institutional capacities. During 2019 and 2020, no new projects were contracted, and within two programs - MATRA and the Human Rights Fund, which aim to help civil society organizations and the justice and internal affairs sectors, the Embassy of the Netherlands spent a total of 831,116 EUR. As part of the ORIO program, the project Collection and treatment of waste water in Leskovac is being implemented in the Republic of Serbia. The total budget of the ORIO program for the project in Leskovac is EUR 7.91 million.

Kingdom of Sweden

Sweden has adopted a new Strategy for supporting reforms in Serbia, the Western Balkans and Turkey 2021-2027²¹⁹. Financial support according to the new strategy for 2021-2027 amounts to 560 million euros, of which 500 million are distributed to the Western Balkans and 60 million to Turkey. Sweden’s total grant so far amounts to around 283 million euros. Sweden will continue with the trend of supporting the financing of programs and projects in the RS in the amount of 12 million euros annually. The largest amount of non-reimbursed aid per sector in the period from 2000 to today was allocated by Sweden to the environmental protection sector in the total value of around 43 million euros. Among the ongoing projects, the following stand out:

- The PEID project (Priority Environmental Infrastructure for Development), through which support to the environmental protection sector continues - providing technical

²¹⁷ <https://www.norway.no/en/serbia>

²¹⁸ <https://www.netherlandsworldwide.nl/countries/serbia>

²¹⁹ <http://www.swedenabroad.com/sr-Latn-RS/Embassies/Belgrad/>

assistance to the Ministry of Environmental Protection, in order to prepare potential projects for financing in the coming period. The main goal is the creation of project-technical documentation for large infrastructure projects. The budget of the project is around 3 million euros.

- EISP 2 project (Environmental Infrastructure Support Project), which provides support to the Ministry of Environmental Protection in the implementation of smaller components of large infrastructure projects as well as in identifying potential projects in the field of environmental protection so that they are ready for the preparation of the necessary project-technical documentation. The project budget is around 2.9 million euros.
- The continuation of the project dealing with preparations for negotiations under Chapter 27 takes place through the ENVAP 3 project - Environment Accession Project (September 2016 - March 2021), where the budget is around 3 million euros.

People's Republic of China

The legal basis for cooperation between the RS and the People's Republic of China is the Agreement on Economic and Technical Cooperation between the Government of the RS and the Government of the People's Republic of China, which is signed annually.²²⁰ The priority areas of development cooperation are health, education, energy and security. In the past few years, several projects in the field of healthcare were implemented, which provided medical equipment for hospitals and health centers throughout the country. The People's Republic of China also provided significant support in terms of flood defense. The Government of the People's Republic of China also facilitated professional training by organizing seminars in various fields for representatives of institutions at the national and local level, chambers of commerce, small and medium-sized enterprises, universities, and hospitals.

Republic of Austria

Through development aid projects, the Republic of Austria supports the RS policy aimed at the prospect of EU accession²²¹. Projects were implemented in the areas of regional development, education, environmental protection, agriculture, health, entrepreneurship development, social protection, strengthening of management capacity at the local level, as well as support for civil society organizations. The Austrian Development Agency (ADA) as the implementing agency of the Republic of Austria applies European standards in the implementation of various EU programs/projects:

- Implementation of the EU program entitled "Socio-economic development of the Danube region in the Republic of Serbia", financed from EU funds - The project consists of several components, including the construction and renovation of infrastructure, such as the construction of a water supply system in the municipality of Veliko Gradište, as well as rehabilitation Golubac Fortress, for which the Republic Austria provided 1,800,000 euros in grants.

²²⁰ <http://rs.chineseembassy.org/srp/>

²²¹ <http://www.entwicklung.at/en/>

- Regional project to support the implementation of the Green Agenda for the Western Balkans - The overall goal of the project is to improve the transition of the Western Balkans towards modern, resource-efficient and competitive economies. The specific goal is to support the implementation of the Green Agenda, which achieves the commitment to transforming the economy in a sustainable way and achieving climate neutrality by 2050. The total budget of the project is 11,000,000 euros. The regional project was started in 2022.

According to the volume of allocated funds, the Republic of Austria is the third largest bilateral donor participating in the financing of WBIF, with funds provided in the amount of 17.9 million euros cumulatively, in the period 2009-2020. year.

Republic of France

Based on the Agreement on Strategic Partnership and Cooperation, the French government provides support to the RS in public policies in the EU accession process. According to the agreement between the Governments of Serbia and France on the French Development Agency and PROPARGO signed in 2019, the AFD office in Belgrade functions as a regional office for the Western Balkans and has been fully operational since 2019. In accordance with the aforementioned Agreement, AFD Group provides financial support, such as grants and guarantees for long-term loans to the state, local governments, public and private companies and financial institutions, as well as subsidies, in accordance with the rules of foreign exchange operations of the RS. The areas of cooperation are:

- Development of the metro system in the city of Belgrade - At the end of November 2020, an agreement was signed between the governments of Serbia and France on cooperation in the field of priority infrastructure projects, investment value of 581 million euros, which foresees that 454 million will be invested in the construction of the first line of the Belgrade metro euros. It is envisaged that French companies will provide the metro compositions and carry out work on the “electromechanical part”, while Chinese companies will carry out construction work. The official start of works on the development of the metro system began in 2021, with the execution of preparatory works and works on filling the ground, construction of collectors at the location of the planned Depot (terminal) in Makiško polje.
- In the energy sector, an amount of up to 127,000,000 euros is foreseen. for the automation of the medium voltage electrical distribution network
- Within the Program, the so-called “green development loans” RS has at its disposal a credit arrangement of 300 million US dollars from the World Bank, KfW and AfD group. The estimated funds of the AfD group are in the amount of 90 million US dollars.
- In the field of environmental protection, the city of Belgrade chose the company BeoČistaEnergija d.o.o. (consisting of a consortium consisting of the French company “SUEZ” and the Japanese company “ITOCHU”) as a partner within the Public-Private Partnership, for the project of construction and financing of a waste-to-energy plant in Vinci. The Vinca project includes rehabilitation of the existing landfill, construction of a new storage center according to European standards and an incineration unit with the production of electricity and heat (incinerator).

- In the third quarter of 2021, the law was adopted on the confirmation of the Loan Agreement in the amount of 50,000,000 euros, between the AFD Group and the RS for the implementation of reforms aimed at the so-called “green recovery” through the Program Loan for Public Policies “Urban Environments Resilient to Climate Change”. An integral part of the Program is a grant in the amount of 500,000 euros for the needs of technical support to the Government of Serbia, which includes the development of a Road Map for climate activities at the national and local self-government levels (Smederevo and Užice). Support was provided for the drafting of by-laws of the Law on Climate Change and the assessment of capacity building.

Republic of Greece

The Hellenic Plan for the Economic Reconstruction of the Balkans (HiPERB) is a program of Greek development assistance within the framework of which the Government of the Republic of Greece has designated grants for six Balkan countries - the Federal Republic of Yugoslavia, Romania, Bulgaria, Macedonia, Bosnia and Herzegovina and Albania²²². The target sector of this aid program is infrastructure modernization, especially in the transport sector. Two extremely important projects for Serbia that are supported by the HiPERB plan are the construction of Corridor 10.

Republic of India

The Indian Technical and Economic Cooperation Program (ITEC) is implemented by the Ministry of Foreign Affairs of the Government of India as a bilateral aid program of that country to friendly countries. This program mainly targets developing countries, including RS, which are offered free training courses in India for various technical and professional occupations, as well as the possibility of faster and easier adaptation to an increasingly globalized world.²²³. In the period from 2013 to the end of 2019, approximately 80 civil servants of the RS attended ITEC courses (from 2008 to today there are about 167 experts, representatives of the government and private sector) in various fields and scientific disciplines, including information and communication technologies, expenditure management, entrepreneurship, the WTO area, banking and finance, renewable energy sources, issues related to climate change, legislation, improving the English language, etc.

Republic of Korea

The Knowledge sharing program (KSP) is implemented in cooperation with the Korea Development Institute (KDI) and aims at institutional development and strengthening the capacities of employees in state administration bodies of partner countries. The program provides consultations focused on the needs of partner countries, which are carried out through a series of joint research works, trainings, consultations, which are held alternately in Korea and partner countries. This is how the following programs are implemented:

²²² <http://www.mfa.gr/serbia/sr/the-embassy/>

²²³ www.itecgoi.in

- KOICA Fellowship programs - KOICA partner programs - The primary goal of this program is additional education for technical skills and knowledge, as well as capacity building for sustainable socio-economic development;
- Master's studies (KOICA Scholarship Program - Master's Degrees) - postgraduate (master's) studies;
- Serbian-Korean IT Access Center (SKIP Center) - opened in Belgrade in 2017, and a second SKIP center is planned in Niš, intended for free IT training for citizens, civil servants and start-up companies

Republic of Poland

Polish development cooperation in Serbia²²⁴ implemented through small development projects, which are implemented by the Embassy of the Republic of Poland with local partners. The main goal is to implement projects that will improve the living standards of the local population. Within the framework of the system of small grants, the initiatives of small development projects that bring positive effects on the daily life of local communities are carried out. Bilateral aid can be used by institutions from the public finance sector, research institutes, non-governmental organizations and persons from the private sector. Partners in projects are usually local non-governmental organizations, public institutions or local governments. The projects implemented in Serbia in the period 2007-2020 had a total value of 253,856 euros. At the third session of the "Belgrade Conference" held in Warsaw in 2019, three parallel panels took place: environmental protection, judicial system and communication in the field of European integration.

Republic of Singapore

During the 1970s, Singapore began to share its experiences with partner countries around the world through various programs. These programs were brought under a unified framework when the Singapore Cooperation Program (SCP) was established in 1992. The cooperation program is a series of courses, programs, seminars, workshops, consultations, as well as study visits in a number of areas organized by the Government of Singapore and aims to share with partner countries Singapore's experience in acquiring important technical skills and knowledge that are of vital importance for the economic and social progress of a country. SCP training areas include education, environment (climate change, environmental protection...), transport and infrastructure, economy and economy, social issues (social entrepreneurship and innovation, social cohesion, empowerment of people with disabilities and special needs...), health, cyber security, sustainable development (renewable energy, sustainable cities, energy efficiency and emission reduction), state administration and digital government. Candidates for training programs can be civil servants - managers of narrower internal units in public administration institutions as well as civil servants in position, unless otherwise indicated.

²²⁴ www.belgrad.msz.gov.pl

Republic of Slovenia

Technical assistance activities²²⁵ are focused on supporting the institutions of the Republic of Serbia in the process of European integration, including support in harmonizing regulations, harmonizing procedures in the work of our institutions with EU standards, improving the quality of services, improving organizational structures through the transfer of the experience of Slovenian institutions and organizations. The amount of funds allocated for development aid is determined annually by the Development Plan of the Republic of Slovenia. Currently, a project called “Help in preventing corruption” is being implemented, which aims to improve the conditions for ensuring transparency and accountability in the functioning of public sector institutions in the RS, as well as strengthening the capacity for effective implementation of legal competences of institutions in the fight against corruption. The project holder is the Anti-Corruption Agency, and the total value is 95,580 euros.

Republic of Turkey

The legal framework for cooperation with the Republic of Turkey in the field of donor, development and humanitarian aid in emergency situations is represented by the Agreement between the governments of the two countries on technical and financial cooperation²²⁶ from 2009. With its signing, the Turkish Agency for Cooperation and Coordination in the RS (TIKA) officially began its work, through which cooperation with the institutions of the RS is directed and achieved. Priority areas that are supported through the program of development cooperation with education, health, agriculture, culture, historical heritage and tourism. The total estimate of the realization of the development assistance funds of the Republic of Turkey amounts to over 37 million euros.

Important examples of support through donor funds are: the reconstruction and equipping of the General Hospital in Novi Pazar, the Center for the Protection of Children, Infants and Youth “Zvečanska”, the reconstruction of the High Court building in Novi Pazar, works on the restoration of Ram Fortress near Veliko Gradište, works on to the restoration of the “Sultanija” Mosque Valide” in Sjenica, construction and reconstruction of several elementary schools in Novi Pazar. During 2020 and 2021, most donor funds were directed through projects in the field of health, environmental protection, media, education, culture, sports, humanitarian aid, cultural and historical heritage, as well as support in the fight against the COVID-19 pandemic.

Federal Republic of Germany

Bilateral development cooperation between the Federal Republic of Germany and the RS has been ongoing since 2000. The Republic of Serbia was granted over 1.8 billion euros in development aid from the funds of the German Ministry for Cooperation and Development (BMZ), the funds of the Ministry of the Environment, the Stability Pact and others in the form of grants and soft loans. Financial support projects are implemented by the German Development Bank (KfW), while technical assistance projects are implemented by the German Cooperation Agency²²⁷ (GIZ). In the past period, German development aid funds in the RS were directed to

²²⁵ www.belgrade.embassy.si

²²⁶ <http://www.tika.gov.tr/en>

²²⁷ <http://www.belgrad.diplo.de/> and www.nemackasaradnja.rs

the implementation of projects and programs in three priority areas: 1) public infrastructure (energy and water) - electricity and thermal energy supply, water supply, sewage infrastructure (wastewater management); 2) sustainable economic development and employment - improvement of legal frameworks in the field of finance and economy, development of the financial sector, support for small and medium-sized enterprises, support for secondary vocational education and training reforms and 3) democracy, state administration, civil society - support for the development of decentralized administration, efficient and results-oriented, especially in the domain of improving transparency, the rule of law, the justice system and balancing the forces of different parts of the state administration, as well as helping in the preparation for accession negotiations and supporting the EU accession process over the last few years. In terms of the volume of approved funds and the significance of the achieved results, the Federal Republic of Germany undoubtedly represents the most important bilateral development partner of the Republic of Serbia.

In addition to projects implemented at the national level, FR Germany provides both financial and technical assistance to regional projects and programs. Regional financial cooperation is implemented through the following cooperation instruments: 1) Regional instrument for support of renewable energy sources and energy efficiency; 2) European Fund for Southeast Europe and 3) Green Fund for the Development of Southeast Europe. Regional technical cooperation is implemented through three regional programs: 1) Open regional fund for Southeastern Europe; 2) Regional program for the establishment of the Danube Center of Competence to strengthen the region of the lower reaches of the Danube and 3) Cross-border cooperation in the field of social inclusion of persons who are victims of human trafficking.

United States of America

Development cooperation with the United States of America (USA) is implemented through the United States Agency for International Development (USAID). The legal basis for cooperation is the assistance agreements between the RS and the USA for better functioning of the administration and a more competitive market economy. Priority areas of development cooperation between the RS and the USA include the development of local self-governments, development of small and medium-sized enterprises, institution building, rule of law, European integration and strengthening of the civil sector. Significant projects within the framework of better functioning of the administration²²⁸ are: “Rule of Law” (*The Rule of Law project*), “Strengthening the media system” (*Strengthening of the media systems*), “Strengthening resilience to the refugee crisis” (*Enhancing Local Resilience to Refugee Crisis*). Significant projects within a more competitive market economy²²⁹ are: “Support for the development of the private sector in southern and southwestern Serbia” (*Private Sector Development Project*) and “Project for a competitive economy” (*Competitive Economy Project*).

²²⁸ <https://www.usaid.gov/serbia/democracy-human-rights-and-governance>

²²⁹ <https://www.usaid.gov/serbia/economic-growth-and-trade>

Slovak Republic

Cooperation between the Slovak Republic and RS²³⁰ focuses on supporting the transformation process, implementing reforms, including public finance reform, increasing the involvement of the private sector in development cooperation, and supporting reconciliation and dialogue between communities. In the past period, Slovakia provided aid to Serbia through the Slovak Development Agency “Slovak Aid”. In the following period, the focus of bilateral development cooperation with Slovakia will be the transfer of experience related to the integration of countries into Euro-Atlantic structures, the encouragement of innovation and the start-up of enterprises, assistance in the digitalization of public administration, support for small and medium-sized enterprises in connection with employment, with a focus on female entrepreneurs, as well as integration of socially marginalized citizens. The Slovak Republic also participates in the implementation of projects financed under the EU Instrument for Pre-Accession Assistance (IPA).

United Kingdom

Within the development cooperation between the RS and the United Kingdom²³¹, representatives of the British Embassy in RS play an active role in the process of coordinating development aid. The Good Governance Fund (GGF) is a multi-year program and part of this fund is available to Serbia to support reforms in the following areas: rule of law (judiciary, fight against corruption, human and minority rights, etc.), public administration, economy and business environment, strengthening freedom of expression. The Good Governance Fund operates through three channels: 1) The Strategic Support Fund (SSF), which targets pilot projects and civil society organizations, through the provision of direct grants. Supported projects focused on priority areas of the GGF Fund: from improving the business environment to strengthening government accountability and freedom of expression; 2) International Financial Institutions (IFIs) channel, which is designed to support reforms through cooperation with international financial institutions. The most significant resources are focused on the development of e-Government (the project “Digital transformation” and the project “Open Data”), implemented with the help of UNDP and the Office for Information Technologies and Electronic Administration of the Government of the RS, and 3) the Management Fund (MOF), which managed by a consortium led by PricewaterhouseCoopers (PwC), and includes technical assistance for projects developed in cooperation with state institutions.

Swiss Confederation

The state of Switzerland has been present in Serbia since 1991. So far, financial support amounts to 350 million euros. The Government of the Swiss Confederation has two institutions in its composition that are responsible for development aid. Swiss agency for Development and Cooperation (SDC, engl. *Swiss Development Agency, SDC*) is attached to the Swiss Ministry of Foreign Affairs and is in charge of development assistance related to the support of capacity building projects, technical assistance, i.e. the so-called “soft” projects aimed at reforming the administrative and general social system. State secretariat for economic affairs (SECO, Engl. *State Secretariat for Economic Affairs DRY*), of the Swiss Ministry of Economy is responsible for development projects that are exclusively of an infrastructural nature.

230 <http://www.mzv.sk/belehrad>

231 <https://www.gov.uk/world/organisations/british-embassy-belgrade.sr>

The new Strategy for the period 2018-2021 is focused on the areas of management, economic development and sustainable energy sources. Switzerland decided on 95 million euros, which is 10% more in relation to the previous strategic period:

- In the area of management, support in the amount of 36 million euros will be provided to legislation at the republican and local level in order to strengthen the position of representative bodies, as well as their supervisory role. Attention will be focused on the capacities of local self-governments in managing public finances in order to improve the overall quality of services to citizens and the business sector. Support to civil society will have a stronger role with the aim of strengthening ties between civil society organizations and citizens in order to increase their participation and ensure a voice in the decision-making process;
- In the area of economic development and employment, support in the amount of 45 million euros it is intended to improve the macroeconomic framework, business environment and inclusive policies to overcome inequality. Attention will be focused on local economic development, trade promotion, youth employment, dual education and private sector development with the aim of sustainable development and quality employment, especially in rural areas;
- In the area of self-sustainable energy and resilient cities, support in the amount of 14 million euros it is intended to strengthen the exploitation of renewable energy sources, the application of energy efficiency measures and the strengthening of capacities for management and planning of infrastructural activities. Additionally, support in this area will be extended to activities that will contribute to the development of self-sustainable cities, with the aim of reaching national goals of energy efficiency and renewable energy sources. Switzerland provided support in strengthening capacities for migration management, improving capacities for reception, registration of asylum seekers and approval of an innovative housing model for migrants on the territory of Serbia in the amount of 2 million euros.

Organization HELVETAS Swiss Intercooperation²³² implements in Serbia “Social Sciences for a better society”, “Act for a Stronger Civil Society”, “Building Economies Where All Can Prosper” projects. In 2023, HELVETAS and Transparency Serbia published the results of the Local Participation Index (LIPA) survey.²³³ where it is pointed out that the citizens of Serbia are not sufficiently involved in the process of making decisions, regulations, decisions on spending money from local budgets, in public discussions and other mechanisms of LGU functioning. This index classifies municipalities and cities into six clusters. None of the 44 local governments in Serbia included in the research is in the rank of the highest cluster, the so-called “full participation”, and the average grade, that is, the average level of participation index in Serbian municipalities is only 26.4 percent, which is in the range of “basic participation”. According to the LIPA research results, only one JLS has a “high” level of participation (above 60 percent) - and that is the city of Užice. LIPA results from 30 percent to 45 percent (moderate level of participation) have 14 LGUs, among which Veliko Gradište and Sombor are the best. The average index of 26.4 percent, which is in the range of “basic participation”, has almost half of LGUs (20 of them), and less than 15 percent (low level of participation) has nine municipalities.

²³² <https://www.helvetas.org/en/eastern-europe/what-we-do/where-we-work/partner-countries/serbia>

²³³ <https://n1info.rs/biznis/istrazivanje-gradjani-nedovoljno-ukljuceni-u-odluke-o-trosenju-novca-na-lokalu/>

**ANNEX 5 - DECISION ON ADOPTION OF THE TERRITORIAL STRATEGY
OF THE CITY OF ŠABAC URBAN AREA**

На основу члана 39. и 131. Статута града Шапца („Сл. лист града Шапца и општина Богатић, Владимирци и Коцељева“, број 5/19), Скупштина града Шапца на седници одржаној дана 07.03.2024. године, донела је

ОДЛУКУ

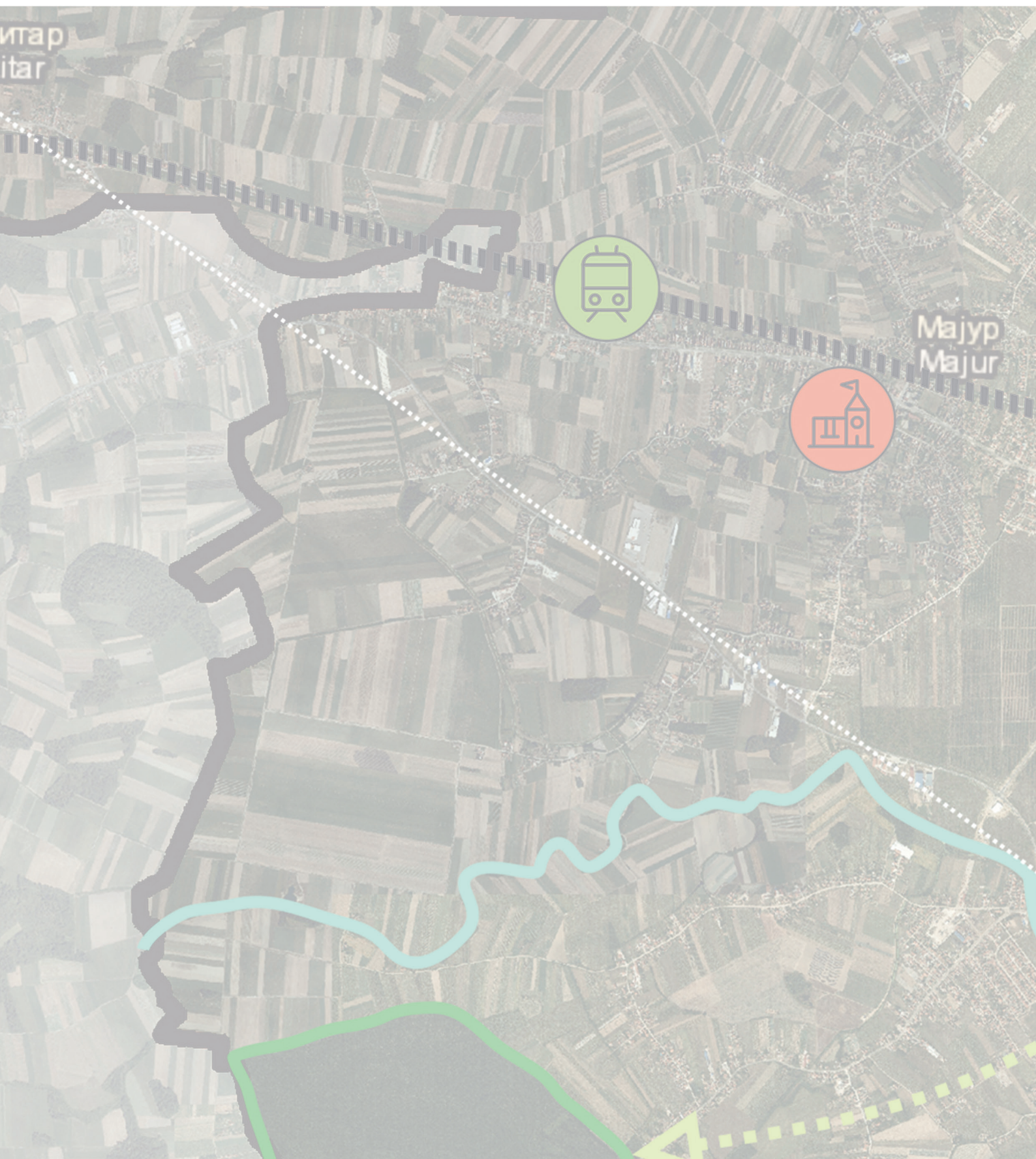
о усвајању Стратегије развоја урбаног подручја града Шапца

1. **УСВАЈА СЕ** Стратегије развоја урбаног подручја града Шапца.
2. Текст Стратегије је саставни део ове одлуке и објавиће се у „Службеном листу града Шапца и општина Богатић, Владимирци и Коцељева“.

СКУПШТИНА ГРАДА ШАПЦА

Број: 927623 2024





Ministry of European Integration
REPUBLIC OF SERBIA

#EY
ЗА ТЕБЕ

UNOPS

Implementing partner



EU THE EUROPEAN UNION FOR
LOCAL DEVELOPMENT
PRO+