

## MINUTES FROM XIV NALED'S ANNUAL ASSEMBLY

held electronically, on the digital platform of NALED within the site [www.naled.rs](http://www.naled.rs), from 27 to 31 July 2020, while on 31.07.2020. year, starting at 12h, the results of the voting were presented and the solemn conclusion of the 14th regular annual assembly was held.

Due to the situation caused by the spread of the COVID-19 virus, the XIV annual and first digital session of the NALED Assembly: Together we make a difference, was held from 27 to 31 July in digital format, via the NALED ePlatform. All members and partners had the opportunity to inspect the materials and the right to vote in the annual survey in order to choose the priorities of NALED, until Thursday, July 30 at 12h.

The following work program of the Assembly is proposed:

**MONDAY, 27. JULY, FROM 10:00H – THURSDAY, 30. JULY, UNTIL 23:59H**

### 1. Opening ceremony and welcome speech

*Vladimir Novaković, President of NALED MB / Molson Coors India, General Manager*

### 2. Insight into members' video messages, materials and voting

Adoption of the Proposal on the election of the Assembly Charman

Adoption of the proposed work program and the Minutes from the previous session of the Assembly

Adoption of proposed amendments to the Rules of Procedure of the Assembly

### Adoption of the annual financial statement and audit report for 2019

*Ksenija Ristić Kostić, partner / Director of the Audit Department, BDO Serbia*

### Adoption of the Report on NALED's activities and results for 2019/20

*Violeta Jovanović, Executive Director at NALED*

### Adoption of the revision of the Strategic Plan of NALED with the action plan for 2020/21

*Željko Tomić, President of E-Government Alliance / OSA engineering*

*Jelena Ristić, Vice President of Fair Competition Alliance / Mastercard*

*Vladimir Čupić, President of Food and Agriculture Alliance / ALTA Bank*

*Una Ljubičić, President of Healthcare Alliance / Pfizer*

*Aleksandra Trešnjev, Vice President of Property and Investment Alliance / Chamber of Enforcers of Serbia*

*Jelena Kiš, President of Environment Protection Alliance / Ball Packaging Europe*

### 3. Online survey and discussion

**FRIDAY, 31. JULY, FROM 12:00 TO 13:00H**

**\*LIVE BROADCAST\***

### 4. Conclusion of the Assembly work

Report on quorum and voting results

*Dragan Penezić, President of the NALED Assembly / BAT*

Addresses and messages from leaders of partner institutions

### 5. "NALED Arrow" Award Ceremony

*Leaders of the international community.*

The digital session was attended by a total of 158 members, of which 151 members with the right to vote, which is more than half of the full membership (52%). 124 members took part in the voting (43% of full membership), and in the presence of a quorum, key reports and decisions related to the work of the association were adopted (below).

The results of the voting were presented on July 31 at 12h as part of the solemn conclusion of the Assembly, which was broadcast live via a video link.

On the NALED ePlatform, the NALED President of the Management Board, Vladimir Novaković (General Manager, Molson Coors India) addressed the members via video message.

In his speech, the President of the MB of NALED, Vladimir Novaković welcomed the members to the first digital session of the Assembly, indicating that, as the President of the Managing Board, he is satisfied that the community gathered around NALED grows from year to year and that today has over 300 members from all three sectors. He also mentioned that NALED now gathers new representatives of the academic community, as well as new members from the economy who formed the Environmental Protection Alliance, the sixth sectoral alliance within NALED. Referring to the new situation and difficulties in business caused by the spread of the COVID-19 virus, Novaković pointed out that NALED managed to, in communication with companies and municipalities, propose specific sectoral measures for recovery of economy, health, agriculture and construction. He briefly commented on the results achieved in the previous year and pointed out that NALED met 80% of the goals set by the Strategic Plan for last year and called on the membership to perceive the contribution of NALED in the year behind us during the assembly, to jointly define reform priorities for the new government and to continue to work together and build a better business environment in the country.

The President of the Managing Board invited full members to join the Assembly through the ePlatform, view the posted materials, participate in the discussion, and vote for priorities and propose new measures via the online questionnaire, noting that the voting is open from Monday, July 27 until Thursday, July 30th. During the session, NALED locked services and database are available to the partner members. Noting that the participation of each full member is important, the president invited members to gather at the closing ceremony of the assembly on Friday, July 31 at 12h to summarize the voting results and award NALED arrows to deserving partners.

The Prime Minister of the Republic of Serbia, Ana Brnabić, also sent a video message of support on the occasion of the annual NALED Assembly. The Prime Minister congratulated the members and employees of NALED on another successful year and thanked them for everything that NALED has done in cooperation with the Government of the Republic of Serbia. On that occasion, she pointed out the achievements in the field of promotion and improvement of business in Serbia, Serbia's position on the World Bank's "Doing Business" list, introduction of e-government, as well as other joint projects of the Government of Serbia and NALED, which help Serbian citizens and economy. She also emphasized the importance of projects concerning the position of young people in Serbia through employment reform and starting a business through the "Start Legally" project. She especially mentioned the importance of the cadastre reform, as the most complex reform concerning the registration of property rights, as well as the reform of seasonal employment, noting that many of these projects would not have been realized without the participation of NALED.

In the end, the Prime Minister wished good luck and success in the further work of NALED, describing NALED as a reliable, secure and lasting partner.

On the Annual Assembly, NALED members were addressed by the leaders of the international community via video:

1. Stephen Ndegwa, Head of the World Bank in Serbia;
2. Rebecca Fabrizi, Chargé d'Affaires at the British Embassy;
3. Zsuzsanna Hargitai, EBRD Director for the Western Balkans;
4. Sam Fabrizi, Ambassador of the EU Delegation to Serbia;
5. Anthony Godfrey, US Ambassador to Serbia.

After introductory speeches and video messages of support, the voting material was presented to the members on the NALED ePlatform, in accordance with the adopted agenda, as follows:

### **1. Proposed work program**

The proposed work program includes the adoption of decisions on the election of the chairman, the proposed agenda and minutes from the previous session, amendments to internal acts, reports on work and financial operations, a work plan for the next period, discussion on other issues raised by members and the closing of the Assembly.

Members could download the following suggestions:

1. Notification of the NALED Managing Board - Assembly 2020;
2. Proposed work program - Assembly 2020.

It is stated that the Proposed Work Program - Assembly 2020 was unanimously adopted.

### **2. Decision on the election of the chairman**

The Steering Board proposed that this role continue to be performed by the current Speaker of the Assembly, Dragan Penezic, Director of Regulatory Affairs at BAT.

Members could download the following suggestions:

1. Proposal of Decision on Chairman election of the NALED's Assembly in 2020.

It is stated that the Decision on the Chairman election of the NALED's Assembly in 2020 was unanimously adopted.

### **3. Minutes from the previous session of the Assembly**

The minutes from the previous session contain details of the decisions made by the NALED Assembly in 2019, including the reports on work and financial operations in 2018 and the decision on NALED's accession to the National Convention on the European Union.

Members could download the following suggestions:

1. Minutes - NALED Assembly in 2019.

It is stated that the Minutes - NALED Assembly in 2019 was unanimously adopted.

#### **4. Proposed amendments to the Rules of Procedure of the Assembly**

The Managing Board proposes Amendments to the Rules of Procedure of the Assembly in order to specify the work of electronic sessions in the future.

Members could download the following suggestions:

1. Proposal of amendments to the Rules of Procedure of the NALED Assembly in 2020 - refined text;
2. Proposal of amendments to the Rules of Procedure of the NALED Assembly in 2020.

It is stated that the Amendments to the Rules of Procedure of the NALED Assembly in 2020 - consolidated text and the Amendments to the Rules of Procedure of the NALED Assembly in 2020 were unanimously adopted.

#### **5. Report on financial operations for 2019**

According to the report of the independent auditing company BDO, the attached financial statements (balance sheet and income statement) present truthfully and objectively, in all material respects, the financial position of the Association as of December 31, 2019 and the results of its operations for the year ending on that day, following the accounting regulations valid in the Republic of Serbia. The unallocated net surplus of revenues over expenses realized in 2019 amounts to 270,248.92 dinars.

Members could download the following suggestions:

1. Auditor's Report 2019;
2. NALED Balance Sheet 2019;
3. Income statement NALED 2019;
4. Proposal of the decision of the Assembly on the adoption of the annual financial report
5. Proposal of the decision of the Assembly on undistributed net surplus of revenues over expenses

The members were presented with a video message via the ePlatform - Auditor's Report - Ksenija Ristić Kostić, BDO.

In her address, Ksenija Ristić Kostić referred to the specifics of this year's audit of financial statements caused by the COVID-19 virus pandemic, noting that the audit was done remotely, but that it was done promptly. She further pointed out that the audit of financial statements was conducted following the Law on Audit and International Standards, noting that, by the International Standards that have been applied since this year, the auditor's opinion has been significantly expanded. Namely, the responsibility of the management for the financial statements has significantly increased, but also the responsibility of the auditor for the audit of the financial statements. Special accent is placed on the concept of business continuity, which involves assessing the ability of company management to continue doing business in difficult circumstances. She also referred to the decision of the management to reduce the planned costs for this year by 30%, indicating that such a decision is correct in the conditions of difficult business caused by the corona virus. Finally, she noted that based on all applicable audit procedures, it was concluded that NALED's financial report truthfully and objectively presented its financial position and business results, i.e. a positive, unmodified opinion was issued. She stated that NALED's revenues for 2019 amounted to around 319 million dinars, which is 16% more than in the previous business year, but expenses also increased by 24%, and the surplus of revenues over expenditures this year is less than in the previous one.

It is stated that the Auditor's Report for 2019, the Balance Sheet of NALED in 2019, the Income Statement of NALED in 2019, the Decision of the Assembly on the adoption of the annual financial report, the Decision of the Assembly on the undistributed net surplus of revenues over expenses were unanimously adopted.

#### **6. Report on the work and implementation of the Strategic Plan for 2019/20**

The rate of implementation of the strategic plan in 2019 is 95% - out of 180 planned activities, 132 have been fully implemented (73%), 39 have been partially implemented (22%), and 9 have not been implemented (5%). A number of activities were implemented ahead of schedule (13). With 310 members and more than 50 permanent employees in the Executive Office, NALED implemented projects and activities in the previous year intending to improve the business environment and encourage local economic development in the amount of 2.7 million euros.

Members could download the following suggestions:

1. Annual report on the realization of strategic goals, NALED in 2019;
2. Presentation on the results of NALED, Assembly in 2020.

Video:

Report of the NALED Executive Office and message from the director - Violeta Jovanović

The members were presented with a video via the ePlatform - Report of the Executive Office of NALED and a message from the director - Violeta Jovanović.

The Executive Director referred to the importance of the participation of members in the Assembly, as well as in the work of NALED in general, especially in the light of the pandemic. She referred to the excellent cooperation of the membership during the new situation at the beginning of the year. She mentioned that in the year behind us, out of 179 activities of the NALED's Strategic Plan, 155 projects were fully or partially realized. She pointed out that 2019 ended with 2.7 million euros and 20 contracted projects with a total value of over 5 million euros. The number of faculties and scientific institutions with which NALED conducts research, analysis and professional practice programs has also increased. This cooperation is important for NALED, especially for the executive office, which now has about 60 full-time employees. Of special importance in the past year are projects related to the electronic issuance of lists of non-compliance, registration of seasonal workers in agriculture and a unique contact center to which irregularities in the work of any of the 44 inspections can be reported. These and many other deals have climbed Serbia to 44th place on the World Bank's list. She particularly emphasized the key support for reforms provided by partners and donors from the international community, primarily GiZ, USAID, EBRD, EU, UNDP, the British Fund for Good Governance, the embassies of Norway, Netherlands and the World Bank. As key priorities in the coming period, she mentioned further development of eGovernment through the digitalization of spatial plans, expansion of the system for seasonal workers through other activities, development of cashless payments and development of electronic application of farms for subsidies.

On behalf of NALED, Executive Director Violeta Jovanović thanked all members and partners for their support in ensuring stability and continuity of action in these unpredictable conditions. She expressed special gratitude to the members of the governing bodies who advocate unity and responsibility as the fundamental values of our organization.

It is stated that the Annual Report on the Realization of Strategic Goals, NALED 2019, was unanimously adopted.

## **7. Revision of the Strategic Plan - Action Plan for 2020/21.**

Based on ongoing consultations with governing bodies, sectoral alliances and NALED members, membership surveys conducted in the first quarter of 2020 on COVID-19, consultations with donors and conducted analyzes, the Executive Office has prepared a revision of the strategic plan, which includes amendments and elaboration on previously adopted strategic goals and the NALED action plan for 2020 and 2021, with a special focus on reducing the negative consequences of the pandemic on the economy and local communities.

Members could download the following suggestions:

1. Strategic Action Plan, NALED 2020-2021

Report of the eGovernment Alliance - Željko Tomić, Osa Engineering  
Report of the Fair Competition Alliance - Jelena Ristić, Mastercard  
Report of the Healthcare Alliance - Una Ljubičić, Pfizer  
Report of the Food and Agriculture Alliance - Vladimir Čupić, ALTA Bank  
Report of the Environment Protection Alliance - Jelena Kiš, Ball Packaging Europe  
Report of the Property and Investments Alliance - Aleksandra Trešnjev, Chamber of Enforcement Agents of Serbia

**Friday, July 31, from 12:00 to 13:00**

**CONCLUSION OF THE ASSEMBLY WORK - Report on the quorum and voting results;**

*Dragan Penezić, President of the Assembly of NALED / BAT.*

On 31.07.2020. at 12h, with an introductory speech by the President of the NALED Assembly, Dragan Penezić, who was elected chairman by a majority of votes this year as well, the live broadcast of the conclusion of the work of this year's Assembly began. After welcoming all members accompanying the broadcast, the Chairman announced that in his presentation he would present the results of the vote, key materials adopted during the digital voting, as well as present the membership reform priorities and that members would be able to hear messages from the Prime Minister of the Republic of Serbia Ana Brnabić and key international partners of NALED during the broadcast.

The chairman stated that 158 members attended the digital session this year, of which 151 members with the right to vote, which represents 52% of the total membership, and that, having in mind the number of attendees, the quorum prescribed by the NALED Statute was met. He then mentioned that 124 members took part in the voting, 43% of the full membership, which means that the Assembly made all decisions with a quorum. All 7 items on the agenda were adopted almost unanimously.

Penezić, on behalf of the company he represents and, on his behalf, thanked for the re-election as chairman of the Assembly and referred to several key items on the agenda that were adopted. First of all, Amendments to the Rules of Procedure of the NALED Assembly, which, due to new circumstances, regulate the organization of electronic sessions of the Assembly for the future, then the financial report on which the BDO gave a positive opinion without reservation, in 2019 generated revenue of 319 million dinars, with a net surplus of income over expenses in the amount of 270,000 dinars. The Report on the fulfillment of goals and realization of the activities of the strategic plan was adopted, which shows the degree of realization of 95%. He mentioned that the number of members increased last year, with the membership of new companies and scientific institutions, and that a new Environment Protection Alliance was established within NALED. The Speaker of the Assembly referred to the fact that during the last year, NALED participated in 57 working groups of the Government of the Republic of Serbia for drafting regulations. Special thanks, on behalf of the entire NALED membership, were expressed to key partners from the international community GiZ, USAID, EBRD, EU, UNDP, the British Fund for Good Governance, the Embassies of Norway and Netherlands, and World Bank.

Video messages of support from partners from the international community were shown.

The chairman referred to the most important achievements in the last year, projects such as the electronic issuance of property certificates, registration of seasonal workers in agriculture, as well as a unique contact center to which irregularities in the work of any of the 44 inspections can be reported. A special place among the realized projects is the first Grey Book of Health with 50 recommendations on the availability and

efficiency of health care. He reminded that NALED, in response to the crisis caused by the pandemic, was the first association to send the Government a proposal of measures for the economy and preservation of jobs, of which 4 main measures were accepted and dozens of sectoral recommendations for agriculture, construction and health were made.

The Chairman announced the last item on the agenda - the 7th Revision of the Strategic Plan - Action Plan for 2020/21, within which he pointed out the priorities of NALED for the next year.

The three main priorities of NALED for the next year are the improvement of e-government and e-business, then the reduction of the shadow economy and the improvement of the tax system, and the third, the development of the health sector. In that sense, he proposed to the Government of the Republic of Serbia to work together with NALED on the establishment of electronic systems such as e-Space, e-Agrar, e-Register of non-tax levies, e-Health, and then expand the application of the seasonal system to other activities.

The Chairman announced the broadcasting of a video recording of the Prime Minister of the Republic of Serbia address.

The chairman announced the ceremonial awarding of NALED's arrows and yielded the floor to the executive director Violeta Jovanović.

In her address, the Executive Director thanked all members and partners and highlighted their contribution to the functioning of the organization. She then announced the ceremonial awarding of NALED arrows, recognitions that NALED awards to deserving partners from the international community.

She invited the mayor of the city of Bor to hand over the first NALED arrow. The first laureate of this year's award is EBRD Director for the Western Balkans Zsuzsana Hargitai.

The second NALED arrow was awarded to Matthew Jordan, the head of the British Fund for Good Governance. Matthew addressed the audience and thanked them for the award.

The third award was given to Zorica Bilić, coordinator of the open regional fund for the improvement of municipal services. In her address, the winner thanked for the awarded prize.

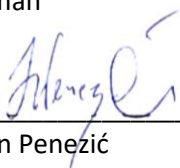
The last winner of this year's award is the Ambassador of Israel, Alona Fisher Kamm, and the winner addressed the members of the Assembly.

The Chairman of the Assembly states that there are no applicants for further participation in the discussion and closes the discussion.

The Chairman of the Assembly states that the session of the NALED Assembly has been concluded.

The assembly closed at 1:02 p.m.

Chairman



Dragan Penezić

Minute keeper



Nikola Milivojević



In Belgrade,  
31.07.2020.