

MINUTES FROM XII NALED'S ANNUAL ASSEMBLY

Held on 24/04/2018

Hyatt Regency, 5 Milentija Popovića, Novi Beograd

Time: from 12:00h to 12:50h

The President of NALED Managing Board Aleksandar Ružević addressed the Assembly in a welcome speech, highlighting that the Assembly serves as an occasion to finalize the strategic planning processing and confirm the priorities and goals for the 2018-2021 period. He also reflected on the results achieved during the previous year, encouraging members to engage in new reform challenges standing before the organization in the upcoming period. He proposed the following agenda:

AGENDA

1. Determining the quorum for decision-making, adopting the Decision on the appointment of Assembly Chairman and appointing the minute-keeper
2. Adoption of the Agenda and the Minutes from the previous Assembly session
3. Adoption of the Decision on Statute Amendments
4. Adoption of the annual financial statement and audit report for 2017
5. Adoption of the Decision on non-distributed profit from 2017
6. Adoption of the Report on NALED's activities and results for 2017/18
7. Presentation of NALED's strategic goals 2021 and voting for priorities
8. Miscellaneous.

The President opens Agenda item No 1: Determining the quorum for decision-making, adopting the Decision on the appointment of Assembly Chairman and appointing the minute-keeper

The President of MB proposed Dragan Penezić, Head of Legal and External Affairs in British American Tobacco, as the Assembly Chairman.

The Assembly unanimously approved Dragan Penezić as the Assembly Chairman.

The Chairman of the Assembly Dragan Penezić states that the Assembly session is attended by 160 out of 300 members, thus meeting the requirements for holding NALED Assembly session.

- The Chairman informs the members about Item 1 of the Agenda and opens the discussion
- The Chairman concludes there are no members wishing to participate in the discussion
- Agenda item No.1 is placed for voting
- The Chairman determines that the quorum has been determined and that the Decision on appointing the Chairman has been unanimously adopted.

The Chairman opens Agenda item No 2: Adoption of the proposed Agenda and adoption of the Minutes from the previous NALED Assembly session

- The Chairman informs the members about Item 2 of the Agenda and opens the discussion

- The Chairman concludes there are no members wishing to participate in the discussion
- Agenda item No.2 is placed for voting
- The Chairman determines that the proposed Agenda and the Minutes from the previous NALED Assembly session have been unanimously adopted.

The Chairman opens Agenda item No 3: Adoption of the Decision on Statute Amendments

- The Chairman informs the members about Item 3 of the Agenda and opens the discussion
- The Chairman concludes there are no members wishing to participate in the discussion
- Agenda item No.3 is placed for voting
- The Chairman determines that the Decision on Statute Amendments has been unanimously adopted.

The Chairman opens Agenda item No 4: Adoption of the annual financial statement and audit report for 2017

- The Chairman gives word to Marija Gardžić, President of Supervisory Board, to present the financial statement and audit report for 2017. Within the presentation, Marija Gardžić particularly stressed that major efforts have been invested in 2017 as well towards improving the business environment, while also indicating there has been an increased number of active members in implementing a growing number of NALED's reform activities.
- Further on, the financial results have been also considered by Vladislav Cvetković, a member of Supervisory Board, who particularly stressed that the reports present the organization's financial status on 31 December 2017 truly and objectively, with regards to all materially significant issues, as well as its work results for 2017, in accordance with the accounting rules of the Republic of Serbia. Vladislav Cvetković stressed that the Association, in the course of its operations, engage in business relations with a dependent legal entity, and that in the course of creating the financial statements, the Association has not indicated the effects of transfer prices on the calculated profit tax, considering that the transactions of a dependent legal entity are performed on a market basis, and in line with the tax regulations of the Republic of Serbia, is not obliged to submit the tax balance for 2017 and other accompanying documentation, including the report on transfer prices in a shorter form, to Tax Administration by 30 June 2017.
- He particularly emphasized that the quality of financial reporting has maintained a very high level, including the transparency of work and financial reporting towards the donors. He noted there has been a 30% growth of revenues, with 67% funds stemming from projects and tenders, while 33% revenues are generated from membership fees.
- He also indicated there has been a significantly increased number of successfully realized projects, which contributes in covering the operational costs of work and ensuring stability of Executive Office in line with the program goals.
- The Chairman opens a discussion about Agenda item No 4
- The Chairman of NALED Assembly concludes there are no members interested in a discussion
- Agenda item No 4 is placed for voting
- Assembly Chairman determines that the Assembly unanimously adopted the financial statement and audit report for 2017.

The Chairman opens Agenda item No 5: Adoption of the Decision on non-distributed profit from 2017

Regarding the distribution of profit, i.e. the non-distributed net surplus of the association's revenues over expenditures for 2017, as a non-profit organization, NALED cannot distribute profit in any other manner than to cover potential losses from previous years or to invest in the organization's activities (fixed assets etc.), so

it was proposed that the determined net surplus of revenues over expenditures in 2017, in the amount of 2,524,893.80 RSD, should remain undistributed.

- The Chairman opens a discussion about Agenda item No 5
- The Chairman of NALED Assembly concludes there are no members interested in a discussion
- Agenda item No 5 is placed for voting
- Assembly Chairman determines that the Assembly unanimously adopted the Decision on non-distributed net surplus of revenues over expenditures for 2017.

The Chairman opens Agenda item No 6: Presentation and adoption of the Report on NALED's activities and results for 2017/18

The Chairman gives word to Dejan Đokić, President of NALED Executive Board, to present the Report on NALED's activities and results.

- The President of Executive Board Dejan Đokić reflected on NALED's work, noting continuous growth in all areas, both in terms of NALED's activities and projects, and in terms of increased number of members (NALED network with 300 members). He highlighted the energy and quality of people he meets at every step and on every project.
- He particularly highlighted the most significant program results that marked the organization's last year: NALED signed the multi-year project for supporting Public Private Dialogue (USAID), strengthened the Executive Office capacities (nearly doubled staff), 100 members support reforms by engaging in theme Alliances, there is quality cooperation with the Government and numerous other institutions. NALED coordinates the work of the Expert groups for shadow economy and World Bank's Doing Business report. Regional cooperation has been improved towards strengthening a common business standard and implementing business friendly certification in cities and municipalities. He reflected on Serbia's 43rd rank in the World Bank's DB list for 2018, 10th position in terms of construction permitting, the initiated Real Estate Cadaster reform, the continued battle against shadow economy with NALED partnering with the Government to organize the prize game Get the Receipt to Win, the Support Unit to Coordination Commission for Inspection Oversight has been established with the support of EBRD, while the regulation of seasonal work has been successfully initiated. The organization provided significant contribution towards the development of e-government and the adoption of a set of relevant laws, we marked 10 years of Grey Book which published more than 200 recommendations, while the line institutions adopted nearly a half (89). He concluded by highlighting that a successful platform for NALED's further development has been firmly established.
- The Chairman opens a discussion about Agenda item No 6
- The Chairman of NALED Assembly concludes there are no members interested in a discussion
- Agenda item No 6 is placed for voting
- The Assembly Chairman determines that the Assembly unanimously adopted the Report on NALED's activities and results.

The Chairman opens Agenda item No 7: Presentation of NALED Strategic goals 2021 and voting for priorities

The Assembly Chairman gives word to Violeta Jovanović, NALED Executive Director, to present the Strategic goals 2021.

- The Executive Director Violeta Jovanović stressed that NALED is an organization whose core strength are its people, bringing together 300 loyal and committed members that help in having our topics recognized by the overall society as important issues. More than 10% of members are engaged in managing bodies – Managing, Supervisory, Executive and Advisory Board and the Ethics Committee. The

number of full-time professionals engaged in the Executive Office has been doubled, and she expressed a hope that the number of employees in the year to come will reach 50. NALED initiated the process of strategic planning, setting up two important program goals: improving the regulatory and institutional framework for doing business and strengthening the capacities and responsibility of public administration.

- She asked the attending members to jointly define the priorities by ranking and voting for priorities and goals listed in the voting ballots. Violeta Jovanović expressed a hope that the future report for the following Assembly session would include information about new business premises for NALED, which would develop into a point of gathering for NALED members and partners and public-private dialogue, as well as the formalization of the regional platform, which has been advocated since 2012, with a range of institutions and partners in the region.
- The strategic plan realization will be monitored by the managing bodies in their regular meetings, as well as NALED members through reports presented at the annual Assembly. The strategic plan is part of the efforts to ensure NALED's long-term sustainability, and strengthen the management and leadership mechanisms and NALED's guiding principles, so as to ensure that the common interest are always placed above the individual.

The Chairman opens a discussion about Agenda item No 7

- The Chairman of NALED Assembly concludes there are no members interested in a discussion
- Agenda item No 7 is placed for voting
- The Assembly Chairman determines that the Assembly unanimously adopted NALED's Strategic goals 2021.

The Chairman opens Agenda item No 8: Miscellaneous

- The Chairman of NALED Assembly concludes there are no members interested in a discussion.

The Assembly Chairman concludes that NALED Assembly session has been concluded.

Minute keeper

Adis Berberović

Chairman of the Assembly

Dragan Penezić

