

The Second Annual Programme Steering Committee

Raška, 18 July 2012

Meeting Minutes



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I Agenda

1. Welcome and introduction speeches
2. Approval of the minutes of the previous Steering Committee held in Trgovište
3. Summary presentation of the Annual Report July 2011 – June 2012
4. Review of critical projects and discussion
5. Presentation of requests for funding:
 - The Citizens Involvement Fund, second call for proposals
 - Projects from reserve list of the second and third invitation for planning documentations
 - Annexing contract for professional services for the establishment of One Stop Shops in Novi Pazar and Ivanjica
 - Second phase of support to Žitorađa Local Tax Administration
 - Environmental Protection of Pčinja River – waste water treatment plant in Trgovište
6. Summary presentation of the EU PROGRES Mid-Term Evaluation
7. Voting
8. Other business

II Minutes

Agenda item 1:

Welcome and introduction speeches

- 🇺🇦 Welcome from the host, the **Mayor of Raška Jovan Čorbić**, who wished everyone a pleasant stay in the town and praised the fact that the Programme is implemented in line with the good governance principles.
- 🇺🇦 **Ognjen Mirić, Deputy Director of the Serbian European Integration Office (SEIO) and the Chairman of the Steering Committee** greeted all new and re-elected representatives of the local self governments (LSGs), stressing that the high needs of the area demonstrate necessity to continue with the activities within a new programme. He also thanked the Ministries for a constructive participation in the work of the Programme Steering Committee (PSC).
- 🇺🇦 **Martin Kern, the Head of Operations, Delegation of the European Union**, said the meeting was a good opportunity to take stock of accomplishments, as there was a year to go and it was essential to assess what was achieved and to agree the way forward. The supported 140 projects should be put into a strategic context to see what achievements were endeavoured. There were still issues with capacity of the LSGs and there should be a discussion how to address them. Mr. Kern thanked the SEIO for a strong leadership and coordination role within the EU PROGRES.
- 🇺🇦 **Beatrice Meyer, Serbia Country Director, Swiss Cooperation Office**, pointed out to three main elements that make EU PROGRES different from other similar programmes: 1) Work in implementing and making well known principles of good governance with a clear division of roles and responsibilities makes infrastructure projects sustainable. 2) The chosen grant modality, with direct implementation by municipalities, directly creates ownership of stakeholders thus contributing to capacity building of municipalities. 3) Close partnerships between national stakeholders and municipalities established during implementation of EU PROGRES, can be profitable to everyone and is a good basis for a successful third year.



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Agenda item 2:

Approval of the minutes of the previous Steering Committee

The Programme Steering Committee voting members unanimously approved the minutes of the seventh Steering Committee meeting held in Trgovište on 18 April 2012.

Agenda item 3:

Presentation of the Second Annual Programme Report

Before the presentation of the Second Annual Report, the EU PROGRES Programme Manager, Graeme Tyndall, congratulated all new Mayors and appointed officials, wishing a good future cooperation. Tyndall congratulated the Switzerland on its National Day and conveyed his greetings and best wishes for the upcoming Ramadan fasting period. He said that the Programme would switch to result based reporting as activities progress and that there were many challenges in the past year, which caused the Programme to be behind the spending for clear reasons. However, he expected that the situation would change in the last full year of implementation with appropriate adjustments. Tyndall thanked the EU and SDC, as well as the SEIO for good leadership.

EU PROGRES Deputy Programme Manager, Marko Vujačić, presented the key results, from the Second Annual Report. Several comments ensued:

- Martin Kern stated it was a great report but that it was important to ‘start connecting the dots, in order to show the impact’. There were five comments Kern made:
 - It is important to develop indicators and be able to measure all achievements; what were the outcomes and how those contributed to the overall objective of the Programme (job creation, attraction of investments)
 - Difficulties and limitations in the capacities of the local governments, that were outlined, especially on the page 22 of the report, which could risk full impact of the intervention, should be addressed in such a way to show what could be done to achieve sustainable results. The indicators should be revised at output and outcome level, to be able to measure and be accountable, but also to show what was achieved
 - The project should be put into the context of other development initiatives in the region, especially those funded by the EU (PBILD, CBC, Exchange), and synergy between mentioned interventions should be created, as this will help address and prepare for future initiatives for structural funds to come.
 - There should be more information about problematic projects with explanation of delays. Therefore, it should be considered the possibility to introduce report section consisting of relevant information on critical projects and measures which have been taken in order to address the identified implementation problems.
 - Project pipeline was a good achievement and something that should be brought up prominently. However, one year before the end of the project, ‘we should take stock what other perspectives were developed and who was expected to fund those’.

Ognjen Mirić thanked Martin Kern for constructive comments and said it was obvious when there were good results we aimed for more information, concluding that the annual report cannot be adopted at the meeting.



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- ✚ Ana Stanković said the section 1.6 within the report should be enhanced to reflect the complementarity of EU PROGRES with other projects.
- ✚ Slobodan Drašković, the Mayor of Medveđa said that this municipality was on the list of critical projects at the previous Steering Committee meeting, but that in the meantime things have been resolved and that the factory should be put up by the end of September, as soon as technical preconditions are met. He also acknowledged he would need the support of the EU PROGRES legal experts. Drašković said that the factory would create 40 jobs, and in addition work for ten to twenty cooperates of the factory. He proposed that the next meeting should be held in Medveđa in September.

Agenda item 4: Overview of critical projects and discussion

Dragan Mladenović, Component 1 Manager, and Dobrivoje Stančić, Component 2 Manager, presented the overview of the critical projects.

- ✚ There were two critical projects within **Component 1**: the Roma National Minority Council (activity 1.7) and the Youth Office in Novi Pazar (activity 1.1). In both instances contracts were extended to allow for finishing of the projects, which otherwise have good results.
- ✚ Within **Component 2**, there were three critical projects: the establishment of Citizens Assistance Centre in Crna Trava and two Detailed Regulation Plans projects in Bojnik and Blace.
 - Crna Trava: the municipality cancelled the public procurement procedure three days before the closing deadline and sent a letter to the PSC requesting additional month and a half to solve the issue with the Tax Office. Mirić stated that the PSC should not terminate this project, and that he would personally discuss this issue with the Tax Administration Management in Belgrade. Sandra Hadžagić, representing the Office for Underdeveloped Areas, showed regrets about Crna Trava situation as the Office also supported the municipality with two million dinars for technical documentation. There was a serious threat to the safety in the building, due to dilapidated roof, and it was important this project was brought successfully to the end. Graeme Tyndall mentioned this latest development in the project was a classic example of 'bad governance' and warned there was not much time for extensions as the Programme is set to finish on 30 June 2013. Ognjen Mirić requested all documents regarding this case are delivered to the SEIO in order to resolve the situation. The Mayor of Leskovac, Slobodan Kocić, stated the Crna Trava project clearly depicted situation in weak vertical communication and low resources and confirmed the need for initiatives like EU PROGRES.
 - Detailed Regulation Plan in Blace was much delayed, though the municipality was expected to finish all activities.
 - Detailed Regulation Plan in Bojnik – after a six month delay, the municipality finally paid its contribution and there seemed to be political will to finish this project. Branko Kostić, Deputy Mayor of Bojnik said there were new people in the local authorities and although municipality did not have much funds, it thought it was an important project. Ognjen Mirić suggested Bojnik deadline was extended, as there seemed to be will to finalise the activities.



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- ✚ Ana Stanković said extensions to problematic projects should not be granted without a clear deadline to finish them, or the PSC will be in a position to opt for radical solutions.

Agenda item 5: Presentation of requests for funding commitments

- ✚ Biljana Kerić presented recommendations for funding within **Citizens Involvement Fund-2** projects:
 - Twenty nine projects, out of 43 received, met the criteria of the call¹
 - Thematic areas: two from youth initiatives, six support to Roma, four for support to people with disabilities, four in environment protection, three promoted inter-ethnic tolerance, four related to good governance and four to women rights and two concerned rural development
 - Seven municipalities did not submit any projects
- ✚ Ognjen Mirić asked why there were no applications from seven municipalities and whether this meant problems with the Call. Kerić replied that all municipalities were invited to participate; there were three presentation workshops that gathered more than 120 participants, which were followed by workshops about applications writing, which also had a large turnout. She attributed the lack of applications to the insufficiently developed NGOs, stricter application forms and obligatory ten per cent co-funding as possible problems. Kerić concluded that the only surprise were Raška and Nova Varoš who had large number of projects previously. Ognjen Mirić also asked should the inter-municipal cooperation be encouraged as smaller municipalities were bound to be left without projects due to low capacities. Dragan Mladenović explained that this was the case already and that the leading organisations could be registered in any of 25 EU PROGRES municipalities. Ana Stanković said she was encouraged by the fact that the quality of proposals was better despite lower quantity. She recommended a cost benefit analysis to ascertain whether thematic calls should be planned in the future or not.
- ✚ Dobrivoje Stančić presented **five projects concerning urban planning documentation** in Ivanjica, Raška, Lebane, Bojnik and Kuršumljia; **establishing of One Stop Shops** in Ivanjica and Novi Pazar and additional funds for **Žitorađa tax administration** project to build on existing results.
 - Martin Kern reminded about the tax administration reform project on the central level and asked how the proposed activity in Žitorađa complemented those activities within the Ministry of Finance and those implemented by the GiZ.
 - Stančić explained that the Žitorađa project dealt with the municipal jurisdiction and explained good cooperation EU PROGRES established with the MSP IPA 2007 and GiZ projects.
- ✚ Hazbo Mujović, the Mayor of Sjenica enquired about Sjenica's infrastructure project to replace asbestos pipeline from town water supply system, stating that this would be logical extension of the project to replace pumps, funded through the EU PROGRES. Graeme Tyndall and Jasmina Ilić explained this project was on the reserve list and if the conditions were met (the savings due to fluctuation of the exchange rate) this project could be considered for financing in September. The PSC will be asked to either approve the third call

¹ Available on the EU PROGRES website: <http://euprogres.org/konkursi.php?oblast=arhiva>



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for proposals or for direct allocation. Ana Stanković said there was no need for the third call for proposals and that the existing projects should be brought up to the funding level.

- ✚ Graeme Tyndall concluded this was another lesson learned as every single project was behind schedule and hence the EU PROGRES cannot yet state with complete assurance in the projects budget line exactly what funds would be left as the public procurements by LSG were not completed.
- ✚ Jasmina Ilić presented a project from Trgovište, **for waste water treatment plant in Trgovište**. Ognjen Mirić enquired whether all parameters of the project were checked and gave an example of a similar project in Vrbas, which was going to cost additional eight million Euro due to bad technical documentation and calculation. Martin Kern also insisted on additional reassurances that the project was properly designed. Ilić promised to send full project proposals to the voting members of the PSC for consideration and explained that all questions were answered in detail there. There was a question about capacity of the LSG to implement such project as well as of Public Utility Company (PUC) to manage such plant. Graeme Tyndall said the EU PROGRES was working with the PUC to ensure existing structures have or gain capacity for management.

Agenda item 6:

Presentation of the Mid-Term Evaluation

- ✚ Zehra Kačapor Džihic and Dragiša Mijačić presented the key findings of the Mid Term Evaluation stating that the EU PROGRES was making a steady pace towards achieving its objectives.
- ✚ Martin Kern observed that the Mid Term Evaluation should compare what was originally in the fiche, what difference the project made and whether it contributed to the objectives originally set; it should be observed whether the region is moving forward or backwards and how the Programme is contributing; Mid Term Evaluation should include data, such as unemployment and investments, to enable conclusions to be made; a small cost benefit analysis of how much money went into municipalities and what was the impact of this; Mid Term Evaluation provided view on methodology effectiveness but this should be complemented with facts; how far the projects were giving visibility to donors and how they changed perceptions of the EU; it was important to identify who will be responsible for the implementation of recommendations, while the EU PROGRES should prepare an update on how they were followed up, for the next PSC meeting. Zehra Kačapor Džihic said she was pleased that the first draft of the report was read so carefully and said there is a lot of additional information in the Annexes to the Report.
- ✚ Beatrice Meyer stressed that on the one hand there was only expenditure of 30% of the funds, while on the other there were strategies and methodologies to ensure influence is made. The Programme should not fall into the trap of direct implementation as the current modality is important for capacity building and good governance at local level which gives quality and sustainability.
- ✚ Dragiša Mijačić agreed with Meyer and said that was one of the recommendations, to keep grant methodology due to good results in the field.
- ✚ Ognjen Mirić announced there would be a workshop in the coming period in order to focus on improving of indicators.



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Agenda item 7: Voting

- The Second Annual Report will be resubmitted for adoption (through email to voting members) once the comments are addressed
- All projects put forward to the PSC, within the second call for proposals of the CIF, of total value of up to 248,000 Euro were approved
- All projects from the reserve list for planning documentation, in Ivanjica, Raška, Lebane, Bojnik and Kuršumlija, of total value of up to 180,703 Euro were approved
- The annexing of the contract which will enable establishment of smaller One Stop Shops in Ivanjica and Novi Pazar was approved, to allow spending of the remaining funds from the budget line
- The second phase of support to Tax Administration in Žitorađa, worth up to 4,600 Euro was approved
- The full proposal for the Waste Water Management Plant in Trgovište, worth 301,500 Euro, needs to be submitted to PSC before final go-ahead for implementation is given, although the project was approved in principle.

Agenda item 8: Other

- ✚ Ognjen Mirić raised the question of the duration of the EU PROGRES and said that if the approach recommended by Beatrice Meyer was taken, there should be a no cost extension. He also pointed to the fact that if the Programme is continuing, it could benefit from the leftover funds in IPA 2010 and recommended there should be a cost extension as the needs at the local level are great. There is a possibility of adding a new component – such as employment of people from Belville who are relocated to the South, and who need work. Mirić concluded by saying he hoped money would be available for a new project.
- ✚ Jovica Stanisavljević, Deputy Mayor of Žitorađa presented the EU PROGRES Manager with a plaque, thanking the Programme for the continuous support.
- ✚ Slobodan Kocić, the Mayor of Leskovac, on behalf of all municipalities from the South and South West Serbia, asked for a cost extension due to precious support given by the Programme. “I am not sure how our state would help us to straighten the regional differences if you are not around. Good governance is equally, if not even more important for strengthening of our communities and you have helped us a great deal to this effect. Don’t leave us in the mid-term period”.
- ✚ Zoran Antić, the Mayor of Vranje, conveyed greetings of the previous Mayor Miroljub Stojičić and agreed with Kocić that there should be a cost extension. “Without support of the EU and organisations working in the South, we shall not be able to develop our country”.
- ✚ Elvir Hamidović, Novi Pazar Deputy Mayor also supported the cost extension of the EU PROGRES and thanked the Programme office in Novi Pazar for big support.
- ✚ Radojka Savić, Director of the Regional Agency for Development of Raški and Moravički Districts said there would be quite a few regional projects and that there were institutions capable of leading on big initiatives in the area.
- ✚ Ana Stanković reminded about other EU funded projects working in the South and South Serbia and announced continuation of Exchange, CBC for Montenegro, Bosnia-Herzegovina and Bulgaria, as well as the EIDHR for civil society organisations.
- ✚ Ognjen Miric said the next PSC will be held in Medveđa.
- ✚ Jovan Čorbić thanked everyone for cooperation and closed the meeting.



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III List of participants

| Nr. | Name | Institution / Organization | Function |
|----------------------------------|--------------------------|--|--|
| VOTING MEMBERS AND DONORS | | | |
| 1. | Ognjen Mirić | The Serbian European Integration Office | Deputy Director |
| 2. | Martin Kern | The Delegation of the European Union | Head of Operations |
| 3. | Beatrice Meyer | Swiss Agency for Development and Cooperation (SDC) | Director, Serbia |
| 4. | Ana Stanković | The Delegation of the European Union | Project Manager – Operations Section |
| 5. | Miloš Panjković | Ministry of Environment, "Let's Clean up Serbia" | Director |
| 6. | Aleksandar Radosavljević | Ministry of Human and Minority Rights, Public Administration and Local Self Government | Advisor to the Minister |
| 7. | Milica Rodić | Coordination Body | Advisor to Director |
| 8. | Sandra Hadžagić | The Office for Sustainable Development of Underdeveloped Areas | The Head of Projects Development Section |
| PARTICIPANTS | | | |
| 9. | Jovan Čorbić | Raška Municipality | Mayor |
| 10. | Slobodan Kocić | City of Leskovac | Mayor |
| 11. | Zoran Antić | City of Vranje | Mayor |
| 12. | Elvir Hamidović | City of Novi Pazar | Mayor's Cabinet |
| 13. | Šemsudin Kučević | Tutin Municipality | Mayor |
| 14. | Hazbo Mujović | Sjenica Municipality | Mayor |
| 15. | Emir Hašimbegović | Prijepolje Municipality | Mayor |
| 16. | Milomir Zorić | Ivanjica Municipality | Mayor |
| 17. | Nagip Arifi | Bujanovac Municipality | Mayor |
| 18. | Radosav Jordanović | Trgovište Municipality | Mayor |
| 19. | Radoljub Vidić | Kuršumlija Municipality | Mayor |
| 20. | Mića Stanković | Lebane Municipality | Mayor |
| 21. | Slobodan Drašković | Medveđa Municipality | Mayor |
| 22. | Nebojša Stojanović | Vlasotince Municipality | Mayor |
| 23. | Ranko Kostić | Bojnik Municipality | Assistant Mayor |
| 24. | Boban Petrović | Bojnik Municipality | Assistant Mayor |
| 25. | Zoran Dimitrijević | Prokuplje Municipality | Assistant Mayor |
| 26. | Ignjat Rakitić | Raška Municipality | Deputy Mayor |
| 27. | Radosav Vasiljević | Nova Varoš Municipality | Deputy Mayor |
| 28. | Jovica Stanisavljević | Žitorađa Municipality | Deputy Mayor |
| 29. | Milivoje Ralić | Blace Municipality | Deputy Mayor |

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| | | | |
|-----|----------------------|---|----------------------------------|
| 30. | Miroljub Zdravković | Žitorađa Municipality | President of the Assembly |
| 31. | Saša Vasilić | Priboj Municipality | President of the Assembly |
| 32. | Marija Janković | SEIO | Junior Advisor |
| 33. | Milka Kaplanović | Ivanjica Municipality | LED Office |
| 34. | Bajram Aljović | Tutin Municipality | Head of LER office |
| 35. | Ankica Ž. Milenković | Surdulica Municipality | LED office |
| 36. | Fazila Azemović | Bujanovac Municipality | LED Manager |
| 37. | Dragoslav Petrović | Trgovište Municipality | LED office |
| 38. | Tanja Simonović | Trgovište Municipality | Head of Municipal Administration |
| 39. | Maida Jusufović | Sjenica Municipality | LED Office |
| 40. | Sead Bukvić | Sjenica Municipality | LED Office |
| 41. | Bojan Milovanović | National Park Kopaonik | Director |
| 42. | Nikola Bulajić | Prokuplje Municipality | Town Council |
| 43. | Slaviša Lepojević | Prokuplje Municipality | Town Council |
| 44. | Radojka Savić | Regional Development Agency for Raški and Moravički Districts | Director |
| 45. | Almir Šaćirović | SEDA | Finance Manager |
| 46. | Džemil Husenović | SEDA | Project Manager |
| 47. | Spasoje Andrić | Raška Municipality | Head of Administration |
| 48. | Dobrila Filipović | Raška Municipality | Secretary of the Assembly |
| 49. | Vulić Pašajlić | Raška Municipality | Head of LER |
| 50. | Jovica Jevtić | Raška Municipality | Urban Directorate |
| 51. | Slavica Tomić | Raška Municipality | Grant Manager |
| 52. | Jasna Petrović | Kindergarten “Veselo detinjstvo” | Director |
| 53. | Zoran Pokimica | Eco Club “Zeleni putokaz” | Deputy President |
| 54. | Zlatan Vukosavljević | Association for Support to Disabled Children | President |
| 55. | Zehra Kačapor Džihic | MID TERM EVALUATION TEAM | |
| 56. | Dragiša Mijačić | MID TERM EVALUATION TEAM | |
| 57. | Graeme Tyndall | EU PROGRES | Programme Manager |
| 58. | Marko Vujačić | EU PROGRES | Deputy Programme Manager |
| 59. | Dušan Čukić | EU PROGRES | Technical Programme Specialist |
| 60. | Dragan Mladenović | EU PROGRES | Component 1 Manager |
| 61. | Dobrivoje Stančić | EU PROGRES | Component 2 Manager |
| 62. | Jasmina Ilić | EU PROGRES | Component 3 Manager |
| 63. | Dejan Drobnjak | EU PROGRES | Component 4 Manager |
| 64. | Nermin Hasanović | EU PROGRES | Head of Office South West |

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