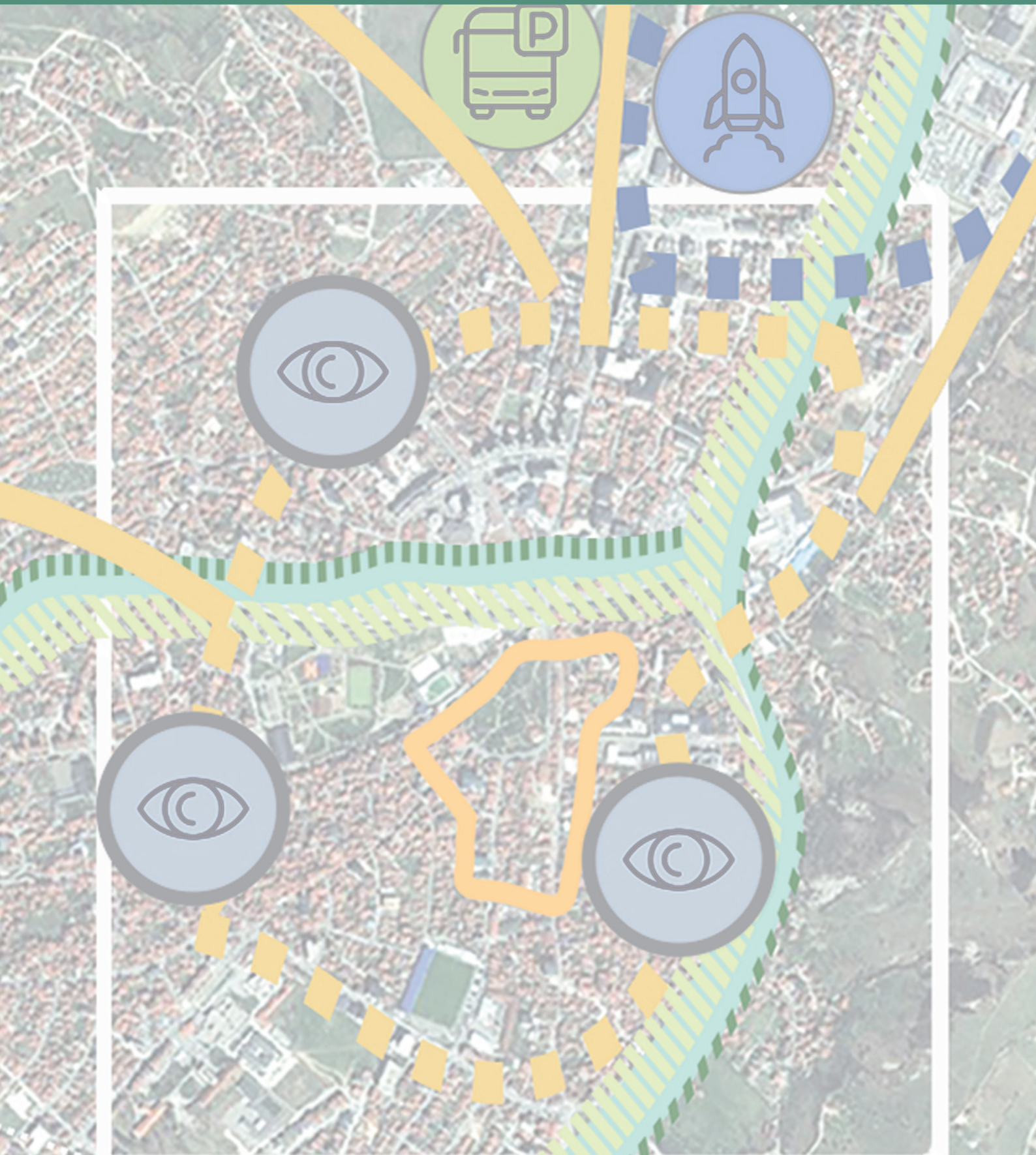


TERRITORIAL STRATEGY OF THE CITY OF NOVI PAZAR URBAN AREA



May 2024.

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Ministry of European Integration
REPUBLIC OF SERBIA

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INTRODUCTORY WORD

Respected,

In front of you is the Territorial strategy of the City of Novi Pazar urban area, which was prepared by the City's expert services with the support of the European Union and the Government of the Republic of Serbia through the EU PRO Plus programme. This document is a guide through the factual situation where the positive aspect is looked at in detail along with all the related shortcomings. I believe that this Strategy explained the key issues and defined the main problems, but in a way that was as understandable as possible to the wider social community.

The rich history and cultural heritage that this City has, also carries a number of specific problems. Aware of the responsibility for solving them, I believe that we will find the best mechanism for safeguarding assets and the effective daily functioning of the City in the best interest of the citizens and everyone who spends time in Novi Pazar.

The time we live in brings with it the dynamics of changes in social norms and value systems, and is conditioned by technological development. The value of this document is that it is open to extension and constant adaptation to practical and realistic possibilities and available resources through objectives and measures that have no time limit.

I express my gratitude to all participants who contributed to the development of this Strategy. I believe that we will come up with models to solve current problems and leave a legacy for future generations to be proud of.



Sincerely,

Nihat Biševac

Mayor of the City of Novi Pazar

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translated by UNOPS, EU PRO Plus Programme team*

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1 INTRODUCTION

The objective 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.

- The reasons for creating the strategy of urban development are:
- 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*) funding 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 APPROACH AND STEPS IN STRATEGY DEVELOPMENT

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 and integrated solutions, 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 recognised development needs and potential of the area”*¹. 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 System². 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 of Sustainable Urban Development Strategies of the Joint Research centre of the European Commission, cross-sectoral integration can be achieved by: 1) ensuring the consistency of policy-making principles and objectives 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 policies³.

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

2 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>

3 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>

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.⁴

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, funding 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.
- **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

⁴ 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>

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, CSOs, 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 programme 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 programmes 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 programmes, 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 programme 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 programme 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 programmes and projects.

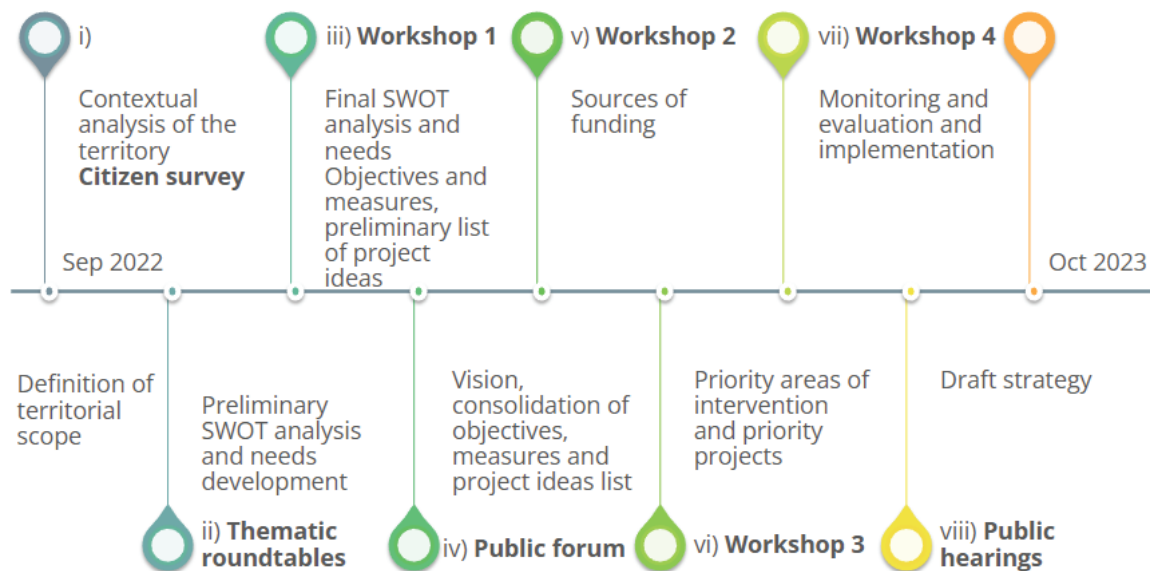
2.4 STEPS IN STRATEGY DEVELOPMENT

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, objectives 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

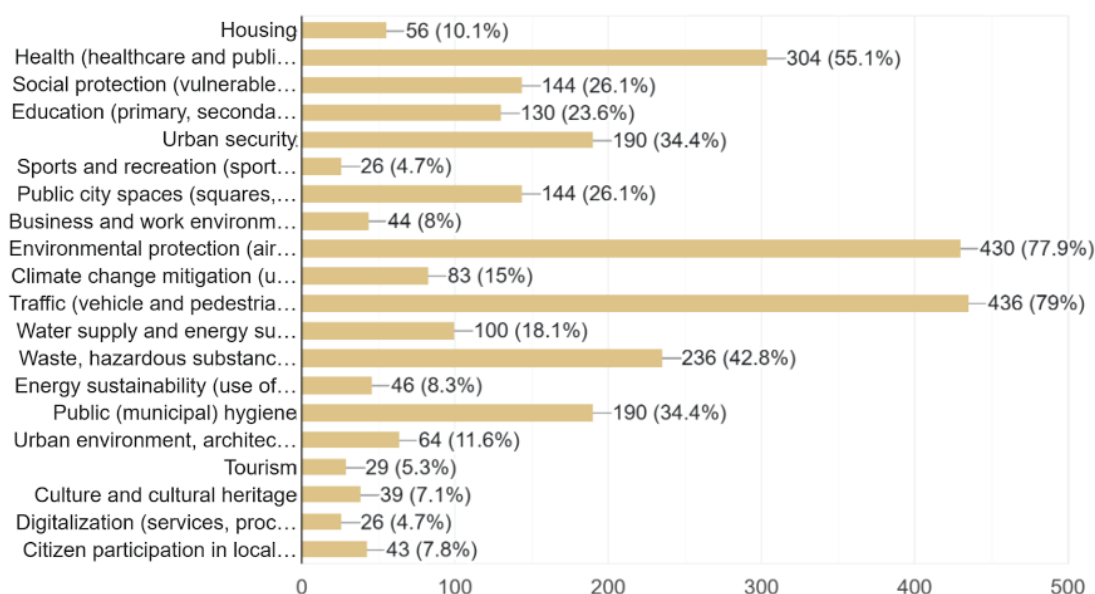


In the first step, a contextual analysis was made by thematic areas: a) Society (demography, social inclusion and social assistance services, social and health infrastructure, education); b) Economy (general economic trends, labor market, business environment, tourism and culture); c) Urban environment (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.

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

552 responses

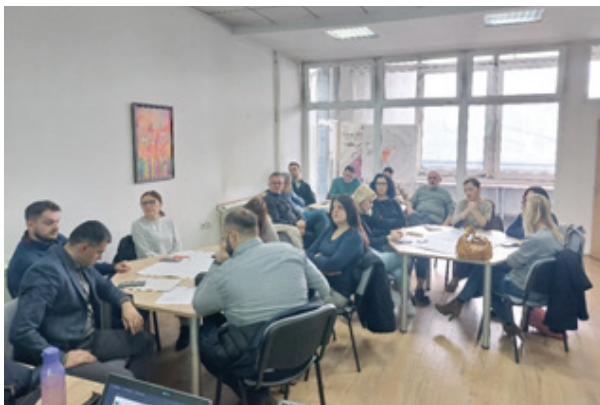


Attachment 1: The results of the citizens' survey (data source: Grad Novi Pazar)



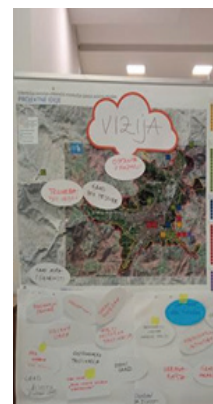
Pictures 1, 2, 3 and 4: Thematic round tables, preliminary SWOT and contextual analysis, Centre of culture Novi Pazar, Novi Pazar, 21 and 22 February 2023

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 objectives and measures, which was discussed and verified at the first workshop with members of the Development Council and Working Group.



Pictures 5 and 6: Workshop with members of the Development Council and Working Group - proposal of objectives and measures, Regional centre for Professional Development of Employees in Education, Novi Pazar 12 April 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 objectives. 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.



Pictures 7 and 8: Forum of citizens: the formulation of the vision of the development of the urban area, the addition and reformulation of measures and objectives, and the exhibition of children's drawings of elementary school students on the topic "My city/territory in the future", Cultural centre Novi Pazar, Novi Pazar, 30 May 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 overview of the possibilities for using various funds, donations, loans, etc. The prepared material in a wider version was delivered to all local and regional partners of the EU PRO Plus programme 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 9 in 10: *Workshop priority areas of intervention and strategic projects, Regional centre for Professional Development, Novi Pazar, July 19, 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 debate, 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 also 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 programme 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 Novi Pazar (LSG) is located in southwestern Serbia and is included in the Ras administrative district. 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 LSG Ivanjica and Raška in the north, Leposavić, Zvečan and Zubin Potok (AP Kosovo and Metohija) in the east, Tutin in the south and Sjenica in the west (Figure 2).

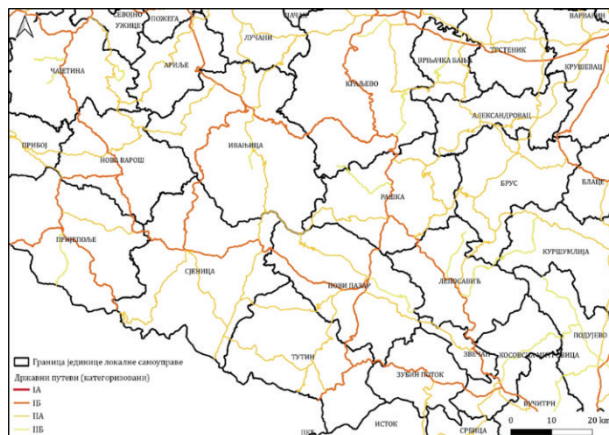


Figure 2: Location of Novi Pazar (Source: Map of state roads, PC “Roads of Serbia”, 2022; Register of spatial units)

According to the Spatial Plan of the Republic of Serbia from 2010 to 2020⁵ Novi Pazar is classified as an urban centre of state importance. According to the Draft Spatial Plan of the Republic of Serbia until 2035⁶, the urban area of Novi Pazar has an influential zone with more than 40,000 inhabitants. Urban areas of this category need to improve their functional capacity as a priority, especially in the domain of economy, public services and institutions. They also have a great chance as networking centres for small centres in the rural areas that surround them.

Novi Pazar has traffic connections with significant urban centres in the vicinity: state road IB row no. 22 - Belgrade - Ljig - Gornji Milanovac - Preljina - Kraljevo - Raška - Novi Pazar - Ribariće - state border with Montenegro (Mehov Krš border crossing); state road IB order no. 29 - state border with Montenegro (Jabuka border crossing) - Prijepolje - Nova Varoš - Sjenica - Novi Pazar; and state road IB order no. 32 - Ribariće - Zubin Potok - Kosovska Mitrovica.

LSG Novi Pazar covers a territory of 742 km², which in the physical-geographical sense is differentiated into the central zone, i.e. Novopazar Basin, and the rim formed by the hilly and mountainous terrains of Golija in the north, Rogozna in the southeast, and Pešter plateau in the west. Used agricultural land occupies only 24.4% of the total area of the LSG, while overgrown forest areas occupy as much as 50.5%. Meadows and pastures make up 67.7% (12,275 ha) of used agricultural land, 23.4% (4,242 ha) are arable land and gardens, while orchards make up 7.9% (1,424 ha) (Graphic representation 3).

On the territory of the LSG there is a part of the protected natural area of the Golija Nature Park.

⁵ Spatial plan of the Republic of Serbia from 2010 to 2020, “Official Gazette of RS”, number 88/2010.

⁶ Draft Spatial Plan of the Republic of Serbia until 2035, Ministry of Construction, Transport and Infrastructure, 2023.

According to the 2011 Census, there were 100,410 inhabitants in Novi Pazar LSG (1.4% of the population of the Republic, i.e. 32.5% of the population of Raška district), while according to the first results of the 2022 Census, there are 107,859 inhabitants living in the same area, almost 7.5 thousand inhabitants more compared to the previous Census and almost 22 thousand more inhabitants compared to the beginning of the 21st century, i.e. Population census in 2002 (when 85,996 inhabitants lived in LSGs) (Statistical Office of the RS, 2014; 2022b). In the period from 2012 to 2021, both components of the population movement were positive. Novi Pazar is one of the few LSGs in the Republic of Serbia characterised by positive population trends. The average population density on the territory of the LSG (2022) is 145 persons/km², which is significantly above the average of the Republic (76 cent./km²), of the region of Šumadija and Western Serbia (69 st./km²) and the Raš district (76 st./km²). LSG Novi Pazar includes 99 settlements, of which only the urban settlement Novi Pazar has the status of urban settlement, in which, according to the 2011 Census, 66,527 inhabitants lived, i.e. 66.3% of the total population of the LSG. The settlement network is demographically differentiated into an urban settlement with settlements in its direct and indirect surroundings and a periphery with a marked concentration of demographically very small settlements (up to 200 inhabitants), which make up 64% of all LSG settlements. The increase in the number of inhabitants was recorded in 28 settlements, mostly demographically larger and spatially closer to the centre.

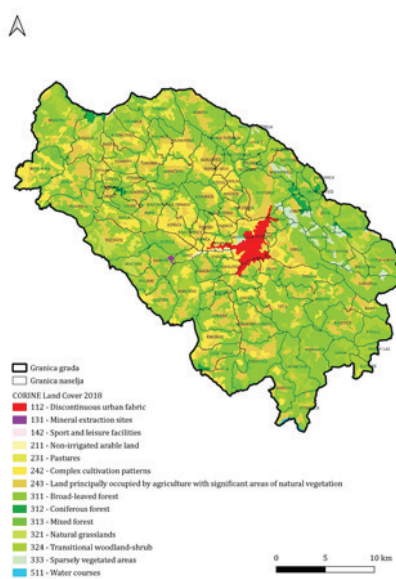


Figure 3: Purpose of the land (Spatial data source: Copernicus Land Monitoring Service, 2022; Republic Geodetic Institute, 2020.)

One cultural-historical monument is inscribed on the UNESCO List of World Cultural and Natural Heritage under the name Stari Ras and Sopoćani. In the category of immovable cultural heritage (IMC), the medieval town of Ras, the Sopoćani Monastery, the Đurđevi Stupovi Monastery, the church of St. Apostles Peter and Paul and the Old Bazaar. In the IMC category of great importance there are 10 cultural monuments: Novopazar fortress, Altun-alem mosque, Old hamam and Amir-agin han (Novi Pazar), the medieval town of Jeleč (Grubetiće), and the church of St. Marina-Marinica (Dojinoviće), Sv. Lazara (Živalići), St. Peter and Paul (Pope), St. Nicholas (Štitare) and St. Dimitrija (Janačko Polje). Another 34 IMC were categorised and 410 archaeological sites were recorded.

5 CONTEXTUAL ANALYSIS

5.1 SOCIETY

5.1.1 Demography

According to the 2011 census, the Novi Pazar LSG had 100,410 inhabitants (1.4% of the population of the Republic, i.e. 32.5% of the population of the Raška district), while according to the first results of the 2022 Census, there are 107,859 inhabitants living in the same area, almost 7.5 thousand more than the previous Census and almost 22 thousand more than the beginning of the 21st century, i.e. Population census in 2002 (when 85,996 inhabitants lived in the City) (Republički zavod za statistiku, 2014; 2022b). In the period from 2012 to 2021, both components of the city's population movement were positive. In the mentioned period, 15,207 people were born and 8,834 people died (total natural change +6,373). The migration balance, viewed from the aspect of internal migration (without migration abroad), in the same period amounted to +1,596 inhabitants (11,098 inhabitants immigrated, while 9,502 emigrated) (Statistical Office of the RS, 2022v). Novi Pazar is one of the few cities in the Republic of Serbia characterised by positive population trends.

The basic characteristics of the LSG population (basic population contingents, average age, aging index, etc.) compared to the average at the level of the Republic are significantly more favorable. The average age in Novi Pazar is 35.4 years (at the level of the Republic 43.5), and the aging index is 54.4 (at the level of the Republic it is even 144.5). The share of children of preschool age in the total population of LSGs is 9.7% (6.5% in the Republic), and 12.2% of children of primary school age (7.8% in the Republic). When it comes to the structure of the population according to economic activity, in Novi Pazar, compared to the republican average: a lower rate of economic activity, a higher rate of unemployment, the participation of pensioners in the total population is lower, while the participation of housewives, children, pupils and students is higher. The economically active population makes up only 31% of the total population of LSGs (the average at the level of the Republic is 41.3%), of which 19.5% are employed, and 11.4% are unemployed (the average at the level of the Republic is 9.3%). Among the unemployed population, 4.2% are those who used to work, while the share of those looking for their first job is higher and amounts to 7.2%. 69% of the population is inactive, of which: 24.7% are children under the age of 15 (the average at the level of the Republic is 14.3%), 9.5% are pupils and students, 14.1% are housewives (the average at the level of the Republic is 8.3%) and only 12.3% are pensioners (the average at the level of the Republic is 22.7%). The educational structure of the population is characterised by the dominance of the population with secondary education (44.4%). The representation of the population without a school education is below the average for the Republic of Serbia (10.3% compared to 13.7%), as well as the representation of the highly educated population (9.7% compared to 16.2%). Bosniaks (77.1% of the population) dominate the population structure according to nationality, followed by Serbs (16.2%), and Muslims (4.1% of the population).

5.1.2 Social inclusion and social protection

Average income of residents

The average net salary in 2021 was RSD 49,720 (41,302 in 2019, 45,475 in 2020). The average net salary per employee in the territory of LSG Novi Pazar for the first half of 2022 is RSD 54,693, which is 25.4% less than the Serbian average in the same period (73,258)⁷.

The average salary of employees has been increasing for the last 3 years, but it is noted that the average salary in LSGs is lower than the average salary at the level of the Republic of Serbia.

Social assistance services

The greatest demand for social assistance services is the service of a geronto housekeeper, followed by a personal assistant and a personal companion, for which waiting lists have been created.

Endangered zones

As for settlements with social problems, the Roma settlement Blaževo in the urban settlement Novi Pazar can be singled out, where 240 registered residents live. The village of Blaževo does not have access to clean water and a sewage network or that access is irregular, while there is access to electricity.

In 2019, LSG Novi Pazar had a project "Providing permanent housing solutions and improving infrastructure for Roma in Novi Pazar", within the framework of which 9 prefabricated houses for 9 Roma families were built in the settlement of Blaževo. This project was financed by the EU and co-financed by the Government of the Republic of Serbia, and implemented by the LSG in partnership with MHD "Merhamet-Sandžak".

Security

There are no areas in Novi Pazar that are unsafe, or where certain groups of the population do not feel welcome.

Security covers the 60 km long administrative crossing towards Kosovo and Metohija, the 95 km long border towards Montenegro and the reception centre for asylum seekers in Tutin.

5.1.3 Apartment

Housing offer

According to the census from 2011, there are 27,987 apartments in the LSG Novi Pazar⁸. The average area of the apartments is 79.9 m² and an average of 3.6 people live in an apartment. The average square footage per inhabitant is 13 m².

In 2021, 475 new apartments were built (with 865 under construction), i.e. 4.4 apartments per 1,000 inhabitants, which is at the level of the average of Raška district and above the average of Serbia of 3.7 apartments per 1,000 inhabitants⁹.

⁷ <https://data.stat.gov.rs/Home/Result/2403040103?languageCode=sr-Latn>

⁸ Municipalities and regions in the Republic of Serbia, RZS, 2021.

⁹ Ibid.

The demand for houses and apartments is high. The central zones of the urban settlement have a pronounced need for residential space, as well as tenant housing. There is more interest in apartments than in houses.

According to the data of the Republic Geodetic Institute for the last four years, including the year 2022, sales were made with an average of 200 apartments per year - in 2019, 196 apartments, in 2020, 195, in 2021, the number of apartments has increased to 250, and so far in 2022, 232 apartments have been bought and sold.¹⁰

In recent years, there has been a trend of building larger residential complexes, financed mainly by the private sector. In 2021, the Department of Urban Planning and Construction issued 54 building permits for multi-family residential buildings covering a total area of 131,107 m². In 2022, 57 permits were issued, 3 more than in 2021, covering 96,673 m² of built squares.

The price of housing

The average price of newly built apartments sold in the first half of 2022 was RSD 107,011, which is about 47% less than the average in Serbia (RSD 200,989). Compared to the average of three years ago (2019, RSD 100,333), there is a noticeable increase in prices by about 6.6%, while at the level of Serbia there is an increase of 22.5%.

According to data from 2019, 523 apartments were built, and 475 apartments in 2020.¹¹ In 2021, 120 apartments were built.

The average price of an apartment in the first half of 2022 was 107,011 dinars¹².

In new construction, until recently, the price of one m² of an apartment amounted to 1,000 to 1,250 euros for completed buildings, and in construction the lowest price did not go below 850 euros. Due to the increase in the price of construction materials, the prices of square meters also increased, so now the average price ranges from 1,250 euros to 1,500 euros, and in construction it is around 1,100 euros.¹³

Apartment prices in relation to income are higher, so people mostly decide to buy with the help of loans, and a large number of apartments are bought by people who live and work abroad.

There is a large population migration from the surrounding settlements to Novi Pazar. About 30% to 40% are without a solved housing issue, according to the free estimate of employees in the Department for Communal, Housing and Traffic Affairs at the City Administration.

According to Fevzija Murić, a member of the city council in charge of health and social policy, Novi Pazar lacks around 120 social apartments. Social housing is mainly intended for young people, internally displaced persons, persons undergoing readmission (returnees from abroad) and vulnerable population groups. Part of the urban settlement in the immediate vicinity of the health centre has expressed needs for social housing.

Novi Pazar has social housing: a refugee building with 7 flats in the settlement of Postenje; 33 houses in the Roma settlement Blaževo; 20 houses, so called shelter, in the Hadžet settlement,

¹⁰ <https://katastar.rgz.gov.rs/RegistarCenaNepokretnosti/>

¹¹ Plan of sustainable development of the city of Novi Pazar 2021-2030.

¹² <https://www.stat.gov.rs/sr-latn/vesti/statisticalrelease/?p=8833&a=05&s=0501?s=0501>

¹³ Plan of sustainable development of the city of Novi Pazar 2021-2030.

across the street from the Health centre and 40 apartments in the centre for Social Work building. It is planned that 20 houses that are so-called the shelter should be demolished in the future, because they are already dilapidated and over 50 years old, and the LSG should instead build new apartments/houses elsewhere. Also, project and technical documentation for the construction of a building for social housing in the Erosija neighborhood in Novi Pazar is currently being prepared.

Illegal construction

According to the data available from the Department of Urban Planning, the department for legalization of illegally built buildings, for which records have been kept since 2003, a total of 23,000 illegal buildings are in the process of legalization.

In the same period, around 8,000 construction permits were issued (in the period from 2015 to today, a total of 400 permits), so it could be concluded from this data that there was a growing trend in the number of illegal buildings compared to buildings that were built with a building permit.

According to some indicators and the situation on the ground, the trend of construction of illegal buildings has continued, and especially the illegal construction of buildings of category A and B is on the rise, i.e. of individual residential buildings.

According to data from the Ministry of Construction, Transport and Infrastructure, 20,102 buildings were listed.

5.1.4 Social standard facilities

Social infrastructure

In the urban settlement of Novi Pazar there is a centre for Social Work with a Shelter for the Socially Vulnerable and a centre for Social Assistance Beneficiaries and Pensioners¹⁴. As part of the centre for Social Work, there is a new Home for the elderly (capacity 80 places)¹⁵

It is necessary to provide another nursing home because the existing one has full capacity. There is also a lack of shelters or reception stations, i.e. housing with the support of people with disabilities.

Social infrastructure facilities do not exist in the private sector.

Healthcare infrastructure

Health institutions on the territory of the LSG are: Health centre Novi Pazar, which includes the Health centre and the General Hospital, the Institute for Public Health Novi Pazar (for the LSG Novi Pazar and Tutin), the Pharmacy Institution Novi Pazar and the Special Hospital for Progressive Muscular and Neuromuscular Diseases Novi Pazar (for neurological diseases, rheumatic diseases, injuries and diseases of the locomotor system and rehabilitation of children). The network of primary health care facilities of the Novi Pazar Health centre includes 15 health centres and clinics in urban (3) and suburban and rural settlements (12).¹⁶

¹⁴ Plan of sustainable development of Novi Pazar 2021-2030.

¹⁵ <https://www.csrnovipazar.org.rs/?view=article&id=29&catid=2>

¹⁶ Health clinics in 8 settlements - Vranovina, Štitare, Pazarište, Rajetiće, Vuciniće, Odojeviće, Pope and Grubetiće, and health centres in 4 settlements of Deževa, Lukare, Trnava and Šaronje. Public health plan of the city of Novi Pazar 2019-2026.

There is a lack of health facilities in the rural area in the following settlements: Selakovac, Dojeviće and Bele Vode. Preparations are underway for the renovation of the following facilities: the central building of the Health centre (replacement of carpentry and installation of the facade) and village clinics - Lukara, Trnava, Deževa, Šaronje.¹⁷

The general hospital has 360 beds. In 2017, a modern Diagnostic centre and a renovated Department of Gynecology and Obstetrics with a modern operating block were opened within the hospital.¹⁸

There is organised public transportation to the General Hospital and Health centre in the city centre.

The private sector is insufficiently accessible because the facilities are concentrated in the central zone of the urban settlement. 2 polyclinics, 10 specialist offices, 27 dental offices and 39 pharmacies are registered.¹⁹

The construction of the new Clinical centre in Novi Pazar began in 2023.²⁰

Educational infrastructure

Pre-school education on the territory of the LSG is realised within the Pre-School Institution “Mladost” Novi Pazar, which includes 6 facilities in an urban settlement. There are several private preschool institutions. In the urban area, kindergartens are most lacking in the settlements of Šutenovac, Selakovac and the Terća gradska mesna zajednica.

Primary education is provided in 15 primary primary schools (8 in the urban settlement and 7 in the settlements of Bele Voda, Deževa, Mur, Rajčinoviće, Lukare, Osaonica and Trnava) and in 26 separate classes.²¹ Primary elementary schools in the urban area work in three shifts, using practically every available teaching space. In the urban settlement there is also the “Stevan Mokranjac” School for elementary music education and upbringing.²²

Secondary education is provided in 6 secondary schools (all in urban areas): Gymnasium, School of Economics and Trade, School of Medicine, School of Technology, School of Hospitality and Tourism and School of Textile and Leather Design. In addition to these state schools in Novi Pazar, there are also several private high schools and madrasahs. At the secondary school level, there are differences in the projected capacities of certain educational profiles (eg textile profession, agricultural profession, economic profession) in relation to the development trends of the corresponding economic activities.

Higher education is provided at the State University in Novi Pazar. In Novi Pazar there are several private universities (International University) and faculties (Faculty of Islamic Studies), university departments founded by the Republic of Serbia and several consulting units of universities from the country and abroad. Within each of them there are different departments.²³

¹⁷ <https://www.dznovipazar.rs/o-nama>

¹⁸ Plan of sustainable development of Novi Pazar 2021-2030.

¹⁹ Ibid.

²⁰ <https://www.obnp.co.rs/2023/03/24/pocela-izgradnja-klinicko-bolnickog-centra-u-novom-pazaru/>

²¹ Separate departments in the settlements of Vučiniće, Štitare, Svilanovo, Muhovo, Krće, Buče, Kožlje, Čašić Dolac, Kruševo, Žunjeviće, Grubetiće, Šaronje, Doljani, Postenje, Novopazarska Banja, Kuzmicevo, Vranovina, Kovačevo, Sebečevo, Požega, Pope, Brđani, Odojeviće, Leča, Rajetiće and Slatina.

²² Basic education - Data on locations and facilities, Ministry of Education, 2023.

²³ Plan of sustainable development of the city of Novi Pazar 2021-2030.

The Regional centre for Professional Development of Education Employees has been operating in Novi Pazar since 2012. The Science Club works within this centre.²⁴

In Novi Pazar, the following educational profiles are in short supply: mechanical engineering and metalworking - locksmith-welder III degree; electrical engineering - mechanical engineering technician IV degree; car electrician III degree; forestry and wood processing - technician for furniture and interior design IV degree, operator for making furniture; geodesy and construction - geodetic technician - surveyor IV degree, contractor of installation and final construction works III degree, operator of basic construction works III degree, operator of construction machinery III degree, carpenter III degree, ceramist-terracor-caver III degree; graphic arts - multimedia technician IV degree, graphic and internet design technician IV degree; culture, art and public information - interior and industrial product design technician IV degree.

Cultural and scientific infrastructure

In the area of Novi Pazar, there are the following cultural facilities: Historical Archive "Ras", National Museum "Ras", National Library "Dositej Obradović", Regional Theater Novi Pazar, Cultural centre "Novi Pazar" and centre for Children and Youth "Duga".

The National Library has a collection of about 80,000 books.²⁵ The cultural centre includes: a concert hall (with 599 seats, renovated and modernised), the Youth centre, the Turkish Cultural centre and the American Corner.²⁶ The National Museum "Ras" is a museum of a complex type, which includes collections of archaeology, ethnology, history, applied art, numismatics and a fine art collection. The museum has created a manuscript (oriental) collection and a museum library and realizes numerous projects (recording of intangible heritage in the multi-ethnic community of Novi Pazar and its surroundings, Workshop of traditional calligraphy writing, Monuments of Islamic architecture in the territory of the city of Novi Pazar, Interactive digital guide of Novopazar fortress and others).²⁷

Several associations are active - Novopazar association of fine artists from Sopoćani - NULUS, KUD Golija, KUD Ras and choir Đulistan.²⁸

In Novi Pazar, there is a need for: the construction of the Administration Building of the Ras Museum and the new special building of the Regional Theater; by expanding the spatial capacities of the Historical Archive Ras and ŠOMO "Stevan Mokranjac"; provision of new premises for the Duga Children and Youth centre, additional spaces in the city for contemporary cultural and artistic production and the presentation of contemporary artistic creativity of young people²⁹.

In Novi Pazar there is a Scientific Research Institute for the field of technical sciences, at the State University in Novi Pazar. It is necessary to form a larger number of scientific and research centres. The establishment of the Institute for the Study of the Culture of Novi Pazar and Sandžak was proposed.³⁰

²⁴ <https://www.rcnp.rs/>

²⁵ www.biblioteka-np.org.rs

²⁶ <http://www.kcnovipazar.rs/>

²⁷ <https://muzejnp.rs/>

²⁸ Plan of sustainable development of Novi Pazar 2021-2030.

²⁹ Strategic plan for sustainable development of the city 2017-2028.

³⁰ Ibid.

Sports infrastructure

Sports facilities in Novi Pazar are:

- Two sports halls, the new Douš arena, which was renovated with the help of the Turkish government, and SSU “Pendik”, where Novi Pazar’s superleague clubs train and play in minor sports.
- City Stadium (with 12,000 seats), two stadiums (Šutenovac and Novopazarska banja) and several other football fields,
- 17 mini sports recreation centres distributed in Novi Pazar settlements and picnic areas, trim tracks,
- Sports recreation centre in the centre of an urban settlement with sports fields for indoor football, basketball, beach volleyball,
- Large and one of the best Athletic Stadiums in the Balkans with a complex of sports and recreation grounds.

In Novopazarska banja there is a football stadium where FC “Jošanica” plays its matches.

As for the private sector, there are several private soccer fields and several tennis courts³¹. There is a lack of sports fields, given that sports are very popular among both the younger population and the elderly.

There are 72 sports clubs affiliated to the Sports Association of the city of Novi Pazar in the LSG.³²

5.2 ECONOMY

5.2.1 General economic trends and the labor market

Employment

The employment rate in 2021 at the level of the Raška region is 39.6%, and at the level of Serbia 48.6%. The unemployment rate in 2021 at the level of the Raška region is 21.3%, and at the level of Serbia 11.0%. The number of registered employees according to the municipality of residence is³³ in 2019 a total of 19,770 (women 8,312, men 11,458, i.e. 42:58%), in 2020 a total of 20,062 (women 8,391, men 11,671, i.e. 41.8:52.2%) and in 2021 a total of 20,368 (women 8,558, men 11,810, or 42:58%).

Also, the number of registered unemployed according to gender by year is as follows: in 2019 a total of 20,243 (women 10,282, men 9,961, i.e. 50.8:49.2%), in 2020 a total of 22,725 (women 11,816, men 10,909, i.e. 52:48%) and in 2021 a total 23,006 (women 12,265, men 10,741, i.e. 53.3:46.7%).

The registered unemployed per 1,000 inhabitants by gender by year are as follows: in 2019 - women 190, men 186; in 2020 - women 218, men 202; and in 2021 - women 225, men 199. In 2021, there are an average of 212 registered unemployed per 1,000 inhabitants, or 21.2%.

According to these data, a slight increase in the number of employees was observed, but the number of unemployed is also higher than the number of employees, which is unfavorable, especially since the average age of the population is 35 years.

³¹ Plan of sustainable development of the city of Novi Pazar 2021-2030.

³² Public health plan of the city of Novi Pazar 2019-2026.

³³ According to Dev info for Novi Pazar

According to data from the National Employment Service (as of January 31, 2022), there were a total of 23,037 unemployed persons in Novi Pazar, of which 12,210 were women (53%). The average age of the unemployed is 38.83 years, and the average age of women is 38.71 years. A total of 17,396 people are looking for a job for the first time, of which 9,442 are women (54.3%). In relation to vocational education, there are the most unemployed with I degree (9048), IV degree (7193) and VII-1 degree (1221).

The unemployment of the young population is pronounced, primarily because the small business sector cannot employ a large number of unemployed young people. There is no large business entity that could employ a large number of workers. Low incomes are also a problem. Novi Pazar has the lowest average net income of all cities in Serbia, so young people are not interested in working with low incomes.

As part of the “Digitalisation of Serbia” project, the Regional Innovation Startup centre Novi Pazar was given the opportunity to conduct an intensive programming school “IT Camp - Serbia 2023” where 12 companies, which are among the largest in Serbia, will finance training for their potential employees.³⁴

According to the records of the National Employment Service, there are many profiles related to processing activities that are primarily in the area of Novi Pazar (tailors, shoemakers), but this number is insufficient. In the conversation with businessmen, it was learned that there is a need for profiles that are not registered with the national service, and a significant problem is that after finishing school, workers, especially for processing activities, are not trained for work, but their additional training is necessary. During education in secondary schools, as much as possible should be done on practical training of students, i.e. on dual education programmes.

Commuting

In Novi Pazar LSG, there is public transport, but business entities mostly organize their own transport for their employees.

5.2.2 Economy and business environment

Business subjects

Based on the data of the APR website for business entities in the territory of LSG Novi Pazar for the year 2021 (the latest update refers to the period 01.01-31.12.2021), there were a total of 5,228 active business entities, of which 1,312 were companies, and 3,976 (25:75%) were entrepreneurs. Compared to the previous year 2020, a slight increase in the number of registered business entities of 3.3% was observed. At that time, a total of 5,053 were active, of which 1,276 were companies, and 3,777 were entrepreneurs (25.3:74.7%).

The structure of business entities - business companies by size is as follows: medium 6, small 132, the rest micro. Compared to the previous period, there was a decrease in the size of business entities, because there are no large business entities, and small business entities, according to the new classification that came into effect on January 1, 2020, became micro-business entities.

³⁴ <https://riscnovipazar.rs/>

The total number of employees in business entities in 2020 is 11,133 (54.65% of the total number of employees), of which 7,568 are in companies, and 3,565 are entrepreneurs (or 68:32%).³⁵

According to Serbian Business Registry data, business income for 2021 amounted to RSD 58,114,188 for companies and RSD 11,549,283 for entrepreneurs (83.4: 16.7%).

There is no data on whether there were foreign direct investments in the economy and economic facilities.

Commercial zones

In Novi Pazar, there is one industrial zone on the stretch of Krivača - street Dimitrija Tucovića bb, with a total area of 42 ha. Currently, 30 ha or 71.43% are used, 12 ha or 29% are available. 45 business entities operate in the economic zone.³⁶

5.2.3 Tourism and culture

Tourist infrastructure

The urban settlement of Novi Pazar is a secondary city tourist centre of national importance with mostly year-round offers and the role of a leader in the secondary tourist area. The surroundings of Novi Pazar represent a secondary tourist area as a whole of existing and potential integrated offers of national and regional importance, including the tourist potentials of the surroundings of the urban settlement, with summer and winter offers. Novi Pazar and its surroundings are classified as a cultural area of national importance. The Novopazar spa is classified as a secondary spa resort of national importance with a predominantly summer offer.³⁷ The tourist offer of the LSG and the urban settlement should be networked with the tourist offer of the surrounding primary tourist destinations Golija, Kopaonik and Zlatar - Pešter.

Depending on the type of accommodation and visitor requirements, there is a wide selection of different accommodation capacities in Novi Pazar. The hotels with the highest category are four-star hotels, but in terms of their offer and the service they provide, they are not behind the highly categorised hotels in the large tourist centres in the region. In the hotel offer of Novi Pazar, there are also two- and three-star facilities that are very affordable and highly rated by visitors. Novi Pazar also offers a diverse selection of private apartments, motels and rooms, both in the centre of the urban settlement and in its surroundings, and near important tourist sites. Based on unofficial data, it is believed that a large number of categorised and uncategorised facilities that provide accommodation services operate in Novi Pazar and that the number of accommodation units exceeds the number of 1,000 beds, which largely follows the tendency of the number of visits to increase. In addition, a large number of hotels, apartments and other tourist infrastructure facilities are being adapted and built. The most important tourist facilities are: tourist settlements "Emirović Raj" and "Ras"; hotels "Oxa", "Rah", "Vrbak", "Atlas", "Taj", "S", "Golija", "Dragulj", "Pasha" and others. and spa centre "Termale".

Novi Pazar records a constant growth in the number of tourists. In the last ten years, the number of visits and the number of overnight stays in Novi Pazar, according to the RZZS data, tends to

³⁵ APR

³⁶ Republic Institute of Statistics

³⁷ Draft Spatial Plan of the Republic of Serbia until 2035, MGSI, 2023.

grow by an average of 12% every year, slightly above the 10% increase in visits at the level of the Republic of Serbia. It can be estimated that Novi Pazar is on the upward path of tourism development as a very important economic branch of this part of Serbia.

The most numerous visits are city tours with the surrounding monasteries, which nowadays grow into the so-called city break tours, and which are the main cause of the increase in the number of overnight stays. Cultural and historical monuments on the UNESCO list of world cultural heritage and protected immovable cultural assets are the most important tourist attractions. In the area of the city, the development of the Trans-Romanian culture route, which includes the monasteries of Sopoćani, Đurđevi Stupovi, Gradac, Studenica, Žiža, Ljubostinja and others, is significant. The priority in the development of this cultural road is the restoration of the old medieval road towards the Studenica monastery (in the area of the “Golija-Studenica” biosphere reserve).³⁸

Spa tourism is just starting. Novopazarska Banja got the status of a spa town. Interest in Novopazarska and Rajčinovića spas is increasing. The development of existing spas, Novopazarska and Rajčinovića spas, based on the healing factor - thermomineral waters, should be directed towards specialist spa functions with health (and wellness) programmes, coordinated and networked with the offer of other spas in the tourist destinations of Golija and Kopaonik. One of the preconditions for more intensive development of spa tourism is the equipping and arrangement of the spa area with communal, recreational and green infrastructure.³⁹

The forest and hunting areas of Golija, Rogozna, Vračevac, Hodževo and part of Velika Ninaja represent potential for the development of hunting tourism. The central position and the most significant role in the development of commercially organised hunting tourism should be played by the Jarutsko-Hum forest complex with the Great Ninaj in the area of the Novi Pazar and Tutin LSGs.

At the initiative of the Tourist Organization of Novi Pazar, the procedure of categorizing Novi Pazar as a tourist destination was started. Novi Pazar is on the European list of best destinations (EDEN).⁴⁰

Cultural heritage

Novi Pazar is unique in its mixed culture and represents a specific open-air museum, where a large number of cultural and historical monuments bear witness to the meeting of the cultures of Western and Eastern civilizations.

In the Novi Pazar LSG, there is the Stari Ras with Sopoćani monument area (covering the area of 15 cadastral municipalities), inscribed on the UNESCO list of world cultural and natural heritage in 1979. The monument area of Stari Ras with Sopoćani and the spatial cultural-historical unit of the same name includes all immovable cultural assets (IMC) of exceptional importance:

- the medieval town of Ras (first half of the 12th century) – a cultural monument on a hill called Gradina next to the mouth of the Sebečevska River in Raško, the main stronghold of the Serbian state in the 12th century, the remains of which include:

³⁸ Spatial plan of the city of Novi Pazar, 2012.

³⁹ Ibid.

⁴⁰ <https://www.europeanbestdestinations.com/destinations/eden/novi-pazar/>

fortification ramparts with towers and the main city gate, built in the middle of the 12th century over the remains of an older late antique fortification; Pazarište – a medieval market place/merchant settlement at the foot of the fortification with two chronological phases: the older one from the 14th century with log houses and the remains of three churches with necropolises and the younger one from the second half of the 17th century with the remains of well-preserved stone buildings and with the remains of a three-nave basilica next to the regional road to Tutin (built at the beginning 6th century); and a cave monastery with the church of Archangel Michael (linked to the great prefect Stefan Nemanja) under the rocky cliff of the fortification, with several caves-hermitages;

- Sopoćani monastery (mausoleum of King Uroš from the sixth decade of the 13th century) - with a monumental painting of the church of St. Trinity, which ranks among the most impressive frescoes of Byzantine painting;
- Đurđevi Stupovi monastery (built by the great prefect Stefan Nemanja in 1171, restored and completed by King Dragutin at the end of the 13th century) - a complex consisting of the remains of: the church of St. Đorđa (a single-nave building with a three-part altar space, a nave with a vestibule and a chancel flanked by two towers) which basically belongs to the early Raška school, the external appearance is influenced by Romanesque architecture, while the fresco painting in the best tradition of the Komnenian style is quite damaged and partly transferred to the National Museum in Belgrade; as well as the remains of the refectory (renovated), the dormitory, the cistern, the monastery walls and the entrance tower with an apse (the chapel with the burial place of King Dragutin);
- Church of St. Apostles Peter and Paul, known as Peter's church - among the oldest sacral monuments on the soil of Serbia and the episcopal seat in the 10th century, with a pre-Romanesque conception of a building with a circular base with a dome, which has been supplemented with new elements on several occasions, and with three layers of fragmentary preserved paintings which, according to stylistic characteristics, are dated to the period 9-10. century, the end of the 12th and the last decade of the 13th century, as well as the necropolis next to the church with monumental tombstones; and
- Novopazar fortress with the Old Bazaar and the complex around the Altun-alem mosque, a spatial cultural-historical unit;
- as well as other categorised immovable cultural assets, recorded archaeological sites and unexplored objects of folk architecture.⁴¹

The monument area and spatial cultural-historical unit Stari Ras with Sopoćani is exposed to the concentration of economic activities, the expansion of settlements (construction areas) and illegal construction. That is why the Spatial Plan of the Special Purpose Spatial Cultural-Historical Entities Stari Ras with Sopoćani established protection zones with different regimes (zone of cultural property in the 1st degree of protection, protected environment of cultural property in the 2nd degree of protection and zone in which the landscape is protected in the 3rd degree of protection) for the two units Stari Ras with Sopoćani (782.7 ha) and Đurđevi Stupovi - Church of St. Apostles Peter and Paul (250.08 ha).⁴²

⁴¹ Spatial plan of the city of Novi Pazar, 2012.

⁴² Spatial plan of the special purpose area of Spatial cultural and historical units Stari Ras with Sopoćani, "Official Gazette of the RS", number 47/2012

There are 10 cultural monuments in the IMC category of great importance in the area of LSG: Novopazar fortress, Altun-alem mosque, Old hamam and Amir-agin han (Novi Pazar), the medieval town of Jeleč (Grubetiće), and the church of St. Marine-Marinica (Dojinoviće), Sv. Lazara (district Živalići), Sv. Peter and Paul (Pope), St. Nicholas (Štitare) and St. Dimitrija (Janačko Polje).⁴³ Another 34 IMC were categorised and 410 archaeological sites were recorded.⁴⁴

In the urban settlement of Novi Pazar, the most important IMC of great importance are the following monuments of Islamic culture:

- Altun Alem mosque - the mosque with the buildings in the immediate vicinity form a unique complex built in the middle of the 16th century by Muslihedin Abdul Gani. The mosque is a one-room domed building with two-bay roofed smaller domes, built of alternately pressed and broken stone with rows of bricks, while the porch and twelve-sided minaret are built of sandstone blocks, with a representative mekteb and cemetery next to the mosque.⁴⁵
- Isa-bey's Hamam - also known as the Novopazar Stari Hamam - is a public bath in the immediate vicinity of the Old Bazaar, on the right bank of the river Raska, built in the second half 15th week. An example is the so-called dual open with symmetrically placed separate male and female rooms.
- Amir-agin Khan - it is believed that the Khan has existed since the 17th century, but there is no precise information about the time of its creation. It represents the only remaining monumental building from that period.
- Novopazar fortress - it was built in the middle of the 18th century, to get its present appearance with a triangular base with three bastions on the corners in the 19th century.⁴⁶

In the urban area categorised as IMC are the monuments Kurt - Celebija's mosque, Hadži Hurem's mosque with cemetery, Lejlek mosque, Galizar cemetery with turbet, church of St. Nikole, Great Cemetery - Parice, Jewish Cemetery, Old Court Building, Uniprom Administration Building, Mitropolija Building, "Ras" Museum, Monastery of St. Varvara, the Old Hamam and thermal baths in Novopazarska Banja, as well as the archaeological site of Gradina. In the immediate zone of influence of the urban settlement, in the settlement of Deževa, a medieval necropolis with the remains of a church has been categorised as an IMC archaeological site.⁴⁷

5.3 URBAN ENVIRONMENT

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

The founder of Novi Pazar, Isa-beg Isaković, founded the town next to the existing Market. Already in the 15th century, it was mentioned in Dubrovnik records, primarily because of its location, as a stop on the way between Dubrovnik and Istanbul, and other parts of Europe. That entire period, up to World War I, was marked by the development of Ottoman urbanism.

⁴³ List of immovable cultural assets of great importance, Republic Institute for the Protection of Cultural Monuments, 2023. https://heritage.gov.rs/latinica/nepokretna_kulturna_dobra.php

⁴⁴ Spatial plan of the city of Novi Pazar, 2012.

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ Ibid.

At that time, Novi Pazar was conceived on the principle of: bazaar, as a centre where public life (trade, crafts, administration) takes place, and mahalas, as residential areas in the surroundings where people live. The settlement was an Ottoman “kasaba”, with a network of narrow streets and human-scale buildings with a maximum height of P+1.

After the period of the First World War, the settlement began to lose its importance, and with the construction of important roads during Yugoslavia, it became marginalised and underdeveloped. In the period after World War II, the centre of the urban settlement was developed following the example of other larger cities in the former Yugoslavia, with socialist-style buildings. Many traditional buildings and parts of the old bazaar have been demolished, and the centre is losing the shape and spirit of an Ottoman kasaba. In the 1960s, the urban settlement received the first GUP, which, unfortunately, has not been fully complied with even today, although the concept has largely been retained in today’s plans. A large number of high-rise buildings intended for collective housing are being built and settlements are emerging that put the former hamlets in the background.

One of the most difficult periods of urban development was the 90s of the last century, with large population migrations and enormous growth of wild settlements. A huge number of family housing facilities were then built without permission, with narrow streets, no infrastructure and no plan.

The first two decades of the 21st century were marked by the expansion of the construction of multi-story buildings for multi-family housing by private investors. This construction changed the image of the urban settlement. This is mostly reflected in the lack of green areas, unkempt ground floors, lack of parking spaces, all along the streets inherited from previous periods. The construction of these buildings was not marked by the aesthetic component of the design or the infrastructure that would accompany the sudden increase in housing construction in the former hamlets.

5.3.2 Urban area

Settlement network

Novi Pazar is an urban centre of national significance, that is, an urban area with an influential zone with more than 40,000 inhabitants.⁴⁸ In the immediate zone of influence of Novi Pazar are the settlements: Postenje, Prćenova, Pilareta, Srednja Tušimlja, Golice, Požežina, Batnjik, Koprivnica, Cokoviće, Trnava, Osoje, Hotkovo, Izbice, Brđani, Leča, Oholje, Mur, Paralovo, Bajevica, Lukocrevo, Varevo, Šavci, Pobrđe, Vidovo, Sebečevo, Ivanča and Vojniće.

The function of sub-centres on the territory of LSGs are the settlements: Lukare (with the settlements of Lukarsko Goševo, Čašić Dolac, Kruševo and Kožlje), Požega (with the settlements of Sitniće, Rajčinovička Trnava, Rajčinoviće and Rajčinovička banja) and Deževa (with the settlements of Aluloviće, Gornja Tušimlja, Pusta Tušimlja, Rajkoviće, Sudsko Selo, Skukovo, Dolac, Miščiće, Boturovina). and Kosurice).

In the network of settlements, 11 settlements function as village community centres - Vranovina (with the settlements of Polokce, Tunovo and Bekova); Šaronje (with the settlements of Tenkovo,

⁴⁸ 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.

Rast, Kuzmicevo, Dramiće, Kovačevo and Pustovlah), Bele Vode (with the settlement of Muhovo), Rajetiće (with the settlements of Bare, Kašalj, Smilov Laz, Zlatare and Javor), Odojeviće (with the settlements of Vučja Lokva, Negotinac, Lopužne, Pasji Potok and Brestovo), Građanoviće (with the settlements of Jablanica and Jova), Grubetiće (with the settlements of Vojkoviće, Dragočevo, Žunjeviće and Vitkoviće), Dojinoviće (with the settlements of Pope and Vever), Vučiniće (with the settlement of Pavlje), Štitare (with the settlements of Janča, Radaljica, Goševo, Okose, Rakovac and Osaonica) and Doljani (with the settlements of Zabrđe, Slatina and Gračane).

Settlements with specific tourist functions are Rajčinovička Banja, Bele Vode and Šaronje (Golija Nature Park), and Vučiniće (Gazivoda reservoir). The Novi Pazar spa is a morphological and functional part of the urban fabric of Novi Pazar.⁴⁹

Urban areas

The GUP zone, which is mainly a construction area, consists of 17 settlements. In addition to the area covered by the GUP, built parts of suburban settlements Mur, Izbice, Trnava, Novopazarska banja and Postenje are morphologically and functionally connected to the urban settlement. Suburban parts of the settlement should develop central functions and public spaces as secondary/local centres of the urban settlement.

An urban settlement has only one centre where public life takes place - administration, economy, trade, culture, etc. There are no secondary and local centres in the urban settlement where citizens could meet their daily needs.

Most of the settlements are former mahals - family houses, along narrow streets. The expansion of construction in recent decades has disrupted that concept with high-rise multi-family housing. In the central zone, the planned collapse of the urban structure is noticeable, as multi-storey buildings are being built without accompanying facilities, often with unsatisfactory infrastructure and on the found matrix of narrow streets (alleys).

Newly formed urban units were not planned and built with public open spaces. In the central zone and most of the settlements there is a lack of open public spaces (parks, recreational areas and street greenery).

Brownfield locations

There is an active barracks in the part of the urban settlement "Soldier's Meadow", at a distance of about 1 km from the central zone, which occupies more than 26 ha on flat terrain suitable for the development of a new settlement.

In the settlement of Izbice, right next to the Novopazar spa, there are military premises that are not in use. Their purpose is limited with protection from construction. The distance from the central zone is about 4 km.

⁴⁹ Spatial plan of the City of Novi Pazar, 2012.

5.3.3 Natural environment

Protected natural assets

The biosphere reserve “Golija - Studenica”, registered on the UNESCO world network of biosphere reserves (MAB), is not located on the territory of the Novi Pazar LSG. Golija Nature Park, a natural asset of exceptional importance, in the area of the Novi Pazar LSG covers an area of 49.26 km² on the territory of 5 cadastral municipalities Dramiće, Kuzmićevo, Muhovo, Rast and Radaljica. A level III protection regime has been established in the covered area. The settlements of Bele Vode (LSG Novi Pazar) - Dajići (LSG Ivanjica) are planned to be developed as a dual tourist centre, and the settlements of Šaronje as an entry point to the Nature Park.⁵⁰

Planned for protection is the natural asset Ras - Sopoćani - Đurđevi Stupovi.⁵¹

The Golija and Ras - Sopoćani Nature Parks are included in the ecologically significant areas of Serbia.⁵²

Green infrastructure

Within the construction area of the urban settlement there are separate green areas such as the city park and recreation centre, protection zones for the cultural and historical monuments Đurđevi Stupovi - Peter's Church, and in the area covered by the GUP outside the construction area, these are fragments of autochthonous forest complexes and forested areas.

Greenery in the construction area is determined as follows: parks with a total area of 9.30 ha, squares with a total area of 0.60 ha, forest park with a total area of 45.90 ha, greenery and specific greenery with a total area of 62.10 ha, forests in the protection zone with a total area of 152.60 ha and linear rows of trees.

The area of greenery outside the construction area includes existing and planned forests with a total area of 410.00 ha.

The area of the forest park of cultural and historical monuments is attacked by individual construction, which can still be considered sporadic.

According to the 2011 population census, 66,527 inhabitants lived in the settlement of Novi Pazar, so the standard of 1.49 m was reached.² area of public parks per inhabitant, i.e. 8.39 m²/st including the forest park in the urban area or 40.7 m²/st if specific greenery and forests in protection zones are taken into account. Taking into account that the number of inhabitants in the settlement has grown further up to today, and comparing with the GUP standard that the minimum required area is 25 m²/st of square meters per inhabitant, Novi Pazar is far from the epithet “green city”. Most of all, there is a lack of park areas in the settlements, as well as trees/tree rows in the centre of the urban settlement⁵³.

Also, in relation to European standards for green areas and recreation areas of 20-40 m² per inhabitant, i.e. 5-7 m² in small towns with unfavorable relief and climatic conditions for greening,

50 Spatial plan of the special purpose area of the Golija Nature Park, “Official Gazette of the Republic of Slovenia, number 16/2009.

51 Draft Spatial Plan of the Republic of Serbia until 2035, MGSI, 2023.

52 Regulation on ecological network, “Official Gazette of RS”, number 102/2010.

53 General urban plan of Novi Pazar 2020.

it can be concluded that Novi Pazar is below all standards, because except for 10 ha of public areas, all others are listed in a special regime of use and outside the urban area.

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

Spatial differentiation of the environment according to international standards and examples of good practice, taking into account the current state of environmental quality, includes four categories, namely:

1. Areas of polluted and degraded environment (localities with exceeding limit values of pollution, urban area of Novi Pazar, landfills, watercourses of class IV and “out of class”) with negative impacts on humans, flora and fauna and quality of life. For this category, such solutions should be provided that prevent further degradation and reduce the effects of limiting development. It is necessary to rehabilitate and revitalize degraded and endangered ecosystems and rehabilitate other consequences of pollution, in order to create a better environment, preserve people’s health and improve the quality of life.
2. Areas of endangered environment (localities with occasional exceeding of limit values, suburban settlement zones of the most endangered areas from category I, weekend settlements, national roads of class I and II, intensive agriculture, watercourses of class III) with minor impacts on humans, the living world and quality of life. In these areas, further degradation should be prevented and the existing condition should be improved, in order to reduce the threat to the environment as a limiting factor of development. It is necessary to determine the most adequate ways of using natural resources and space with the aim of preserving natural values and improving the environment, engaging in traditional economic activities, preserving and improving the quality of life of the local population.
3. Areas of quality environment (forest areas, tourist zones of controlled development, agricultural and fruit growing zones, areas with natural degradation - eroded surfaces, landslides, floodplains, etc., meadows and pastures, hunting and fishing areas, watercourses of the II class) with predominant positive effects on people, the living world and quality of life. For these areas, solutions should be provided that eliminate or reduce existing sources of negative impacts, or increase positive ones as a comparative advantage in development planning. It is necessary to reserve and 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, watercourses of the first class) in which positive influences on man and the living world dominate. Such solutions should be provided that maintain the existing state of environmental quality and protect naturally valuable and preserved ecosystems.⁵⁴

⁵⁴ Draft Spatial Plan of the Republic of Serbia until 2035, MGSI, 2023.

Air

According to the data of the automatic air quality measurement station in Novi Pazar for the period September 2021 - September 2022, exceeding the hourly and daily limit values of pollutants in the air was detected. Exceedings are during the heating season, i.e. pollutants in the air originate from the products of burning solid fuels.

Water

The most important watercourses in the territory of Novi Pazar are the rivers Ljudska, Jošanica and Dežava, which flow into the Raška river in the area of the city of Novi Pazar. The Raška River flows in a northeast direction and flows into the Ibar River near the Raška settlement. All mentioned watercourses, except Dežava, are of the first order.

Until now, there is no systematised monitoring data carried out by the Environmental Protection Agency to determine the status of water bodies of surface waters of the mentioned watercourses of the first order in Novi Pazar, but there are measurement results that are carried out every year on 5 watercourses in 10 places. The average of the quality of surface water courses indicates that the quality of surface water ranges from II to V class. It can also be concluded that the quality of water in IV and V class watercourses was measured at the places where they pass through the settlements and at the exit from the settlements, and that the same watercourses are quality class II and III before entering the settlements. Pollution of watercourses originates from waste water from settlements that are discharged into rivers without treatment.

The quality of the water is worrisome, because the river water in the city even reaches the V class of quality, which can cause the death of living things in the water. The construction of sewerage and wastewater treatment plants would largely solve this problem.

Land

The level of soil pollution is measured every year at 7 different places in the LSG, and the results show that there is an increased concentration of nickel in all the measuring places, and that sporadically in some places there is an increased concentration of lead, copper and zinc.

Also, pollution can originate from irrigation with water from polluted rivers.

Open

Noise is measured in Novi Pazar every year at 13 places and four times, two during the day, one in the evening and one at night. The average results show that in the majority of measuring places the average noise level exceeds the permitted limit values in the evening and at night, and that noise pollution mainly occurs as a result of the increased volume of traffic.

Heat islands

The existence of heat islands has not yet been expressed, but with the expansion of construction, where there is a noticeable lack of green areas, in concrete and asphalt, it can be assumed that the central zone is a heat island.

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

Floods

The area of LSG Novi Pazar belongs to the basin of the Raška River with its tributaries, the most important of which are the Jošanička River, the Deževa River and the Banjska (Izbička) River. The total length of the watercourse network is 879.5 km. The rivers Raška, Jošanica and Ljudska river belong to the waters of the first order. The larger right tributaries of Raška are: Slatinska and Sebečevska river, Jošanica, Izbička and Jovska river, and the larger left tributaries are: Ljudska, Deževska and Tušimska reka. In addition to the mentioned watercourses, there are also several streams on the territory of the LSG. All watercourses are torrential in nature, where there is a danger of overflowing and flooding in the event of a rise in the water level.

As a result of heavy rains and melting snow, all rivers, both of the first and second order, overflow, which endangers all the settlements that gravitate along the riverbeds, infrastructural facilities and traffic roads located on the banks of the rivers or in their vicinity. Agricultural areas in river valleys are also threatened. This has been confirmed on the latest hazard and flood risk maps of the Raška and Jošanica rivers (JVP "Srbijavode", 2020), where significant threats and risks have been identified in the wide coastal zones of Novi Pazar for flood waves with a return period of only 50 years.

Groundwater in the territory of the LSG occurs during the year in case of heavy, long-lasting rains and melting snow. Since all the rivers in the territory of the LSG are torrential, there is a great danger to the lives of people living on the banks of those rivers and near the banks if they do not move to safer places in time. Based on the assessment, around 700 - 1,000 inhabitants are at risk on all watercourses. LSG Novi Pazar has been facing frequent floods in the last few years due to unorganised riverbeds and the presence of waste along the riverbeds. This situation and behavior leads to the narrowing of the riverbeds and to the reduction of their capacity. Along the riverbeds, there are also built objects of illegal construction, as well as improvised bridges with smaller dimensions, which further complicates the regulation of these watercourses.

In order to achieve adequate defense, removal or reduction of the consequences of floods for the territory of LSG Novi Pazar, in 2016, the Operational Plan for flood defense for waters of the II order was adopted.

Flood barriers were built at Jošanica, Trnavica, Banjska, Sebečevska, Tušimska, Jovska, Cvrnjska, Kruševacka, Ljudska river and Jusif stream. Built flood barriers prevent rivers from overflowing their banks, thereby reducing the possibility of major damage in urban and suburban areas of Novi Pazar. Upstream from Novi Pazar, the Vučinića dam and reservoir on Ljudska river, as well as the Barkovo dam and reservoir on Jošanica, are planned in the planning documents of the water industry.⁵⁵ which would have a positive impact on water management regimes and flood protection.

The riverbeds of the Raška and Jošanica rivers in the central zone of the urban settlement have been regulated, i.e. the riverbeds are mostly lined with concrete or stone, but there are numerous buildings along the banks of the rivers, which makes it extremely difficult to completely regulate the riverbed and build passive flood defense systems (embankments). Deževska and

⁵⁵ Spatial plan of the city of Novi Pazar, 2012.

Banjska rivers are regulated only locally in the area of road bridges. The most important of the watercourses is the Raška river, with a catchment area of 1,193 km². The Raška river is dammed on a 5 km section from the confluence of the Deževska and Banjska rivers into the Raška river to the Poljil bridge in the Lug settlement, in the immediate vicinity of the “Adel” carpet service. The untouched part of the Raška River is a section of 4.5 km from the “Adel” carpet service, through the entire Selaković settlement to the “Saz” restaurant in the Pazarište area.

In the area of the urban settlement, the riverbeds are largely neglected and overgrown with vegetation, the riverbanks are occupied by wild construction, and many bridges were built without permission and project documentation, all of which contribute to the real possibility of all rivers overflowing. Practice has shown that floods occur in February and March, when the melting of snow is supported by rain, and in the autumn months when heavy rains fall. Since all rivers are torrential in character, they have great destructive power and often leave real devastation behind them.

According to data on previous floods in the territory of the LSG, the following settlements were most at risk: Mur, Jaklje, Trnava, Ćerimindžinica and Šutenovac. Major consequences occur in the urban and suburban part of Novi Pazar due to the rise in the water level of the Raška River and its tributaries.

The road routes at risk are state roads of the IB order no. 22 N. Pazar - Ribariće from Zelena pijaca upstream from the Lukoil pump; IIB order no. 413 (connection with state road 22) Novopazarska Banja - Izbice from Banjska Petlje upstream to Novopazarska Banja; IIA order no. 203 Doljeviće - Pazarište - Tutin - Bregovi from the Kruševac bridge upstream to the weekend settlement towards Belanjska and a large number of local roads that extend along the watercourses, as well as those located in the immediate vicinity.

The consequences for the environment are visible after the withdrawal of water. They are mostly reflected in the disturbance of plant vegetation, the presence of a large amount of waste of different types and the turbidity of water courses.⁵⁶

Earthquakes

The territory of LSG Novi Pazar is located in an extremely fragile area, near the Kopaonik region, which is characterised by intense seismicity of the terrain. The maximum intensity of an earthquake that can occur on the territory of Novi Pazar, which is outside the primary impact zone and in one seismic zone, based on data on earthquakes in the last 50 years, can, in the worst case scenario, be a maximum of 9 MCS.

In the event of an earthquake, the entire territory and the total population of the LSG and the urban settlement of Novi Pazar would be at risk. Given the greater concentration of residential, public, commercial and industrial facilities in the urban area, the consequences in this area would be far greater in contrast to less populated rural areas, which are less infrastructurally burdened.

Landslides

In the territory of the Novi Pazar LSG, most of the terrain on the slopes of the existing mountains is subject to sliding, both due to groundwater and heavy rainfall and snow melt. On all slopes

⁵⁶ Source: Assessment of vulnerability to natural disasters and other disasters of the City of Novi Pazar

- slopes due to heavy rainfall and snow melting, there is a possibility of landslides, which has happened more intensively in the last 5-6 years. In 2006 alone, 224 landslides and landslides of various sizes were recorded, from small (several cubic meters of land) to large (over 10,000 m³ countries). The largest number of landslides and watersheds appeared after heavy rainfall in 2006, 2010 and in March 2016 on all valley sides of the Raška, Jošnica, Sebečevska river, Izbička, Deževska, Trnavska and Ljudska rivers in the villages of Trnava, Jaklja, Pašino Gumno, Kosuriće, Štitare, Belanjska, Grubetiće, Leča and Koznik.

Erosion

Erosion on the territory of LSGs is most often caused by uncontrolled forest cutting and atmospheric precipitation. The biggest changes occur on bare surfaces. The following erosive areas have been determined on the territory of the LSG: Novi Pazar erosive area (parts of the area: Podbijelje, Svojbor, Jaklja, Šutenovačko brdo, Tepe, Praničko brdo, "Erosija" and Semenjača) and rural erosive areas (parts of Trnava, Brđane, Leča, Mur, Oholje, Žunjeviće, Sitnice, Požega, Rajčinoviće, Vidovo and Vojniće, and the entire Kožlje, Lukarsko Goševo, Sebečevo, Slatina, Zabrdje, Šavci, Kosuriće, Kovačevo, Postenje and Izbice).

Climate and climate change

Novi Pazar has a moderately continental climate with distinct seasons. Since the middle of the last century on the territory of the Republic of Serbia, there has been a significant increase in the mean, maximum and minimum daily temperature. According to available data⁵⁷, climate changes in the Novi Pazar LSG, which 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 Novi Pazar will have a slightly higher temperature increase than the average for Serbia
- An increase in mean maximum and minimum temperatures, where the rise in temperature during the colder part of the year will be slightly lower than the rise in temperature during the warmer part of the year
- 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.

Waste management

The system of collecting, transporting and disposing of municipal waste is entrusted to PUC "Gradska čistoća" Novi Pazar. Waste is disposed of at the "Golo Brdo" landfill, which is about 25 km from the centre of the urban settlement. About 60,000 tons of waste are disposed of on

⁵⁷ "Observed climate changes in Serbia and projections of the future climate based on different scenarios of future emissions", UNDP Serbia, 2018

an annual basis (40 tons in Novi Pazar and 20 tons in Tutin).⁵⁸ There is a recycling centre within the company, which collects, treats and transports recyclable waste.

In LSG there are also operators who take over and collect certain types of non-hazardous waste (waste cooking oil, tires, metals, etc.), but recycling is still at a very low level.

There are individual locations where waste is illegally dumped - wild landfills. Their number varies and there are around 30 illegal landfills on the territory of the local community.⁵⁹ It is estimated that the biggest landfills are the Raška and Jošanica rivers, and most of them are in the urban area.

It is necessary to rehabilitate the “Golo Brdo” and “Batnjik” landfills, for which rehabilitation projects have been completed.⁶⁰ The formation of a regional centre for waste management was initiated (for LSG Novi Pazar, Raška and Tutin).

5.3.5 Primary communal infrastructure

Water supply

Water supply system

Novi Pazar's complete water supply is provided by the plant for the preparation of drinking water - the filter plant “Hadžet” in the centre of the urban settlement on the hill of the same name. The “Hadjet” plant processes water from the water intake on the Raška River, located a few kilometers outside the urban settlement. The existing water production capacities have almost reached the maximum amount of water that can be taken from the water intake on the Raška River.

The protection of the catchment is a donation from the Luxembourg government and can be considered adequate, which does not mean that the level of protection should not be constantly increased. The water catchment is not threatened by wild construction, at least for now, and the primary and potential polluters can be visitors to the picnic area on the Raška River, as well as the catchment area of Donja Peštera - Delimeđe itself.

The total production of drinking water on an annual basis is around 14,000,000.00 m³. Water consumption for the technical and technological needs of the filter plant, technical losses in the water supply network and administrative losses should be deducted from that amount, and the rest is distributed to consumers. Currently, it is difficult to establish the exact amount of water consumed by end consumers, but water losses can be assessed as unreasonably high.

The number of water consumers - households connected to the water supply is about 22,400, while the number of other consumers (business consumers) is about 2,700.

The approximate average consumption of invoiced water per inhabitant in the household can be rounded to 5-7 m³/monthly.

After the implementation of the donation from the Luxembourg government, which included the design and execution of part of the works on the water supply system (water intake, plant

⁵⁸ Plan of sustainable development of Novi Pazar 2021-2030.

⁵⁹ Ibid.

⁶⁰ Ibid.

for the preparation of drinking water, facilities), there are almost no restrictions on water supply. The lack of a water supply network is evident mainly in the peripheral parts of the urban settlement. Roughly estimated, some 10-15% of households are still not connected to the public water supply system, due to the lack of construction of the water supply infrastructure.

Sewage system

Novi Pazar lacks a primary sewage network. This lack of a primary sewage network caused waste and used water to flow into the river watercourses in several places through the secondary sewage network. At least 30% of waste water ends up in river courses upstream or in the urban settlement itself, which greatly impairs the quality of the water in the watercourses.

A big problem is the connection of rain and fecal sewage in many places in the urban settlement, even though these two systems are designed as independent - separate. A very large number of buildings are connected to the fecal sewage network with their respective catchment area.

A wastewater treatment system does not exist, but it is planned.

Energy

Hot water system

In Novi Pazar, there is a district heating system provided by PUK Gradska toplana. At the moment, around 1150-1200 residential units are using the services, while around 130 entities are from the business category. Mostly, the narrower central zone, which receives heat from the newly opened biomass and gas boiler house, is covered by a network of heating pipes and about 90% of users are concentrated there, out of a total of 95-97% of users provided by this boiler house. The other two boiler houses are in the settlements of Lug and Bor and they serve the blocks of buildings concentrated around them and one high school.

There is a certain interest in connecting buildings to DSG in other parts of the urban settlement that have a significant number of newly built multi-family housing, but there is no developed network of heating pipes and/or a central heat source. The main reason for non-connection, where it is possible and technically feasible, is reflected mainly in the cost of the investment. It should also be noted that, according to the issued technical conditions for connection for buildings that have received a construction permit, the consumption of the new biomass and gas boiler house has already been filled and that it is necessary to think about its expansion.

Buildings that are not users of the district heating system of JKP Gradske toplane mainly use wood, pellets and coal in their individual fireplaces. Some get heat from electric boilers, as well as through heat pumps.

Gas pipeline system

There is no gas distribution through gas pipelines in LSG Novi Pazar.

Electric power system

Of the 390,631 MWh of electricity taken over, household consumption is 162,265 MWh, other users 79,157 MWh, while even 149,210 MWh are losses (32.2%).

The consumption area of LSG Novi Pazar and Tutin receives electricity from three directions:

- from the substation TS 220/110 kV “Kraljevo-3” via the 110 kV connection TS 220/110 kV Kraljevo -3” - TS 110/35 kV “Raška” - TS 110/35 kV “Novi Pazar-”1”;
- from the direction of HPP “Uvac” via the 110 kV connection TS 110/35 kV “Sjenica” - TS 110/35 kV “Novi Pazar-1”;
- from the direction of TS 110/35 kV “Valač” via the connection TS 110/35 kV “Valač” - TS 110/10 kV “Novi Pazar-2”.

Based on the data from the study prepared by the “Nikola Tesla” Institute for the ED Novi Pazar Branch, it was concluded that this is one of the most endangered parts of the EPS transmission network.

The distribution area of the ED Novi Pazar branch is supplied by two 110/x kV substations: TS 110/35 kV Novi Pazar 1 with an installed capacity of 2x31.5 MVA and TS 110/10 kV Novi Pazar 2 with an installed capacity of 1x31.5 MVA. The total installed power of all TS 35/10 kV is 67.5 MVA. The total number of 10/0.4 kV substations is 630 (Novi Pazar 429; Tutin 201) with an installed capacity of 218.29 MVA. Given that the peak loads of TS 110/35 kV “Novi Pazar-1” substations are 63,327 MVA and TS 110/10 kV “Novi Pazar-2” 30,030 MVA, it can be concluded that TS 35/10 kV and TS 10/04 kV substations are operating in overload mode. Also, it is necessary to emphasize that around 30 TS 10/04 kV substations mostly operate in overload mode, which is why most of the newly built residential buildings do not have the possibility to connect to the electrical network.

All power facilities in Novi Pazar with a voltage level of 35 kV and 110 kV were built in the distant past and there are no newly built facilities of this type in recent times, which means that the construction of power facilities did not follow the increase in the number of inhabitants and the growth of economic facilities. For this reason, today there are almost no free capacities for the connection of new production plants of higher power as well as residential buildings with a larger number of residential units, although their construction has intensified in the last few years. LSG Novi Pazar did not have its own plans for the construction of power facilities, but relied on plans for the development of power facilities made by Elektroprivreda Srbije.

Short-term measures to improve the energy situation of consumption of LSG Novi Pazar are:

- Construction of a new substation TS 110/x kV in Tutin, which will relieve TS Novi Pazar 2 of the amount of electricity consumed by Tutin consumers;
- Construction of a TS 35/10 kV substation with a connecting transmission line in the grounds of the Novi Pazar General Hospital;
- Construction of TS 1 x 1000 kVA substation with 10 kV connection transmission line for the village of Erosija;
- Construction of TS 2 x 630 kV substation with connecting 10 kV transmission line for Vojniće settlement;
- Preparation of project documentation for the construction of TS 2 x 1600 kVA with connecting transmission line 10 kV for the needs of the wastewater treatment plant in Požežina settlement;
- Reconstruction – increasing the power of the existing 10 kV substations operating in overload mode.

Long-term measures to improve the energy consumption of the city of Novi Pazar

- Construction of double transmission line 2x110 kV “Kraljevo -3” - “Novi Pazar -1”;
- Construction of TS 110/X kV substation “Novi Pazar 3” in Mur settlement;
- Construction of a new substation TS 35/10 kV “Dojeviće”;
- Construction of TS 2*1600 kVA substation; 10 kV in the settlement of Požežina, for powering the “Wastewater Treatment Plant”;
- Construction of new substations TS 10/04 kV according to the expressed needs of consumers;
- Reconstruction - replacement of existing public lighting with new energy-saving lamps⁶¹.

It is not possible to say exactly the number/percentage of buildings that are not connected to the power grid, but that number can be linked to the number of buildings in the legalization procedure and to the number of buildings that were illegally built after 2015 and cannot be connected to the power grid.

In this sense, the primary reason for non-connection is illegal construction, given that Elektrodistribucija requires a certificate that the building was built legally.

As for the Roma settlement of Blaževo, it is covered by the power grid and supplied from it.

Energy efficiency

The new biomass and gas boiler room uses renewable energy sources. The main source of energy is wood chips. Given that the procedure for issuing an energy passport is related to the issuance of a use permit, a very large number of buildings without a use permit do not have energy passports.

According to the records of the Department of Urban Planning and Construction, energy passports were issued for 19 objects of category A, 4 for objects of category B, 12 for objects of category V and one for objects of category G.

5.3.6 Primary traffic infrastructure and traffic

Traffic network

LSG Novi Pazar provides traffic connections with the surrounding area through state road IB order no. 22 - Belgrade - Ljig - Gornji Milanovac - Preljina - Kraljevo - Raška - Novi Pazar - Ribariće - state border with Montenegro (Mehov Krš border crossing); state road IB order no. 29 - state border with Montenegro (Jabuka border crossing) - Prijepolje - Nova Varoš - Sjenica - Novi Pazar; and state road IB order no. 32 - Ribariće - Zubin Potok - Kosovska Mitrovica. It is connected with smaller centres and other settlements in the surrounding area by a network of IIA state roads: no. 198 - Raska - Kutli - Odvračenica - Preko Brdo; no. 199 - Novi Pazar - Deževa - Odvračenica; no. 203 - Doljeviće - Pazarište - Tutin - Bregovi; no. 204 - Pazarište - Monastery Sopoćani - Bačica - Rasno; no. 206 - Novi Pazar - Brđani - Banjska - Balaban; and IIB state roads: no. 413 - connection with state road 22 - Novopazarska Banja - Izbice - Lopužnja - administrative line of AP Kosovo and Metohija.

State roads are not satisfactory:

⁶¹ Source: Plan of sustainable development of the city of Novi Pazar 2021-2030.

- 86 km (50% of the length) is partially satisfactory in terms of road quality and safety elements,
- 52 km of state roads (20% of the length) require reconstruction because they are worn-out asphalt from the 70s and 80s.
- 35 km of national roads (20% of the length) are still covered with macadam.

The urban settlement does not have a bypass, although the construction of the first shortest southeastern section (5.3 km long) began 16 years ago, but the problem was land expropriation. PC Putevi Srbije has so far built about 4 km of this section on the Požega-Mur route. Completion of the started route Požega-Mur will not displace freight traffic from the urban settlement, but will “relieve” the load on state road IB row no. 29. Only with the construction of the complete ring road (north-east and south-west sections) will it be possible to adequately move freight and transit traffic from 10 city streets.

Other types of traffic infrastructure are not represented in the territory of the LSG. This is why there are no intermodal hubs.

A single-track railroad Raška - Novi Pazar is planned.

The distance from Novi Pazar to Niš Airport “Konstantin Veliki” is 182 km.

The urban settlement is problematic from the point of view of traffic safety, because the street system, due to its profile, cannot handle the daily load of a large number of vehicles and pedestrians. A special problem is the fact that two IB state roads pass through the urban area (No. 22 and 29), which are the main city streets.

In the majority of streets, apart from the inadequate roadway profile, the sidewalks are narrow and below any standard for safe pedestrian movement. An additional problem is the lack of parking spaces.

The sections at risk on state roads are: IB 22 Banjska Petlja - Mur (entire section), IB 29 Banjska petlja - Dojeviće (except for the section over Vojnički livada), IIA 199 Šestovo - Deževski put (Meša Selimović Elementary School zone) and IIA 206 Karahodžić ćuprija - Trnava (Camil Sijarić Elementary School zone and Đura Jakšić Elementary School zone). Threatened zones on the city streets are: the roundabout in the centre, the “under the park” intersection, the intersection near the bus station (Bratstvo Elementary School zone), the intersection of Oslobođenja and Veljko Vlahovića streets (Rifat Burdžević Tršo Elementary School zone), Generala Živkovića Street (Vuk Karadžić Elementary School zone) and 37th Sandžačka Division Street (28 November Elementary School zone).

Public city and suburban transportation

Public city and suburban transport is not adequately developed. PCT (bus service) exists, but it does not meet the needs of citizens. The network of lines is inadequate and with a small number of vehicles. Most citizens do not use public transport at all. Exceptions are primary and secondary school students for whom the monthly ticket is paid by the LSG.

PCT services are not provided by the private sector, because only the local company Sandžaktrans has applied for PCT service providers in all tenders so far. The fact that there is no interest from other carriers has led to the situation that Sanjaktrans has a complete monopoly and therefore

does not fulfill the obligations assumed by the contract in terms of emission class and age of vehicles, the number of vehicles on the streets, arrangement of stops, dynamics and regular maintenance of lines. On the other hand, the LSG is forced to tolerate it because otherwise they would be left without student transportation.

The company HSandžaktrans operates a total of 19 urban and 15 suburban lines in Novi Pazar. The lines contracted in this way are often “repackaged”, so there are fewer lines on the ground that serve more settlements, two or three lines are connected.

In addition to the basic provision of public urban and suburban transportation services, the LSG has concluded an annex to the contract, which additionally pays for the transportation of students for 8 elementary schools.

Pedestrian zones

In the urban area, there are the following pedestrian zones - the entire 28. November street, Isa-beg Isaković and Srđan Aleksić squares, Žitni trg, the pedestrian zone in Vuka Karadžića street, the “Jaz” pedestrian zone and the Recreation centre.

There are organised pedestrian zones along the riverbeds of the Raška and Jošanica rivers.

Bicycle traffic

Due to the narrow profile of the roads in the urban settlement, there are no arranged bicycle paths.

Parking

There is a lack of parking spaces in all parts of the urban settlement. There is public street parking, parking in open parking lots and one private garage, but all this is insufficient to meet the needs.

Commuting

The analysis of passenger movement trends and daily migrations has not been done in Novi Pazar so far.

Internet and digitisation

In the urban settlement, the only area of the Recreation centre is covered by free internet. There is a parking fee by SMS.

5.4 URBAN AND TERRITORIAL DEVELOPMENT GOVERNANCE

5.4.1 Access to governance

Multi-level governance

In previous practice, the project holders in which the Novi Pazar LSG was involved were the following institutions:

International level

- US Agency for International Development (USAID)
- UN WOMEN

- Austrian Development Agency - ADA
- Dutch Association of Local Authorities (VNG)
- EU - IPA CBC, Serbia and Montenegro, EU PRO PLUS, UNOPS, through the EU for you project)

National level

- Government of the Republic of Serbia - Office for Sustainable Development of Underdeveloped Areas
- The cabinet of the minister without portfolio in charge of innovation and technological development
- Ministry of Construction, Transport and Infrastructure
- Ministry of Environmental Protection
- Ministry of Culture and Information
- Ministry of State Administration and Local Self-Government
- Ministry of Economy
- Ministry of Trade, Tourism and Telecommunications
- Ministry of Youth and Sports
- Ministry of Labour, Employment, Veterans and Social Affairs
- Coordinating body for gender equality
- National Employment Service
- Permanent Conference of Cities and Municipalities

Regional institutions

- Development Agency of Serbia
- Regional agricultural service
- RRA Sanjaka - THIS
- Regional Development Agency Zlatibor from Užice
- Regional Agency for Spatial and Economic Development of Raški and Moravica District from Kraljevo
- centre for the Development of Jablanica and Pčinj Districts Leskovac
- Pešter Agro Cluster
- Cluster guardians of traditions Pešter, Kopaonik, Golija

A multi-stakeholder approach

In previous practice, institutions from different sectors were involved in the projects implemented by LSG Novi Pazar: public (administration and public enterprises), private and civil sectors. There is no data on the participation of scientific and research institutions.

Partnerships and networks

In previous practice, projects in which LSG Novi Pazar was involved were implemented in joint cooperation with the following institutions and actors:

Country partnership:

- with institutions from Montenegro (FORS Montenegro, Ministry of Health of the Government of Montenegro, Health centre Berane, Health centre Montenegro, Health centre Bijelo Polje, Mountaineering Society Ahmica from Rožaj)

Domestic partnerships:

- with LSG Tutin and LSG Sjenica (Centre for Culture, Tourism, Youth and Sports Tutin, Sports Association Novi Pazar, Office for Youth Novi Pazar, Kayaking Club Stari Grad from Novi Pazar, Scout Squad Sandžak, Tourist Organization Novi Pazar, NGO FOKRED Novi Pazar, Muslim Humanitarian Society Merhamet Sandžaka, National Employment Service Novi Pazar, Health centre Novi Pazar, General Hospital Novi Pazar, Intermunicipal Union of Agricultural Associations Novi Pazar School of Design of textiles and leather, Association of footwear manufacturers, EURO SHOES, Association of textile manufacturers, ASSTEX, Agricultural Advisory Service Novi Pazar, School of Textile and Leather Design Novi Pazar, with LSG Peć (AP Kosovo and Metohija), and with ICD (Initiative for Development and Cooperation) from Belgrade.

Networks:

- Twin cities: Sarajevo, Šabac, Skopje, Vranje, Ohrid, Jagodina, Kodžaeli, Dubrovnik...

In Turkey, the sister municipalities of Pazar are the ones where a lot of people from these regions live. The first twinning charter was signed with the municipality of Dušće, and then with the Istanbul municipalities of Pendik and Bajram Pasha. In Bulgaria, Novi Pazar became the sister municipality of the local Novi Pazar. In Novi Pazar, in development programmes, they are seriously counting on the help of the Sandakan diaspora in Turkey, in establishing economic ties and bringing in potential investors.⁶²

Participatory approach

In addition to the standard, legally prescribed procedures for public participation in the development of urban plans (publication of calls for public hearings or public insights, submission of proposals and objections in written form, etc.), via the Internet and social networks as a means of communication, public votes are organised on the choice of priorities regarding the proposed proposals, giving objections, suggestions, etc.

For example, in order to ensure direct participation, at the official presentation of the city administration, online voting for the citizens of Novi Pazar was made possible for the selection of three priority programmes that will be included in the budget for the next year, as well as the participation of citizens during the public hearing for the adoption of the City Development Plan for the period from 2021-2030. year.

The Project for Responsible Government of the United States Agency for International Development (USAID) and LSG Novi Pazar enabled the students of Novi Pazar high schools to participate, for the second year in a row, in a public discussion about the budget of LSG. As in previous years, students will have the opportunity to define projects that they consider important for the improvement of working and living conditions in their schools, to vote on proposals and to choose those that they consider the most necessary for implementation. The proposals with the most votes were sent to the City Administration for consideration and inclusion in the LSG budget for 2022.

⁶² <https://www.danas.rs/vesti/drustvo/najcesca-braca-madjari-i-grci/>

As part of the “Programme for Leaders in the Field of Security and the Rule of Law”, LSG Novi Pazar and the Standing Conference of Cities and Municipalities - Union of Cities and Municipalities of Serbia conducted a survey on the state of security in the city during 2014.

LSG governance capacities

The key shortcomings in the capacity of LSGs to govern urban development are as follows:

- The lack of updating of the geographical information system of LSGs and work on its improvement and continuous addition.
- Synchronization of the work of public enterprises LSGs.
- Reduced material resources of PC “Zavod za urbanizma grada Novi Pazar” (technical equipment, software, working conditions...), which works as a project bureau of LSGs.
- Synchronization of the work of the departments in the City Administration - the Department of Urbanism and Construction, the Department of Communal, Residential and Traffic Affairs, the Department of Property and Legal Affairs, the Department of Environmental Protection, etc., as well as public companies whose responsibilities are related to urban development.

Also, LSG Novi Pazar has a geographic information system (GIS) and in that domain it is necessary to:

- Establishment of procedures for the active participation of all actors who treat spatial data related to urban development in updating the GIS of LSG Novi Pazar in order to obtain unique and up-to-date spatial data.
- The establishment of procedures should also be reflected in the job description of the workplace in order to ensure the sustainability of GIS.
- After the identification of work duties, it is necessary to ensure the training of employees in order to successfully respond to new work duties.

5.4.2 Sources of funding

There are no systematically organised types of financing. There are certain initiatives of the city administration through competitions for various invitations and grants from international and national funds. At the moment, the only active and implemented proposal is the Concession Act, which proposes entrusting the performance of urban-suburban passenger transportation activities on the territory of the Novi Pazar LSG.⁶³

The Ministry of Finance provides LSGs with a dedicated transfer for carrying out work within their original or entrusted scope (on average about 25% share in the local budget).

In addition, in current practice, the projects implemented by LSG Novi Pazar were financed from the following sources:

National sources of funding

- Ministry of Trade, Tourism and Telecommunications
- The Cabinet of the minister without portfolio in charge of innovation and technological development
- Ministry of Construction, Transport and Infrastructure

⁶³ Source: <http://jpp.gov.rs/koncesijeveresti/spisak>

- SCTM
- National Employment Service
- Ministry of Environmental Protection
- Ministry of Culture and Information
- Ministry of State Administration and Local Self-Government
- Ministry of Economy

EU funds

- IPA 2013, EU PRO PLUS
- UNOPS, through the EU project for you

International financial instruments

- No data

Bilateral and multilateral cooperation and donor programmes

- USAID, American Agency for International Development
- UN WOMEN
- Dutch Association of Local Authorities (VNG)
- IPA CBC, Serbia and Montenegro.

5.4.3 Transparency and information

LSG Novi Pazar ranks first on the LTI list. Out of 100 indicators, Novi Pazar fulfilled 87. LTI ranking is published 4 previous years, LSG Novi Pazar was at the top of the list every year (2021: 4/78, 2020: 2/82).

LSG Novi Pazar has published a total of 65 sets of data in machine-readable format (open data) and is therefore the leader among LSGs. Also, Novi Pazar is the first LSG that published the budget for 2020 in a machine-readable format.

In the system of electronic communication between the administration and citizens, the following was established:

- An electronic registry through which citizens can obtain information about the progress of their case
- E-Assembly for contact with councilors, review of materials, methods of voting
- Online consultations on the budget, where citizens determine their priorities for the coming year through a survey⁶⁴.

The pandemic was a justification for canceling some practices, but no attempts to create new online tools (or use existing, available ones) for communication between LSGs and citizens and businesses were recorded.

The website of the City of Novi Pazar shows data on donor programmes and projects, as well as projects financed by the Republic of Serbia, only until 2017.⁶⁵

⁶⁴ Source: Information Department

⁶⁵ <https://www.novipazar.rs/dokumenti#projekti-u-novom-pazaru>

GIS in Novi Pazar has existed since 2018, but it is not used in a wider sense because only employees of the GIS department of the Department of Urban Planning and Construction and employees of the Information Technology Department have access to it. At one time, all public companies were trained in GIS, but considering that 10 years have passed since then and its use did not take off, it is not used in public companies even now.

Only GIS equipment purchased by the City Administration is used in the PC Institute of Urban Planning.

6 SWOT ANALYSIS AND NEEDS

6.1 IDENTITY OF THE URBAN AREA

advantages/strengths

- Novi Pazar is a centre of state importance, the most important centre of the southern part of the Raška administrative district, the fourth city in Serbia in terms of population influx
- The old bazaar as the bearer of the city's urban identity – a traditional identity that already exists
- Rich cultural heritage - one cultural and historical monument on the UNESCO World Heritage List (Stari Ras and Sopoćani), cultural monuments of exceptional importance (medieval town of Ras, Sopoćani Monastery, Đurđevi Stupovi Monastery, Church of St. Peter and Paul, Old Bazaar), of great importance (Altun-alem Mosque, Isa-bey Hamam, Amir-agin Khan, Altun-alem Mosque, Stari Amam, Novopazar Fortress, The medieval city of Jeleč, and the churches of St. Lazarus, St. Nicholas and St. Dimitrija, and 410 archaeological sites discovered, explored and/or explored.
- Rich natural heritage - protected natural area Golija Nature Park and Biosphere Reserve "Golija-Studenica" part of the UNESCO world network of biosphere reserves
- A multi-cultural environment, unique in its mixed culture and heritage - an open-air museum

weaknesses/deficiencies

- Excessive centralization of activities and content in the central zone of the urban settlement, underdeveloped system of centres, dying of peripheral villages on the territory of LSGs
- Spontaneous development of the peripheral parts of the urban settlement, without block matrix, adequate street network, communal equipment...; endangerment of cultural monuments
- Inadequate development of the centre, the old urban matrix is not followed, buildings are built on the entire surface of the plots; without accompanying contents and free, public spaces
- Underutilization of existing brownfields
- There are military brownfields that are not used by the army within the settlement and are not for alienation; military protection zones around facilities are also a problem
- Lack of institute for the protection of cultural monuments + lack of staff (competent institute in Kraljevo)
- A large number of illegal buildings, endangering parks, forests and agricultural land
- Inefficient management of construction land - poor connection between republican and LSG authorities - especially inspections; LSG does not own land, impossibility of implementing decisions related to illegal construction - e.g. objects whose requests to be legalised are rejected

potentials/possibilities

- Large percentage of young population, positive natural increase
- Gradual decentralization, development of links between villages and urban settlements
- Developing specific functions of the settlement
- Activation of brownfield sites and their transformation into mixed, multifunctional zones with public amenities and greenery
- New architecture and urban matrix that is in harmony with the old one
- A large number of buildings of folk construction in the surrounding villages
- Rogozna as part of the ecological network around the urban settlement
- Development of rare and highly sought-after types of tourism - adventure tourism and research visits, mountain and sports-recreational tourism, spa tourism, rural tourism, thematic cultural routes - cultural and historical monuments on the UNESCO list and other protected and recorded heritage, cultural routes from prehistory to the present day and their connection with public spaces; connecting tourist routes with the environment (Kopaonik, Pešter, etc.)
- Development of tourism as an activity of regional importance (border zone)
- Development and construction of tourist infrastructure - accommodation capacities and categorised rural households, categorization of Novi Pazar as a tourist destination
- Multifunctional spaces (sports and others) as a potential for tourism development
- Branding the city of Novi Pazar as an open-air museum - Novi Pazar as a cultural landscape
- Education of hospitality staff (for the needs of tourism development) in existing secondary vocational schools; education of people in the cultural sector - cultural tourism

threats/risks

- Emigration of the young population to larger centres / abroad
- Low level of functionality central urban areas, and the reconstruction requires large-scale investments
- Dominant market regulation in the area of housing construction (low social and ecological standards - overbuilt, lack of greenery, parking...)
- Excessive public investments in equipping (traffic, infrastructural, communal) existing settlements and as a result further uncontrolled and excessive settlement expansion
- Lack of strategic planning, weakening of the planning system in relation to unplanned, wild construction and the so-called "investor urbanism"; irresponsibility of citizens, illegal connection to the sewage system, etc.;
- Destruction of architectural heritage, valuable buildings because they are not under protection
- Further endangerment of natural and cultural assets by illegal and excessive construction and exploitation; loss of traditional urban centres - markers in space; construction of multi-storey buildings directly next to cultural monuments
- Loss of urban identity and urbanity due to inadequate urban renewal of the centre, expansion of the construction area and unplanned construction, "scattering" along national and local roads; unresolved property relations as an obstacle for public investments
- Inappropriate use of public and free spaces

- Degradation of river banks due to uncontrolled construction
- Existing construction is a threat to the establishment of a meaningful traffic network in the future

needs

- Adequate urban renewal of the urban settlement and preservation of the urban matrix, improvement of accessibility and connectivity of public spaces, respect for housing standards and sustainable housing construction
- Reactivating brownfield locations, creating a cadastre of underused and neglected locations
- Positive affirmation and branding of Novi Pazar
- Defining a recognizable tourist product
- Permanent prevention of wild, unplanned construction and endangerment of natural (biodiversity), cultural heritage, identity, urbanity, loss of valuable land

6.2 GREEN AND ENERGY TRANSITION AND MOBILITY

advantages/strengths

- The existence of a biomass boiler house
- Water resources - rivers (Raška, Jošanica, Deževska, Ljudska and Sebečevska), water intake on the Raška river is of good quality, healing water...
- Forest resources, the afforestation of Novi Pazar is about 50.5%, far above the national average
- There are no recorded SEVESO plants
- There is an efficient paper/cardboard collection system
- Good technological equipment of the PUC

weaknesses/deficiencies

- The energy system for heating is insufficiently developed (no boiler rooms, no gas pipeline, geothermal pumps only in individual cases)
- Power supply system in poor condition, overloaded
- Large pollution of river courses with waste water and waste
- Unregulated networks of rivers and smaller watercourses
- Regulation of river flows with concrete embankments is an obsolete solution
- The existing water production capacities have almost reached the maximum amount (as much as 800 l of production)
- System losses in water distribution are around 70%
- Complete lack of primary sewerage network, WWTP, rainwater and fecal connection
- Degradation of forest and green areas in the surroundings, large lack of green areas (insufficient area of existing squares and parks without any new public green areas; insufficient greenery in the central urban area)
- Pollution of air, water, land, noise above permissible limits, heat islands are not mapped
- The landfill "Golo brdo" is not sanitary
- 20 wild landfills, and the largest landfills are the Raška and Jošanica rivers, systematic collection and recycling of waste at a low level

- Insufficiently developed and poorly maintained city traffic network
- Insufficiently good connectivity and functioning of traffic in the urban settlement - transit traffic goes through the central urban zone, poorly organised public urban and suburban transport - LSG subsidizes the public transport company, there is no traffic coordination with neighboring LSGs
- Lack of bicycle paths and routes, pedestrian corridors and sidewalks
- Low level of safety on certain traffic sections - on state roads (Banjska Petlja - Mur, Dojeviće, area of Meša Selimović Elementary School, Ćamil Sijarić Elementary School, Đura Jakšić Elementary School) and city streets (roundabout in the centre, “under the park” intersection, Bratstvo Elementary School zone, Rifat Burdžević Tršo Elementary School, Vuk Karadžić Elementary School, November 28 Elementary School)
- Lack of public garages and street parking, occupation of vacant areas and regulation of roads with parked vehicles
- There is no public free internet (except in the area of the Recreation centre)
- Lack of personnel (planners, engineers...) in the public sector; obsolescence of the mechanization of public enterprises; lack of companies and workers to perform public works; weak collection of communal services - law on obligations, communal debt expires after one year

potentials/possibilities

- Use of renewable energy sources (biomass boiler houses, geothermal pumps...) with incentives from the state and LSGs; potential for wind parks and solar power plants (providing capital investments in primary infrastructure)
- Development of local policies/action plan to stimulate green construction
- Construction of the primary sewage collector and WWTP with the help of foreign donations
- Use of 5 public taps for technical water (groundwater is shallow > wells for technical water)
- Use of greenery for protective-aesthetic purposes (e.g. cultural heritage)
- Further development of the recycling centre with the help of foreign donations
- Development of a local waste management plan (in the final stage) and adequate waste management
- Complete construction of the ring road, relief of traffic and relocation of freight traffic from the central urban area
- Development of pedestrian-cycling and green corridors

threats/risks

- Temperature drop at geothermal sources
- Danger of an earthquake with a magnitude of 9° MKS
- High frequency of occurrence of landslides in the entire territory of the city, frequent floods, threat of erosion on the slopes of the mountains. Climate change increases the risks
- Danger of flooding of settlements, traffic and infrastructure facilities in the flood zone
- Illegal felling of forests, their fragmentation in protected zones, reduction of ecological value

- The impossibility of forming a continuous green system in urban settlement
- Air pollution as a result of heating from individual fireplaces
- Pollution of surface and underground water as a result of the lack of sewage network, seepage from illegal landfills and septic tanks, uncontrolled waste disposal
- Land pollution due to inadequate disposal of solid and liquid waste, spontaneous conversion of land into construction

needs

- Improvement of energy infrastructure
- Improvement of water management infrastructure
- Improvement of green infrastructure
- Improvement of environmental protection
- Improving the intermodality of traffic and traffic infrastructure

6.3 INNOVATIVE AND SMART ECONOMY

advantages/strengths

- A large percentage of the young and able-bodied population
- University centre
- Innovation centre as system support for the IT sector

weaknesses/deficiencies

- High unemployment rate, large share of the inactive population, especially women and young people
- Insufficiently good economic and business environment, absence of direct foreign investments
- There is no large business entity that could employ a large number of workers
- Depopulation of villages
- Deficit of more modern educational profiles more appropriate to the perspectives of economic development (public services, production-artistic occupations, higher levels of agricultural production, etc.)
- Low wages in the economy and the public sector are the cause of the population leaving and the outflow of personnel
- Weak income of the LSG budget due to the small number of collected taxes and contributions from employees
- Poor awareness of citizens that there are RBA programmes to support business
- Lack of space for economic development – the existing economic zone is not used for the economy
- The most expensive construction land in Serbia - on the other hand, problems with traffic, electricity, energy, wastewater and other resources
- There is no possibility of developing multimodal traffic for logistics
- Project management is missing
- Lack of communication between the economy and the public sector (related to educational needs); insufficient interest of the economy to invest in education and professional development of employees

- The Chamber of Commerce deals only with medium-sized enterprises and not with micro and small ones

potentials/possibilities

- Developing programmes to encourage female entrepreneurship and strengthening women's associations
- Growth of entrepreneurship; Development of market thinking in management; connecting supply and demand of labor force; support for entrepreneurs and businesses (small and micro), especially in the creative industries, design and IT sector
- Development of education, scientific research activities and creative industries (great potential in young people); stimulation-scholarships for LSG staff who are missing
- Good natural potential for the development of sustainable tourism - especially cultural, sports-recreational (adventure), spa and health tourism
- The existing economic zone is not filled; existing brownfield sites
- Pešter regional industrial (logistics) centre - duty-free zone; logistic potential - tradition + proximity to the new highway
- Development of a new industrial zone in Beli vode - less necessary infrastructural equipment; new work zone for new jobs - the location in Deževa is being considered
- Capacity building in education - preparation for practice; connecting the economy and the public sector with education
- Waste recycling (cardboard exists; start with other categories: plastic, glass, construction waste)
- Diaspora potential in capital; directing capital
- LSG incentives for self-employment; additional qualification + social entrepreneurship
- Novi Pazar as the bearer of branding of local products from the region
- Development of circular economy - signed agreement with UNDP

threats/risks

- Departure of young people of working age to larger centres and abroad; loss of tourists and the departure of the diaspora - they leave because of pollution and traffic jams, not only for economic reasons
- High turnover of workers - they don't stay long
- Poor traffic and infrastructure equipment and connection with the environment
- Presentation of Sandžak as an unstable region
- Absence of major and capital investments (in the economy, traffic, infrastructure...)
- Decline in the number of all categories of livestock and animal husbandry
- Fair manifestations are in decline - questionable investments in the mentioned activities

needs

- The need for institutional and non-institutional support for start-up companies, entrepreneurship, young families, female entrepreneurship, KLER as a carrier of innovative solutions
- Connection and association of companies and entrepreneurs (clusters, cooperatives...); connecting all actors of the circular economy; raising the price of labor by employers

- New economic zones and locations for investments; creating a catalog of potential projects for diaspora investments (sustainable), changing the planning paradigm from traditional to innovative industries
- The need for skilled labor at the middle and higher levels; improvement of higher education in accordance with real needs for personnel and knowledge; link between the university and the economy
- Space for holding the fair (milk and livestock market); construction of markets in secondary city centres

6.4 SOCIAL WELLBEING

advantages/strengths

- The existence of awareness (traditionally) about the value and importance of the domain of social well-being
- The average price of new apartments is 50% lower than in Serbia
- Education, social and health care in the public sector and a built network of facilities (centre for social work, preschool institutions, schools, Božidar Adžija Education centre, faculties, Institute of Public Health, primary health care facilities...)
- A multi-cultural environment without social divisions; Pazarci are hardworking and enterprising
- Network of cultural objects
- Percentage-wise, the largest investments in education and culture so far
- Built sports facilities
- Young people like to be educated

weaknesses/deficiencies

- Not enough good employment opportunities, the average salary in Novi Pazar is 25% lower than in Serbia; the second city in Serbia in terms of the number of unemployed; lack of large business entities - which employ a large number of workers in one profession; lack of mentoring for young people - directing them to some area of work and action
- Lack of housing units for social housing, negligible number of social housing owned by LSGs, the centre for social work does not have data on the number of people without a resolved housing issue
- A stringk creditworthiness and communal equipment of residential buildings and settlements
- Substandard Roma settlement Blaževo
- Impossibility of providing services of geronto service, personal assistant and companion, lack of institutions for the protection of the elderly, immobile persons, institutions for the accommodation of children with special needs
- Insufficient functionality and quality of health care (network + services); lack of health centres in settlements and lack of health workers, patronage, palliative health care and home treatment services
- Lack of kindergartens - there are no private kindergartens, there are no basic conditions for work; playrooms work informally as kindergartens

- The lack and uneven distribution of primary schools - numerous small village schools are about to be closed, a large number of cramped city central schools that work in three shifts
- Lack of people to work in cultural facilities; lack of marketing in culture
- Uneven distribution and lack of sports and recreational spaces

potentials/possibilities

- Wage growth due to economic development; growth in the number of employees from independent activities; inclusion in professional training measures, especially for those under 30 years of age;
- Programmes to encourage youth employment of the national employment service
- Craft development - encouragement through tourism development; subsidizing young people to engage in crafts by the administration
- Development of social entrepreneurship
- Solving the problem of substandard settlements through foreign donations
- Development of the private sector in the domain of public services - homes for the elderly, clinics and health centres, secondary schools
- Formation of a career centre (to guide education; mentors for training for practical work) + incubator, innovation centre
- Redirecting to informal forms of education (training - NSZZ);
- Training centre especially for dual education - 12 grants will be awarded in Serbia
- Further development of Novi Pazar as a university and scientific research centre (formation of a campus for the needs of the university)
- Multifunctional centres in smaller settlements with social and health care services, renovation of social centres and cooperative homes for new needs; declaration of public interest as a basis for the development of multifunctional cultural centres in architectural heritage buildings
- Networking of cultural institutions in accordance with the needs of the audience

threats/risks

- Ghettoization of substandard settlements
- Unaffordability of social and health care prices in the private sector
- Departure of educated health workers abroad and the private sector
- The largest number of unemployed people with secondary vocational education, with formal education that the market does not require labor force
- The sluggishness of the higher and secondary education system to adapt to the needs of the economy
- Growth in the number of casinos (weak mechanisms to limit) and unorganised spending of free time by young people

needs

- Improvement of services and the network of social protection facilities
- Improvement of services and the network of health care facilities
- Improvement of services and network of education facilities

- Formation of a greater number of scientific and research centres - science and technology park; science in the service of the needs of the economy; focus on the quality of education
- Improvement of services and the network of cultural and sports facilities

6.5 URBAN AND TERRITORIAL DEVELOPMENT GOVERNANCE

advantages/strengths

- Experience in forming partnerships and networking with domestic and international partners and cities
- Traditional inter-municipal cooperation (Tutin, Sjenica)
- A step forward from formal citizen participation (workshops, public debates, surveys, participatory budgeting...)
- Experience in using different (international and domestic) sources of project financing, achieved bilateral and multilateral cooperation
- Established system of electronic communication between administration and citizens
- Open data leader among LSGs
- Leading transparency at the LSG level RS in the last 4 years

weaknesses/deficiencies

- Lack of projects managed by LSGs, in which the private, civil sector and scientific research institutions are involved; lack of communication between the public sector and the economy
- Lack of up-to-date GIS, lack of material resources, poor synchronization of the work of the administration and public companies in the field of urban development
- There are no systematically organised types of financing; small budget of LSGs in relation to the number of inhabitants
- Insufficient investment of LSG funds in infrastructural and traffic equipment, in order to encourage the development process and mobility of citizens
- Insufficient projects for capital investments; mismatch of city development trends
- Low level of project readiness to apply for various funds; lack of resources in the administration, especially of young people
- Absence of systemic solutions in citizen participation (not only in individual cases)

potentials/possibilities

- Support of RAS, RDA Sandžak - SEDA and other international, national, local institutions and organizations, for strengthening capacity of LSGs in management urban development
- Expansion of 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; Novi Pazar as a regional centre and coordinator for all communal areas
- Development of cooperation with the NGO sector
- Greater utilization of LSG budget funds for the preparation of urban and technical (project) documentation

- Development of essential participation mechanisms for the purposes of drafting planning documents and development projects; motivation of students (secondary and primary schools) by LSGs to engage in topics of importance (especially ecological schools)
- Public-private partnerships in various areas > infrastructure, place branding, sustainable mobility and public transportation company, development of sustainable tourism (eg rural)...; especially cooperation with the diaspora
- Decentralization of management and restructuring of local communities and the City Administration
- LED as coordinator of public enterprises and public policy making
- Splitting PUC Cistoća into several companies due to profitability; privatization of PUK - recycling centre
- Provision of land for public needs
- Market thinking related to public property (land and investments)

threats/risks

- Strategic decisions and capital investments for the development of the city are not in the domain of LSGs, but of the state (transit ring road, railway construction...) – impossibility to influence them; inconsistency of plans at local and national level (example of regional landfill)
- Insufficient institutional capacities for managing urban development and solving key problems
- Slow reformation of administration for multi-level and multi-stakeholder management processes
- Citizens' lack of interest in essential participation in urban development processes
- The outflow of quality personnel from the administration system
- Difficult implementation of the expropriation mechanism
- Inconsistency of regional spatial plans with the actual territorial (regional) context

needs

- Capacity building in the integrated management of urban development - development planning as a process (with a long-term horizon); strengthening of institutional capacities for inter-municipal cooperation (RRA; coalition of KLERs, etc.); improving the efficiency of the city administration (restructuring, incentives)
- Applying to international projects - greater involvement of international partners; education in public companies for writing (applying) projects
- Profitable operation of PUC and other public companies
- Essential participation of citizens and interested parties in the planning process
- Use of GIS and ICT tools for urban development planning, education and participation of citizens and interested parties

7 VISION, OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES

7.1 VISION

NOVI PAZAR IS A CITY OF TRUST, OPEN AND CLOSE TO PEOPLE AND ALWAYS THERE FOR PEOPLE
NOVI PAZAR IS A CITY WHERE LIFE, WORK AND PLAY ARE A SMART CHOICE TO INVEST, LIVE AND STAY AND GET OLD AND A MODEL FOR OTHERS

Novi Pazar is a tri-border without borders, a multicultural, regional centre of cross-border cooperation, a centre of knowledge. Novi Pazar is a city of rich tradition and unique hospitality, a meeting place of history and the future, a city of trade and entrepreneurship, a centre of cultural and gastronomic tourism in Serbia. Always a lively and green city, an urban garden, a pedestrian city, clean, accessible and pleasant to live in. Novi Pazar is a city of young people - a city of life, health, prosperity, peace and security.

7.2 THEMATIC OBJECTIVES, SPECIFIC OBJECTIVES AND MEASURES

The starting framework for the formulation of objectives, specific objectives and measures of the urban area strategy (SUP) is represented by the new legislation of the European Commission, which establishes common indicators of achievement and results for the European Fund for Regional Investments (Investments in jobs and growth and Interreg) and the European Cohesion Fund.⁶⁶ (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 transition to clean and fair energy, 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 applying 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, 2023⁶⁷; Sludge management programme in Serbia from 2023 to 2032⁶⁸ (Vlada RS, 2023); Low-carbon development strategy of the Republic of Serbia for the period from 2023 to 2030 with projections until 2050⁶⁹; Strategy for youth in the Republic of Serbia for the period from 2022 to 2030⁷⁰ ("Official Gazette of RS", no. 9/2023); Strategy of deinstitutionalization and development of social protection services in the community for the period 2022–2026.

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

67 <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/>

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

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

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

year⁷¹ ("Official Gazette of the RS", no. 12/2022); Air protection programme in the Republic of Serbia for the period from 2022 to 2030 with an action plan⁷² ("Official Gazette of RS", no. 140/2022); Circular economy development programme in the Republic of Serbia for the period 2022-2024. year⁷³ ("Official Gazette of RS", no. 137/2022); Waste management programme in the Republic of Serbia for the period 2022-2031. year⁷⁴ ("Official Gazette of RS", no. 12/2022); Adaptation programme to change climate conditions with Action Plan, Draft⁷⁵; Spatial Plan of the Republic of Serbia from 2021 to 2035, Draft⁷⁶; Strategic priorities for the development of the culture of the Republic of Serbia from 2021-2025⁷⁷ (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 2050⁷⁸; Strategy for the development of information society and information security in the Republic of Serbia for the period from 2021 to 2026.⁷⁹ ("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"⁸⁰ ("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 2025⁸¹ ("Official Gazette of RS", number 125/2021); Industrial policy strategy of the Republic of Serbia from 2021 to 2030⁸² ("Official Gazette of RS", No. 35/2020); Employment strategy in the Republic of Serbia for the period from 2021 to 2026⁸³ ("Official Gazette of RS", no. 18/2021, 36/2021); Strategy for the development of education and upbringing in Serbia until 2030⁸⁴ ("Official Gazette of RS", No. 107/2021); Strategy of smart specialization in the Republic of Serbia for the period 2020-2027⁸⁵ ("Official Gazette of RS", No. 21/2020); Strategy of sustainable urban development of the Republic of Serbia until 2030⁸⁶ ("Official Gazette of RS", No. 47/2019); Strategy for the development of artificial intelligence in the Republic of Serbia for the period 2020-2025. year⁸⁷ ("Official Gazette of RS", No. 96/2019); Public health strategy in the Republic of Serbia 2018-2026. year⁸⁸ ("Official Gazette of RS", No. 61/2018); Tourism development strategy of the Republic of Serbia for the period from 2016 to 2025⁸⁹ ("Official Gazette of RS", No. 98/2016); Agriculture and rural development strategy of the Republic of Serbia for the period 2014–2024⁹⁰ ("Official Gazette of RS", No. 85/2014); Strategy

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

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

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

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

75 <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>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

for supporting the development of small and medium-sized enterprises, entrepreneurship and competitiveness for the period from 2015 to 2020⁹¹ ("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 objectives:

- 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, i
- 5) Improvement of urban development management.

The "localisation" of objectives, specific 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 used abbreviations: **O** – objective, **PC** – specific objective, **M** – measure

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 underutilised 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 inundation by internal waters 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
M 1.1.6 Formation of regional and local centres
SO 1.2 Encouraging the protection of cultural and architectural heritage
M 1.2.1 Active protection of cultural heritage and recommendations for the character and intensity of acceptable activities in urban development planning

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

M 1.2.2 Restoration and protection of buildings and units of architectural and urban heritage that are not protected cultural assets (traditional types, vernacular architecture, industrial buildings, architecture and urbanism after World War II, etc.)
M 1.2.3 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 efficient and comprehensive protection, and mitigation of the negative impacts of tourism
M 1.3.2 Sustainable use of natural and cultural assets
M 1.3.3 Development of spa tourism (identification of Rajčinovića spa as a spa resort)
M 1.3.4 Development of congress and sports tourism
M 1.3.5 Branding of Novi Pazar (visual identity, logo) and its cultural offerings, European Destinations of Excellence - EDEN ⁹²)
SO 1.4 Encouraging an integrated and sustainable approach in the rehabilitation 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 the transition to clean and fair energy, green and blue investments, climate change adaptation and mitigation, risk prevention and management, and sustainable urban mobility
SO 2.1 Encouraging energy efficiency and reducing greenhouse gas emissions
M 2.1.1 Establishing sustainable energy (using energy efficiency measures, using renewable energy sources and applying norms and innovative materials for environmental protection and reducing harmful effects on the climate)
SO 2.2 Encouraging the use of renewable energy
M 2.2.1 Integration of the use of renewable energy sources (electrical and thermal)
SO 2.3 Development of smart energy systems, networks and storage
M 2.3.1 Smart networks, advanced energy storage and distribution systems, energy efficiency monitoring, development of smart cities, energy efficient lighting, sustainable biomass production, 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 risk monitoring, preparedness, warning and response systems for natural disasters and natural hazards
M 2.4.2 Protection measures against natural disasters related to climate change (except floods and forest fires)
M 2.4.3 Protection against flooding by external waters (rivers)

92 <https://www.europeanbestdestinations.com/destinations/eden/novi-pazar/>

M 2.4.4 Newly built or improved protection against landslides and landslides
M 2.4.5 Built or improved green infrastructure to adapt to climate change
M 2.4.6 Forest fire protection measures
SO 2.5 Ensuring equal access to sanitation and water supply and improving 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 Improvement of the municipal infrastructure system for waste management and the construction of a regional landfill
M 2.6.2 Rehabilitation of unsanitary landfills
M 2.6.3 Raising the level of quality in the provision of communal waste removal and disposal services
M 2.6.4 Improvement of primary waste selection
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 Greening of buildings
M 2.7.3 Identification of areas in preparation for NATURA 2000 networks and protection measures
M 2.7.4 Renewed land (for green areas, housing support, economic or other purposes)
M 2.7.5 Areas covered by the installation of air quality monitoring systems
M 2.7.6 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 Promoting sustainable multimodal urban mobility
M 2.8.1 Increasing traffic safety
M 2.8.2 Improvement of public urban and suburban transport
M 2.8.3 A new and modernised digitalised system of urban transport
M 2.8.4 Development of rail systems (after the construction of the railway line)
M 2.8.5 Ecologically acceptable vehicles for collective public transport
M 2.8.6 Infrastructure for the supply of alternative fuels
M 2.8.7 Infrastructure intended for bicycle traffic in the riverside
M 2.8.8 Construction of footpaths to spas (with lane for the disabled)
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 importance
SO 2.10 Development and strengthening of sustainable, smart and multimodal national, regional and local mobility that is resistant to climate change, including better access to the transport network of international and national importance and cross-border mobility
M 2.10.1 Improvement of the road network and road traffic
M 2.10.2 Improvement of the road traffic management system
M 2.10.3 New railway line to Novi Pazar
M 2.10.4 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 Support to researchers and scientific research organizations participating in joint research projects
M 3.1.3 Increasing the number and support of companies cooperating with scientific research organizations
M 3.1.4 Encouraging interregional investment for innovation
M 3.1.5 Establishment of a science and technology park - support for the development of the food industry
SO 3.2 Using the advantages of digitisation for citizens, businesses, research institutions and public administration bodies
M 3.2.1 Improvement of citizens' digital knowledge and skills, raising the capacity of employees in the public and private sector to use new technologies and digital improvement infrastructure in educational institutions
M 3.2.2 Digitization of services and business in the public and private sector
M 3.2.3 Improvement of information security of citizens, public administration and economy
M 3.2.4 Establishment of IS on the 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
M 3.3.2 Development of a new industrial zone
SO 3.4. Development of competences for smart specialization 4S, industrial transition and entrepreneurship, within the framework of the four-fold 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 Participation of SMEs and institutional participants in competitive calls

M 3.4.3 Connecting to a platform for the promotion of services, technologies and products in the areas of digital, innovative and creative activity
M 3.4.4 Support for the distribution of agricultural products at the local and regional level
M 3.4.5 Establishment of a training centre for trade professions
SO 3.5 Strengthening digital connectivity
M 3.5.1 Provision of broadband access with high data transmission capacity
SO 3.6 Encouraging and promoting the transition to a circular and resource-efficient economy
M 3.6.1 Education of business entities and connection with other actors in the process of transition to a circular economy
M 3.6.2 Incentives for production from recycled materials and food recycling
SO 3.7 Encouraging and promoting the transition to a net zero carbon economy
M 3.7.1 Encouraging investments in low-carbon economy solutions as generators of growth, more efficient use of material resources and energy efficiency
M 3.7.2 Incentives for investments in solar panels and wind generators

O 4. Improvement of social wellbeing
SO 4.1 Improving the effectiveness and inclusiveness of the labor market and access to quality employment and dignified work and encouragement of social entrepreneurship
M 4.1.1 Development of new or modernization of existing employment services and encouragement of social entrepreneurship
M 4.1.2 Allocation of funds through LAPZ to encourage different types of entrepreneurship (female, youth)
SO 4.2. Development of social infrastructure and services and encouragement of social inclusion and social innovation
M 4.2.1 Improved access and expansion of the network of social services and social innovations in the community
M 4.2.2 Development of new or modernization of existing facilities for temporary reception and intervention care (homeless, begging children, victims of violence, migrants, etc.)
M 4.2.3 Development of a service for reporting security threats
SO 4.3 Promoting socio-economic inclusion of marginalised communities, low-income households and disadvantaged social groups, including persons with special needs, through integrated action covering housing and social services
M 4.3.1 Increasing the scope, quality and variety of housing solutions for housing support users through the construction and other ways of acquiring new housing units in public ownership intended for lease, as well as through the development of alternative housing solutions
SO 4.4 Improving equal access to inclusive and quality education services
M 4.4.1 Development of new or modernization of existing child care services for preschool, primary and secondary education
M 4.4.2 Creation of spatial capacities for the provision of preschool, primary and secondary education services
M 4.4.3 Adjustment of educational profiles in accordance with the needs of the labor market

M 4.4.4 Construction of a student dormitory and a student settlement
M 4.4.5 Regional centre for supporting young talents
SO 4.5 Ensuring equal access to health care and fostering health system resilience
M 4.5.1 Development of new or modernization of existing health and social care services
M 4.5.2 Creation of spatial capacities for better quality primary health care at the level of local communities
SO 4.6 Ensuring equal access to cultural services, programmes and facilities
M 4.6.1 Improvement of the spatial and material capacities of existing cultural institutions
M 4.6.2 Construction of new facilities with better conditions for the functioning of cultural programmes
M 4.6.3 Development of artistic production, cultural programmes and equal participation of citizens in cultural life
M 4.6.4 Preservation and presentation of cultural heritage through cultural programmes
M 4.6.5 Novi Pazar - the cultural capital of Europe / Serbia
SO 4.7 Ensuring equal access to sports and recreation services, programmes and facilities
M 4.7.1 Establishment of an institution for the monitoring, development and guidance of children in sports (where doctors, trainers, psychologists, sports workers would also be involved)
M 4.7.2 Additional education of sports workers and sports coaches
M 4.7.3 Construction of sports fields and children's playgrounds in suburban and rural settlements
SO 4.8. Creating a stimulating environment for youth initiatives and activities
M 4.8.1 Creating conditions for offering programmes and content for young people
M 4.8.2 Development of the "Youth Club" model
M 4.8.3 Encouraging young people to volunteer in various fields

O 5.Improvement of urban/territorial development governance

SO 5.1 Encouraging development governance at multiple levels - local, national, international, EU, etc.
M 5.1.1 Establishment of a unit for the implementation of the 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, programmes 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
M 5.2.3 Establishing a quality management system (standardization)
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 Local Government Affairs ⁹³ and open administration standards
SO 5.4 Encouraging blending of urban development funding from different types of funding (domestic and international)
M 5.4.1 Support for the use of different sources of funding for the priority areas of the urban area strategy intervention
M 5.4.2 Encouraging diaspora participation in investing in priority areas of urban area strategy intervention
M 5.4.3 Application of EU Cohesion Policy instruments and others. - integrated territorial investments (<i>ITI – Integrated Territorial Investment</i>), sustainable urban development (<i>SUD – Sustainable Urban Development</i>), local development managed by LSGs (<i>CLLD – Community Led Local Development</i>)
SO 5.5 Strengthening the transparency of decision-making at the level of the urban area
M 5.5.1 Development and implementation of digital literacy models intended for specific groups to improve the use of information systems for the needs of development management
M 5.5.2 Development of GIS
M 5.5.3 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.)

93 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 urbanisation, 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 areas⁹⁴. 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.⁹⁵ 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 marginalisation. 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 underutilised 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.

⁹⁴ It is interesting that large cities tend to collect opportunities and challenges that are closer to each other than to the environment. This is reflected in the similarities between internationally propagated urban policies and the dissemination of best practices through academic and political networks. In contrast, a series of natural, geographical, socio-cultural and economic circumstances, along with functional relationships and local administrative competences, depict urban areas with a low degree of urbanisation as a kaleidoscope of characteristic places and situations.

⁹⁵ Although these are necessary pillars of support, this operational framework does not provide consistent visions capable of facing contemporary challenges and countering the prevailing trends of underdevelopment that have affected Europe in recent decades. Moreover, the sectoral distribution of funds usually takes place through established subsidy mechanisms, which can encourage a reciprocal dynamic for the electoral support of current local elites.

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 mobilise 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 subjects 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.

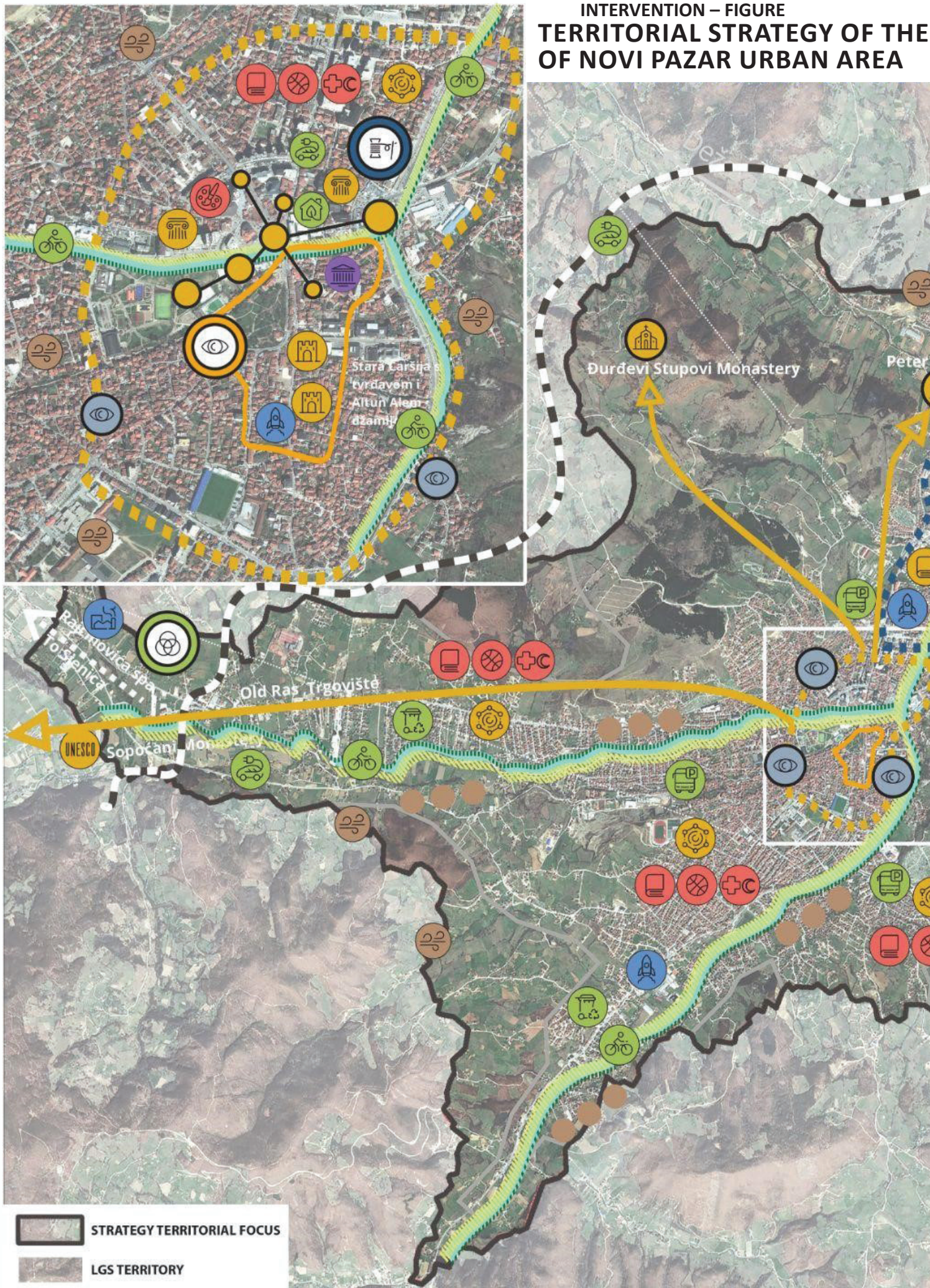
These dimensions find their way to effective expression through a strategic approach, which serves as an operational framework for better utilising the potential of urban areas by adopting a “challenge-oriented” mindset. This approach includes the formulation of transformative processes within public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

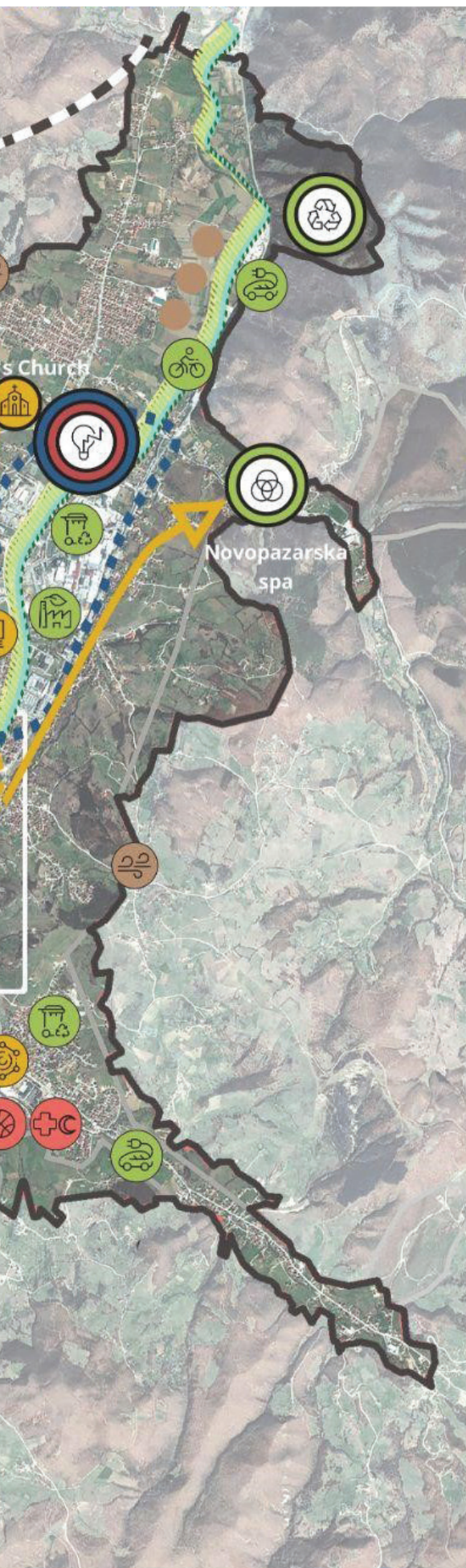
This approach must be inherently pragmatic. A strategy cannot solve all development issues at once, and while it is crucial to strategically address selected problems, it should also aim to create an effective learning environment and testing ground for refining and evaluating vision and objectives. 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 objectives), which were reached through the participatory process of territorial strategy development.

8.2 PRIORITY AREAS OF INTERVENTION – FIGURE
TERRITORIAL STRATEGY OF THE
OF NOVI PAZAR URBAN AREA





DEVELOPMENT GENERATORS

CENTRE FOR THE DEVELOPMENT OF URBAN IDENTITY - revitalization of the Old Bazaar with the Novipazar Fortress, commissioning (Hamam, central office, etc.) for galleries, art pavilions, etc.

INNOVATIVE ECONOMIC DEVELOPMENT CENTRE: centre of excellence - connecting economy and research centres, forming science and technology park, training centre for circular economy and reducing carbon footprint

SMART SPECIALIZATION CENTRE:

- creative industries - textiles, circular economy centre,
- food for the future (connecting University in the context of healthy food production and rural tourism development, building of distribution centres and development of the agricultural products processing industry)

REHAB CENTRES: Revitalization and development of Rajčinovići and Novopazarska Spa

REGIONAL LANDFILL: with a recycling centre

PRIORITY AREAS OF INTERVENTION

Zone of transformation into a zone of smart specialization and social well-being: cultural, historical, religious, gastronomic routes and contents, and place branding. Diversification of tourist offer based on the identity of urban area with sustainable use of natural and cultural assets, more effective and comprehensive protection, and mitigation of negative tourism impacts

Green-blue tangent - arrangement of riverbanks, formation of bicycle paths, deepening of riverbeds - flood protection, formation of tree rows (rain gardens)

ZONE OF DESIGNING CENTRAL OPEN PUBLIC CITY SPACES and their connection into network, expansion of the pedestrian zone in the city centre

DEVELOPMENT ROUTES AND HUBS

BYPASS - connection to the new expressway to Kraljevo, formation of a new centre of entrepreneurship

CYCLING ZONES AND ROUTES

PROTECTION AND DEVELOPMENT ZONES

BLUE INFRASTRUCTURE

GREEN INFRASTRUCTURE

AREAS AT RISK OF AIR POLLUTION

AREAS AT RISK OF RIVER POLLUTION AND FLOODING

DEVELOPMENT NODES AND NETWORKS

NATIONAL CULTURAL HERITAGE AND LANDMARKS

SOPOČANI MONASTERY AND OLD RAS WITH MARKETPLACE (restoration of cultural and historical heritage)

CULTURAL INSTITUTIONS: Sandžak Museum of Contemporary Art, Regional Theatre

REGIONAL AND LOCAL CENTERS: service centres of the city administration, post office, communal militia, market, civil protection department, recreation centre

STUDENT DORMITORY AND STUDENT HOUSING

PUBLIC CITY TRANSPORT and Smart Street parking systems, PARK + RIDE

RECYCLING YARDS

ELECTRIC CHARGERS

NETWORK OF ENERGY RECONSTRUCTED BUILDINGS: green roofs, solar panels on public buildings

HEATING WITH ENVIRONMENTALLY ACCEPTABLE FUEL and replacing boilers with fuel oil

BUSINESS INCUBATORS - start-up centres for young people in abandoned locations and further development of the Regional Innovation Start-up Centre

BUSINESS ZONES: Development of a new industrial zone towards Sjenica

NEW KINDERGARTEN AND SCHOOLS in old and new settlements

SPORTS GROUNDS AND CHILDREN'S PLAYGROUNDS in suburban areas

HEALTHCARE INSTITUTIONS: clinics in rural and urban local communities

ART CENTRE FOR YOUNG TALENTS (painting and acting) and training centre for craft occupations

FORMATION OF THE INSTITUTE FOR THE PROTECTION OF CULTURAL MONUMENTS in Novi Pazar

8.3 LIST OF STRATEGIC PROJECTS

8.3.1 Identity of the urban area

1. Preservation and revitalisation of the Old Bazaar with the city fortress, along with the activation of neglected buildings and the introduction of new contents and connection with other public spaces
2. Activating urban areas - public city spaces and underused and neglected buildings, urban acupuncture
3. Improving the accessibility of public spaces - facilities and surfaces and their interconnection and networking
4. Transformation and improvement of coastal development (using *Nature Based Solutions*) as axes of urban identity and its connection with spatial cultural-historical entities and public spaces
5. Mapping and promotion of cultural and historical heritage objects and entities
6. Affirmation of Novi Pazar as the cultural capital of Serbia and the European capital of culture
7. Formation of secondary city centres (service centre of the city administration, post office, cadastre, ambulance, communal militia, market, centre of culture, civil protection department, sports hall, recreation centre...)
8. Sustainable development of Novopazarska banja as a centre of spa, sports and congress tourism with better infrastructural connections
9. Creation and promotion unified tourist offers
10. Creation of routes (cultural, historical, religious, gastronomic)

8.3.2 Green and energy transition and urban mobility

1. Improving the energy efficiency of buildings and using renewable energy sources
2. Green infrastructure - rows of trees and rain gardens, block greenery, park space, vertical and horizontal greening of buildings, greening, cleaning and deepening of riverbeds to protect against flooding, "One yard - one tree", greening of private plots
3. Conservation of water intakes and watercourses
4. Construction Regional landfills with a recycling centre
5. Establishing a system for risk management through the monitoring of the discharge of untreated wastewater from slaughterhouses, potential landslides, drinking water, torrential flows, flood announcements, air pollution emissions and other environmental impacts
6. Development of the "Sustainable Urban Mobility Plan" with the development of the "Circulation Plan" (*Circulation Plan*) and the "Parking Plan" - the implementation of a traffic structure that will reduce pressure on the city centre, while at the same time introducing sustainable urban mobility (electric cars / motorbikes, public transport with non-toxic fuel, organised bicycle infrastructure, adapted to sensitive categories of the population)
7. Displacement of heavy and transit traffic outside the city area

8.3.3 Innovative and smart economy

1. Development of a new industrial zone
2. Further development of the Regional innovation start-up centre
3. Establishment of a science and technology park
4. The formation of training centre for dual education
5. Reform and placement of educational profiles in accordance with the needs of the labor market
6. Profiling and activation of smart specialization zones:
 - creative industries - textile, centre of circular economy
 - food for the future (connecting the University in the context of healthy food production and rural tourism development, construction of distribution centres and development of the agricultural products processing industry)

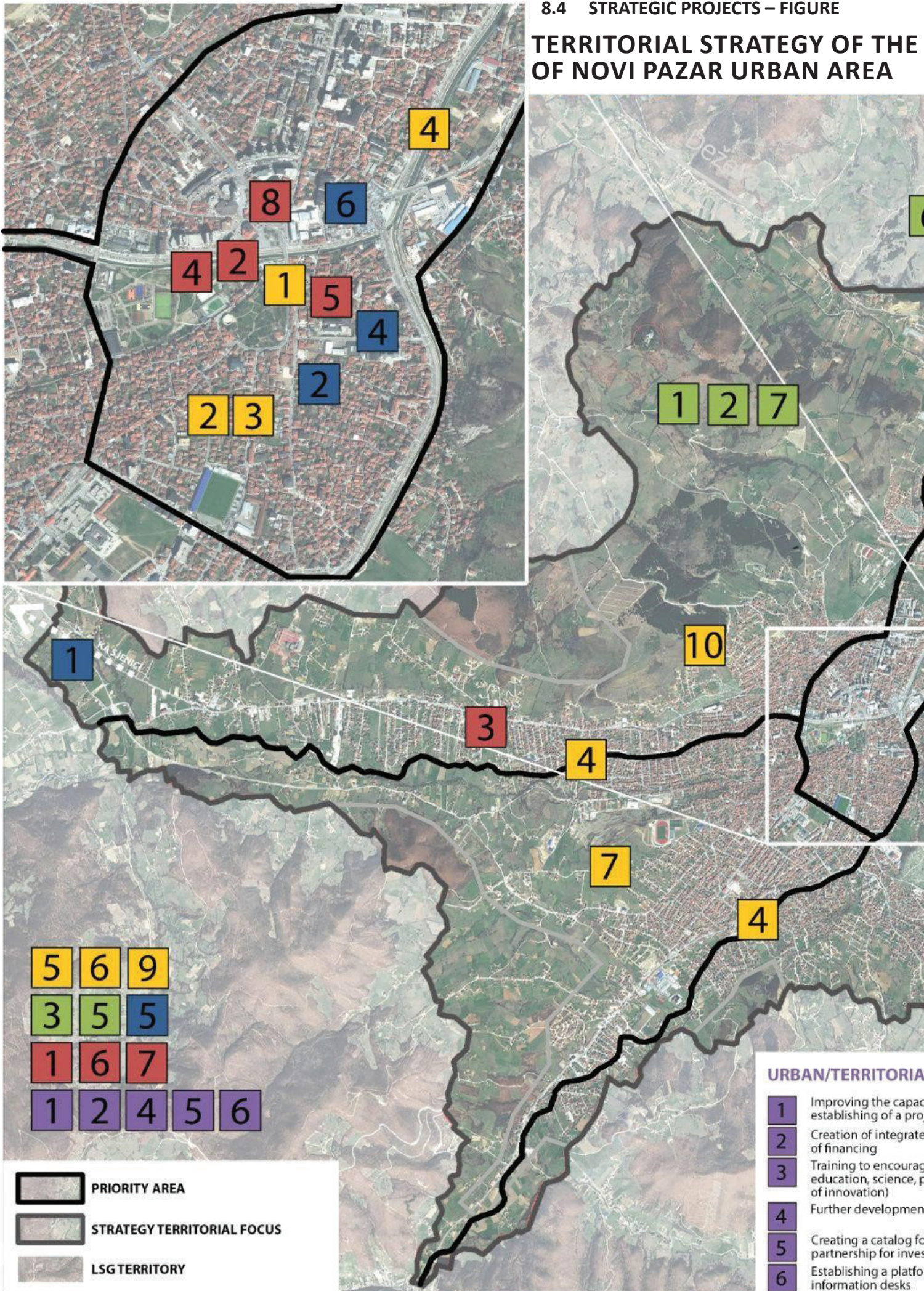
8.3.4 Social wellbeing

1. Construction of housing facilities with support and affordable housing
2. Formation of the Sandžak Museum of Contemporary Art
3. Construction of a primary school and increase in capacity to provide primary and preschool education services
4. Construction of the Regional Theater
5. Reconstruction and commissioning of facilities (Hamam, Central, etc.) for galleries, art pavilions, etc.
6. Programmes for strengthening human resources, supporting talents (in the field of art, etc.)
7. Development of new or modernization of existing social protection services
8. Creation of a "Cultural Axis" and a unique visual identity - Launch of the city's online portal for the presentation of the city's cultural heritage and historical heritage and cultural events and the creation of guides for cultural-historical monuments and cultural programmes)

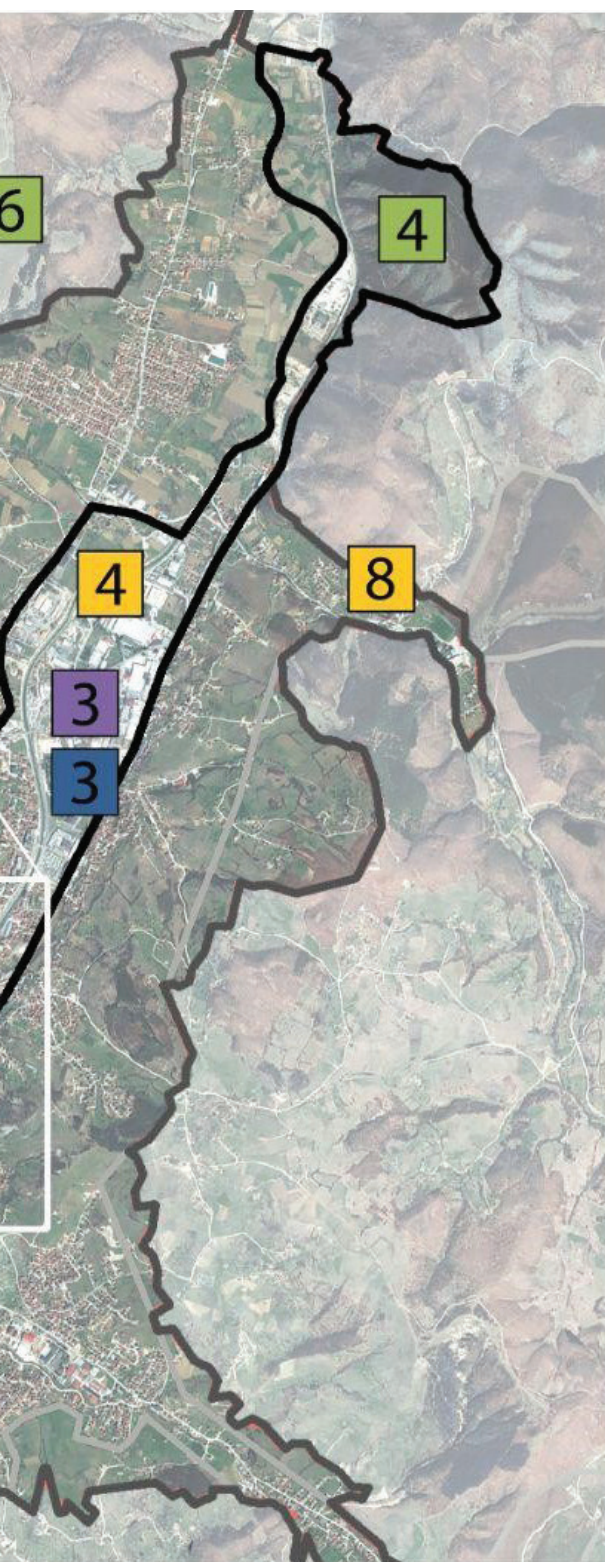
8.3.5 Urban and territorial development governance

1. Improving the capacity for managing integrated territorial investments, including the formation of a project coordination unit
2. Creation of integrated projects and training on the application of various sources of financing
3. Training to encourage the application of a multi-stakeholder approach - economy, education, science, public and civil sector (*Quadruple and Quintuple Helix Model of innovation*)
4. Further development of GIS
5. Creating a catalog for investors and establishing a public-private dialogue and partnership for investment with the inclusion of the diaspora
6. Establishing a platform for active participation of citizens: surveys and information desks

TERRITORIAL STRATEGY OF THE OF NOVI PAZAR URBAN AREA



CITY



LOCAL DEVELOPMENT MANAGEMENT

City for managing integrated territorial investments, including the project coordination unit

and projects and training on the application of various sources

the utilization of a multi-stakeholder approach - economy, public and civil sector (Quadruple and Quintuple Helix Model)

of GIS

for investors and establishing a public-private dialogue and investment with the inclusion of the diaspora

form for the active participation of citizens: surveys and

URBAN AREA IDENTITY

- 1 Preservation and revitalization of the Old Bazaar with the City fortress, with the activation of neglected buildings and the introduction of new contents and connection with other public spaces
- 2 Activating urban areas - public city spaces and underused and neglected buildings, urban acupuncture
- 3 Improving the accessibility of public spaces - facilities and surfaces and their interconnection and networking
- 4 Transformation and improvement of coastal development (using Nature Based Solutions) as an axis of urban identity and its connection with spatial cultural-historical units and public spaces
- 5 Mapping and promotion of objects and units of cultural and historical heritage
- 6 Affirmation City of Novi Pazar as the cultural capital of Serbia and the European Capital of Culture
- 7 Establishment of secondary city centers (service center of city administration, post office, cadastre, ambulance, communal militia, market, center of culture, department of civil protection, sports hall, recreation center...)
- 8 Sustainable development of Novopazarska Banja as a center of spa, sports and congress tourism with better infrastructural connections
- 9 Creation and promotion of a unified tourist offer
- 10 Creation of routes (cultural, historical, religious, gastronomic)

GREEN AND ENERGY TRANSITION AND URBAN MOBILITY

- 1 Improving the energy efficiency of buildings and using renewable energy sources
- 2 Green infrastructure - rows of trees and rain gardens, block greenery, park space, vertical and horizontal greening of buildings, greening, cleaning and deepening of riverbeds to protect against flooding, "One yard - one tree", greening of private plots
- 3 Preservation of water intakes and watercourses
- 4 Construction of the Regional Landfill with a recycling centre
- 5 Establishment a system for risk management through monitoring the discharge of untreated wastewater from the slaughterhouse, potential landslides, drinking water, torrential flows, flood announcements, air pollution emissions and other environmental impacts
- 6 Displacement of heavy and transit traffic outside the city area
- 7 Development of a "Sustainable Urban Mobility Plan" with the development of a "Circulation Plan" and a "Parking Plan" - implementation of a traffic structure that will reduce pressure on the city core, while at the same time introducing sustainable urban mobility (electric cars/motorcycles, public transport with energetically non-toxic fuel, organized cycling infrastructure, adapted to sensitive categories of the population)

INNOVATIVE AND SMART ECONOMY

- 1 Development of a new industrial zone
- 2 Further development of the Regional Innovation Start-up Center
- 3 Establishment of a Science and Technology park
- 4 Establishment of a Training centre for dual education
- 5 Reform and introduction of educational profiles in accordance with the needs of the labor market
- 6 Profiling and activation of smart specialization zones:
 - o Creative industries - textiles, circular economy center)
 - o Food for the future (connecting the University in the context of healthy food production and rural tourism development, construction of distribution centers and development of the agricultural products processing industry)

SOCIAL WELL-BEING

- 1 Construction of housing facilities with support and affordable housing
- 2 Establishment of the Sandžak Museum of Contemporary Art
- 3 Construction of a Primary School and increase in capacity for the provision of primary and preschool education services
- 4 Construction of the Regional Theater
- 5 Reconstruction and activation of facilities (Hamam, Central, etc.) for galleries, art pavilions, etc.
- 6 Programs for strengthening human resources, support for talented people (in the field of art, etc.)
- 7 Development of new or modernization of existing social protection services
- 8 Creation of a "Cultural Axis" and a unique visual identity - Launch of the City's online portal for the presentation of the city's cultural heritage and historical heritage and cultural events and the creation of a guide for cultural-historical monuments and cultural programs)

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 programmes 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, programmes 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:

- programmes and incentive funds of the ministries of the RS (Ministry of Finance⁹⁶; Ministry of Economy⁹⁷; Ministry of Agriculture, Forestry and Water Management⁹⁸, Ministry of Environmental Protection⁹⁹; Ministry of Construction, Transport and Infrastructure¹⁰⁰; Ministry of Mining and Energy¹⁰¹; Ministry of Internal and Foreign Trade¹⁰²; Ministry of Justice¹⁰³; Ministry of State Administration and Local Self-Government¹⁰⁴; Ministry for Human and Minority Rights and Social Dialogue¹⁰⁵; Ministry for European Integration¹⁰⁶; Ministry of Education¹⁰⁷; Ministry of Health¹⁰⁸; Ministry of Labour, Employment, Veterans and Social Affairs¹⁰⁹; Ministry of Family Care and Demography¹¹⁰; Ministry of Sports¹¹¹; Ministry of Culture¹¹²; Ministry of Rural Care¹¹³; Ministry of Science, Technological Development and Innovation¹¹⁴; Ministry of Tourism and Youth¹¹⁵; Ministry of Information and Telecommunications¹¹⁶; Ministry of Public Investments¹¹⁷; The cabinet of the

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

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

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

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

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

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

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

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

104 <https://mduls.gov.rs/category/projekti-i-programmei/>

105 <https://www.minljmpdd.gov.rs/>

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

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

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

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

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

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

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

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

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

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

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

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

minister without portfolio in charge of improving the development of underdeveloped municipalities¹¹⁸; 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 diaspora¹¹⁹; Cabinet of the minister without portfolio in charge of balanced regional development¹²⁰), 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 Serbia¹²¹; Port Management Agency¹²²) and funds (Development Fund of the Republic of Serbia¹²³; Fund for innovation activity¹²⁴; Science Fund of the Republic of Serbia¹²⁵;

- The local budget, as well as loans from commercial banks (Erste Bank A.D.¹²⁶; UniCredit bank¹²⁷; Banca Intesa¹²⁸; NLB Komercijalna banka¹²⁹; Bank Poštanska štedionica¹³⁰; ProCredit bank¹³¹) that operate on the territory of RS.

Foreign sources of financing are: EU funds and programmes, 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 mobilising funds from the following international funds and programmes:

- IPA - Instrument for pre-accession assistance¹³² (2021-2027; 2014-2020; 2007-2013), programmes of European territorial cooperation in the Republic of Serbia 2021-2027¹³³, Investment framework for the Western Balkans¹³⁴ (Western Balkans Investment Framework - WBIF), IPARD III¹³⁵, a multi-user IPA¹³⁶;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

133 https://www.mei.gov.rs/upload/documents/publikacije/Brosure%20nove/22/programmei_evropske_teritorijalne_saradnje_u_RS_2021-2027.pdf

134 <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/>

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

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

- EU programmes¹³⁷ (Digital Europe¹³⁸, HORIZON Europe, SME Competitiveness programme - COSME, Employment and Social Innovation programme, ERASMUS, Creative Europe, Europe for Citizens, European Health programme 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 funds¹³⁹ (New Cohesion Policy 2021-2027, MADAD, EU Solidarity Fund, Regional Housing programme) and the Green Agenda for the Western Balkans¹⁴⁰;
- International financial instruments-banks¹⁴¹ (Council of Europe Development Bank - CEB, European Investment Bank - EIB, European Bank for Reconstruction and Development - EBRD, World Bank - WB¹⁴², German Development Bank - *KfW*);
- Bilateral and multilateral cooperation, donor programmes (United Nations Team in Serbia¹⁴³, German Agency for Technical Cooperation - *GIZ*¹⁴⁴, French Development Agency¹⁴⁵, 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 programmes 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.

137 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/programmei-unije/>

138 <https://digital-strategy.ec.europa.eu/en/activities/digital-programmeme>

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

140 <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/>

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

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

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

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

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

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

N A T I O N A L R E S O U R C E S	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		
	BANKS		
	Erste Bank A.D.; UniCredit Bank; Banca Intesa; NLB Komercijalna banka; Bank Poštanska štedionica; ProCredit Bank		
I N T E R N A T I O N A L S O U R C E S	EUROPEAN UNION FUNDS		
	IPA – Instrument for pre-accession assistance	EU programmes	Cohesion policy and other EU funds
	IPA 2021-2027 IPA 2014-2020 IPA 2007-2013) Programmes of European territorial cooperation in the Republic of Serbia 2021-2027 Investment framework for the Western Balkans IPARD III A multi-user IPA	Digital Europe HORIZON Europe SME competitiveness programme – COSME Programme for employment and social innovation ERASMUS Creative Europe Europe for citizens European Health Programme III FISCALIS 2020 CUSTOMS 2020 EU Civil Protection Mechanism An instrument for connecting Europe Rights, equality and citizenship European Instrument for Democracy and Human Rights	New cohesion policy 2021-2027 MADAD EU Solidarity Fund Regional housing programme Green Agenda for the Western Balkans
	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		
	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 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 I 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 matrix i central urban areas	Ministry of Culture MGSI PPP	Creative Europe European Investment Bank World Bank WB Green fund KfW UN SDGs GIZ/AMBERO I PRO
Parts of urban settlements with a problem improvement of social standard or solving social problems	RS Housing program for security forces Ministry of Public Investments	VIOLENCE European Bank for Reconstruction and Development Council of Europe Bank CEB Regional housing program 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	VIOLENCE European Bank for Reconstruction and Development GIZ + KfW UN SDGs bilateral cooperation
Settlements with IMC and architectural heritage, important rappers cultural and historical development of urban settlements, grouping urban settlements	Ministry of Culture Ministry of Tourism	World heritage foundation Creative Europe IPA cross-border cooperation Transnational cooperation INTERREG ADRION DANUBE UN SDGs I 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 programme. 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 mobilisation 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 stakeholders;
- **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 Specialization 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 (SDGs).

Table 4: List of indicators (indicators) for monitoring and evaluating the progress of the implementation of 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 was received	Number of contracted projects	RCO 114 RCR 52 SOURRS
	- Newly created or renovated open public spaces in urban areas	m ²	
	- Renovated 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	SNAP 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 visitors increase	RCR 77 SRTSR PPRS
SO 1.4 Encouraging an integrated and sustainable approach in the rehabilitation 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 connections	- 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 PIKUAP SNURRS
	- Population benefiting from flood protection measures	Number of people	

SO 2.5 Ensuring equal access to sanitation and water supply and improving 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 at km/m	
SO 2.6 Improvement of waste management	- Separately collected waste	t	RCR 103 RCR 47 SNURRS
	- 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 PPRS PZVRS
	- 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 modernised public transport - Annual number of users of new or modernised 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 modernised 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 modernised railways	Increasing the number of users	
SO 2.10 Development and strengthening of sustainable, smart and multimodal national; regional and local mobility that is resistant 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 SPRMSPPK SIPRS
	- SMEs that use incubator services 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 framework of the four-fold spiral of innovation (economy, education, science, public and civil sector - institutional participants)	- Internships made possible by grants in SMEs - Staff of SMEs completing training in skills 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	- Residential buildings with a subscription to broadband access to a network of very high capacity	Number of apartments	RCR 53 RCR 54 SRIDIB SNTRRS
	- Businesses with subscriptions 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	- 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	- Estimated greenhouse gas emissions	Reduction of t CO ₂	RCR 29 RCR 105 RCO 59 SNURRS SIPRS
	- Estimated greenhouse gas emissions from boilers and heating systems converted from solid fossil fuels to gas	Reduction of t CO ₂	
	- Infrastructure for alternative fuels (filling/refueling points)	Number of dots	
	- 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	- Area of new or modernised facilities for employment services	m ²	RCO 61 RCR 65 SZRS
	- Annual number of users of new or modernised facilities for employment services	Number of users	
SO 4.2 Development of social infrastructure and services and encouragement of social inclusion and social innovation	- Annual number of users of new or modernised social protection facilities - The population covered by projects within the framework of integrated action for the socioeconomic inclusion of marginalised communities, low-income households and disadvantaged social groups	Number of users	RCR 74 RCO 113 SDRUSZZ
SO 4.3 Promoting socio-economic inclusion of marginalised communities, low-income households and disadvantaged social groups, including persons with special needs, through integrated action covering housing and social services	- Annual number of users of new or modernised 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 modernised childcare facilities - Annual number of users of new or modernised educational facilities	Number of users	RCR 70 RCR 71 SROVR
SO 4.5 Ensuring equal access to health care and fostering health system resilience	- Annual number of users of new or modernised e-healthcare services - Annual number of users of new or modernised health care facilities	Number of users	RCR 72 RCR 73 SJZRS
SO 4.6 Ensuring equal access to cultural services, programs and facilities	- Annual number of users of new or modernised 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 modernised sports and recreation facilities	Number of users	SMRS PPRS
SO 4.8 Creating a stimulating environment for youth initiatives and activities	- Annual number of users of new or modernised 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.	- Established project unit 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 four-fold and five-fold innovation spiral models	Number of initiatives	SPSRS SOURRS SNTRRS
SO 5.3 Improvement of inter-municipal cooperation through institutional cooperation	- The population covered by projects within the framework of integrated territorial development strategies	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 platform for innovation, a living laboratory, citizen science, etc.	Number of innovative solutions	
	- Applying 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

Indicator sources:

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 youth 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
Adaptation program to changed climate conditions with Action Plan, Draft.	PPIKVAPOR
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	CURRENT
Strategy of smart specialization 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
Strategy for the development of artificial intelligence in the Republic of Serbia for the period 2020-2025. year	SRVIRS

Public health strategy in the Republic of Serbia 2018-2026. year	SJZRS
Tourism development strategy of the Republic of Serbia for the period from 2016 to 2025	SRTRS
Agriculture and rural development strategy 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 Novi Pazar structures and institutions under pressure, even more so where coordination between multiple LSGs would be required. The City of Novi Pazar 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 (PCU) will be set up, to support the City of Novi Pazar 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 PCU 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 Novi Pazar 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 PCU 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 PCU, 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 PCU 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 Novi Pazar 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 PCU 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 Novi Pazar has one of the following three options in order to suit the PCU up:

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

In any case, the PCU 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 PCU as a minimum:

- Head of the PCU;
- 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;¹⁴⁶

After project closing, the City of Novi Pazar 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 /CSO 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 Novi Pazar 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 PCU to ensure that the municipality has the resources to fulfil the Operations and Maintenance obligations for all capital projects. The PCU will assist directly or indirectly wherever possible with regard to the Operation and Maintenance (O&M) programmes.

¹⁴⁶ 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.

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13 ANNEXES

ANNEX 1 – DECISION ON DEVELOPMENT OF THE TERRITORIAL STRATEGY OF NOVI PAZAR URBAN AREA

Na osnovu člana 12. Zakona o planskom sistemu („Službeni glasnik Republike Srbije“, broj 30/2018), člana 13. stav 6. i člana 21. Zakona o lokalnoj samoupravi („Službeni glasnik Republike Srbije“, broj 129/2007, 83/2014 - dr. zakon, 101/2016 - dr. zakon, 47/2018, 111/2021 - dr. zakon), članom 20. Zakona o teritorijalnoj organizaciji Republike Srbije („Sl. glasnik RS“, br.129/2007, 18/2016, 47/2018 i 9/2020 - dr. zakon), Pravilnikom o smernicama dobre prakse za ostvarivanje učešća javnosti u pripremi nacarta zakona i drugih propisa i akata („Službeni glasnik RS“, broj 51/2019), Strategijom održivog urbanog razvoja Republike Srbije do 2030. godine („Službeni glasnik Republike Srbije“, broj 47/2019), člana 46. stav 1. tačka 5) Statuta grada Novog Pazara („Službeni list grada Novog Pazara“, broj 6/19), Skupština grada Novog Pazara na sednici održanoj 12. septembra 2022. godine, donosi

ODLUKU O PRISTUPANJU IZRADI STRATEGIJE RAZVOJA URBANOG PODRUČJA GRADA NOVOG PAZARA

Član 1.

Grad pristupa izradi Strategije razvoja urbanog područja grada Novog Pazara.

Član 2.

Pod Strategijom razvoja urbanog područja grada Novog Pazara (u daljem tekstu: Strategija), u smislu ove Odluke, podrazumeva se planski dokument razvoja, a u skladu sa pravilima Evropske Unije¹.

Član 3.

Cilj izrade Strategije je da doprinese održivom razvoju teritorije zasnovanom na unapređenju socijalnih, ekonomskih, klimatskih, kulturnih i prostornih aspekata razvoja, kao i aspekata životne sredine. Posebna pažnja se posvećuje pronalasku rešenja za aspekte životne sredine i klimatske izazove, prelaz na klimatski neutralnu ekonomiju, bolje korišćenje potencijala digitalnih tehnologija u inovacione svrhe, te podsticanje razvoja urbanih područja. Strategija postavlja prioritete održivog urbanog razvoja, doprinosi maksimiziranju vrednosti finansiranja i razvijanju veza unutar i izvan okruženja.

Član 4.

Polaznu osnovu za formulisanje Strategije predstavljaju definisani pravci razvoja Republike Srbije i Evropske unije i grada Novog Pazara, kroz sagledavanje Evropskih, nacionalnih i lokalnih razvojnih dokumenata i dokumenata javnih politika, i programa i projekta koji se realizuju u Novom Pazaru (*naziv grada*).

Proces izrade Strategije podrazumeva sledeće faze:

- Izrada analize stanja/SWOT analize i identifikacija potreba i potencijala;
- Definisanje vizije, ciljeva, paketa mera, usklađenih sa ciljevima iz hijerarhijski nadređenih akata strateškog planiranja;
- Identifikacija prioriternih projekata;
- Definisanje prioriternih područja intervencije;
- Definisanje upravljačkog mehanizma za sprovođenje Strategije;
- Sprovođenje Strategije.

¹ Član 11. Uredbe (EU) 2021/1058 Evropskog parlamenta i veća od 24. juna 2021. o Evropskom fondu za regionalni razvoj i Kohezionom fondu.

Član 13.

O ovoj Odluci informisaće se javnost u skladu sa odredbama Zakona o planskom sistemu, Zakona o lokalnoj samoupravi i Pravilnika o smernicama dobre prakse za ostvarivanje učešća javnosti u pripremi nacrtu zakona i drugih propisa i akata, objavom na službenim stranicama jedinice lokalne samouprave.

Član 14.

Svi pojmovi u ovoj Odluci upotrebljeni u gramatičkom muškom rodu podrazumevaju muški i ženski prirodni rod.

Ova Odluka stupa na snagu osmog dana od dana objavljivanja u „Službenom listu grada Novog Pazara“.

SKUPŠTINA GRADA NOVOG PAZARA

Broj: 80-1/22
U Novom Pazaru, 12. septembra 2022. godine

SEKRETAR
Ahmedin Binjoš, dipl. pravnik



ANNEX 2 – LIST OF PROJECT IDEA

O 1. IDENTITY OF THE URBAN AREA	
1.	Revitalisation, reconstruction and restoration of the Old Bazaar with the Novopazar Fortress as an ambient unit
2.	Activating urban areas - public city spaces and underused and neglected buildings, urban acupuncture
3.	Underground cabling of overhead lines
4.	Audit of the accessibility of buildings and public areas and their interconnection
5.	Preparation of studies on measures to protect cultural and historical heritage
6.	Mapping and reconnaissance of objects of importance to the city
7.	Creation of cultural, historical, religious, gastronomic routes
8.	City branding projects - visual identity of the city, logo, manholes
9.	Novi Pazar - the cultural capital of Europe / Serbia
10.	Restoration of the core of the old town
O 2. GREEN AND ENERGY TRANSITION AND MOBILITY	
11.	Project for procurement of environmentally friendly vehicles, through subsidies - cars, electric bicycles, public transport, taxi drivers
12.	Development of cycling infrastructure
13.	Greening of riverbanks to create bicycle paths
14.	Improvement of traffic safety
15.	Construction of a filter plant for the water factory and accompanying solar panels
16.	Replacing boilers with fuel oil, switching heating plants to ecologically acceptable fuels
17.	Installation of solar panels on the roof of the municipal administration and other public buildings
18.	Replacement of street lighting, introduction of solar LED lighting, monitoring of public lighting
19.	Introduction of a smart system for street parking - number of spaces and payment
20.	Vertical and horizontal greening of buildings
21.	Greening along riverbeds, forming tree rows, rain gardens
22.	Greening, cleaning and deepening of riverbeds to protect against flooding
23.	Greening and landscaping around buildings, parks, etc.
24.	Landscaping with furniture and greenery
25.	Public fountains, urban acupuncture
26.	Revision of local decisions in the area of housing affairs

27.	Determining the sanitary protection zone of the water intake
28.	Reduction of losses in the water supply network (detection and repair of faults)
29.	Stream regulation in the settlements of Šutenovac, Mur, Selakovac
30.	Replacement of old, dilapidated and asbestos pipes
31.	Replacement of the sewer network in the streets Veljko Vlahovića, Kragujevacka and Kosančićeva
32.	Construction of a wastewater treatment plant
33.	Rehabilitation of Golobrd and Batnjik landfills
34.	Establishing a waste management system - regional landfill
35.	Increased control and education of professionals for the prevention and prevention of chemical accidents
36.	Solving the problem of stray dogs - Zoo hygiene
37.	Naming of new streets and branches of existing streets, installation of signs with street names, names of populated places at the entrance and exit from them
38.	Installation of traffic signals
39.	Installation of tourist signage
O 3. INNOVATIVE AND SMART ECONOMY	
40.	Formation of a science and technology park - support for the development of the food industry
41.	Introduction of the ISO standard in the economy
42.	Development of a new industrial zone
43.	Formation of a training centre for dual education
44.	Formation of a recycling centre
45.	Investments in solar panels and wind generators
O 4. SOCIAL WELLBEING	
46.	Establishing a multimedia SOS service
47.	Opening of clinics in every rural and urban local community
48.	Formation of the Sandžak Museum of Contemporary Art
49.	Expansion of the spatial capacities of the museum Ras
50.	Construction of a regional theater
51.	Reconstruction and commissioning of Hammam facilities, centre for galleries, art pavilions, etc.

52.	<p>Introducing the content of regional and local centres:</p> <ul style="list-style-type: none"> • service centre of the city administration • post • cadastre • ambulance • communal militia • market • home of culture • department of civil protection • sports hall • recreation centre
53.	Scholarships for young talents in artistic fields
54.	Education of the citizens of Novi Pazar about the cultural heritage of the city
55.	Restoration of the core of the old town
56.	Formation of cultural paths
57.	Launching the city's online portal for the presentation of the cultural heritage and historical heritage of the city and cultural events
58.	Branding of the cultural offer of the city with the aim of unifying the cultural offer of the city (guide for cultural-historical monuments and cultural programs)
59.	Establishment of the Institute for the Protection of Cultural Monuments in Novi Pazar
60.	Formation of regional centres of civil protection
61.	Formation of the office of the Institute for the Protection of Monuments
62.	Development of the State University in Novi Pazar
O 5. URBAN/TERRITORIAL DEVELOPMENT GOVERNANCE	
63.	Implementation of local decisions and legal regulations
64.	Adequate work of inspection services
65.	Establishing a platform for diaspora participation
66.	Reform and placement of educational profiles in accordance with the needs of the labor market
67.	Platform for active participation of citizens: surveys and information desks
68.	Developing lobbying capacities to attract capital investments
69.	Creating teasers for projects of capital importance (investment guides)
70.	Development of geographic information systems (GIS)

ANNEX 3 – PARTICIPANTS IN DEVELOPING THE STRATEGY

Participants in the Strategy development process

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

August 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 SERBIA¹⁴⁷

1.1.1 MINISTRY OF FINANCE¹⁴⁸

From the RS budget, the Ministry finances the following programme 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 ECONOMY¹⁴⁹

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

- Financial support programme - use of standards to more competitive products. The programme 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 organisation, 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 programme 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. Programme 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;
- Support programme 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,

¹⁴⁷ <https://www.srbija.gov.rs/link/2497>

¹⁴⁸ <https://www.mfin.gov.rs/>

¹⁴⁹ <https://privreda.gov.rs/>

improving and improving their business and internationalization, as well as creating new jobs. The programme is a combination of grants from the budget (25%), loans from commercial banks and leasing companies (70%) and the client's own funds (5%);

- Programme 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 programme 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 programme 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 programme for industrial economic entities for the procurement of first generation technological equipment;
- Infrastructure development support programme 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 Programme - 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 MANAGEMENT¹⁵⁰

From the RS budget, the Ministry finances the following programme 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 Organisations, 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 programmes related to the preparation and implementation of local strategies for rural development (LSRR).
- Incentives include support for programmes, 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

¹⁵⁰ <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 programme, 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.
- Programme 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 programme 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 PROTECTION¹⁵¹

From the RS budget, the Ministry finances the following programme 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.

¹⁵¹ <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 programmes of protected natural assets of national interest - co-financing of management programmes 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 organisations, 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 INFRASTRUCTURE¹⁵²

From the RS budget, the Ministry finances the following programme 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.
- Programme 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.
- Programme of integrated solid waste management in Serbia - improvement of municipal infrastructure for efficient management of municipal solid waste in selected cities.

¹⁵² <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 ENERGY¹⁵³

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

- Public call for the allocation of funds for the financing of the Programme 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.

¹⁵³ <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 TRADE¹⁵⁴

From the RS budget, the Ministry finances the following programme 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 programmes of consumer associations and out-of-court settlement of consumer disputes - financing or co-financing of programmes 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 JUSTICE¹⁵⁵

From the RS budget, the Ministry finances the following programme 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, organisations, public institutions, entrepreneurs, associations, funds, humanitarian organisations, which realize the public interest in the field of health, culture, education, humanitarian work.

1.1.9 MINISTRY OF STATE ADMINISTRATION AND LOCAL SELF-GOVERNMENT¹⁵⁶

From the RS budget, the Ministry finances the following programme 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 organisational models, building and strengthening the capacities of LGUs, development and improvement of inter-municipal cooperation through the Fund for Inter-Municipal Cooperation.

¹⁵⁴ <https://must.gov.rs/>

¹⁵⁵ <https://www.mpravde.gov.rs/>

¹⁵⁶ <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 Programme 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 programme budgeting in accordance with the methodology for programme budgeting through the creation of instructional documents for the preparation of the programme budget, the organisation 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 organisations - competition for the allocation of funds from the Budget Fund for National Minorities for programmes and projects from a specific priority area of funding.

1.1.10 MINISTRY OF HUMAN AND MINORITY RIGHTS AND SOCIAL DIALOGUE¹⁵⁷

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

- The rights of national minorities to self-governance - strengthening of civil society organisations and business companies by announcing tenders for financing programmes and projects of organisations 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 organisations in order to improve mutual cooperation.
- Public competition for financing programmes of associations that contribute to greater involvement of civil society organisations in the creation of gender-responsive policies.
- Competition for civil society organisations, 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.
- Programmes and projects by which Roma men and women are informed and educated on the topic of access to rights and preservation of identity.
- Training programmes 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 programme 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 programmes to encourage the development and learning of children, as well as the development of parenting skills in the community.

¹⁵⁷ <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 programmes - IPA programme funds. Providing financial support to associations and other civil society organisations for the implementation of projects previously approved by the European Union.

1.1.11 MINISTRY OF EUROPEAN INTEGRATION¹⁵⁸¹⁵⁹

From the RS budget, the Ministry finances the following programme 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) Programme Bulgaria-Serbia 2021-2027.

1.1.12 MINISTRY OF EDUCATION¹⁶⁰

From the RS budget, the Ministry finances and co-finances the following programme 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 programme 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 programmes 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 programme, funds of the European Investment Bank;
- 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;

¹⁵⁸ <https://www.mei.gov.rs/>

¹⁵⁹ <https://www.mei.gov.rs/srp/pozivi/165/detaljnije/w/0/raspisan-prvi-poziv-za-projektne-ideje-iz-teritorijalne-strategije/>

¹⁶⁰ <https://prosveta.gov.rs/>

- 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 organisations, the innovative economy, as well as the Fund for Science and the Fund for Innovation Activities.

The SAIGE project provides support to the competitive programmes 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 programmes, the Special Programme for Research on COVID-19 and IDEA.

Through the Programme 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 programme 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 programmes 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 programme.

Through this programme 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 programme 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 organisations 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. Programme 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 Programme of institutional financing of institutes of national importance for the Republic of Serbia.

The programmes 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 programmes including the rights and obligations of researchers at accredited faculties regarding the establishment and duration of the employment relationship.

The aim of these programmes 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 HEALTH¹⁶¹

From the RS budget, the Ministry finances the following programme 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.

¹⁶¹ <https://www.zdravlje.gov.rs/>

- 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 organisation 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,
- Programmes 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 programme 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 programme 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 programme 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
- Programme "Interreg" IPA Romania - Serbia 2021-2027.

1.1.14 MINISTRY OF LABOR, EMPLOYMENT, VETERANS AND SOCIAL AFFAIRS¹⁶²

From the RS budget, the Ministry finances the following programme 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.

¹⁶² <https://www.minrzs.gov.rs/sr>

- 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 programme 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 programmes implemented by citizens' associations registered on the territory of the Republic of Serbia.
- Public competition for submitting programme proposals to the Programme 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 programmes 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 programmes, interests and activities 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 programme 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 Programme.

1.1.15 MINISTRY OF FAMILY CARE AND DEMOGRAPHY¹⁶³

From the RS budget, the Ministry finances the following programme 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 programmes and activities of public interest in the field of family and child protection.
- Public call for submission of programme 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 organisations for projects of family law protection, citizens, support for families and children.
- Public competition for submitting programme 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 organisations for projects of family law protection of citizens, coordination and policy implementation in the field of demography.
- Public call for submission of programme proposals to the permanently open call for grants intended for projects of family law protection of citizens, coordination and implementation of population policy - for the use of grants to non-governmental organisations for projects of family law protection of citizens, coordination and implementation of population policy.
- Public call for submission of programme 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 organisations for projects of family law protection of citizens, support for associations in the field of family protection.

¹⁶³ <https://minbpd.gov.rs/>

1.1.16 MINISTRY OF SPORTS¹⁶⁴

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

- Special programmes in the field of sports - financing the activities of organisations 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 programme 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 programme 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 CULTURE¹⁶⁵

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

- Support for improving the capacity of the cultural sector at the local level - Co-financing of the Cities in Focus programme 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.
- 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.

¹⁶⁴ <https://www.mos.gov.rs/>

¹⁶⁵ <https://www.kultura.gov.rs/>

- 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 programmes 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 programme 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 programmes 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 programmes 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 programmes 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 CARE¹⁶⁶

From the RS budget, the Ministry finances the following programme 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 organisation of events in the villages of the Republic of Serbia - a public competition for the implementation of the grant award programme 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 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 organisation of the event called "Miholjski susreti village".

1.1.19 MINISTRY OF SCIENCE, TECHNOLOGICAL DEVELOPMENT AND INNOVATION¹⁶⁷

From the RS budget, the Ministry finances the following programme 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

¹⁶⁶ <https://www.mbs.gov.rs/>

¹⁶⁷ <https://nitra.gov.rs/>

and the construction of innovative organisations for infrastructural support of innovation activities.

- Support for the digitization programme 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 programmes
- IPA 2019 - Competitiveness and Innovation

1.1.20 MINISTRY OF TOURISM AND YOUTH¹⁶⁸

From the RS budget, the Ministry finances the following programme 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 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.
- Programmes and projects supporting young people in education, upbringing, safety, health and participation - funding or co-financing of programmes 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.
- Programmes 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.

¹⁶⁸ <https://www.mto.gov.rs/>

- 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 TELECOMMUNICATIONS¹⁶⁹

From the RS budget, the Ministry finances the following programme 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 organisations 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.
- 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 INVESTMENTS¹⁷⁰

From the RS budget, the Ministry finances the following programme 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.

¹⁶⁹ <https://mit.gov.rs/>

¹⁷⁰ <https://www.obnova.gov.rs/>

- 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 MUNICIPALITIES¹⁷¹

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

- Public call for submission of project proposals to the Programme 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 Programme 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.

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 DIASPORA¹⁷²

From the RS budget, the Cabinet of Ministers without portfolio finances the following programme 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 organisation of schools, camps (programmes 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.

¹⁷¹ <https://rnro.gov.rs/javni-konkursi/>

¹⁷² <https://www.mbpdijaspora.gov.rs/>

1.1.25 CABINET OF THE MINISTER WITHOUT A PORTFOLIO IN CHARGE OF EVEN REGIONAL DEVELOPMENT¹⁷³

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

- Public call for applications for projects for the Regional Growth Promotion Programme 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 ADMINISTRATION¹⁷⁴

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

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

1.2.2 ADMINISTRATION FOR FREE ZONES¹⁷⁵

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 DIRECTORATE¹⁷⁶

From the RS budget, the Directorate finances the following programme 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

¹⁷³ <https://rrrz.gov.rs/extfile/sr/472/%D0%88avni%20poziv.pdf>

¹⁷⁴ <https://www.carina.rs/>

¹⁷⁵ <https://www.usz.gov.rs/>

¹⁷⁶ <https://rdvode.gov.rs/>

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 Programme 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, Pirot Leskovac, Paraćin, Knjaževac, Vrbas and Kikinda.

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

- Environment and climate - funds of the IPA Programme, 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 FORESTS¹⁷⁷

From the RS budget, the Administration finances the following programme 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 programme 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 Programme 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.

¹⁷⁷ <https://upravazasume.gov.rs/>

1.2.5 ADMINISTRATION FOR AGRARIAN PAYMENTS¹⁷⁸

From the RS budget, the Administration finances the following programme 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 programmes, in order to achieve breeding goals in animal husbandry, as well as incentives for the 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 ADMINISTRATION¹⁷⁹

From the RS budget, the Administration finances the following programme 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 programmes, projects and study research works of importance for LGUs and the Republic of Serbia.

¹⁷⁸ <https://uap.gov.rs/>

¹⁷⁹ <https://upz.minpolj.gov.rs/sadrzaj/>

1.2.7 NATIONAL ACADEMY FOR PUBLIC ADMINISTRATION¹⁸⁰

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

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

1.2.8 DEVELOPMENT AGENCY OF SERBIA¹⁸¹

- Public call for participation in the competitiveness development support programme - financing of projects to increase the level of use of standards in production and business organisation, product certification, management systems and increase the use of other services in the field of quality infrastructure.
- Public call for participation in the Programme 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.
- 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 AGENCY¹⁸²

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

- Public call within the cross-border and transnational cooperation programme “Transnational Danube Programme” (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 SERBIA¹⁸³

- 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.

¹⁸⁰ <https://www.napa.gov.rs/>

¹⁸¹ <https://ras.gov.rs/>

¹⁸² <https://www.aul.gov.rs/>

¹⁸³ <https://fondzarazvoj.gov.rs/cir>

1.3.2 FUND FOR INNOVATION ACTIVITY¹⁸⁴

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 programme in the 4S areas** - The “Innovation Vouchers” programme 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 programme in the areas of 4S** - aims to advance industrial research by encouraging private sector enterprises and public sector (majority state-owned) scientific research organisations to carry out joint research and 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 organisation, and may have a maximum of five members. Through this programme, 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.
- **Programme for financing development and innovation projects of companies in the areas of 4S** - the innovation co-financing programme 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 programme 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 subprogramme intended for startups in the 4S area** - the programme will consist of two components: one for the early stage (idea) and the other for companies

¹⁸⁴ <http://www.inovacionifond.rs/cir/>

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 programmes 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, programme for researchers from scientific research organisations** - this measure is intended to support innovations from the earliest stages of development, created in scientific research organisations. This program provides financial and mentoring support to determine the emergence of a new product, process or technology with commercial potential. Thanks to this programme, 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 Programme** - 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 SERBIA¹⁸⁵

The primary goal of establishing the Science Fund of the Republic of Serbia, as a special organisation, 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 organisations in the realization of scientific projects within the programme announced by the Science Fund of the Republic of Serbia. Programme activities of the Science Fund of the Republic of Serbia are implemented through the following published programmes:

- **Programme 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 programme to support the development of projects in the field of artificial intelligence is designed to encourage

¹⁸⁵ <https://fondzanauku.gov.rs/>

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

All programmes 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)¹⁸⁶

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).

¹⁸⁶ <https://www.cpn.edu.rs/>

1.4 BANKS

1.4.1 Erste Bank A.D.¹⁸⁷

- 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 programmes for small and medium-sized enterprises to open and maintain sustainable businesses.

1.4.2 UniCredit bank¹⁸⁸

- 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.
- The COSME programme 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 Intesa¹⁸⁹

- 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 banka¹⁹⁰

- 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 štedionica¹⁹¹

- 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.

¹⁸⁷ [HTTPS://www.erstebank.rs/sr/Pravna-lica](https://www.erstebank.rs/sr/Pravna-lica)

¹⁸⁸ <https://www.unicreditbank.rs/rs/pi.html>

¹⁸⁹ <https://www.bancaintesa.rs/>

¹⁹⁰ <https://www.nlbkb.rs/>

¹⁹¹ <https://www.posted.co.rs/>

- Roma entrepreneurship promotion programme, 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 bank¹⁹²

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

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

¹⁹² <https://www.procreditbank.rs/>

strategic framework and the IPA III programme framework, the readiness of projects / programmes 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 programme 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 Delegation¹⁹³.

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 PROGRAMMES IN THE REPUBLIC OF SERBIA 2021-2027

Territorial cooperation programmes¹⁹⁴ or Interreg programmes 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 programme is a seven-year operational programme or cooperation programme that consists of an analysis of the territory covered by the programme, the challenges faced by

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

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

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

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 programme.

In the financial period 2021-2027. year, Serbia participates in ten programmes 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 programme, the Programme for the Danube Region and the URBACT Programme. Also, there is a possibility that additional territorial cooperation programmes will be approved for Serbia during this financial perspective.

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

2.1.1.4.1 ROMANIA - SERBIA CROSS-BORDER COOPERATION PROGRAMME

Support area¹⁹⁵

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.

¹⁹⁵ <https://www.romania-serbia.net/>

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 PROGRAMME*Support area¹⁹⁶

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.

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 PROGRAMME CROATIA - SERBIA*Support area¹⁹⁷

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 programme 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.

¹⁹⁶ <http://www.ipacbc-bgrs.eu/>

¹⁹⁷ www.croatia-serbia.com

Priority 3: Coworking for a healthier and more inclusive programme 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.

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 PROGRAMME SERBIA - BOSNIA AND HERZEGOVINA

Support area¹⁹⁸

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 PROGRAMME

Support area¹⁹⁹

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

The specific objective within this thematic priority is:

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

¹⁹⁸ <http://srb-bih.org/>

¹⁹⁹ www.cbcsrb-mne.org

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

2.1.1.4.6 SERBIA - NORTH MACEDONIA CROSS-BORDER COOPERATION PROGRAMME

Support area²⁰⁰

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 PROGRAMME

Support area²⁰¹

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

²⁰⁰ <https://eu.rs-mk.org/>

²⁰¹ www.adrioninterreg.eu

- 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.

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 programme	160,810,017.65 euros

2.1.1.4.8 TRANSNATIONAL PROGRAMMES FOR THE DUNAVIS REGION

Support area²⁰²

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

²⁰² www.interreg-danube.eu

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.

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 programme	268,809,822.00 euros

2.1.1.4.9 URBACT PROGRAMME

URBACT²⁰³ is one of the programmes of interregional cooperation. The goal of the programme is to encourage sustainable integral 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 integral 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 integral 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

²⁰³ <https://urbact.eu/>

2.1.1.5 WESTERN BALKANS INVESTMENT FRAMEWORK (WBIF)

Investment framework for the Western Balkans²⁰⁴ (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 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: Sićevo-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 Programme 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 Programme (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 Programme IPARD III²⁰⁵ for support in the field of rural development. The EC has established a budget in the amount of 288,000,000 euros for this Programme for the period 2021-2027. The governing body of IPARD submitted the final version of the IPARD III programme 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 programme. In relation to the IPARD II programme 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 programme, 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 instrument²⁰⁶ (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 Programme 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

²⁰⁵ <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/ipard-iii/>

²⁰⁶ <https://www.mei.gov.rs/src/fondovi/fondovi-evropske-unije/ipa-instrument-za-pretpristupnu-pomoc/visekorisnicka-ipa/>

component is focused on four priority areas:

- support for regional investments;
- support for territorial cooperation through the implementation of cross-border and transnational cooperation programmes;
- support to regional structures and organisations and
- horizontal support to the common priorities of the beneficiaries from the region.

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”²⁰⁷ 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 programmes 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 programme documents for the implementation of KP, and
- 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 programme for local development - EU PRO Plus²⁰⁸ 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 programme works on improved management of territorial development, economic growth and improved social infrastructure and social cohesion.

For this three-year programme, 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 programme is led by MEI, a implemented by the United Nations Office for Project Services (UNOPS).

The direct beneficiaries of the EU PRO Plus programme are MEI, 99 local governments, local government structures, regional development agencies, other business support organisations, micro, small and medium enterprises (MSMEs) and civil society organisations (CSOs). The end users of the programme are residents of 99 cities and municipalities.

²⁰⁷ <https://www.mei.gov.rs/srp/fondovi/projekti-ministarstva-za-evropske-integracije/razvoj-sistema-za-upravljanje-kohezivnom-politikom-ipa-2015/>

²⁰⁸ <https://www.euproplus.org.rs/onama/o-programu>

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 programmes EU PROGRES, European PROGRES and EU PRO.

2.1.2 PROGRAMMES OF THE UNION

Union programmes²⁰⁹ 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 programmes 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 programmes on November 22, 2004. Participation in Union programmes 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, organisations, offices - are responsible for the participation of the RS in Union programmes, which have a mandate for this. The coordination of participation in each individual programme 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 programmes, 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 programmes. In the previous period, the Republic of Serbia participated in thirteen programmes of the Union, and from June 30, 2023, can also participate in the Digital Europe programme:

2.1.2.1 DIGITAL EUROPE

Digital Europe Programme (DIGITAL)²¹⁰ is a new programme 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 programme for the period until 2027.²¹¹ 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 (HPC), advanced digital skills, and the development and application of digital capabilities and interoperability. The total value of the Digital Europe

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

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

211 <https://www.srbija.gov.rs/vest/716373/potpisan-sporazum-o-ucescu-srbije-u-programu-digitalna-evropa.php>

programme is estimated at 7.5 billion euros.

2.1.2.2 HORIZON EUROPE

Horizon 2020 is the EU's largest integrated programme for research and innovation, bringing together all programmes previously funded by the Competitiveness and Innovation Framework Programme (CIP), the Seventh Framework Programme for Research and Innovation (FP7) and the European Institute for Innovation and Technology (EIT). By bringing together innovation and research, the programme seeks to make progress in three priority areas: Excellence in Science, Industry Leadership and Societal Challenges. The programme 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 PROGRAMME – COSME

The programme for the competitiveness of small and medium-sized enterprises is a programme for the promotion of the competitiveness of small and medium-sized enterprises. The goals of the programme 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 programme include project writing trainings, activities that enable access to new markets, as well as the promotion of as many transnational partnerships as possible. The programme also supports educational exchange between entrepreneurs (*Erasmus* for young entrepreneurs). As part of this programme, 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 PROGRAMME FOR EMPLOYMENT AND SOCIAL INNOVATIONS

The programme 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 programme 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 programme that provides funding for cooperation projects in three areas: education, youth and sports. In the broadest sense, the Erasmus programme 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 programme 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 organisations 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, organisations and institutions dealing with youth and non-governmental organisations have been on exchanges in Erasmus member countries. It is responsible for the implementation and promotion of the Erasmus programme in the RS Tempus Foundation.

2.1.2.6 CREATIVE EUROPE

Creative Europe is an EU programme to support the culture and media sectors. The programme consists of two sub-programmes: Culture - for the promotion of the cultural sector and the Media programme - for the support of the audiovisual sector.

Through the Culture sub-programme, the cooperation of cultural and creative organisations 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 programmes for cultural and artistic works are also being established. The sub-programme Culture includes four competitions: European cooperation projects, European platforms, European networks and Literary translation projects.

The Media Programme 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 programme aims to promote European identity and European citizenship. It is intended for citizens' associations, civil society organisations and local self-government units. The general objectives of the programme 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 programme 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 PROGRAMME III

The programme is the main instrument used by the EC to implement the EU health strategy. The main goals of the programme are to improve the health system and reduce inequality in providing/receiving health care. The programme 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 programme that deals with the exchange of information and experiences between the tax authorities of European countries. The goal of the programme is to, in partnership with other European countries, develop a trans-European information system and build a network between users of national authorities. The programme 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 programme 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 programme 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 programmes are the successors of the previous programmes, but changes, new programmes, new rules for implementation, monitoring and reporting, as well as new criteria for participating in the programmes 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. 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 programme 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 policy²¹² (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. 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 22²¹³. 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 decisions (see 2.1.8). In addition, the "EU Programme for Local Development - EU PRO Plus" is implemented, which promotes the concept of integral urban and territorial development and contributes to the

²¹² <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/koheziona-politika/>

²¹³ 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 programme 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 programmes 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).

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 funds²¹⁴.

2.1.3.1 NEW COHESION POLICY 2021-2027 (ERDF, ESF, CF)

New cohesion policy of the EU²¹⁵ 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 programme 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 invested in priority projects that the cities themselves define based on the local strategy of sustainable urban development.

Asset priorities

²¹⁴ 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.

²¹⁵ https://ec.europa.eu/regional_policy/2021-2027_en

- 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 programmes 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 programmes 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 programme 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 Fund²¹⁶ (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

²¹⁶ <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

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 Organisation for Migration (IOM).

2.1.3.3 EU SOLIDARITY FUND - FSEU

The EU established the Solidarity Fund²¹⁷ (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 2014.²¹⁸ 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 application²¹⁹.

2.1.3.4 REGIONAL HOUSING PROGRAMME

Regional housing programme²²⁰ 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 programme 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 programme. These countries were the most affected by the war conflicts of the 1990s and therefore have a significant refugee population. In the RS, the Programme 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

217 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

218 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).

219 http://www.obnova.gov.rs/uploads/useruploads/Documents/Solidarnost_na_delu_preview.pdf

220 <https://www.mei.gov.rs/srp/fondovi/fondovi-evropske-unije/ostali-fondovi/>

agreement regulates the basic settings of the programme, the implementation mechanism, the obligations of the participants in the programme and the amount of funds that will be engaged. The Programme is managed by the Development Bank of the Council of Europe, which administers a multi-donor fund formed for the purpose of implementing the Programme. 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 programme is under the jurisdiction of the Commissariat for Refugees and Migration of the RS. Through the Programme, 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 Programme 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 solutions²²¹.

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 Agenda²²², 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 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

²²¹ www.regionalhousingprogramme.com; www.kirs.gov.rs

²²² <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/>

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 programmes 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 CEB²²³

Council of Europe Development Bank²²⁴ (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 Programme 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 Bank²²⁵ (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 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 programmes 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 programmes

²²³ <https://www.mei.gov.rs/srp/fondovi/bilateralni-i-multilateralni-partneri/po-medjunarodnim-organizacijama/>

²²⁴ www.coebank.org

²²⁵ <http://www.eib.org/>

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 Development²²⁶ (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.
- 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

²²⁶ <http://www.ebrd.com/home>

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 projects²²⁷ 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.

Programme Green, living and resilient cities in Serbia²²⁸

In June 2021, the World Bank launched the Green, Living and Resilient Cities Programme in Serbia, together with the Ministry of Construction, Transport and Infrastructure, to strengthen sustainable and resilient urban development²²⁹. This activity is part of the World Bank's Global Umbrella Programme for Sustainable and Regional Development (SURGE) and is supported by the Swiss Confederation through the State Secretariat for Economic Affairs (SECO). The four-year 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 programmes, 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 programme 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

227 https://projects.worldbank.org/en/projects-operations/projects-summary?lang=en&countrycode_exact=YF

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

229 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 programme for the next phase of urban development in Serbia. This programme 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).

- 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 bank²³⁰. 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 Challenges²³¹ (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.

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 programmes or the expansion and improvement of existing programmes. 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

²³⁰ <https://nemackasaradnja.rs/kfw/>

²³¹ <https://rcf-wb6.org/sta-mi-radimo/?lang=me>

- 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 programme
- 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 PROGRAMMES

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 Serbia²³² 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 programmes, 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;
- 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

²³² <https://serbia.un.org/sr/about/about-the-un>

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 Serbia²³³ 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 programmes and projects²³⁴ from the following areas:

- sustainable improvement of the economy and employment;
- good governance;
- environment.

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

²³³ <https://nemackasaradnja.rs/giz/>

²³⁴ 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)

French Development Agency²³⁵ 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 holder²³⁶ 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, 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

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

236 <https://www.mgsi.gov.rs/cir/projekti/razvoj-lokalne-infrastrukture-i-institucionalnog-jachanja-lokalnih-samouprava-republike>

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” programme. 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 PROGRAMMES

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 RS²³⁷ 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 programme 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 Serbia²³⁸ it is defined within a broader regional concept - the Danish Neighborhood Programme for Eastern Europe. Since 2017, with the completion of two large programmes financed by Danish bilateral grant aid in 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

²³⁷ <https://www.jica.go.jp/balkan/english/office/index.html>

²³⁸ <http://serbien.um.dk/en/danish-cooperation/danish-cooperation-with-serbia/>

2008 to today amounts to more than 100 million euros. Norway provides assistance to Serbia through the Bilateral Cooperation Programme, the Embassy's Fund for Small Projects, as well as direct grants to civil society organisations²³⁹. 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 Serbia²⁴⁰ 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 programmes - MATRA and the Human Rights Fund, which aim to help civil society organisations and the justice and internal affairs sectors, the Embassy of the Netherlands spent a total of 831,116 EUR. As part of the ORIO programme, the project Collection and treatment of waste water in Leskovac is being implemented in the Republic of Serbia. The total budget of the ORIO programme 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 2021-2027²⁴¹. 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 programmes 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 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.

239 <https://www.norway.no/en/serbia>

240 <https://www.netherlandsworldwide.nl/countries/serbia>

241 <http://www.swedenabroad.com/sr-Latn-RS/Embassies/Belgrad/>

- 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 t of the People's Republic of China, which is signed annually.²⁴² 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 accession²⁴³. 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 organisations. The Austrian Development Agency (ADA) as the implementing agency of the Republic of Austria applies European standards in the implementation of various EU programmes/projects:

- Implementation of the EU programme 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.
- 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.

²⁴² <http://rs.chineseembassy.org/srp/>

²⁴³ <http://www.entwicklung.at/en/>

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 PROPARCO 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 Programme, 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 Programme Loan for Public Policies “Urban Environments Resilient to Climate Change”. An integral part of the Programme 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 programme 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 Albania²⁴⁴. The target sector of this aid programme 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 Programme (ITEC) is implemented by the Ministry of Foreign Affairs of the Government of India as a bilateral aid programme of that country to friendly countries. This programme 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.²⁴⁵ 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 programme (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 programme 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 programmes are implemented:

- KOICA Fellowship programmes - KOICA partner programmes - The primary goal of this programme is additional education for technical skills and knowledge, as well as capacity building for sustainable socio-economic development;
- Master's studies (KOICA Scholarship Programme - 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 Serbia²⁴⁶ implemented through small development projects,

244 <http://www.mfa.gr/serbia/sr/the-embassy/>

245 www.itecgoi.in

246 www.belgrad.msz.gov.pl

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 organisations and persons from the private sector. Partners in projects are usually local non-governmental organisations, 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 programmes. These programmes were brought under a unified framework when the Singapore Cooperation Programme (SCP) was established in 1992. The cooperation programme is a series of courses, programmes, 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 programmes can be civil servants - managers of narrower internal units in public administration institutions as well as civil servants in position, unless otherwise indicated.

Republic of Slovenia

Technical assistance activities²⁴⁷ 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 organisational structures through the transfer of the experience of Slovenian institutions and organisations. 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

²⁴⁷ www.belgrade.embassy.si

governments of the two countries on technical and financial cooperation²⁴⁸ 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 programme 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 Agency²⁴⁹ (GIZ). In the past period, German development aid funds in the RS were directed to the implementation of projects and programmes 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 programmes. 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

²⁴⁸ <http://www.tika.gov.tr/en>

²⁴⁹ <http://www.belgrad.diplo.de/> and www.nemackasaradnja.rs

is implemented through three regional programmes: 1) Open regional fund for Southeastern Europe; 2) Regional programme 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 administration²⁵⁰ 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 economy²⁵¹ 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*).

Slovak Republic

Cooperation between the Slovak Republic and RS²⁵² 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 Kingdom²⁵³, representatives

250 <https://www.usaid.gov/serbia/democracy-human-rights-and-governance>

251 <https://www.usaid.gov/serbia/economic-growth-and-trade>

252 <http://www.mzv.sk/belehrad>

253 <https://www.gov.uk/world/organisations/british-embassy-belgrade.sr>

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 programme 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 organisations, 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.

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 organisations 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.

Organisation HELVETAS Swiss Intercooperation²⁵⁴ 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.²⁵⁵ 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

254 <https://www.helvetas.org/en/eastern-europe/what-we-do/where-we-work/partner-countries/serbia>

255 <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 NOVI PAZAR URBAN AREA

Na osnovu članova 12., 49. i 50. Zakona o planskom sistemu („Službeni glasnik RS“ broj 30/2018), članova 20. i 32. Zakona o lokalnoj samoupravi („Službeni glasnik PC“, broj 129/2007, 83/2014 - dr. zakon, 101/2016 - dr. zakon, 47/2018 i 111/2021 - dr. zakon), Strategije održivog urbanog razvoja Republike Srbije do 2030. godine („Službeni glasnik Republike Srbije“, broj 47/2019), Memoranduma o razumevanju i člana 46. stav 1. tačka 5) Statuta grada Novog Pazara („Službeni list grada Novog Pazara, broj 6/19), Skupština grada Novog Pazara, na sednici održanoj 14. maja 2024. godine, donosi

ODLUKU O USVAJANJU STRATEGIJE RAZVOJA URBANOG PODRUČJA GRADA NOVOG PAZARA ZA PERIOD 2023-2034. GODINE

Član 1.

Usvaja se Strategija razvoja urbanog područja grada Novog Pazara za period 2023-2034. godine.

Član 2.

Strategija razvoja urbanog područja grada Novog Pazara i Izveštaj o sprovedenoj javnoj raspravi su sastavni deo ove Odluke.

Član 3.

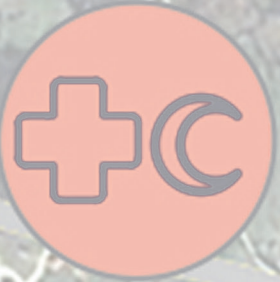
Ova Odluka stupa na snagu osmog dana od dana objavljivanja u „Službenom listu grada Novog Pazara“.

SKUPŠTINA GRADA NOVOG PAZARA

Broj: 02-104/24
U Novom Pazaru, 14. maja 2024. godine

PREDSEDNIK
Samir Lekić





Ministry of European Integration
REPUBLIC OF SERBIA

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