



EU

PRO

EUROPEAN UNION SUPPORT
TO MUNICIPAL DEVELOPMENT

MINUTES OF THE SECOND PROGRAMME STEERING COMMITTEE

Belgrade, 04 June 2018



Republic of Serbia



Implementing partner

I. Agenda

Welcome and introductory speeches

- Luka Pivljanin, Senior Advisor in the Ministry of European Integration
- Ana Stanković, Project Manager, Delegation of the European Union to the Republic of Serbia
- Graeme Tyndall, Programme Manager, EU PRO

Presentation of the Inception Report and discussion

Presentation of the requests for consideration

Voting

II. Welcome and introductory speeches

Luka Pivljanin, Senior Advisor in the Ministry of European Integration (MEI) welcomed the Programme Steering Committee (PSC) participants and thanked all those involved in the preparation and promotion of the Programme activities especially the five Calls for Proposals (CFPs) issued in the previous period. Underlining the importance of coordination for successful implementation of Programme activities all of the participants were invited to actively participate in the discussion.

Ana Stanković, Project Manager in the Delegation of European Union (DEU) to Serbia commended and encouraged the trend of high level of key stakeholder participation in the PSC meetings. Expressing satisfaction that the inception phase met the set milestones, she also noted that conducted Surveys further justified the intervention confirming that the Programme interventions were based on needs.

Graeme Tyndall, EU PRO Programme Manager expressed satisfaction with inception period despite differences between EU PRO and its predecessor Programmes. While briefly introducing two Surveys that the Programme undertook to verify envisaged activities he noted that EU PRO will continue to periodically reassess its relevance in order to stay flexible and ensure that it is responding to needs of all stakeholders.

III. Presentation of the Inception Report

Marko Vujačić, EU PRO Deputy Programme Manager gave a brief overview of the inception period, noting that planned activities were implemented timely and effectively. Key efforts included ten information sessions, 25 meetings, and conduct of Micro and Small Enterprises (MSE) and Local Self-Governments Surveys. These efforts confirmed the relevance and feasibility of the Programme, identified opportunities to support some of the doing business country reforms, and confirmed the need for close coordination. LSGs confirmed that economic development and infrastructure were key priorities, while SMEs identified procurement of equipment as the most relevant assistance, which was fully aligned with the planned EU PRO activities.

Increased number of mechanisms to fund infrastructure projects through different sources was seen as positive but also as a risk for EU PRO as the complex application process for EU resources could render them uninviting when compared to less demanding schemes.

Social infrastructure interventions that deal with integration of vulnerable communities also remain relevant and allocation of additional funds to this activities could be considered.

Overall the implementation was on target with the governance framework and core team in place, while five CFPs were successfully launched.

Ana Stanković noted that the Inception Report should include information about the change related to the removal of limitation for maximum level of co-funding for infrastructure CFPs that was earlier agreed. Additionally, allocation of more funding for Social Cohesion related activities should not be

considered at this time as EU PRO is focused on economic development while number of IPA financed initiatives are already dealing with social issues.

Pivljanin reminded that there should also be a discussion of the next quarterly plan with a special focus on evaluation stages of the currently ongoing CFPs – 11 June is a cut of date for two out of four Infrastructure CFPs and 06 July for the submission of concept notes for MSE call.

Jasmina Ilić EU PRO Infrastructure Sector Manager, explained the evaluation will be conducted in accordance with the UNOPS regulations and confirmed that the Programme will invite key national stakeholders to participate in the process in the capacity of observers.

Pivljanin reminded PSC members that evaluation processes are time consuming and that anyone interested should consider availability before committing to this task.

Katarina Obradović-Jovanović, Assistant to Minister of Economy (ME) underlined that presence during the assessment is not mandatory but found that it would be beneficial for the ME to take part in the MSE assessment to ensure synergy as similar Call has been issued by ME.

Danijela Nenadić, Director of the Office of Coordination Body for Bujanovac, Preševo and Medveđa (CB) offered, when the process reaches the stage of project selection, to provide information on perspective applicants for MSE CFP from Bujanovac, Preševo and Medveđa i.e. share knowledge on their reliability and if they previously applied or received funds through different sources. Additionally CB offered translation of all promotional material and documents for the CFPs to/from Albanian and help in organising promotional activities and distribution of materials in their AoR. Nenadić reminded that CB also has a budget for infrastructure projects thus, to avoid overlap in funding, possible selection of infrastructure projects in the three areas should be coordinated with the CB.

Vujačić thanked both ME and CB and other participants for their backing of activities. EU PRO develops three additional CFPs: for Business Support Organisations (BSO) where ME support is key partner; for Geographic Information Systems (GIS) which is developed in consultations with the Ministry of Construction, Transport and Infrastructure (MOCTI); and finally for Social Cohesion initiatives where CB is the major partner. All three calls will be presented at the third PSC meeting in September 2018.

Answering the question posed by **Ivan Milivojević, Deputy Secretary General Standing Conference of Towns and Municipalities (SCTM)** both Pivljanin and Vujačić confirmed that PSC members, at the end of each CFP selection process will be invited to review the selection, comment and ultimately vote on the recommendations for funding of proposals.

Answering the question posed by **Mirjana Jovanović, Ministry of Construction, Transport and Infrastructure (MOCTI)** if any ministry can participate as observer Vujačić responded that the objective was to include national institutions in areas relevant for their work.

Answering the question posed by **Jovanović** about modality of potential support to electronic permit and e-space system initiative suggested by MOCTI **Tyndall** said that these interventions supported national doing business reforms and were aligned with the Programme objectives and Description of Action. The interventions encompass procurements that will be conducted by EU PRO¹. The concept for support to e-space is being developed in consultations with the MCTI and will be, when developed, presented to the PSC.

Pivljanin asked about the progress on establishment of coordination mechanism to ensure synergy with different Programmes that implement similar activities.

Vujačić said that a number of meetings were held with different partners and Programmes where the coordination was discussed but no formal agreement has been made yet. The Programme will continue consultations and suggest the approach for more formal coordination.

Pivljanin added that quarterly report should introduce a section to follow up on these issues. Additionally, Pivljanin enquired on recommendations regarding visibility i.e. what mechanisms will be established to promote work of EU and the Government of Serbia (RS) on development.

Vujačić explained that current approach to visibility has been successful while confirming that joint engagement of EU and the Government in promotion of the activities and results was effective in the past. **Tyndall** added that large projects that are co-funded by the EU and the Government provided the opportunities for joint marking of the start and completion of works. Joint engagement and utilisation of available communication tools and channels would further enhance visibility of the support provided by the EU and the Government.

Obradović-Jovanović noted that when it comes to access to information on the Programme, European PROGRES municipal profiles were beneficial and this practices should be continued in the EU PRO.

Stanković and Pivljanin agreed and suggested that PSC members propose a set of data that should be included in municipal profiles. **Milivojević** offered support in provision of information available to SCTM.

IV. Presentation of the requests for consideration

Supporting electronic permitting system through back-up system

Darinka Đuran, Assistant to the Minister of MOCTI presented the project for upgrading the electronic system for issuing of construction permits. While confirming that this electronic system has been a major success over the past two years, considering the size of documentation that is processed through the system, it was necessary to upgrade it to maintain its functionality.

¹ In accordance with UNOPS procurement rules and regulations

Programme is financed by the European Union, implemented by UNOPS in cooperation with the Government of the Republic of Serbia.

Establishment of a backup system, which would include procurement and installation of hardware and software equipment, was marked as urgent priority as it is crucial in ensuring reliable performance and enhance security of data. The current pace of data upload and processing could endanger the system stability in December 2018 if back-up is not established.

Ilić confirmed that the project was envisaged in the Study on Upgrade of E-Permitting System and justified though other analysis conducted by the MCTI and other stakeholders. The planned budget was 265,000 Euros.

Pivljanin acknowledged that success of this project was best mirrored in the improved global ranking of Serbia on Doing Business list. **Nenadić** and **Obradović-Jovanović** agreed that this was an important project, but also enquired about the background of the storage size issue and enquired of the possibility of integrating this system in the larger government database.

Sandra Nedeljković, Acting Deputy Director Public Investment Management Office (PIMO) confirmed that PIMO is contributing to the larger government database project which will be completed within two years thus too late for this project.

Stanković, while reviewing the factsheet submitted by MOCTI on the project, noted that DEU was in principle interested to support this initiative but needed additional information on importance of the initiative, financial plan that identified funding contribution by other stakeholders and a plan on acknowledging DEU contribution. **Pivljanin** also underlined the issue of visibility and acknowledgment of different contributors.

Đuran pledged to address all of these issues in writing and offered visit to the site where the back-up system would be housed.

Vujačić confirmed that requested information is available and could be shared with the PSC in the nearest future.

Pivljanin suggested to the PSC to approve this project in principle while the final approval was pending submission of the requested documents.

Improving of Learning Serbian as Non-Mother Tongue

Nenadić, presented the project “Learning of Serbian as Mon-mother Tongue” as a systematic, successful initiative to contribute to integration of the Albanian national minority. The project was based on the needs identified through Study about the Possibilities to Improve Teaching and the Teaching of the Serbian as Non-Mother Language in Municipalities Preševo, Bujanovac and Medveđa², and was in line with EU Report recommendations related to improving position of national minorities.

² http://www.kt.gov.rs/images/Studija%20o%20mogucnostima%20unapredjenja%20nastave_E-VERZIJA%20_SRPSKI_FINAL.pdf

Letters of support to the project by Minister of Education, Science and Technological Development (MESTD) and CB President, Zoran Stanković would be included in the official proposal. The project envisaged engagement of up to six teaching assistants to teachers in the 2018/2019 school year. Results include improved teaching skills of eight teachers and improved knowledge of Serbian language of 1,000 Albanian pupils. While MESTD supports this initiative there are currently law restrictions in hiring new staff preventing the direct support. However a long time plan exists for these assistants to transition into professional posts. Overall impact of the interventions are long-term and will have lasting effect on the system. Up to 75,000 Euros of necessary funding should be secured through EU PRO while CB would provide cofunding of 6,000 Euros.

Obradović-Jovanović expressed support for this project noting that the MESTD should be supporting this kind of interventions. She suggested advocating for this project to be institutionalised for all minorities in Serbia as well as that the plan for a long term financing of this project should be developed.

Pivljanin enquired about living expenses that are included into requested funding.

Nenadić confirmed that these kind of projects should be institutionalised and supported by the MESTD. However, this required a number of reforms, including of legislation, which was a process that would last from five to ten years. She, however, confirmed that massive progress has been made since 2014 in this field and that this project would build on this results of predecessors and ensure continuation of a successful integration activity.

Regarding living expenses, **Nenadić** said that there were no local capacities for the Teaching Assistants positions and thus they had to be hired from outside of Preševo; Bujanovac, and Medveđa. This was the reason why living expenses was envisaged in the budget.

Pivljanin suggested in principle approval of the project while the final approval would be pending submission of support letter of the MoESTD.

V. Voting

- **PSC Minutes:** The PSC unanimously approved the Minutes from the first meeting of the Steering Committee that was held on in Belgrade 29 March 2018.
- **The Inception Report** was in principle approved, while the final approval was pending inclusion of short information related to changes of co-funding limitations for infrastructure projects and modification of recommendation related to allocation of funding for social inclusion.
- The project for **establishment of back-up to electronic system** for issuing of construction permits, submitted by the MCTI, and worth to **265,000 Euros** was in principle approved. Final approval depended on submission of additional documentation that was requested by the PSC members.

- The project for **Learning Serbian as Non-Mother Tongue**, worth up to 75,000 Euros, was in principle approved. Final approval depended on submission of letter of support by the MESTD.

Pivljanin concluded that the EU PRO should provide modified Inception Report and additional documentation by email. The PSC will have seven days to review documentation and, possibly, ask clarifications. If no comments or questions are provided from PSC members within this period, this would mean that there are no further objections and that the Programme requests are finally approved.

PSC LIST OF PARTICIPANTS		
Organisation	Name	Position
STEERING COMMITTEE MEMBERS		
Ministry of European Integration	Luka Pivljanin	Senior Advisor
Minister of Economy (ME)	Katarina Obradović - Jovanović	Assistant to Minister
Ministry of Economy (ME)	Miona Popović Majkić	Head of Planning of IPA Projects
Ministry of Construction, Transport and	Darinka Đuran	Assistant to Minister
Ministry of Construction, Transport and Infrastructure (MOCTI)	Mirjana Jovanović	Advisor
Delegation of European Union to Serbia	Ana Stanković	Project Manager
Standing Conference of Towns and Municipalities	Ivan Milivojević	Deputy Secretary General
Public Investment Management Office (PIMO)	Sandra Nedeljković	Acting Deputy Director
Public Investment Management Office (PIMO)	Maja Rakočević	Programme Coordinator
Office of the Coordination Body for Bujanovac,	Danijela Nenadić	Director
Standing Conference of Towns and	Ivan Milivojević	Deputy Secretary General
SECRETARY		
EU PRO	Graeme Tyndall	Programme Manager
EU PRO	Marko Vujačić	Deputy Programme Manager
EU PRO	Jasmina Ilić	Infrastructure Sector Manage
EU PRO	Ivana Popović	Communication Manager
EU PRO	Olivera Kostić	SME Sector Manager
LIST OF COMMON ABBREVIATIONS		
AoR	Area of Responsibility (AoR)	
BSO	Business Support Organisations (BSO)	
CFPs	Calls for Proposals (CFPs)	
DEU	Delegation of the European Union (DEU)	
DoA	Description of Action (DoA)	
DRPs	Detailed regulation plans (DRPs)	
DAS	Development Agency of Serbia (DAS)	
EBPS	Electronic Building Permitting System (EBPS)	
GIS	Geographic Information System (GIS)	
LED	Local Economic Development (LED)	
LSGs	Local self-government units (LSGs)	
MCTI	Ministry of Construction, Transport and Infrastructure (MCTI)	
ME	Ministry of Economy (ME)	
PSC	Programme Steering Committee (PSC)	
PIMO	Public Investment Management Office (PIMO)	
RDAs	Regional Development Agencies (RDAs)	
SMEs	Small and Medium-sized Enterprises (SMEs)	
SCTM	Standing Conference of Towns and Municipalities (SCTM)	
UNOPS	United Nations Office for Project Services (UNOPS)	