



Ministry of European Integration
REPUBLIC OF SERBIA

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EU
PRO+

QUARTERLY STATUS REPORT

Apr - Jun 2022



UNOPS Implementing partner
in 99 cities and municipalities in Serbia

Overall objective:	To contribute to socio-economic development, prosperity and social cohesion of Serbian society
Purpose:	To decrease socio-economic disparities in two regions within Serbia
Budget:	40 million Euros
Donor:	The European Union
Start date:	1 January 2021
End date:	30 June 2024
Programme area:	The Regions of Šumadija and Western Serbia and the Southern and Eastern Serbia
Implementing partner:	United Nations Office for Project Services (UNOPS)
Report date:	5 August 2022
Period covered:	1 April– 30 June 2022
Prepared by:	UNOPS

Acronyms

BSO	Business Support Organisation
CFP	Call for Proposals
CSO	Civil Society Organisation
DEU	Delegation of the European Union
DOA	Description of Action
EU	European Union
GAP	Gender Action Plan
GEC	Grant Evaluation Committee
GG	Good Governance
GMT	Grant Management Team
GSA	Grant Support Agreement
ITI	Integrated Territorial Investment
ISTD	Integrated Sustainable Territorial Development
LSG	Local Self-Government
MLEVSA	Ministry of Labour, Employment, Veteran and Social Affairs
MPALSG	Ministry of Public Administration and Local Self Government
MCTI	Ministry of Construction, Transport and Infrastructure
MoE	Ministry of Economy
MoU	Memorandum of Understanding
MEI	Ministry of European Integration
NbS	Nature-based solutions
PSC	Programme Steering Committee
RDA	Regional Development Agency
RFP	Request for Proposals
SCTM	Standing Conference of Towns and Municipalities
SME	Small and Medium Sized Enterprises
SUD	Sustainable Urban Development

USAID United States Agency for International Development

WUF World Urban Forum

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1. SUMMARY

The implementation of the **European Union for Local Development Programme - EU PRO Plus** progressed in the second quarter of 2022. Sixty-two projects worth over 10 million Euros, which will improve local infrastructure, strengthen the competitiveness of small and medium-sized enterprises (SMEs) and develop capacities for application of territorial development instruments, were selected through public calls and the activities initiated. Furthermore, the Programme continued development of other interventions in support to socio-economic development of Šumadija and Western Serbia and South-East Serbia and finalised delivery of support to Government's efforts in combating the COVID-19 pandemic.

The Programme support to **improved development planning and introduction of integrated territorial investment concepts** progressed with the selection of twelve territories which will be provided with technical assistance to develop Integrated Territorial Investment (ITI) and Sustainable Urban Development (SUD) strategies considering the features of EU territorial instruments. The process for development of strategies will consist of technical assistance, capacity building activities including training and study visits provided by the Programme over a period of 12 months.

Furthermore, the Study Visit Programme was drafted taking into account the needs of the territories selected for support, as well as the benefits it can provide to the key national stakeholder - the Ministry of European Integration (MEI). The Programme also intensified the work on development of **Comparative analysis of EU member states regarding the usage of the EU territorial instruments** which focuses on case studies in six selected countries from the perspective of national-level stakeholders and from the perspective of territorial instruments being used.

Programme interventions contributing to **enhanced economic growth** during the quarter were three-fold. Firstly, the Programme has selected and awarded 16 grants to Business Support Organisations (BSOs) in total value of approximately 700,000 Euros which will implement activities benefiting at least 425 enterprises in the areas of digitalisation, marketing, resilience, greening and circular economy, internationalisation, standardisation and usage of financial instruments.

Secondly, the Call for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises has been finalised noting an extensive interest of the target beneficiaries resulting in over 600 received applications. These enterprises have submitted applications for interventions which should contribute to the improvement of their production and market potential, job creation while increasing the resilience to recover from the negative impact of the COVID-19 pandemic while considering the impact of the business to local communities, including mandatory implementation of corporate social responsible activities.

Finally, consultations related to development of the Call for Economic Infrastructure Projects with the key stakeholders have been concluded and the Call is developed and ready for consideration of the Programme Steering Committee (PSC).

Contributing to **improved social infrastructure and social cohesion** the Programme has awarded 33 grants to Local Self-Governments (LSGs) as a result of the Call for Social Infrastructure Projects concluded in the previous quarter in total value of over 6 million Euros. These projects shall contribute to improved conditions for provision of education, social and health services and protection of cultural heritage in the beneficiary LSGs with concrete benefits to the citizens of these LSGs.

Furthermore, evaluation of the applications received in response to the Call for Strengthening Social Services has been concluded and the results ready to be presented to the PSC for consideration.

The Programme support to medical institutions in preventing and combating COVID-19 concluded in May 2022 with closure of the 23 grants. Additionally, the delivery of equipment and supplies to health centres and schools has been finalised, with delivery of 41 triage containers to health centres in 28 cities, and 500 disinfection devices with disinfection liquid delivered to beneficiary schools. The remaining supplies for

schools are planned to be delivered by the beginning of the school year with which this activity will be concluded.

Programme remained very visible during the quarter, with 18 info sessions in promotion of the Public Call for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises organised gathering 730 participants. Its **communication activities** were intensive.. Along with promotion of the Public Call for Enterprises, the Programme ensured visibility of results of its predecessor through organisation of two high profile visits and promotion of results of the concluded public calls. These efforts resulted in 432 media reports, out of which 144 (33%) published in the national media.

Engagement with national, regional and local stakeholders and partners was maintained throughout the quarter. Firstly, the Programme ensured smooth initiation of activities under the awarded GSAs with an orientation meeting for the 16 awarded grants for BSOs held in May 2022 with participation of representatives of 21 organisations. Likewise, individual meetings with 34 LSGs awarded with grants for development of social infrastructure projects were held to initiate implementation of activities and, with assistance of the Swiss-funded Swiss PRO Programme, to lay the foundation for implementation of complementary good governance activities.

Furthermore, relying on the best practices from the predecessor programme, an orientation meeting with RDAs regarding technical support to interested enterprises to apply for Programme assistance was held in May 2022 gathering representatives of nine RDAs, Ministry of Economy and Development Agency of Serbia.

The Programme **proactively managed risks and addressed issues** during the quarter. Regrettably, the increase of market prices on local and global level has begun to take its toll on the realisation of Programme activities related to development of social infrastructure. While thus far a vast majority of beneficiary LSGs have initiated activities without disturbances, one of the 34 awarded beneficiaries have withdrawn from project implementation. Namely, the City of Vranje, due to extreme differences between the estimated value of infrastructure works based on the technical design for construction permit compared to the value of works resulting from the technical design for implementation of works, was unable to secure its extended co-funding and has opted not to sign the GSA. Having that beneficiary LSGs are in the tendering processes which are to be concluded during the following quarter, the effects of the market price disruption will be known shortly.

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

2. QUARTERLY STATUS REPORT

2.1 Review of project progress

2.1.1 Policy and Programme Context

The [National Urban Forum](#) with the topic “Better future of urban settlements in the context of new public policies in the Republic of Serbia” was organised in Belgrade on 11-12 April 2022 by the Serbian Ministry of Construction, Transport and Infrastructure (MCTI), in cooperation with the Standing Conference of Towns and Municipalities (SCTM), Office of the United Nations Resident Coordinator in Serbia and the United Nations Human Settlements Programme – UN Habitat in Belgrade.

The forum, both intended to prepare national actors for participation in the 11 World Urban Forum in Katowice, Poland, and to review the key topics, activities and policies in the field of urban development in the realm of the ministry that are in synergy with urban development policy: National Housing Strategy, Long-Term Strategy to Encourage Investment in Renovation of the National Building Fund (Energy Efficiency) and National Architectural Strategy. The plenary session of the forum focused on the strategic revision of the national Urban Development Strategy, while parallel sessions discussed special aspects of urban development through key topics supported by the mentioned public policies: Green Agenda and Urban Development, Quality of architecture and built environment, and Sustainable Housing. The role of young people, women, and other vulnerable social groups in urban development was also considered, as well as the importance of exchanging experiences in the field of urban development at the macro-regional level, in Europe and globally.

The 11th session of [World Urban Forum \(WUF\)](#) was held on 26 -30 June 2022 in Katowice, Poland, with the topic “Transforming our cities for a better urban future”. The WUF was established in 2001 by the United Nations to examine rapid urbanisation and its impact on communities, cities, economies, climate change and policies. WUF11 was co-organized by UN-Habitat, Poland’s Ministry of Development Funds and Regional Policy and the Municipal Office of Katowice. At the WUF three Serbian cities - Belgrade, Niš and Kruševac as well as Serbian national urban policy as it pertains to Public spaces, including eleven public spaces in Serbia, were included in the presentation.

Presentations of eleven public spaces in Serbia took into consideration public participation, youth, green spaces, nature-based solutions and urban mobility. Furthermore, presentation topics included presentation of public spaces theme in the national urban policy, support to the implementation of national urban policy in Serbia, alignment of public spaces principles in Serbia with international recommendations, the role of the private sector in public spaces management and planning. The roles of different sectors concerning public spaces: national, local, NGO, academia were showcased during presentations. In future, Serbia will take into consideration the initiated international dialogue on the topic of public spaces with examples from Serbia for revision of the Urban Development Strategy of the Republic of Serbia until 2030 and its Action Plan for the period from 2023 to 2025.

The WUF 11 served as an important reminder on the urgency of making our cities more sustainable, resilient, and climate-friendly. WUF11 participants declare their voluntary actions and commitments for the next two years and beyond, including:

- Move from incrementalism towards fundamental shifts in urban environments, systems of governance and forms of habitation, in line with human rights treaties;
- Focus on imminent urban crises such as climate and biodiversity emergencies, pandemics, violence and conflicts, and other natural and man-made disasters, that all converge in cities and surrounding territories;
- Reconfirm culture as a core component of local identity;

- Reconfirm that accessibility and universal design are an integral part of the solution to the challenges of urbanisation; and
- Encourage all development actors to mobilise their capacities in the UN Decade of Action, and appeal to governments to better fund UN-Habitat.

The [National Human Development Report titled "Human Development in Response to Demographic Change"](#) 2022 for Serbia was presented in the National Assembly of the Republic of Serbia in May. This strategic document shows how Serbia's population will decline in the future and how the state and society will have to formulate new responses to the demographic challenges ahead. It offers possible new courses of action in response to depopulation in Serbia. The report covers nine relevant fields with interventions proposed: family support, labour market, migration, education, health and ageing, urban development, environment and climate change.

A new five year programme "The Big Small Business" funded by the United States Agency for International Development (USAID) started on 1 April 2022. The programme contributes to improved productivity and profitability of SMEs, expansion of local, regional, and export SME markets, increased SME utilisation of financing instruments and improved human capacity development, especially for youth and women, as a cross-cutting outcome. The program targets sectors of Agriculture and Food and Equipment and Machines in the Local Self-Governments (LSGs) from the third and fourth development category (including devastated LSGs). Implementation of the programme is led by ACDI/VOCA in cooperation with local organisations like Centre for Advanced Economic Studies (CEVES) and Divac foundation. Budget of the programme is approximately 20 million USD. Programme is still in the inception phase and EU PRO Plus will explore areas for cooperation and possible synergies.

2.1.2 Progress towards achieving objectives

The endorsement of the Call for Development of Territorial Strategies results approved 12 awarded applications (seven Sustainable Urban Development (SUD) and five Integrated Territorial Investment (ITI) territories) which include 31 LSGs, inhabited by approximately 1.6 million citizens, with relatively balanced distribution.

The evaluation of the Call for Strengthening Social Services is completed with 20 project proposals recommended for funding. It is expected that future interventions will contribute to improvement of up to 25 social protection and health care services in 23 municipalities and cities and have a great positive impact on the vulnerable groups in the Programme's AoR in the long run.

The Programme successfully completed its support to 23 medical centres in combating COVID-19 through engagement of medical and non-medical teams, facilitating provision of over 2,645,000 medical services related to COVID-19 under this intervention.

The Programme Steering Committee (PSC) endorsed the evaluation results of the Public Call for Local Infrastructure projects recommending 34 projects for financing in the total amount of 6,165,897 USD, with the Reserve list of 14 projects. The Programme published the [results](#) and signed grant support agreements (GSA) with all awarded LSGs, except Vranje City which withdrew due to the inability to secure co-funding that is anticipated to increase by over 80% compared to the initial plan. During the quarter, the Programme met with 166 representatives (out of which 80 women) of the 33 LSGs resulting in 30 payment requests processed which set the grounds for implementation. As a part of initiation activities, the Programme received action plans from 22 LSGs and additionally met with members of 12 Grant Management teams (GMT) and respective LSG partners responsible for implementing the soft measures. The Programme reviewed tender documentation for construction of the water supply network in Podgorac while Boljevac municipality [published a tender](#) for works on 24th June.

Sixteen Business Support Organisations (BSO) projects have been contracted. The projects will be implemented by 22 BSOs and contribute to increased competitiveness of at least 425 SMEs. The Call for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises has been closed with more than 600 received applications. At least 100 enterprises are expected to be supported through this initiative resulting in job creation and increased productivity.

2.1.3 Results and Activities

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

The Programme continued the activities related to introduction of territorial development concept. The Development of Comparative Analysis of EU member states regarding usage of the EU funds was agreed and its development started. The results of the [Call for Applications for Development of Territorial Strategies](#) was endorsed by the Delegation of the European Union to Serbia and MEI, while the Memorandums of Understanding (MoU) for SUD and ITI strategies were signed by all 12 awarded LSGs.

Activity 1.1 Enhancing national capacity to introduce integrated territorial development

The Programme international experts has started the work on development of Comparative Analysis of the EU member states, including elaboration of six EU countries¹ in line with the agreed structure. The pool of experts has been extended with three additional experts for the specific countries. The first draft is planned to be shared with the Ministry of European Integration (MEI) in August.

The already prepared structured content for the Study of the National model for Integrated Sustainable Territorial Development (ISTD) and the development of Comparative Analysis of EU Member States on usage of ISTD Instruments regarding the selection of countries to be subject of the analysis is pending discussion and approval by MEI.

The draft revised concept note on the IT tool is prepared and sent for review and will be discussed with DEU and MEI during next quarter.

The Programme prepared Terms of Reference for two local specialist positions to support preparation of the Analysis of Serbian legal and institutional framework in relation to the requirements of the EU legal framework for territorial development and usage of territorial instruments under the EU cohesion policy, as well as practice in EU member states. The vacancy will be advertised upon consultation with MEI and coordination with the Cohesion Policy Project that is creating a framework for the overall Cohesion Policy in Serbia.

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

The [Results for Development of Territorial Strategies](#) were endorsed by the MEI and Delegation of the European Union to Serbia and the Memorandums of Understanding (MoU) for SUD and ITI strategies were signed by all 12 leading LSGs. In parallel with this process, LSGs received the set of documents related to establishment of institutional framework² required for the strategic planning process, which includes templates and guidelines for LSGs Assembly decisions, partnership agreements, Working Groups and Development Councils.

¹ Netherlands, Italy, Portugal, Poland, Bulgaria, Hungary and Czechia

² See Annex I_Attn 1_Institutional framework for SUD and ITI_SRB

Upon MoUs signing, the Programme conducted introductory visits to all twelve territories during June 2022 to discuss two main aspects relevant for territorial strategy in this initial stage: 1) the establishment of institutional framework for development of strategies, with an emphasis on the structure of the working group that should reflect special characteristics of the territory, while at the same time focusing on specific areas such as innovation, SMEs, environment, brownfields, cultural heritage, tourism, etc. and 2) definition of strategy preliminary territorial scope, which should encapsulate the key elements relevant for urban identity and the most relevant development potentials of the territory.

The Programme also developed the Study Visits Programme³ that includes five study visits, tailored for the specific context and intended for representatives from the ITI or SUD territories, partner LSGs (in case of ITI visit), related regional development agencies, MEI and DEU, namely: 1) visit to Italy and France is planned for ITI territories of the cities of Zaječar, Pirot and Užice with strong rural dimension - urban areas where the centre of the area is a small or medium-sized city, while the rest of the territories are mainly rural areas, protected areas, and important tourist destinations. 2) Visit to the Netherlands and Belgium, is planned for the representatives of the cities of Niš and Kragujevac as ITI territories of two largest urban areas in the Programme AoR with stronger urban centres and wider areas covering also small cities and territories with significant natural and cultural heritage. 3) Visit to the Netherlands, Germany or Spain is planned for SUD territories that envelop small and medium-sized cities, urban areas - industrial centres with important industrial and cultural heritage, important urban structures and public spaces, environmental issues and with tourism potential. This visit is planned for the cities of Šabac, Loznica, Novi Pazar, Smederevo Bor, Kruševac and Leskovac. Two tailored made study visits are planned for the representatives of MEI : 1) Visit to Hungary - related to the design and implementation of Operational Programmes in the context of EU Cohesion Policy, with a focus on the EU Territorial and Settlement Development Operational Programme that supports decentralised development actions and 2) Visit to Bulgaria - aim to compare the similar context in terms of the level of development and the structure of the urban settlements, and the evident trend of demographic shrinkage and to analyse intermediate solution for ISTD implementation- between strongly manifested monocentric and strongly manifested polycentric development.

The recruitment process of two local positions - Pool of Senior Capacity Building Specialist and Capacity Building Specialist who should support development of SUD strategies was completed and six local experts have been contracted.

The ToR and Tender for the service provider for provision of support in development of ITI strategies is additionally revised and will be advertised upon approval and consultations with MEI.

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

The activity is planned for late 2022.

Result 2: Enhanced economic growth in targeted municipalities

Based on consultations with MEI and the Ministry of Economy (MoE), the Programme developed a revised draft Public Call for Economic Infrastructure Projects. The Call with a tentative allocated budget of 4.8 million Euros will support economic growth through improvement of conditions for industry investments, business and tourism development through three LOTs.

Pending endorsement of the Programme Steering Committee, the Call is to be published in the third quarter of the year, aiming at conclusion of the results in January 2023 to ensure implementation during the construction season in 2023.

³ See Annex I_Attn 2_Study Visits Programme
www.euproplus.org.rs

GSAs for BSOs have been issued followed by finalisation of administrative procedures at the beginning of the implementation.

The Call for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises was published on 4 May 2022 and closed on 30 June 2022, receiving a total of 603 unique applications.

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

Following the internal comments and guidance for development of the documentation for the Call for Economic Infrastructure Projects, the infrastructure team conducted another round of interviews with all 99 partner LSGs to reconfirm the existence of projects potentially eligible for support. In total, 35 LSGs⁴ expressed interest in participating in the planned Call, while 67 project ideas were identified within the following sectors:

- Enhanced functioning of the industrial zones: 38 project ideas (over 50 % of the received project ideas come from this sector)
- Tourism development: 21 project ideas (evident significant interest in projects in tourism sector given the fact that over 30 % of the received project ideas come from this sector)
- Improvement of services of business incubator centres: five (5) project ideas
- Improved usage of available brownfield locations: three (3) project ideas

When it comes to the availability of technical documentation and relevant permits needed, 25 LSGs have developed relevant technical documentation for 38 project ideas and building permits have been or are in the process of being issued.

After extensive consultations, including MEI and MoE inputs related to the scope, budget and the evaluation criteria it was agreed to implement a Two phase Call for Proposal with two phase evaluation process, concept note and full application evaluation. The Call will focus on the support of the industrial zones and tourism infrastructure in two separate lots accompanied by the third lot for development of technical documentation for economic infrastructure.

Regarding the fund distribution, 3.4 million Euros will be allocated for LOT 1, i.e. the development of industrial zones, including scientific and technology parks and business incubators and innovation centres; and one million Euros is for support of tourism, while 400,000 Euros will be used for the development of technical documentation for economic infrastructure.

At the end of June, the documentation of the Call for economic infrastructure projects was finalised and is now pursuant to the approval of the main stakeholder and the endorsement of the Project Steering Committee (PSC).

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

Sixteen (16) projects with a total value of 694,438 Euros awarded to Business Support Organisations (BSOs) in May 2022 are under implementation. Projects will be implemented by 22 BSOs and two LSG. Following the award of projects and signing GSA the BSO finalised administrative procedures and started development of procurement documents for services related to implementation of project activities.

The orientation meeting with the 44 representatives of the 16 awarded organisations was held on 19 May in Vrnjačka Banja. The meeting was also attended by representatives from the Ministry of Labour,

⁴ Niš, Pirot, Lebane, Trgovište, Doljevac, Bosilegrad, Preševo, Užice, Šabac, Čačak, Valjevo, Ivanjica, Čičevac, Prokuplje, Lapovo, Svilajnac, Paraćin, Vlačićin Han, Surdulica, Boljevac, Sokobanja, Aleksinac, Novi Pazar, Raška, Trstenik, Zaječar, Smederevo, Žagubica, Prokuplje, Kraljevo, Knjaževac, Babušnica, Golubac, Ljubovija i Žitorađe

Employment, Veteran and Social Affairs (MLEVSA) in order to facilitate exchange of experience and good practice examples in monitoring and implementation of the EU funded projects.

The [Public Call for Procurement of Equipment and Provision of Services for MSEs](#) was published on 4 May and closed on 30 June 2022. Outreach programme with an extensive media campaign has been conducted and included direct information dissemination to some 15,000 eligible applicants. Sixteen in person⁵ and two online info-sessions were attended by 742 persons. Detailed Info-sessions report⁶ prepared by the team has shown the relevance of the public call confirmed by the number of participants and received feedback. Recording of the online info-session as well as Frequently Asked Questions were published on the internet page of the Call. Technical support for potential applicants was provided through a network of Regional Development Agencies (RDAs) with support of the Ministry of Economy (MoE). Orientation meeting for the RDAs was organised on 17 May 2022. Goal of the meeting was to provide RDAs with detailed information on the application process and documentation so they can provide quality technical support to MSEs. Representatives of nine RDAs were present at the meeting. Total of 603 unique applications have been received via a dedicated online submission form. The administrative check and start of the technical evaluation is planned for July 2022.

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

In April 2022, the evaluation committee of the Call for Local Infrastructure Projects finalised all evaluation documentation resulting in the list of 34 applications from 33 LSGs that have been recommended for funding. Fourteen (14) applications were put on the reserve list, 19 proposals were not recommended while eight applications were found ineligible. The PSC in an e-voting procedure endorsed the results of the Call on 29 April 2022, and subsequently the results were published on the Programme website and subsequently shared with all applicant LSGs.

The Programme completed the evaluation of the 90 applications received under the Call for Social Services Strengthening, while the evaluation results will be submitted to the PSC for endorsement in July. Twenty project proposals are recommended for funding while three are placed on the reserved list. The proposed intervention is expected to contribute to the establishment and improvement of up to 25 social protection and health care services provided to the elderly people, children and adults with disabilities, vulnerable groups from rural areas, children living and/or working in the streets, children and youth with behavioural problems and children victims of violence.

In May 2022, the Programme completed its support to 23 medical institutions in preventing and combating COVID-19 through engagement of medical and non-medical teams. During the last quarter, the Programme has facilitated provision of 44,427 medical services related to COVID-19 in the following way:

- In total, 20,105 individuals are tested for COVID-19, out of which 7,225 are men, 10,476 are women, 1,516 are boys and 888 are girls;
- Total of 13,960 individuals are referred to other health care centres / medical institutions due to COVID-19, out of which 5,256 are men, 7,059 are women, 747,907 are boys and 898 are girls;
- In total, 221 individuals are admitted for hospital treatment due to COVID-19, out of which 122 are men, 96 are women and three are girls;
- In total, 10,141 individuals are vaccinated against COVID-19, out of which 4,860 are men, 5,277 are women, two are boys and two are girls;

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

⁵ Live info-sessions were held in Niš, Pirot, Leskovac, Vranje, Preševo, Bujanovac, Kragujevac, Šabac, Kraljevo, Požarevac, Novi Pazar, Zaječar, Kruševac, Valjevo, Čačak and Medveđa

⁶ See Annex II_Attn 1_MSE Public call info sessions report

Upon endorsement of the results of the Call for Local Infrastructure Projects, in May, 33 GSAs for the implementation of local infrastructure projects were signed with 32 LSGs. Subsequently, the infrastructure team met with 166 LSG representatives (out of which 80 women) to establish the grounds for implementation of projects, and initiate the implementation of activities.

So far, 32 payment requests for the first tranche were received from the grantees of which 30 have been processed by the Programme - four LSGs received funds in Jun while the remaining LSGs will obtain funds at the beginning of July. Further, EU PRO Plus together with Swiss PRO Programme held initial meetings in 12 awarded LSGs on the soft measures to be included in the local infrastructure projects. The measures encompass the preparation of various MOUs, Rulebooks, Programmes and Strategic Documents to secure integration of Good Governance principles in utilisation of projects once completed.

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

Grant Evaluation Committee (GEC) held its final meeting on 17 May 2022 to summarise the overall evaluation process and discuss a preliminary list of the project proposals recommended for funding. Two observers from the MLEVSA who participated in the whole evaluation process provided their feedback on the capacities of the potential grantees and implementation of the social protection services planned to be supported.

During the verification of the positively evaluated applications, 21 out of 23 submissions that scored above the set threshold required clarification of data that was presented in project proposals and budget. The clarification process was completed on 13 June and the list of the project recommended for funding was confirmed and finalised. The evaluation results are expected to be submitted to PSC for approval in July 2022. Twenty projects are recommended for funding and three are placed on the reserve list. The total budget of the recommended project proposals is 521,629.03 Euros, while the total budget of the applications on the reserve list is 77,090.54 Euros. Financing of the reserved proposals will depend on available funds.

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

Under the activity for supporting medical centres in combating COVID-19, six-month engagement of medical and non-medical workers has been completed in all 23 institutions and contracts with the grantees ended on 31 May. All grantees submitted final narrative and financial reports, 13 projects have been closed administratively, six more returned unspent funds and are set for closing. The remaining four grants are in the process of verifications of the final reports, expected to be completed by mid-July.

COVID-19 related procurements are underway. The 41 triage containers were delivered to 28 cities in 41 health institutions around Serbia⁷ by the end of June. Out of 1,000 disinfection devices, so far half were delivered to the schools while 60,000 litres of disinfection liquid were entirely delivered in June.

2.2 Management

2.2.1 Governance

The EU PRO Plus is governed by the Programme Steering Committee (PSC), constituted by the representatives of the key national institutions relevant for the Programme activities. On 14 April 2022, EU PRO Plus in agreement with DEU and MEI sent out the following materials for e-voting approval to PSC members: Evaluation results of the Public Call for Proposals for Business Support Organisations, Evaluation results of the Public Call for Proposals for Local Infrastructure Projects, and a Draft Call for

⁷ Aranđelovac, Bečej, Beograd, Bojnik, Bujanovac, Čačak, Čuprija, Golubac, Kikinda, Kragujevac, Kraljevo, Lebane, Leskovac, Medveđa, Niš, Novi Bečej, Novi Pazar, Novi Sad, Pančevo, Požarevac, Šabac, Sjenica Sombor, Sremska Mitrovica, Valjevo, Vranje, Zaječar and Zrenjanin.

Proposal for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises.

The PSC members also remained engaged and consulted on the key processes which took place during the quarter.

Two meetings were held with the representatives of the MoE, DEU and MEI in response to the received comments regarding evaluation results of the Public Call for Proposals for Local Infrastructure Projects. The meeting was also held with the MEI and DEU with special attention to Result 1, while the separate meeting was held with MEI regarding Comparative Analysis of the EU member states.

The application process for the Public Call for Procurement of Equipment and Provision of Services for MSEs was supported by the RDAs in cooperation with the DAS and the MoE, while orientation meeting with the BSOs was also attended by representatives from the MLEVSA in order to facilitate exchange of experience and examples of good practice in monitoring and implementation of the EU funded projects.

During the preparation of the Economic Infrastructure Projects Call the infrastructure team consulted the Development Agency of Serbia (DAS) and MoE.

The representatives of the MLEVSA were observing the work of the GEC for the Call for Proposals for Strengthening Social Services. A total of three GEC meetings were held for this call during the quarter.

The next PSC meeting is planned for July 2022.

2.2.2 Coordination

The programme participated in a [study visit to the Netherlands](#) from 9-13 May, organised by [Green Cities Serbia](#) - a Dutch Embassy public-private partnership project which provides sustainable urban solutions. The initiative aims to facilitate the green transition that will lead to more livable and enjoyable cities in Serbia. As a follow up of the study tour, the Programme met with the [Netherlands Enterprise Agency \(RVO\)](#) and identified possible areas of cooperation which will be further explored in the following months. Additionally, the Programme participated in the Green Cities Serbia project workshop, organised in Dutch Embassy, with an aim to brainstorm the next level of application of green solutions.

In support of the CFP for Strengthening Social Services evaluation process the MLEVSA representatives participated in three meetings of the Evaluation Committee and additionally reviewed and provided inputs on the list of the project proposals and known implementing capacities of the selected organisations further contributing to the quality of the evaluation process.

The Programme participated in the event "Green Society and Sustainable Living", organised by UNDP in partnership with the Ministry of Environmental Protection and with the support of the Government of Sweden. The event was the fifth and final dialogue under the [National consultations on the environment](#), within Serbia's preparations for participation in the global conference "Stockholm+50", where key findings and recommendations of various stakeholders were presented related to reducing environmental pollution, preserving biodiversity and adequately responding to the challenges of climate change.

The Programme also participated in the hybrid capacity building practitioners workshop on "Nature-based Solutions for reducing hydro-meteorological hazards and urban air pollution", organised by United Nations Environment Programme (UNEP) and UN-Habitat related to "Nature-based solutions (NbS) for enhanced resilience to COVID-19 and urban air pollution in the Western Balkans and Central Asia" project launch. The workshop was held from 13-15 June 2022, and included presentation on the Inter agency programme for capacity building on sustainable urban planning, development of air quality management plans and Nature based solution implementation in Belgrade (Serbia), Bishkek (Kirgistan) and Dushanbe (Tajikistan). Twenty different lecturers presented their experience in implementing various NbS initiatives including

development of data and knowledge sharing platform for NbS [GeolKP](#). Lack of scientific evidence and guidance were identified as key barriers to NbS implementation which should be addressed through developing local and national policies for public and green spaces and prioritisation of investments in public and green space infrastructure using NbS. On the other hand, it was suggested that LSGs need to integrate air quality into infrastructure and development decisions.

2.2.3 Human Resources

In Q2, two additional retainer pools have been established to support the activities of the Capacity Building Sector, where four Senior Officers and two Officers for Capacity Building in the field of Urban Development & Strategic Planning have been contracted.

In terms of learning and development, Programme team has undergone the following trainings and courses available in corporate learning portfolio:

- Project Manager obtained recertification in PRINCE2 Practitioner
- Officer for SMEs Sector completed two e-learning: Framework for Change and Emotional Intelligence for Leaders
- Senior Officer for SMEs Sector participated in the training session on Procurement planning for project personnel
- Senior Assistant for Capacity Building Sector has completed Advanced training in Google Docs

2.2.4 Procurement and Grants

The EU PRO Plus predominantly uses grant methodology which gives ownership over the projects to the grantees while the Programme maintains monitoring and advisory roles. During the second quarter of 2022, the Grant Administration Unit conducted the process for the issuance of GSAs for 16 projects in regard to support of BSOs as well as 34 local infrastructure projects for the support to LSGs from the regions of Šumadija and Western Serbia and Southern and Eastern Serbia. In brief, the administration of these GSAs included:

- PO raising and vendor update process for 47 grantees
- Processing of 47 payments
- Registration of 46 GSAs with the VAT Office

Moreover, the Grant Administration Unit conducted administrative closure of 17 projects in regard to support the employment of human resources in health care institutions on the territory of the Republic of Serbia, for the purpose of control and suppression of COVID-19 virus.

As for the procurement, UNOPS has conducted 29 different procurement processes for purchase of various goods and services. Purchases for Covid 19 support were completed and triage containers and medical furniture as well as disinfection devices and liquid completely delivered. In relation to the value, nature and complexity of the requirements, the statistic of all conducted solicitation processes is as follows:

- 4 Shopping processes, i.e. small value purchases up to USD 5,000.00
- 25 Requests for Quotations processes, i.e. purchases of USD 5,000.0 to USD 50,000.00 where majority was related to the organisation of different events and info sessions
- No Request for Proposal/Invitation to Bid, purchases of value more than USD 50,000

2.2.5. Finance

The following are the main financial indicators⁸:

- The total delivery of the EU PRO Plus as of 30 June 2022 was EUR 9,916,418.27 Euros or 24.79 % of the Programme budget.
- The forecast delivery for the next reporting period is 1,379,906.30 Euros.

UNOPS has submitted the request for the second tranche to the donor on 3 June 2022.

3. RISKS AND ISSUES

During the quarter, the Programme proactively managed risks and issues. A summary of the current set of issues and risks affecting the Programme is as follows:

- **The increase of market prices on local and global level has begun to take its toll on the realisation of Programme activities.** In spite of the fact that during the promotion of the Call for local infrastructure projects, LSGs were advised to revise the available technical documentation so as to reflect the changes in the market prices and were warned that they would have to fund the difference in prices resulting from the changed market, there is a risk that they would cancel grants if not able to top their planned contribution. The risk response is effective as the Evaluation Panel of the subject Call has prepared a list of projects on the reserve list which would be used in case of grant cancellations. Further to this, this new situation on the market could negatively impact the interest of the SMEs to participate in the CFP. The Programme will however, through its outreach campaign communicate this risk to potential applications and monitor preparation for procurement of equipment and verification of potential suppliers in order to ensure delivery within the given deadline and for the agreed price.
- **As a consequence of the investigation of misconduct related to the S3i group operations the Donor decided to suspend all activities related to the signing of new contracts and all payments of the active contracts to the UNOPS worldwide so there is a risk of the Programme not being able to meet its contractual obligations towards its grantees** which would lead to the inability of initiating project activities, late implementation and unsatisfied stakeholders. The Programme responded to this risk by obtaining the Advanced Payment from UNOPS HQ so as to overcome the described situation until the issue with the Donors is resolved.
- Due to the **delay in announcing the Call for proposal for the economic infrastructure projects** there is a risk of inability to timely complete all planned project activities which would lead to late achievement of project indicators. The risk response is that the Programme conducted a comprehensive consultation process with LSGs and Programme Partners to obtain their inputs in the preparation of the Call documentation, which is being finalised and pending PSC approval.
- Owing to the **timeline of the info sessions planned in July-August** within the Call for economic infrastructure projects there is a risk of low attendance by the relevant representatives of LSGs, which could lead to a lack of detailed knowledge of the Call and poor preparation of applications by the LSGs. Furthermore, **the holiday season could negatively impact the capacities of the LSGs to prepare concept notes** and apply within the subject Call. To mitigate the risks, the Programme will increase the number of online info sessions and consider the option to support info sessions in the format of workshops for the smaller groups of LSGs in the territory covered by the respective RDA. Additionally, the Programme will extend the deadline for submission of applications to September and increase the outreach campaign to ensure an appropriate number of applications is received.

⁸ While these figures provide quality insight into the Programme's spending, the final figures are only provided in the Programme's financial reports.

- **Possible negative epidemiological trend re Covid-19 pandemic may jeopardize study visits.** At the moment, the epidemiological situation with Covid-19 is relatively stable in Serbia and European Union countries as well. It resulted in relaxation of regulations for entry and travel in the countries of the European Union. This pandemic is still not over and there is a possibility that new waves are likely to occur. Worsening of the situation would certainly lead to more restrictive regulations for entering European Union countries, and even a ban of entry, which may jeopardize the planned implementation dynamics of Study tours or even result in cancellation of these activities. The Programme will closely monitor the situation with pandemic and eventual changes of current regulations relating to travel in host countries. It will also closely communicate with the donor and the national stakeholders in order to assess the health situation and make decisions on implementation of Study visits or eventually modifying implementation approaches, wherever feasible.

4. QUALITY

The Programme is guided by its quality management strategy which defines quality standards and procedures for planning, quality control and quality assurance. In line with the good practices, all quality related activities are being recorded in the quality register.

During this quarter, the Programme reviewed and fine-tuned output and impact indicators for individual local infrastructure projects to ensure proper monitoring mechanisms. The Programme also developed guidance for Grant Management Teams (GMT) that encompasses quality requirements during the initiation and implementation phase. The GMTs were also supplied with the action plan template, which will serve for the Programme to compare the progress with the set baseline. Furthermore, in line with the established quality control process, the Programme is developing a monitoring tool for measuring the output, outcome and impact indicators.

The Programme also secured feedback from the beneficiaries and noted the lessons learnt from the conducted info sessions, meetings and training activities. Likewise, a clarification process was conducted for project proposals in response to the Call for Strengthening Social Services that passed the threshold in technical evaluation to ensure that all aspects of the project proposal. Furthermore, the representatives of the MLEVSA included in the evaluation process in the capacity of observers have confirmed the relevance of the proposed actions and provided additional recommendations for improving the quality of implementation of the activities related to the social protection services.

5. SUSTAINABILITY

Sustainability aspect is incorporated into a set of documents for establishment of institutional framework⁹ for territorial strategies, which, beside legal framework for strategies, envisages establishment of Councils for development of urban area, a long term body with advisors role in strategy implementation, as well the partnership agreement for ITI territories - wider urban areas, that secure sustainability in implementation of territorial initiatives.

During this quarter, the Programme visited 12 local self-governments to set the framework for implementing the soft measures that should ensure the sustainability of the local infrastructure projects through improving services in the targeted sectors. UNOPS experts will support the implementation and monitor if soft measures align with submitted applications to ensure the sustainability of individual projects.

⁹ See Annex I_Attn 1_Institutional framework for SUD and ITI_SRB
www.euproplus.org.rs

Sustainability aspect has been incorporated into the CFP for Strengthening Social Services as a selection criteria in order to ensure institutional, financial and/or legislative sustainability of the interventions, while partnership between civil and public sectors were strongly encouraged to support the process. Furthermore, the main focus of the Call is greater resilience of the social service providers in the period of crises such as pandemic, through introduction of protocols and mechanisms that will respond to the specific local needs and prevent interruption in the provision of services. This approach resulted in a significant number of partnerships (over 60% of the received and 90% of recommended applications) between organisations and institutions designed to support viability of the actions, while the project proposals recommended for funding ensured that sustainability is in place through planning of different measures - development and adoption of strategic documents, budget allocations, establishment of governance mechanisms, protocols of cooperation between relevant local actors, etc.

6. CROSS-CUTTING THEMES:

Good governance, Gender equality, Social inclusion, Environment and climate change and Digitalisation

The programme contributes to gender mainstreaming and implementation of GAP by providing guidelines for establishing working groups in all twelve SUD and ITI territories, which foresees minimum 40% female representatives. Thus, as a part of the institutional framework for development of territorial strategies, the environment and climate change aspects are mandatory in terms of involvement of relevant representatives into the working group for strategy development.

As a result of the set criteria, Good Governance principals and themes will be incorporated in all awarded local infrastructure projects, to ensure transparency, efficiency and effectiveness, accountability, rule of law, participation, and equity and non-discrimination. Through the project activities, UNOPS will continue to support LSGs in setting the institutional framework for good governance processes that will ensure legitimacy through adopted decisions, plans or acts during project implementation. The set of envisaged Good Governance themes and methods for their implementation were elaborated during the inception meetings held with GM teams and their implementing partners in 12 LSGs during the reporting period. First GG activities in all 33 LIPs will be initiated during Q4 2022. Likewise, all 33 projects include environmental consideration and 21 out of 33 will improve energy efficiency, creating savings and decreasing CO₂ emissions. Activities especially promoting gender will be conducted within the implementation of 8 LIP projects in Krupanj, Bosilegrad, Mionica, Požega, Lebane, Knjaževac, Golubac and Čuprija and those mainly relate to activities on promoting female sports activities, employment of women and overall improvement of economic activity of women or improvement of working conditions of women associations.

Evaluation criteria for the published Call for Procurement of Equipment and Introduction of Services for Entrepreneurs, Micro and Small Enterprises included points for Cross-cutting themes like Good governance, Gender equality, Social inclusion, Environment and climate change and digitalisation. At the info sessions for promotion of the Call 36.5% of attendees were women.

7. COMMUNICATIONS AND VISIBILITY

Two high profile visits were organised - on 11 May EU Heads of Missions (HOMS) where 20 ambassadors visited Svilajnac, and on 25 and 26 May a two-day visit of 16 Deputy Heads of Missions (DHoMs) to South West Serbia¹⁰.

¹⁰ DHoM mission included Užice, Sjenica, Novi Pazar, the monasteries of Đurđevi Stupovi and Žiča
www.euproplus.org.rs

Twelve overview documents were produced including seven briefing notes of which two regular and two travel adapted¹¹ for the HoMs and DHoMs visits respectively, one on DEU support to Bujanovac and one for the Friends of the South West Serbia meeting. Upon individual MEI requests the overviews of support were provided about the SME sector; UNOPS implemented projects in Braničevski, Zaječarski and Borski districts; EU and Swiss cooperation through UNOPS and Zaječar in particular.

In addition **the info-sheets for the results of two public calls**, for local infrastructure and business support organisations, were prepared and subsequently relevant data was entered into the Programme project table.

The programme activities were promoted through **four press releases** covering the results of the calls for local infrastructure and business support organisations, and promoting the call for entrepreneurs, micro and small enterprises. The promotional activities generated a total of 432 media reports, out of which 144 (33%) published in the national media.¹² Almost half of all reports (194) promoted the SME Public Call, 132 were about local infrastructure projects, and 49 media stories covered the high level visits.

The **SME Public Call promotion** according to a comprehensive outreach plan was conducted in phases which implied commencing with **direct marketing**, i.e. dispatching of over 15,000 personal letters to eligible parties and partners at the local level which included previously produced print material including 16,500 flyers and 250 posters. The second phase engaged the **media** with one overall SME Call related press release followed by 14 separate local media announcements to correlate with each of 14 info-sessions held. The Call was also promoted via one phone interview organised for Radio Belgrade and was mentioned in three separate statements by the DEU Deputy Head of Mission during the organised visit to South West Serbia.

The third phase was focused on the Programme **digital media channels**, Facebook and Instagram, YouTube and Google. As a result, the web banner placement on Blic.rs mobile for 11 days generated 2,586,625 impressions and 4,956 clicks, and the Google Ad promotion resulted in 25,614 clicks. The paid campaign on Facebook resulted in 23,419 clicks while the promotion of the Call on the programme [YouTube Channel](#) had 189,122 views.

In addition, the campaign on the **national and regional radio station** included production of 40-second long radio jingle followed by its ten-day promotion on the national Radio S and Naxi Nacional and a 14-day long promotion on four regional radio stations¹³ encompassing a total of 304 airings of the radio spot.¹⁴

Four projects implemented through the predecessor programme were included in the DEU campaign “What is EU for You”¹⁵ and three more were promoted within the DEU Campaign “Stories from Serbia”.

During the reporting period, the Programme website remained the key source of information for all interested parties, hitting 71,044 visits by 45,177 unique visitors, five times more than in the previous quarter (close to 400 percent) owing to the CFP for MSEs and its campaign. The Facebook page has been followed by 19,203 users, while Instagram and Twitter fellowship stand at 2,742 and 1,170 respectively.

The Programme YouTube Channel and the Website was populated with 18 new videos, including those related to the high level visits, promotion of the public call and videos from the DEU campaigns.

In line with the Programme visibility guidelines, 49 local self-governments have placed the EU PRO Plus web banner on their websites thus far.

¹¹ Travel adapted briefings are designed documents that include historical and cultural information about the visited locations

¹² Annex IV Attn.4.1._EU PRO Plus Overview of Communication Activities

¹³ Radio Luna Užice, Radio OK Vranje, Radio Sto plus Novi Pazar, and Radio Boom 93 Požarevac

¹⁴ 80 airings on the national radios and 224 on the regional radio stations

¹⁵ [What is EU for you? Prosperity](#), [What is EU for you? Equality](#), [What is EU for you? Incentive](#), [What is EU for you? Solidarity](#)
www.euproplus.org.rs

The predecessor programme EU PRO was selected as a UNOPS Project of the Year 2021, while the team organised filming UNOPS and EU PRO statements and selected the requested photo and video material for its presentation.

8. LESSONS LEARNED

Engaging Regional Development Agencies (RDAs) to provide assistance to SMEs in preparing quality project proposals proved to be an effective tool to support the SMEs due to the relationships they built with the business community throughout the Programme area. Participation of RDA staff members to orientation meetings organised by the EU PRO Plus is an additional effort that enabled the RDAs to better understand the CfP criteria and respond to the needs of the SMEs interested to apply. Similarly, **Chambers of Commerce** proved to be a potential source to promote the SME calls as well as to provide support to the SMEs during preparation of their applications. In order to reach out to a greater number of SMEs, Chambers of Commerce covering the Programme regions were invited to participate in all info-sessions, and their response was better than in previous Calls, as the representatives from ten Chambers of Commerce participated in info sessions.

Considering that the SME sector in Serbia has not been fully capacitated in using Information Technology, specifically in small and underdeveloped municipalities, promotion of the SME CfP through direct informing was assessed as a good tool to reach out to the greater number of SMEs. In order to reach out to every eligible SME to apply to the CfP for SMEs, **15.000 individual letters were sent by mail to SME home addresses and 12.000 letters were sent by email, containing basic information of the Call.**

Under the Call for Proposals for Strengthening Social Services, two applications submitted by the civil-public partnership overlapped in objectives, beneficiaries and in most of the activities and expected results. Receiving two almost identical projects from the same applicant(s) indicates that it is necessary to **introduce in the future CfP a specific criteria** that explicitly prohibits such cases in order to prevent potential manipulation of the selection process.

9. NEXT REPORTING PERIOD¹⁶

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

The following are the key milestones for the upcoming period:

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

- Activity 1.1 Deliver training for MEI on Territorial Development Instruments
- Activity 1.1 Develop Comparative analysis of EU member states regarding usage of EU funds
- Activity 1.1 Conducting recruitment process of national Policy and institutional experts for analysis of Serbian legal and institutional framework
- Activity 1.1 Advertise and initiate development of ISTD Platform
- Activity 1.1 Confirm the needs related to development of IT monitoring tools with MEI and DEU and initiate development of IT tool
- Activity 1.2 Advertising tender for selection of service provider for development of ITI strategies
- Activity 1.2 Initiate the process of the development of Territorial Strategies

Result 2. Enhanced economic growth in targeted municipalities

¹⁶ EU PRO Plus Work Plan for the period from 1 July -31 September 2022 is available in Annex V, Attachment 5.1.

- Activity 2.1. Finalise and advertise the Call for economic infrastructure projects and complete the first phase of evaluation (submission of concept notes)
- Activity 2.2. Conduct technical evaluation of the received MSE applications
- Activity 2.2. Implement 80% of procurements within BSO projects

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

- Activity 3.1:
 - Complete payments of the first tranche of the Programme contribution to all 33 LIP grantees
 - Monitor the implementation of procurement of works in all 32 granted LSGs
 - Agree with partners on implementation of soft measures within the realisation of 33 LIP grants
- Activity 3.2 Evaluation results of the Call for Strengthening Social Services approved by the PSC, followed by the grants issuing and start of the projects implementation
- Activity 3.3 Administrative closing of the remaining grants to medical institutions under COVID-19 recovery activity

Programme Communications

- Three high level visits to East, South and West
- Organisation of PSC meeting
- Economic Infrastructure outreach campaign
- Promotion of BSO results
- Organisation of Programme meeting (TBC)
- Development of Youth MOJO Activity with EUIC and external partner
- Develop Calendar Competition TOR

LFM – progress against indicators

Legend

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

Objectively verifiable indicators	Objectively Verifiable Indicators - Target	Progress during the reporting period
Overall Objective: To contribute to socio-economic development, prosperity and social cohesion of Serbian society	WB Doing Business Report score 74	Not available. The WB discontinued publishing of the Doing Business Report.
	Global Competitiveness Index Rank 69	The World Economic Forum paused comparative country rankings on the Global Competitiveness Index during the turbulent times of COVID-19 pandemic.
SO1. To decrease socio-economic disparities of two regions within Serbia	Šumadija and Western Serbia Region GDP and number of unemployed - 20% / 101,760	Data for the year 2021 will be available in the second half of 2022.
	South-East Serbia Region GDP and number of unemployed - 14.2% / 83,712	Data for the year 2021 will be available in the second half of 2022.
RESULT 1 Improved development planning in targeted municipalities and introduction of the ITI concept		
Result 1. Improved development planning in targeted municipalities and introduction of the Integrated and Sustainable Territorial Development (ISTD) concept	OC 1.1 The number of adopted Integrated Territorial Investment (ITI) and Sustainable Urban Development (SUD) strategies and the number of LSGs covered with these Strategies (Corresponds with IPA PF 2.11) - At least 15 strategies which include at least 35 LSGs	Call for Applications for Development of Territorial Strategies conducted. The Programme awarded 12 territories including 31 LSGs
	OC 1.2 Implementation of at least 80 percent adopted SUD and ITI Strategies initiated with at least three different funding sources - at least 12 (mid 2024)	This activity is planned for 2024.
Result 2 Enhanced economic growth in targeted municipalities	OC 2.1 Number of jobs created or facilitated - At least 300 (2023)	Assessment of the implementation modality for support to Business Related Services carried out and shared with MEI.

	OC 2.2 Number of start-ups and MSEs that benefited - 500 (2023)	Sixteen BSO projects were contracted expecting to support at least 425 MSEs. Call for MSEs closed, over 600 applications received. Evaluation process started.
	OC 2.3 Number and financial value of initiated investments in industry and services facilitated - At least six investments valued at least 25 million Euros (mid of 2024)	Call for Proposals for Economic Infrastructure Projects and for technical documentation prepared as a two-step Call. Will be announced upon PSC approval planned in July 2022.
Result 3: Improved social infrastructure and social cohesion in targeted municipalities	OC 3.1 Number of persons benefiting from improved public facilities/ services - at least 35,000 (2023)	Assessment of the proposals for LIP Call resulted in 34 projects recommended for award and 14 on the reserve list. Grant contracts signed with 33 grantees. Four LSGs received first milestone payment and another 28 LSGs finalised conditions for payment. Inception meetings were held in all 33 LSGs.
	OC 3.2 Number of introduced or improved social services provided by CSOs and/or LSGs - at least 15	Evaluation of applications received under the Call for Proposals for Strengthening Social Services is completed and prepared for submission to PSC for approval. It is expected that up to 25 social services will be improved or introduced as a result of the activity.
	OC3.3 Number of persons benefiting from enhanced health care services related to COVID-19 prevention and recovery - at least 300,000 (2022)	The activity for supporting 23 medical centres to enhance services related to COVID-19 prevention and recovery is completed. Engagement of 194 medical and non-medical workers on combating COVID-19 facilitated provision of over 825,000 medical services related to COVID-19 in 2022. 5000 disinfection devices, 60,000 L disinfection liquid and 41 triage containers were delivered.
Activity 1.1 Enhancing national capacity to introduce integrated territorial development	Number of persons at the national level trained - 40 (middle 2023)	This activity is planned for the next reporting period.
	Proposals for regulators and procedural framework to enable preparation of the EU model for territorial planning - in place (end of 2024)	The approach for development of the Comparative Study on EU member states and the list of countries agreed. The content and the structure of the the Study on national model for ISTD is prepared

	Monitoring, reporting and evaluation approaches related to ISTD model - in place (2022)	A wider list of indicators for monitoring and implementation of territorial strategies recommended by the European Commission, and those identified with the Strategy for Urban Development is developed.
	Number of tools developed or enhanced - at least one (2022)	A revised Concept Note on the potential IT tool is drafted.
Activity 1.2 Improving capacities of municipalities and regional development agencies to introduce concepts of integrated territorial planning	Number of LSGs and RDAs benefiting from interventions - at least 80 percent (middle 2023)	84,5 percent of the LSGs and RDAs benefiting from the capacity building process (82 LSGs and 11 RDAs participated in the training activities within Module I and in the part of the Module II of Capacity Building Programme)
	Population covered by SUD and ITI Strategies - at least 2 million (end of 2022)	The received applications in response to the Call for Development of Territorial Strategies cover a population of approximately 1,6 million.
Activity 1.3 Implementing activities contributing to socio-economic growth deriving from integrated territorial planning strategies	Number of integrated projects deriving from the ISTD strategies, whose implementation is supported - at least 15 (mid 2024)	This activity is planned for next year.
RESULT 2 Enhanced economic growth in targeted municipalities		
Activity 2.1 Developing economic infrastructure and businesses related services at the local level	Number of supported economic infrastructure projects - 16 (2024)	Call for Proposals for Economic Infrastructure Projects prepared Call for Proposals for Technical Documentation prepared.
	Number of LSGs supported in improvement of at least one business related service - 10 (2024)	Comparative analysis of the implementation methods for this activity conducted.
Activity 2.2 Enhancing competitiveness and sustainability of enterprises contributing to economic stability of local communities	Number of supported start-ups, entrepreneurs and enterprises - 100 (2022)	Call for Proposals for support to SMEs closed. Over 600 applications were received.
	Number of supported youth and women entrepreneurs - at least 50 (2022)	This activity is planned for the next reporting periods.
	Number of people benefiting from skill-development training - 200 (2022)	This activity is planned for the next reporting periods.
	Number of supported BSO projects - 10 (2022)	Sixteen BSO projects were contracted and implementation started.
RESULT 3 Improved social infrastructure and social cohesion in targeted municipalities		

Activity 3.1 Developing and improving infrastructure which contributes to enhanced quality of life	Number of social infrastructure projects implemented -at least 30 (2022)	Call for Proposals for Local Infrastructure Projects successfully closed and 34 recommended for funding within the amended value of amount budgeted for this activity. Grant contracts signed with 33 grantees.
Activity 3.2 Supporting public institutions, including the social protection institutions, to enhance social services and preparedness for emergencies	Number of CSO projects related to social services supported - 20 (2023)	Evaluation of applications received under the Call for Proposals for Strengthening Social Services is completed and prepared for submission to PSC for approval with 20 projects recommended for funding and three projects on the reserve list.
Activity 3.3 Support to COVID-19 related prevention and response activities	Number of medical centres supported to enhance services related to COVID-19 prevention and recovery - at least 20 (2022)	Engagement of medical and non-medical workers on combating COVID-19 in 23 medical centres has been completed in May and the grants are in the process of administrative closing.

ANNEXES

Annex I Improved Development Planning

Annex I_Attn 1_Institutional Framework for SUD and ITI_SRB

Annex I_Attn 2_Study Visits Programme

Annex II Enhanced Economic Growth

Annex II_Attn 1_MSE Public call info sessions report

Annex III Improved Social Infrastructure and Social Cohesion

N/A

Annex IV Communications

Annex IV_Attn 1 EU PRO Plus Overview of Communication Activities

Annex V Programme Management

Annex V_Attn 1 EU PRO Plus Work Plan for Q3 of 2022