

# Newsletter

## PROMOTION OF SUSTAINABLE SOCIO-ECONOMIC TERRITORIAL DEVELOPMENT IN THE WESTERN BALKANS

*Using the potentials of different parts of Serbia and at the same time achieving a more balanced development in the country is a long-term process which can lead to set goals only through a clearly directed an multiannual policy with a full commitment of relevant partners on both regional and local level.*

### Environment and system for sustainable development projects in Serbia

*Dejan. M. Radulović, PhD*

Before saying anything about regional policy and regional development, it should be noted that there is no unique pattern and example for their definition, that would be universal for every development moment, but it is a continuous process based on experiences from other countries, which has a different flow in each country. It does not tolerate last minute and partial solutions. Serious analysis of these issues makes it possible to reach practical solutions that can contribute to the initiation of positive political, social and economic dynamic in the country.

Constantly increased social and economic development disparities in the territory of the Republic of Serbia have a negative impact on its overall development potential, and as a consequence, large differences in living conditions in certain areas. Not only are regions with development difficulties poor contributors to the development of Serbia and its competitiveness internationally, but they also require additional efforts and investment of public funds in the implementation of any activities whatsoever in those regions.

Our country has to work constantly on finding an adequate regional policy and an adequate model for regional development applicable in Serbia, based on solving crucial issues and problems related to social and economic cohesion, for competitiveness of all areas, as well as balancing and improving the living conditions in the overall territory of the Republic of Serbia.

Provisions of the Constitution of the Republic of Serbia from 2006 include the state's obligation to "ensure a balanced regional and sustainable development, in accordance with the Law, as well as arrange and provide the development of the Republic of Serbia, policy and measures for promotion of a balanced development of different parts of the Republic of Serbia, involving the development of insufficiently developed areas". In accordance with the Constitution, the Law on Regional Development was adopted in July 2009, and amended in 2010, which is the first systemic regulation targeting regional development.

In 2011, based on the Law on Regional Development, the Government adopted the Decree on the structure, methodology, ways of harmonisation of development documents, implementation of public discussions, as well as ways and deadlines for public display of development documents related to regional development, and the Decree was the basis to initiate the preparation process of the National Plan for Regional Development. This provided a partnership approach from the national, regional and local level which was applied in this process.

Ministry of Regional Development and Local Self-Government is the leader of the new approach in the national regional policy and regional development in Serbia, which should be defined by a multiannual national strategic document – National Plan for Regional Development (2014-2020), and which should become a tool for strategic planning of the national regional poli-

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cy and regional development, and one of the key national documents for programming of IPA funds for Serbia in this area.

The plan is that until 2020 Serbia is a better place for living due to improved standards and quality of life, which will contribute to the overall improvement of competitiveness of Serbia.

Using the potentials of different parts of Serbia and at the same time achieving a more balanced development in the country is a long-term process which can lead to set goals only through a clearly directed annual policy with a full commitment of relevant partners on both regional and local level.

**General objective** of regional development in Serbia is:

“Improvement of socio-economic situation and quality of life of the population in all Serbian regions through an efficient mobilization of specific regional and territorial potentials and a more balanced, sustainable regional development”.

These general objective is further broken down to three **strategic objectives and operational goal** of regional development, all related to:

- 1) Development of human capital in all parts of Serbia through the development of skilled, healthy and educated workforce, capable of attracting investors and through trainings in specific sectors to respond to long-term demands on the labour market;
- 2) Creating conditions for sustainable development in Serbian regions through targeted and progressively growing investments of the public sector in basic infrastructure in order to boost and support economic growth and provide better quality of life for citizens in all parts of Serbia;
- 3) Creating new jobs and wealth in all parts of Serbia by encouraging the development of a competitive, innovative and entrepreneurial economy, strengthening the existing enterprises and promoting perspective start-up businesses, supporting growth sectors and attracting sustainable investments from abroad.
- 4) Improving institutional capacities in key areas on the national, regional, sub-regional and local level in order to provide maximum benefits for People, Places and Production Capacities through a more efficient regional development through partnership.

Draft National Plan of Regional Development defines:

- 1) **National regional policy** as a coordinated and integrated sectoral and territorial approach to socio-economic development of all parts of Serbian territory, respecting certain specific territorial characteristics of some areas, and relevant line ministries will be in charge for the policy implementation. Each implementing party will have their own sectoral document that should contain measures that recognize horizontal regional policy.
- 2) **Strategic framework**, as an integral part, which defines 4 key priorities:
  - **People** – improving human resources through the approach based on specific needs of citizens in terms of employment and revenues;

- **Place** – improving the environment where people live, work and rest, in order to promote investments, economic activity and stability of qualified labour;
  - **Production capacities** – creating new jobs in accordance with specific needs and potentials;
  - **Administrative capacities** – building institutional capacities and expertise of structures relevant for regional development on all levels.
- 3) **Implementation measures of regional policy**, which are planned for operationalisation and related to the first three priorities. Measures are not projects but they present the framework for development of projects from all levels. The measures’ goal is to clearly define and recognize the projects with regional character. Each measure is elaborated (actions defined) and followed by indicators of results. Measures have so far been identified in more than 20 operational areas (sectors): economy, SMEs, tourism, trade, education, health, information and communication technologies, agriculture and rural development, business infrastructure, transportation, energy, science, telecommunications, environment, climate changes, regional and local road infrastructure, employment, technology, culture, youth, social policy.

Within these operational areas, 17 implementation measures were identified that will be explained in details in the planning part of the document.

- 4) **Financial framework** – Methodology for financial allocation of funds is the recognition of needs through sectors for implementation by regions and priorities, with defined criteria.
- 5) **Implementation system** where the Ministry in charge of regional development:

- Provides support;
- Coordinates;
- Monitors;
- Evaluating the implementation of the National Plan for Regional Development.

National Plan for Regional Development will therefore be a multi-sectoral strategic document that will direct the territorial development of Serbia in the period until 2020, which uses experiences developed in the EU, and it essentially shares the goals from the document Europe 2020 for a smart, inclusive and sustainable growth in the European Union, which Serbia aspires to join.

This document, which uses the partnership principle with all relevant institutions (long-term process “top-down and bottom-up”) is, as it can be concluded from the proposed measures, compatible with the sectoral approach and measures. ■



*Dejan M. Radulović, PhD is an Assistant Minister in the Sector for Regional development of the Ministry of Regional Development and Local Self-Government.*

# Can public policy provide for holistic results?

Author: Bojan Radej, Slovenian Evaluation Society ([www.sdeval.si](http://www.sdeval.si))

Political philosopher Jeremy Bentham has requested that politicians should strive to achieve the greater good for the greatest number of people. This principle not only remained a guideline for rulers in centuries to come but also an unresolved challenge to policy-makers who never really figured out how to translate the passionate principle into policies with favourable results for people en masse. As a result of poor translation, material progress has been over-stretched far beyond social and environmental sustainability since Bentham.

The last global initiative to improve policy-making in a way to serve all people indiscriminately has been the idea of sustainable development. Policy needs to provide equally for various domains of development (economic, social, environmental) as well as for individuals and for the planet (micro – macro). Principle only outlines an imperative for equal weights of different wealth domains, without giving a hint how to achieve such equality, in particular taking into account initial asymmetry with dominant economic rules.



The dominant micro economic explanation, as brought forward by market economists, is straightforward, but explains nothing. They think that winners in the market game will produce such a fortune that increased welfare will result for all. This argument is known as a “trickle down effects”, when benefits flow from the rich to the poor through the employment, taxes and governmental programs. But trickle down is ideology, not logic!

Advocates of free market have actually used much stronger argument in support of their conviction that they know how to make all people happy, indiscriminately. Despite being scientists and even philosophers, they call this mechanism “an invisible hand” (of market). This is rather strange: intelligent people explain scientifically a formal mechanism with a concept that can not be seen, controlled and reasoned? Hm, can you imagine physicists explaining that gravitational force is controlled by invisible dwarfs? Nevertheless, mainstream economic theory has successfully ignored formal logic, until it finally hit its own material limits - which swept away the promise for welfare for all.

An alternative to micro promise of happiness for all, that clearly failed, is forwarded by macroeconomists. Just remember father of macroeconomics John Maynard Keynes himself who predicted for his grandchildren a golden age. Wise policy in management of macroeconomic trends, such as import to export, and savings to investment, would result in economic and social stability, that will enable progress of businesses and so accumulate enormous funds of wealth in only hundred years (by 2029, if one wants to be exactly precise), so that his grandchildren, you and me included, will enjoy economic abundance in material terms. Nobody would be existentially forced to sacrifice leisure for productive effort. How wrong! Not that the enormous wealth is not created – some 40 trillion of dollars is accumulated in savings globally by the assessment of the World Bank, but the distribution of savings is entirely screwed on the backs of the greatest majority of population. Trickle up effect is operating in this case, contrary to Bentham’s passions.

Here the most contemporary method of holistic policy making comes in – a voluntarism. If there is no exact holistic logic available, which clearly explains which policy alternative is the optimal for all, than all what is possible is that policy makers do as much as they can good things for people. Let’s not deny such possibility! In a way, this is sensible tactic at least for policy-makers who wish to respond consistently to the philosopher’s imperative. Politicians need to be accountable to people, and achieve results, which were previously negotiated as goals together with all interested parties. These also need to be, following the book, scientifically supported and efficiently implemented by technocratic leadership.



## OUTDOOR In - Tourism Development in the Municipality of Zubin Potok

Within the project "OUTDOOR IN – Tourism Development in the Municipality of Zubin Potok" financed by the European Union, and implemented by the Municipality of Zubin Potok, in cooperation with InTER and NGO KRC, the First International Summer Volunteering Youth Camp "Rezala 2013" was organised on the banks of Gazivode Lake in the village Rezala, Municipality of Zubin Potok, in the period August 12 – 22, 2013. Participants took part in the construction and marking of cycling and hiking trails and enjoyed the nature on the slopes of Mokra Gora mountain. Participants also had the opportunity to take part in sport and recreational activities.



Within the activity focused on marking trails for hiking and biking, cooperation was established with Markus Stockel from Austria, an expert in this field and author of numerous hiking guides. Markus is providing assistance in identification and marking of trails, and he will also develop a proposal for the map to be used for hiking and biking. The first visit was organized in May 2013 when they worked on field visits and identification of trails. Within the second visit, Markus conducted a seminar on September 19 with the goal to present the map of hiking and biking trails in the Municipality of Zubin Potok, as well as instruction for their proper marking, maintenance and problems that can be encountered in that work.

Markus underlined that the areas of Mokra Gora mountain and Lake Gazivode are most suitable for this type of tourism, and that he is satisfied with trails marked this summer in these areas by volunteers within the First International Summer Camp.

Within the project, InTER and Life Saving Club "Wolf" from Foča organised free trainings in free climbing, diving, kayaking and first aid. The club organised trainings on August 23 and 24 in Rezala.

As one of the project results, the website for tourist promotion of the Municipality of Zubin Potok was also launched. [www.ibarski-kolasin.org](http://www.ibarski-kolasin.org)

### The first meeting of the network of evaluators from ex-Yu republics organized in Sarajevo

On September 27, 2013, the first meeting of the network of evaluators from ex-Yu republics was organized in Sarajevo, which



gathered evaluators and representatives of national associations of evaluators from Slovenia, Bosnia and Herzegovina and Serbia. They spoke about the establishment of an informal network of evaluators which would aim to promote the need for evaluation of public policies and development aid and improve knowledge and exchange of experiences in these areas. Next meeting was scheduled for the beginning of 2014 in Ljubljana, when management structures of the network would be established, as well as its goals and tasks in the following period defined. ■

### Cross-Border Development of Plužine and Foča municipalities

Within the project "Sustainable Cross-Border Development of Foča and Plužine Municipalities", funded within the second call of EU IPA CBC BiH-MNE Programme, a meeting of the Project Managing Board and the first meeting of the Cross-Border Development Forum of the two municipalities were organised. During the Forum, participants were introduced to the cross-border cooperation project, implemented by GIZ in these municipalities, and a revision of the Concept for Cross-Border Cooperation in these municipalities was also discussed. During the meeting, the participants were also introduced to the Tourism Development Project OUTDOOR In, implemented by InTER in the municipality of Zubin Potok. InTER participates in the implementation of the project "Sustainable Cross-Border Development of Foča and Plužine Municipalities" as an associate organisation, with the task to perform monitoring and quality control of the project results. ■

## International Conference “10 years of SlovakAid”

**InTER** participated in the international conference “10 years of SlovakAid”: a Vision of Development Cooperation for a Changing World” held on October 16-17, 2013 in Bratislava, organized on the occasion of the 10th anniversary of Slovak Aid. Its aim was to stimulate a professional dialogue between the governmental, non – governmental, academic and private sectors and media on lessons learnt and future orientation of Slovakia’s development cooperation program. The Conference was addressed by H.E. Miroslav Lajcak, Deputy Prime Minister and Minister of Foreign and European Affairs of the Slovak Republic and by H.E. Andris Piebalgs, European Commissioner for Development.

InTER participated with the paper ‘Slovak development aid to the Republic of Serbia – is it time to withdraw?’ presented by Ms Jana Radakovic the second day at the discussion panel entitled: Western Balkans and the future opportunities for Development Assistance. ■

## On-going Programme Evaluation of the Hungary – Serbia IPA Cross-border Co-operation Programme

**InTER** participated as a moderator in focus groups



and workshops organized in Szeged on September 24, 2013 within the On-going Programme Evaluation of the Hungary – Serbia IPA Cross-border Co-operation Programme 2007-2013.

Focus groups covered programme relevance, results and structure, whereas workshops focused on different themes within the Programme. ■

## Workshops organised within programming for IPA Hungary-Serbia Cross-Border Co-operation Programme for the 2014-2020 and on ex-ante evaluation of the draft cross-border cooperation programme Hungary – Serbia 2014-2020

**Within** the elaboration of IPA Hungary-Serbia Cross-Border Co-operation Programme for the 2014-2020 financial period, a workshop was held in Novi Sad on October 2, where representatives of relevant institutions involved in the programming process defined project ideas and discussed thematic priorities. Participants were representatives from regional and local development agencies, research institutions, universities, relevant ministries and other relevant state bodies, and the workshop was moderated by InTER.



The first workshop was also organized within the activities of ex-ante evaluation of the draft cross-border cooperation programme Hungary – Serbia 2014-2020. The workshop was held on October 3, 2013 in the premises of Csongrad county, and it was attended by representatives of national authorities, managing structure of the programme, programming team and ex-ante evaluators. It focused on detailed analysis of findings from the situation and SWOT analysis, as well as importance of thematic priorities for the programming area. ■

## Evaluation of effectiveness and efficiency of development assistance to the Republic of Serbia per sector



In consortium with MAXIMA Consulting Ltd, InTER carried out the evaluation of the overall development assistance in the Republic of Serbia 2007-2011. This evaluation included the realisation of 4.2 billion Eur within 1432 projects (grants and concessional loans) financed by more than 30 development partners - EU, bilateral and multilateral donors and international financial institutions.

The publication is in English language and it is available on InTER website.  
[www.lokalnirazvoj.org](http://www.lokalnirazvoj.org)

## Policy Brief: Slovak Official Development Aid to the Republic of Serbia – is it time to phase out?



Policy brief 'Slovak Official Development Aid to the Republic of Serbia – is it time to phase out?' was presented at the international conference "110 years of SlovakAid": a Vision of Development Cooperation for a Changing World". Policy Brief was written by Jana Radaković and Dragiša Mijačić.

The publication is in Serbian, English and Slovak language and it is available on InTER website.  
[www.lokalnirazvoj.org](http://www.lokalnirazvoj.org)

**Balkan Development Evaluation Training – BALDET 2013**  
 EVALUATION SOCIETY IN BOSNIA  
 December 2-8, 2013

Info



### First Development Evaluation Training in Balkan

Evaluation Society in Bosnia and Herzegovina is organising the Balkan Development Evaluation Training – BALDET 2013, with Ms Linda G. Morra Imas and Mr Ray C. Rist as lecturers, between December 2 and 8, 2013 In Sarajevo, Bosnia and Herzegovina. The training is recommended to potential and professional evaluators and managers of development projects and programmes.

**Deadline for applications is November 15, 2013**

More information at [BALDET 2013](#)



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