

REPORT ON ACTIVITIES AND IMPLEMENTATION OF NALED'S STRATEGIC GOALS FOR 2023 AND OVERVIEW UP TO 2025

INTRODUCTION

NALED's Strategic plan for the period up to 2025, adopted by members at the Assembly in May 2022, defines 12 program goals grouped into two key areas, or levels of operation that intersect and encourage each other – **1) Improvement of public policies and services and 2) Promotion of territorial development and EU integration**. It also defines seven organizational goals that define NALED's further development and sustainability from the perspective of human resources, finance, communication etc.



Over the first two years of implementation, out of a total of 138 results planned to be achieved by 2025, nearly two thirds have been implemented (63%). There are ongoing activities that will contribute to additional 19% of the planned results. 10% results have not been fulfilled or have been postponed. The rest includes activities that remain to be worked on in the future. Below we list the current level of realization per strategic areas.

Strategic area 1: Improvement of public policies and services

Fulfilled	Partially fulfilled	Ongoing	Planned	Postponed/Not fulfilled	Total
56	13	20	12	12	114
49%	11%	18%	10,5%	10,5%	100%

Strategic area 2: Promotion of territorial development and EU integration

Fulfilled	Partially fulfilled	Ongoing	Planned	Postponed/Not fulfilled	Total
15	2	6	0	1	24
63%	8%	25%	0%	4%	100%

KEY RESULTS IN 2023

The realization of strategic goals, observed only in 2023, amounts to more than 90%. In the previous year, NALED was engaged on implementing 40 projects for better business conditions, which is 20% more than the previous year. A total of 178 events were organized, including more than 100 trainings for the private and public sector (on eGovernment, information security, smart cities, public procurement) attended by more than 1,000 civil servants, 15 study visits, and more than 50 conferences, round tables and media events at the local, national and regional level.

The previous period was marked by **the implementation of 12 Grey Book recommendations**, including the years-long recommendations to abolish the fee for the conversion of the right of use to the right of ownership and to establish an electronic registry of agricultural holdings and incentives (eAgrar). The implemented recommendations include the introduction of green criteria and quality criteria other than the lowest price in public procurement, the abolition of parafiscal levies in the procedures for obtaining conditions for design and connection in the construction sector, enabling construction sites to keep documentation in digital format, as well as the full implementation of electronic delivery through the introduction of mandatory eMailbox for businesses.

In the previous year, **the fight against shadow economy** continued through the "Better Way" Initiative, supported by GIZ and companies Visa and Mastercard, within which NALED started the implementation of POS program for entrepreneurs, micro and small businesses, enabling subsidies for free POS terminals at 25,000 points of sale and institution counters throughout Serbia. In the first year, the program achieved almost 800,000 transactions worth around 10 million euros. NALED also supported the Government in organizing the prize game "Get the Receipt to Win 2023", which was realized digitally for the first time, using the application developed by Tax Administration. This year, the sixth cycle of the game was launched with a double chance for users that made cashless payments.

We have provided support to the Government of Serbia in the improvement of regulations and the development of software for filing and paying taxes for freelancers. Work continued on the long-term priority of the Grey Book - systemic reforms of taxation and reduction of the tax burden on the lowest wages. With the support of the Swedish agency SIDA, NALED supported the Public Procurement Office in the introduction of environmental criteria and prepared a rulebook and models of tender documents for their easier application.

NALED made a great contribution to **the digitization and development of eGovernment** through trainings performed in this area, attended by 1,000 state and local officials from more than 20 local governments in 2023, as well as representatives of more than 100 small and medium-sized enterprises. As part of the World Bank's EDGE project, NALED supported the Office for ITE in the promotion of eServices that were improved in the previous period. It is now possible for institutions to deliver all official documents, such as decisions and notices, to businesses exclusively in electronic form into their eMailbox, while citizens can now obtain extracts from registers, certificates of citizenship, certificates of non-conviction and non-punishment through the same channel.

Work on improving **conditions for investments and construction** continued. In the four years since the reform of Real Estate Cadastre, which was implemented with the support of NALED, 2 million requests for real estate registration were submitted through the eCounter, and the average time for resolving cases was reduced from 25 to less than 6 days. With the support of the Swedish agency SIDA, a study was prepared with proposals for improving registration in the cadastre, legalization, recording of public property, restitution, expropriation, consolidation, conversion and other procedures, for the final solution of real estate management and the transition of property relations from social to private property. In cooperation with USAID, recommendations were prepared for improving the position of prosumers and encouraging the production of electricity from own sources.

In the next two years, NALED will be the EIT Food Hub for our country and implement a series of activities aimed at supporting the innovation ecosystem in **the field of agriculture**, with the support of the Faculty of Agriculture in Novi Sad. We will gather all representative participants from the agriculture sector and work on bringing together science and businesses.

We continue to support the **innovative ecosystem** with the company PMI and StarTech. The program, which supported 82 projects with funds in the amount of about 2.7 million USD, will continue in the next two years. The new edition of the Grey Book of Innovations brought 45 recommendations, and nine recommendations from the previous edition were implemented. In cooperation with the Ministry of Economy, the Entrepreneurship Portal and Small Business Informer were launched, publishing all relevant information needed by entrepreneurs when starting and running a business.

NALED coordinates the Working Group that prepared **the revision of the Action Plan for Digitization in the Health System 2024-2025**, which is being implemented with the support of the USAID-funded CHISU project. We participated in the drafting of the new Law on Health Documentation and Records in the field of healthcare, which represents the basis for further digitalization in healthcare and introduces eHealthRecord as a centralized register and set of data on each patient. With the aim of establishing the Registry of Genetic and Biomedical Data, NALED and the Center for the Fourth industrial revolution worked on defining the legal framework that will enable its functioning and use in research and development in the fields of biotechnology, bioinformatics, bioeconomy, genetics and medicine.

In the field of **environment protection**, we continue with initiatives for efficient waste collection through a cross-border project with Montenegro supported by the European Union, that initiated the process of primary selection in households in Novi Pazar and Mojkovac. NALED provides support to the Ministry of Environmental Protection in the process of building six regional centers for waste management. We started a discussion with all relevant stakeholders about the challenges and opportunities of applying ESG criteria.

Survey results showed that nearly 90% of the surveyed municipalities and cities consider the BFC SEE Program attractive, and in the previous year an open call was published for the participation of 50 cities and municipalities in Southeast Europe that had not participated in this program until now. The exchange of best regulatory practices and reforms at the level of Southeast Europe continued through the **Partnership for a Competitive Region (CORE Partnership), which connects 7 economies in the neighborhood**, and the second regional

conference CORE days was organized in Kotor, with one of the key speakers being the President of Montenegro, Jakov Milatović.

We continue **regional cooperation** through **cross-border projects** that we implement with the support of the European Union, such as "Together for Cultural Tourism" in Serbia and Bosnia and Herzegovina, whose goal is to strengthen the socio-economic position of women and promote handicrafts as tourist products. In the first year of the project, over 200 women attended educational programs. In the coming period, with the support of the Swedish Sida agency, we will work on raising awareness of the advantages and importance of **the social economy**, in order to increase the number of registered social enterprises in Serbia.

REALIZATION OF PROGRAM GOALS

Below is an overview of 12 program goals, followed by a detailed report on the realization of goals and results for the period 2023.

STRATEGIC AREA 1: IMPROVEMENT OF PUBLIC POLICIES AND SERVICES.....	5
Program goal 1: Improved quality and process of enactment of regulations	5
Program goal 2: Reduced shadow economy.....	8
Program goal 3: Improved public finance.....	13
Program goal 4: Improved conditions for the development of eGovernment and eBusiness	16
Program goal 5: Improved conditions for entrepreneurship and innovation	19
Program goal 6: Improved conditions for investment and construction	23
Program goal 7: Improved conditions for agriculture and food industry development.....	26
Program goal 8: Improved health services and availability of medicines	28
Program goal 9: Supported implementation of the Green Agenda	31
STRATEGIC AREA 2: PROMOTION OF TERRITORIAL DEVELOPMENT AND EU INTEGRATION	34
Program goal 10: Improved conditions for local economic development	34
Program goal 11: Improved and harmonized conditions for doing business in the Western Balkans	37
Program goal 12: Improved EU integration process in areas important for businesses	39

STRATEGIC AREA 1: IMPROVEMENT OF PUBLIC POLICIES AND SERVICES

Program goal 1: Improved quality and process of enactment of regulations

1.1 Improved institutional accountability and analytical basis for enactment of regulations			
#	Result	Status	Rationale
1	Improved regulatory reform monitoring through publishing of Quarterly Reports	Achieved	Four quarterly reports (QR) on the status of reform implementation published, with an overview of regulatory activity and initiatives undertaken by NALED during the analyzed quarter. QR is distributed to members and partners from the international community no later than 10 days after the end of the quarter. QR summary is also prepared in English.
2	Improved transparency of the legislative process through the annual Regulatory Index of Serbia	Achieved	The Regulatory Index of Serbia 2022/2023 has been published, which analyzes in detail the legislative process and the quality of the public-private dialogue in Serbia. The rating of the regulatory environment in our country is 46 out of a maximum of 100, with no major changes compared to the previous report. During 2023, through dialogue with the civil sector, a new, improved methodology for RIS was prepared, which will be applied from 2024.
3	Partially or fully implemented at least 10 Grey Book recommendations per year	Achieved	The 16th edition of the Grey Book was published, which contains 100 recommendations of NALED members for improving business conditions (19 new, 81 improved recommendations). In 2023, 12 recommendations were fully or partially implemented, such as the abolition of land conversion fees, the implementation of eAgrar, and the introduction of green public procurement. Starting from this year, in addition to the EU badge, which was assigned to 18 recommendations, a cashless payments label was also introduced, designating 13 recommendations.

4	At least one regulation per year improved based on NALED's ex ante analyses	Achieved	Amendments to the Law on Planning and Construction abolished the fee for converting the right of use into the right of ownership on construction land for persons that acquired the right of use in the process of privatization, ownership transformation, bankruptcy or enforcement proceedings in accordance with the analyzes and recommendations prepared by NALED in cooperation with members of the Property and Investments Alliance.
5	NALED supports institutions in drafting at least 5 regulatory impact analyses per year	Achieved	In 2023, NALED worked together with MIT on the analysis and drafting of the Law on Information Security, as well as on the analyses that accompanied the adoption of the Law on Public Information and Media and the Law on Electronic Media. With MCTI and the newly established Agency, NALED worked on an ex-ante analysis of the abolition of conversion fee, and then an ex-post analysis of the reform effects. With the MME, an analysis was made regarding the improvement of the position of buyers-producers (prosumers) - based on the recommendations of NALED, the Law on the Use of RES, the Law on Excise Taxes, the Law on VAT, and the Law on Fees for the Use of Public Goods were amended. An impact analysis of the Health Digitization Program was performed with the Ministry of Health. As a contribution to the implementation of the Government's Program for countering shadow economy, an analysis of the regulatory framework, the use of cash, and a comparative study was carried out in order to improve the conditions for cashless payments.

1.2 Sustainable public-private dialogue established to improve conditions for doing business			
#	Result	Status	Rationale
1	Economic Caucus established in the Parliament with NALED's support by 2023	Achieved	During the year, there were four meetings of the Economic Caucus , which was constituted in the Assembly in April 2023, and amendments to the Law on Planning and Construction were prepared.
2	NALED participates in at least 20 Government's joint groups for drafting regulations a year	Achieved	In 2023 alone, NALED joined the work of 29 working groups, of which 18 are currently active. In addition, there are numerous active groups founded in previous years that are still functional. An overview of the working groups is available on the online Member Platform .
3	NALED organizes dialogue on public policies with interested civil society organizations (CSOs) and political actors at least twice a year	Achieved	As part of its regular activities, NALED establishes consultations with CSOs and political actors through interviews, round tables, alliance work within NALED, as well as through the Economic Caucus and the National Convention on the EU. During 2023, consultations were organized with about 10 CSOs regarding monitoring and improving the quality of the regulatory framework in Serbia.
4	NALED supports at least three sectorial associations and CSOs a year in initiating and managing public private dialogue	Achieved	NALED gathered numerous organizations from the solidarity economy sector to develop the Social Entrepreneurship Development Program and define measures to support the sector through comprehensive consultations with institutions, the donor community and social enterprises. As a result of this cooperation, at the beginning of 2024, the relevant minister announced the adoption of the Program and the promotion of social entrepreneurship in Serbia . NALED involved the Association of Freelancers and Entrepreneurs, the Digital Community and the Association of Online Workers in the design of regulatory solutions and the creation

			of a portal for the taxation of freelancers through a dialogue with the MFIN.
5	Improved training curriculum and online course on public private dialogue, available on NALED's website from 2023	Achieved	The online course on public-private dialogue is available on NALED's portal jpd.rs/edukacija

Program goal 2: Reduced shadow economy

2.1 Established strategic and institutional framework for countering shadow economy			
#	Result	Status	Rationale
1	Government Program for Countering Shadow Economy adopted by the end of 2022	Achieved	In March, the Government of the RS adopted the Program for Countering Shadow Economy for the period 2023-2025, while the corresponding action plan containing 19 measures for the period 2023-2024 was adopted in June 2023. NALED provided professional and technical support to the Coordination Body and Expert Group in the development and implementation of these documents.
2	Support provided to the establishment and operations of the Government's Coordination Body and the Expert Group for Countering Shadow Economy from 2022	Achieved	The coordinating body was established during 2022, and has been meeting regularly since then. The related Expert Group for Countering Shadow Economy held regular meetings which, during the second half of 2023 and the beginning of 2024, focused primarily on the implementation of the action plan. NALED was appointed as the coordinator of the Expert Group.
3	Monitoring of Program implementation secured through semi-annual reporting from 2023	Achieved	In cooperation with the Ministry of Finance and other institutions, NALED prepares regular half-yearly reports on the implementation of the Program, which are submitted to the Coordination Body for review and approval.
2.2 Further transformation of Serbian Tax Administration supported			
#	Result	Status	Rationale
1	Software for seasonal workers engagement upgraded by the end of 2022	Partially achieved	NALED supported software improvements related to the current Law on Seasonal Workers, as well as further development in accordance

			<p>with the draft of the new Law. All changes were presented to the Ministry of Labor, Employment, Veterans and Social Affairs and the Tax Administration.</p> <p>As of May 2023, the software was handed over to the Tax Administration for testing - work on finalizing the legal framework and software is expected to continue in cooperation with the new Government and the relevant Ministry.</p>
2	Consolidated collection of taxes for entrepreneurs introduced by the end of 2024	In progress	<p>The introduction of unified collection of taxes and contributions for entrepreneurs is a multi-year recommendation of NALED, which found its place among the 10 priorities of the Grey Book 16 sent to the Government of Serbia and competent institutions. In communication with NALED, the Tax Administration announced that this recommendation will be implemented as part of the introduction of the new PURS information system, which is ongoing.</p>
3	Risk analysis system based on e-Fiscalization upgraded by the end of 2025	Planned	<p>The improvement of risk analysis in the Tax Administration is one of the measures provided for in the Government's Action Plan for Countering Shadow Economy.</p>
4	Support provided to the implementation of at least one measure from the Program for Countering Shadow Economy a year	Achieved	<p>During 2023, NALED supported a number of measures from the Program for Countering Shadow Economy, including: the organization of a new, electronic prize game, Get the Receipt to Win; conducted surveys of citizens and businesses attitudes about the shadow economy, fiscalization and cashless payments; innovation and entrepreneurship promotion campaign Champions of Innovation; conducting trainings for bookkeeping, accounting and auditing agencies on tax benefits; development and maintenance of the portal preduzetnistvo.gov.rs and the newsletter of the Ministry of</p>

			Economy, through which advisory support is provided to entrepreneurs and beginners in business.
2.3 Improved conditions for cashless payments			
#	Result	Status	Rationale
1	Government's Coordination Body for improving the conditions for cashless payments adopted its Action Plan to be implemented from 2023	Partially achieved	The action plan for countering shadow economy envisages several measures to improve the conditions for cashless payments and the development of the reception network in the private and public sector. Competence for implementation is assigned to the NBS.
2	Subsidized 25,000 POS terminals for micro and small enterprises and institutions by the end of 2025	Partially achieved	In the first year since the launch of the POS program (March 2023 - March 2024), small merchants requested 3,101 POS terminals under subsidized conditions. On devices installed so far, 656,632 transactions were made with a total turnover of almost 8.5 million euros, thus generating about 1.5 million euros in VAT for the national budget.
3	The number of government authorities that accept cashless or electronic payment for their services increased by at least 300 by the end of 2025	In progress	Through the POS Program, NALED, in cooperation with partners, provided subsidies for the introduction of up to 1,000 POS terminals at institutions' counters. In the following period, efforts will be made to establish cooperation with at least one relevant institution in order to equip all its counters (e.g. Tax Administration, or traffic police).
2.4 Improved efficiency and cooperation of inspectorates with businesses			
#	Result	Status	Rationale
1	Increased number of inspectorates using e-Inspector every year	Not achieved	NALED participated in the development of the eInspector system and the inclusion of 38 inspections during the previous years, however, due to frequent changes in the relevant Ministry, there was no progress in this domain in 2023. It is necessary to initiate cooperation with the new team of the Ministry of Public Administration and Local Government and actualize the need for digitization of inspections, further

			linking of the eInspector system with certain registers and further strengthening of the capacities of inspections and inspectors.
2	E-Inspector system integrated with at least one other electronic register by the end of 2024	Planned	This process is led by the Office for ITE. Linking with the registers is a prerequisite for including the remaining inspections into the eInspector system (Ministry of Agriculture, Forestry and Water Management border inspections, etc.).
3	Consultations between businesses and inspectors organized at least once a year starting from 2023	Achieved	NALED includes relevant inspections in consultations with businesses, through its theme alliances and expert groups that it leads. NALED organized several meetings of the narrow part of the expert group for countering shadow economy with representatives of the republic's inspections and other state bodies in order to prepare and monitor the implementation of the Action Plan for countering shadow economy in the part of inspection supervision. Meetings were organized with the aim of creating a schedule of inspection supervision with the Tourist, Tax and Market Inspections, as well as with the MCTI inspections and the Tax Inspection.
2.5 Improved labor legislation framework			
#	Result	Status	Rationale
1	Law on Work Engagement on Seasonal Jobs expanded by the end of 2023	Postponed	The draft of the Law was made last year and harmonized with the comments of the International Labor Organization (ILO) with the support of NALED. Meetings with the Ministry of Labor have been initiated in order to undertake all the activities required for its adoption. It was communicated with the Minister of Labor to re-establish a working group for drafting the Law, all ministries have delegated their members to the working group, however, due to the announcement of elections, the procedure has been halted until the election of the new Government.

2	Regulatory framework for flexible forms of labor improved by the end of 2025	Achieved	At the initiative of NALED, amendments to the Regulation extended the limit on the growth of tax liabilities of flat-rate taxpayers to 10% per year, and introduced a reduction of the tax base of as much as 50% for newly established flat-rate taxpayers. Also, based on NALED's initiative, a proposal was adopted that freelancers with low incomes can get health insurance for about 1,400 dinars per month, while the minimum monthly basis for paying social security will amount to 8,406 dinars. This is regulated by the adoption of the Law on Amendments to the Law on Contributions for Mandatory Social Insurance. In cooperation with the Ministry of Finance, the Tax Administration and the Republic Health Insurance Fund, the automatic verification of health cards for freelancers has been made possible by linking the Tax Administration and RHIF systems, so that freelancers no longer have to go to the RHIF counter in order to verify their health card.
3	Proposal for improvements of the Labor Law developed by the end of 2025	In progress	A proposal for amendments to the Labor Law was prepared by the Working Group for Labor Legislation formed within the Fair Competition Alliance. The proposal was communicated to the International Labor Organization. In the following period, additional coordination with members of NALED and representatives of relevant institutions will be initiated.
2.6 Strengthened awareness of the importance and ways to fight the shadow economy			
#	Result	Status	Rationale
1	At least one campaign aimed at citizens and/or businesses implemented per year	Achieved	During the year 2023, the Government of the Republic of Serbia, with the support of NALED, organized two rounds of the Get the Receipt to Win prize game, in the period from January 12 to February 25 and from September

			<p>28 to November 11. Ten public draws were broadcast on RTS Channel 1. More than one million adult citizens participated and sent more than 285 million fiscal invoices. As in previous cycles, NALED was in charge of running the contact center for the prize game, which received more than 10,000 questions, as well as maintaining the national portal www.uzmiracun.rs which recorded 2.3 million visits. Also, during 2023, a national campaign was organized for the promotion of cashless payments and the POS Subsidy Program for small merchants.</p>
--	--	--	---

Program goal 3: Improved public finance

3.1 Ensured optimal implementation of eInvoices			
#	Result	Status	Rationale
1	At least 10 training sessions conducted for public and private sector per year, during 2022 and 2023	Not achieved	After the successful implementation of the eInvoice system and a large number of trainings organized by NALED and the Ministry of Finance for the private and public sector in 2022, there was no need to organize additional trainings in 2023. NALED has published on its YouTube channel video materials (online trainings and tutorials) for the application of eInvoices, which have received a total of almost 200,000 views.
2	Improved software and/or law based on regulatory impact analysis and e-Invoice system implementation by the end of 2025	In progress	NALED continuously communicates with its members on the topic of the e-invoice system and potential improvements and elimination of operating problems. At regular meetings with the Ministry of Finance, issues delegated by the economy are discussed. The Ministry of Finance provided answers and potential solutions.

3.2 Improved public procurement system and implementation			
#	Result	Status	Rationale
1	New (improved) Register of bidders developed by the end of 2022	Achieved	The improved register of bidders functions smoothly and the number of legal entities registered as bidders is increasing. Illustratively, in 2022, the number of registered bidders was 14,585, and that number rose to 16,352 by December 31, 2023. years.
2	More than 1,300 contracting authorities and bidders trained to apply quality criteria in public procurement by the end of 2022	Achieved	In 2022, close to 70 public procurement trainings were organized, and a total of 1,239 contracting authorities and bidders were trained through Sida project. During 2023, additional trainings were organized attended by another 1,009 bidders and purchasers.
3	Models for green public procurement criteria developed by the end of 2022	Achieved	Five more guides were created for the new five items whose procurement is mandatory with the application of green criteria. The guides are also available on the website of the Public Procurement Office (KJN) , as well as on the eLearning platform developed by NALED - www.lppp.rs .
4	Annual campaign for promoting responsible public procurement implemented by the end of 2022	Achieved	During 2023, promotional activities and events were carried out that contributed to the publication of 150 texts or articles on public procurement in the media.
3.3 Improved tax system			
#	Result	Status	Rationale
1	Reduced tax burden on low wages by the end of 2025	In progress	Through the Grey Book and analysis of the tax burden on wages, NALED advocates the reduction of the tax burden on the lowest wages and the increase of the non-taxable amount. This recommendation was included among the 10 priorities of the 16th Grey Book. NALED prepared a draft of a comparative analysis of the tax wedge and the tax burden on labor, with recommendations for improvement. The Ministry of Finance launched consultations on this topic, which also included NALED.

2	Improved VAT regulations by the end of 2024	In progress	The VAT Law was last amended at the end of 2022, while in 2023 there were two amendments to the VAT Regulations, which NALED reported in its Quarterly Report. NALED has prepared a number of recommendations for the improvement of VAT regulations that were published as part of Grey Book 16, including the shortening of the deadline for VAT refunds, the abolition of the POPDV form and the reciprocity of VAT refunds between Serbia and other countries.
3	Improved implementation and/or at least one tax relief introduced by the end of 2024	Achieved	In 2023, the limit on the growth of the tax base was extended by a maximum of 10% annually for flat-rate entrepreneurs. A new tax benefit was introduced - a 50% reduction in the starting base when determining the amount of flat-rate income for beginners in business. In addition, NALED, in cooperation with the Council for Philanthropy, advocated the abolition of VAT on food donations, which was also included in the Gray Book.
3.4 Reduced parafiscal burden			
#	Result	Status	Rationale
1	Improved calculation method for at least ten non-tax levies by the end of 2024	Planned	NALED is preparing a plan for the implementation of this reform, which will include electronic calculation and electronic payment of all fees and charges.
2	Improved transparency of non-tax levies through the online register by 2025	Planned	NALED has prepared a new concept for the reform of the existing system of non-tax duties, which implies that the ePay service should be extended to all fees and charges paid by businesses and citizens. During 2023, the Ministry of Finance was open to proposals on how to digitize and improve the payment procedure for non-tax levies. Increasing the transparency of the system of non-tax levies, based on the initiative of NALED, was recognized as one of the

			structural reform activities in the Reform Agenda within the Plan for the Western Balkans, currently the most important document in the economic negotiations with the European Union.
3	Improved local ordinances on administrative fees in five pilot municipalities by the end of 2023	Not achieved	The focus of the reform was placed on a comprehensive solution for non-tax levies through the ePay system.

Program goal 4: Improved conditions for the development of eGovernment and eBusiness

4.1 Improved electronic services at the local level			
#	Result	Status	Rationale
1	Local eGovernment Development Index (LEI) established and published from 2022	Achieved	The LEI index was established and premiered to the public in early February 2023.
2	At least 100 local governments are ranked through LEI	Achieved	119 LGUs were ranked, and the results are publicly available from February 2023 on the website www.lei.rs .
3	The ranked local governments improve the availability of eServices with NALED's support	In progress	Five two-day trainings were conducted for 100 employees from LGUs in 2022 and five trainings for 123 employees in 2023 with the aim of strengthening their capacities for using the eRecords software.
4	ChatBot for municipal services introduced as a pilot in at least two local governments in 2022	Achieved	The activity was realized in 2022 - a ChatBot was established to provide selected eServices in Sombor and Šabac.
4.2 New electronic services developed and improved electronic identification			
#	Result	Status	Rationale
1	Developed/improved at least one electronic service for businesses/citizens per year	Achieved	In the first half of 2023, services related to eCertificate and eCitizenship, eConsent were established, and in 2024, the Open Balkan eID was established, which provides access to the labor market and electronic services of Albania and North Macedonia.
2	Amended at least one regulation per year to align it with the Law on e-Government and enable electronic delivery	In progress	For years, NALED has been advocating the expansion of eDelivery to all state institutions, through public policy proposals, Grey Book recommendations and participation in

			<p>working groups, and it provides support in the implementation of these recommendations. Starting this year, upon request, citizens can receive new documents into their eMailbox - the official records certificates, certificates of citizenship, certificates of non-conviction and non-punishment. If they are registered users of eGovernment, they will also receive decisions on the determined property tax, as well as a decision on property registration, into their eMailbox. Progress has also been achieved when it comes to the electronic delivery of documents for business entities. Since May 2024, when the changes to the Law on Business Entities and the Law on the Registration Procedure in the APR came into force, in accordance with the recommendations of NALED, all business entities are obliged to have an open account on the Electronic Identification Portal, considering that from that moment on, all documents (such as decisions) are delivered to them exclusively in electronic form in eMailbox. The remaining points to do include gradual harmonization of other procedural regulations with the provisions of the Law on eGovernment when it comes to electronic delivery.</p>
3	Enabled two-side signing of electronic documents by means of a cloud-based digital signature by the end of 2023	Achieved	<p>The Office for IT and eGovernment has improved the application for signing in the cloud, so that two-sided signing of electronic documents is enabled, which was one of NALED's recommendations. It is also possible to position the signature on the document, as well as to sign an already signed document.</p>
4	Enabled remote electronic identification by the end of 2023	Not achieved	<p>There are announcements this will be worked on in 2024, but no activities have yet been started on that front. Previously, the Ministry of Trade, Tourism and Telecommunications</p>

			started work on the Regulation on remote identification, but in a narrow working group format, and after that the topic went out of focus and was not further worked on in the mandate of the Ministry of Information and Telecommunications. It remains one of NALED's recommendations.
4.3 Improved knowledge and awareness of eServices			
#	Result	Status	Rationale
1	The number of eGovernment users among citizens and businesses is increasing by 10% per year	Achieved	The number of eGovernment portal users has reached 2 million in 2023, and it keeps growing. NALED contributes to this result by implementing communication campaigns within the EDGE project, focuses precisely on the promotion of eGovernment and electronic services among citizens and businesses.
2	At least 100 eServices providers educated per year	Achieved	As part of the SIDA II project "Public procurement and good management for greater competitiveness", five live trainings were conducted for 123 officials on the subject of electronic administrative procedures, as well as three online trainings for nearly 550 officials.
3	At least one awareness raising campaign organized per year	Achieved	NALED provides support to the Office for IT and eGovernment in the promotion of the eRecords service for citizens, and for this purpose an educational video was made, as well as promotional material that will explain, among other things, the importance of eGovernment and how to become an eCitizen. Also, NALED provides support to the Office for IT and eGovernment in strengthening the visibility and promotion of eServices through EDGE project, which includes a national media campaign.
4	At least 30 eGovernment services promoted by the end of 2023	In progress	The implementation of EDGE project, which aims to promote eServices, is ongoing.

Program goal 5: Improved conditions for entrepreneurship and innovation

5.1 Improved strategic and regulatory framework for developing entrepreneurship and innovation			
#	Result	Status	Rationale
1	Action plan of the Digital Economy Council adopted and implemented from 2022	Not achieved	Due to lengthy election processes and changes in the Government, the Council for Digital Economy has stopped working.
2	The first Grey Book of Innovations published in 2022 and 2023	Achieved	The first edition of the Grey Book of Innovations, which brought 60 recommendations from 7 areas for improving conditions for innovative and high-tech entrepreneurship in Serbia, was presented in April 2022, while the second edition of the Grey Book of Innovations with 45 recommendations, including 12 new proposals, was presented at the final conference of the Project, in December 2023. More information on the link .
3	At least 3 recommendations from the Grey Book of Innovations implemented per year	Achieved	Out of 60 recommendations from the first edition of the Grey Book of Innovations, a total of nine recommendations were resolved, of which five fully and four partially. For more information visit startech.org.rs/siva-knjiga-inovacija
4	At least one incentive measure for entrepreneurs introduced in line with NALED recommendations by the end of 2025	Achieved	At the initiative of NALED, the 10% limit on the growth of liabilities for flat-rate taxpayers was extended with amendments to the Regulation on detailed conditions, criteria and elements for flat-rate taxation of self-employed income tax payers. Also, on the initiative of NALED, a proposal was adopted that freelancers with low income can get health insurance for about 1,400 dinars per month, while the minimum monthly base for paying social security will amount to 8,406 dinars. This is regulated by the adoption of the Law on Amendments to the Law on Contributions for Mandatory Social Insurance.

5.2 Support for entrepreneurs and innovators provided			
#	Result	Status	Rationale
1	Grants worth up to a million USD per year for hi-tech and innovative local companies allocated by 2023	Achieved	Within the support program for innovative enterprises, in three cycles, 82 grants worth 2.7 million dollars were awarded to startups and small and medium-sized enterprises.
2	Mentoring support provided for at least 30 innovators per year	Achieved	In 2023, 154 entrepreneurs applied for mentoring support for developing a business plan. Mentoring support for the first cycle of grantees has been completed, while for the other two cycles, it takes place in 2024 and 2025.
3	A standing mechanism for informing entrepreneurs through Small Business Informer established from 2022	Achieved	NALED provides support to the Ministry of Economy in maintaining, updating and managing the Small Business Informer portal. On a monthly basis, NALED prepares a monthly newsletter with the most important information for the SME sector. For more information visit informer.preduzetnistvo.gov.rs
4	At least one social, youth or women entrepreneurship project supported a year	Achieved	The implementation of the project Together for Cultural Tourism - Cross-border cooperation for improved socio-economic development and preservation of traditional crafts started during 2023, which is aimed at increasing the contribution of tourism to socio-economic development, began. Activities on the project are aimed at supporting cross-border cooperation for the purpose of empowering women artisans and developing the tourist offer through the development of new, jointly developed tourist products that reflect the local cultural heritage. An important goal of the project is to acquaint colleagues from Bosnia and Herzegovina with the legal framework and good practice for social entrepreneurship in the Republic of Serbia.

5.3 Improved conditions for research and development			
#	Result	Status	Rationale
1	The practice of industrial PhDs established in at least one University by 2025	In progress	Guidelines for the implementation of scholarship-based doctorates have been drawn up. NALED team is in contact with the Ministry regarding this initiative, which is expected to be implemented in 2024.
2	Specification for online database of scientific research infrastructure established by the end of 2023	Achieved	The Ministry launched the Open Research Infrastructure portal, which aims to increase the visibility and availability of equipment and services in scientific research organizations, the maximum use of equipment and its commercial engagement, both for the needs of the state and private sectors. NALED will create a part of the portal related to the connection of small and large businesses, which we have singled out as a special activity in the document.
3	Simplified procedure for importing materials relevant for research and development by the end of 2023	In progress	The analysis "Toward the improvement of cross-border procedures for the import of R&D materials" was finalized, with concrete recommendations. NALED team has begun the process of advocating recommendations.
4	At least one more NALED's recommendation for improving the conditions for research and development implemented by the end of 2025	Achieved	The Rulebook on the Register of Subjects of the National Innovation System defines in more detail who are startups and who are business angels, and the conditions for their registration in the Register are determined. By registering in the Register, innovators will be able to use the funds of the Fund for innovation activities, while the state will gain insight into the state of the innovation system. Also, it is specified that "other subjects of innovation infrastructure" can include associations, companies and entrepreneurs whose goal is to support the implementation of innovative activities, and the Ethical guidelines regulate the issue of

			development, application and use of reliable and responsible artificial intelligence. Training for public servants on the subject of Partnership for Innovation was also organized, and the Ministry also started work on creating a portal for connecting science, business and the state.
5.4 Improved conditions for the use of future mobility vehicles and supporting infrastructure			
#	Result	Status	Rationale
1	Future Mobility Program adopted by the end of 2023	Not achieved	Donors and institutions interested in this topic have not yet been identified.
2	Regulatory framework for electric and hybrid vehicles in Serbia improved by the end of 2025	Achieved	Amendments to the Law on Road Traffic Safety defined the term light electric vehicle, regulated their use in traffic, and prescribed penalties for non-compliance with the rules. NALED advocated the resolution of this issue, first of all by researching the views of citizens on electric vehicles, but also by submitting proposals for regulatory changes to the Ministry and by submitting comments as part of the public debate on the Law on Road Traffic Safety. Also, amendments to the same law defined the concept of autonomous vehicles and enabled the testing of these vehicles on the roads. Two regulations are being prepared that regulate the issues of examination and testing autonomous vehicles on the roads, and in the meantime, decrees were issued on a special type of facilities and a special type of work for which it is not necessary to obtain an act of the competent authority, which eased the installation of charging stations for electric and hybrid vehicles on public roads.
5.5 Promotion of innovation and entrepreneurship in Serbia performed			
#	Result	Status	Rationale
1	At least one campaign for promoting innovation and innovators organized in the	Achieved	As part of the StarTech project, a campaign for the promotion of innovators was carried out, which

	country and/or abroad per year, by the end of 2023		included the recording of video material about startups that received ST grants, which can be found on the ST website. Active promotion was also performed on social networks.
2	At least one campaign for promoting social, youth and/or women entrepreneurship supported per year	Achieved	Within StarTech project, in cooperation with the GoViral agency and with the support of Telekom Serbia and RTS, NALED participated in the development of the second series of GoStudy digital entrepreneurship school. Short teasers about the application of digital technologies in business were broadcast as part of RTS's morning program during November. Also, through GoStudy platform, 9 new modules and 85 lessons have been made available to users.

Program goal 6: Improved conditions for investment and construction

6.1 Improved security of property rights			
#	Result	Status	Rationale
1	Conversion fee abolished for persons who acquired the right to use in the process of privatization, bankruptcy and enforcement proceedings	Achieved	At the end of July, the amendments to the Law on Planning and Construction ("Official Gazette of RS", no. 62/2023) were adopted, which abolished the payment of fees for conversion on construction land in accordance with the recommendations of NALED.
2	More efficient implementation of the procedure of legalization of buildings by the end of 2025	Partly achieved	As part of the SIDA 2 project, an Analysis was made for simplifying the conditions for the legalization of illegally built buildings (Concept of mass legalization) with concrete recommendations. A summary of the analysis was submitted to MCTI, which advocates a similar concept of mass legislation as proposed by NALED. Updated recommendation in Grey Book 16 related to acceleration and digitization of the legalization procedure.

3	Improved efficiency of registration with the Cadaster by the end of 2024	Partly achieved	An analysis was made to improve the conditions for registration in the cadastre. A series of meetings was held with relevant institutions in order to find the optimal solution. With the adopted amendments to the Law on the procedure for registration in the real estate cadastre and infrastructure cadastre ("Official Gazette of RS", no. 92/2023), the request for registration in the cadastre is submitted exclusively in electronic form through a professional user of eCounter. With the amendments, the initiative of the Association was adopted, which enabled intermediaries in the sale and lease of real estate to issue an extract from the database of the real estate cadastre. Recommendation in Grey Book 16 proposing the establishment of a more efficient mechanism for determining and registering property rights on immovable property has been updated.
6.2 Improved spatial and urban planning and construction			
#	Result	Status	Rationale
1	A regulation streamlining spatial and urban planning adopted by the end of 2024	Partly achieved	The adopted amendments to the Law on Planning and Construction envisage the establishment of the eSpace system, which will be more closely regulated by secondary legal acts. The concept of introducing eSpace was withdrawn from the public debate. It is expected that it will be considered again in the coming period.
2	Initiated development of a consolidated Electronic Spatial Planning System (eSpace) by the end of 2024	Partly achieved	Updated recommendation in SK16 requesting the establishment of a digital platform for the creation and publication of planning documents - eSpace. As part of the "Citizens' Voice in Spatial Planning" project, a digital platform "Be a part of the plan" was developed in the city of Kragujevac, which increases transparency and enables easier participation of citizens

			in the process of adopting planning documents, which can serve as a pilot for the introduction of a similar system at the level of the Republic of Serbia.
3	Regulatory framework for the development of telecommunications infrastructure improved by the end of 2024	Achieved	The Law on Planning and Construction defined the obligation to harmonize lower-level planning documents with higher level plans, the MCTI Instruction was adopted which would further clarify the interpretation of provisions and proper application in practice by LGUs. The Ministry of Environment Protection adopted the Instruction on the implementation of the provisions of Article 8-10 of the Law on environmental impact assessment on the installation of radio base stations for mobile telephony. The Law on Electronic Communications was adopted and the construction of radio base stations for mobile telephony was facilitated.
4	At least 70% of local governments issue building permits within the statutory deadlines by the end of 2024	In progress	NALED continues to prepare monthly reports on the procedures for issuing building permits and submits them to the Prime Minister's office. Thanks to these reports, holders of public authority and competent authorities have shortened the deadlines in the process of issuing relevant documentation. A new and improved Rulebook on the process for implementing the unified procedure was adopted
6.3 Improved conditions for investing in the energy sector and mining			
#	Result	Status	Rationale
1	Reduced duration of the procedure for connection to the electrical grid by the end of 2024	In progress	NALED keeps monthly statistics and submits it to the Government of RS, and after communication with EDS, the deadlines for connecting buildings to the electrical distribution system were shortened. The Grey Book 16 recommendation was updated to focus on improving the connection to the electrical distribution network.
2	Identified key barriers and proposed solutions for	Partly achieved	The recommendations from the Analysis on electricity prosumers have

	investing in renewable energy sources by the end of 2023		been accepted, with amendments to the Law on the Use of Renewable Energy Sources increasing the installed power in prosumers' production facilities from 6.9 to 10.8 KW for households, while the limit for business prosumers is 150KW with the right to access the system without balance-based responsibility. Also, amendments to the Law on Excise Taxes, the Law on VAT, and the Law on Fees for the Use of Public Goods improved the tax treatment of prosumers. Grey Book 16 recommendation was updated in terms of improving the position of prosumers and creating a stimulating framework in the energy transition to green sources.
3	More efficient procedure for obtaining permits in the field of energy and mining by the end of 2025	In process	An initiative to improve energy efficiency in local governments has been submitted, and Energy Council is planned to be established within NALED's Property and Investments Alliance.
6.4 Improved international competitiveness of Serbia			
#	Result	Status	Rationale
1	Government Action Plan for improving the investment environment updated annually from 2023	Not achieved	This AP is no longer active since the working group has been disbanded.
2	Supported implementation of at least two measures of the Action Plan per year	Not achieved	This activity depends on whether the Government will make a decision on the re-establishment of this interdepartmental group.

Program goal 7: Improved conditions for agriculture and food industry development

7.1 Improved regulatory framework and implementation of regulations concerning agriculture and food industry			
#	Result	Status	Rationale
1	Annually updated plan for harmonization of regulations with EU legislation in cooperation with businesses	Planned	The government's activity on harmonizing regulations with EU legislation was reduced given that 2023 was an election year, and therefore the aligning of planned

			regulations with businesses was postponed to 2024.
2	At least one new flowchart for coordination of different inspectorates on an annual level developed and implemented	Planned	The plan is to target critical procedures that burden the international trade of agricultural and food products during 2024. After the critical procedures are targeted as part of the solution, steps will be taken to improve the coordination of departmental inspections, which form an important link in the process of international trade.
3	At least 30% of comments provided by NALED's members on relevant regulations are accepted	In progress	During 2023, there were no major changes to the relevant regulations in the field of agriculture and rural development. The largest number of changes related to the technical regulation of by-laws, which enabled the implementation of eAgrar.
7.2 Optimization and digitization of procedures in the agricultural sector			
#	Result	Status	Rationale
1	Established regulatory and institutional framework for electronic entry in the Register of Agricultural Holdings (RPG) 2022	Achieved	The indicator was achieved in 2022, but NALED recognized that it is possible to further improve the eAgrar system. The Grey Book 16 included a recommendation to create an electronic register of incentives in agriculture and rural development, which should present the distribution of incentives in agriculture and rural development in a transparent manner and can be an integral component of eAgrar.
2	Established electronic system for RPG and subsidies – e-Agrar by the end of 2023	Partly achieved	The indicator was achieved in 2022, but NALED recognized that the eAgrar system can be further improved. The Grey Book 16 included a recommendation to create an electronic register of incentives in agriculture and rural development, which should present the distribution of incentives in agriculture and rural development in a transparent manner and can be an integral component of eAgrar.
3	Enabled more efficient implementation of the Field	Partly achieved	During 2023, NALED, in cooperation with the Agricultural Land Directorate,

	Works Record in practice by the end of 2023		prepared recommendations and guidelines for further improvement of the agricultural land management system. Special focus was placed on improving the reporting system on the use of leased agricultural land in state ownership, through defining the contents of the Field Book and recommendations/instructions for management, verification and control. The prepared instruction has not yet been adopted by the Ministry of Agriculture, Forestry and Water Management. There is potential for further development of this solution and for the proposed electronic Field Book solution to be implemented in practice. With secured project funding, it is possible to fully digitize the Field Book by the end of 2025.
4	Digitalize at least one more procedure in the field of food and agriculture by the end of 2025	Planned	An initiative was launched within the Food and Agriculture Alliance and the Fair Competition Alliance, in order to target critical procedures that represent barriers to the development of international transport of agricultural and food products. After the most critical procedures have been targeted, an initiative to digitize the procedure will be launched. Formulation of the proposal is expected during 2024.

Program goal 8: Improved health services and availability of medicines

8.1 Optimized health procedures and services			
#	Result	Status	Rationale
1	Implemented at least 10% of recommendations provided in the Grey Book of Health 2023	Achieved	7 recommendations were fully implemented, including recommendations related to the increase in the number of innovative drugs financed from the health fund, enabling the application of off-label therapy, improving the ePrescription application so that all prescriptions from the eHealthRecord are visible to

			pharmacies, enabling more informative advertising of health institutions and simplifying the procedure changes in the main branch of the RHIF. Additionally, the recommendations for eHealthRecord and eSickLeave have been partially implemented.
2	Amended regulations that govern placing medicines on the market in 2024	In progress	During the year 2023, advocacy activities were continued aimed at amending the regulations for placing medicines on the market, and certain by-laws were amended (Regulation on documentation and method of importing medicines that do not have a medicine permit, Rulebook on the method of quality control of medicines and medical devices...).
3	Digitized procedures for placing medicines on the market in 2025	Partly achieved	In January 2024, ALIMS launched new electronic systems for registration, variation and renewal of drug licenses.
4	Optimization of the central repository of medical data and its integration with the private sector data in 2025	Partly achieved	The Law on Health Documentation and Records in the field of Health established the republic's integrated health information system - RIZIS, which enabled the connection of all health institutions into a single data system, and the establishment of eHealthRecord, a unique registry of resources in healthcare, as well as 15 additional registries that will enable more efficient treatment and diagnostics. Through the Working Group, NALED participated in the preparation of the Law that was adopted in Q4 2023, and coordinates the activities of the WG working on the technical aspects of eHealthRecord. Full implementation of eHealthRecord is planned from January 2025.
8.2 Established strategic and institutional framework for healthcare digitalization			
#	Result	Status	Rationale
1	Prepared and adopted Action Plan for digitalization in private	Achieved	During 2023, a revision of the Action Plan for the current year was prepared, the implementation of

	and public health sectors in 2022		which was monitored and supported by NALED. In addition, a proposal for the Action Plan for the period 2024-2025 was prepared.
2	Methodology for monitoring the implementation of AP for healthcare digitalization developed and implemented from 2022	Achieved	The developed methodology was applied to monitor the implementation for the period 2022-2023.
3	At least three measures from the AP implemented with integration of the private sector by the end of 2025	Partly achieved	By the end of 2023, 18 activities from AP have been implemented. A revision of the Action Plan for the period 2024-2025 has been prepared.
8.3 Established conditions for encouraging innovation in biomedicine			
#	Result	Status	Rationale
1	Regulatory framework for the use of artificial intelligence in health care established in 2023	In progress	During 2024, a new Action Plan for the Strategy of Artificial Intelligence Development will be adopted, which will include aspects of the application of AI in healthcare.
2	Integrated recommendations of the private sector in the development of the BIO4 campus platform 2025	In progress	In cooperation with C4IR, a draft Rulebook was prepared on the detailed conditions and manner of keeping the Registry of genetic, biomedical and other data of importance for research and development in the field of biotechnology, bioinformatics, bioeconomy, genetics and medicine.
3	Optimized and digitalized clinical trial procedures 2023	Partly achieved	At the initiative of NALED, in October 2023, the Rulebook on Clinical Testing of Medicines in Human Medicine was amended again ("Official Gazette of the RS", no. 51/2022, 65/2023, 86/2023), which re-approved the first phase of clinical research, noting that the first phase (I, Ia and Ib) is allowed only for publicly owned institutions. With this change, previously introduced restrictions are reduced, but not completely removed, given that NALED's initiative was to repeal all previously introduced restrictions on the conduct of clinical trials.

Program goal 9: Supported implementation of the Green Agenda

9.1 Improved strategic and regulatory framework for environmental protection and introduction of circular economy			
#	Result	Status	Rationale
1	Adopted Circular Economy Development Program with its Action Plan 2022	Achieved	In 2023, NALED continued to support the implementation of activities from the Program related to eco-labeling and green public procurement. In 2024, an invitation was issued for the development of a new five-year Program for CE with an action plan (2025-2030), to which NALED applied.
2	Implemented minimum 70% measures provided in the Action Plan of the CE Development Program by the end of 2025	In progress	The Rulebook on the types of goods for which the contracting authorities are obliged to apply environmental aspects in public procurement procedures, which was prepared as part of NALED's project "Public Procurement and Good Management for Greater Competitiveness" (SIDA), entered into force on January 1, 2024. From the beginning of 2024, NALED organizes trainings and webinars on this topic for bidders and purchasers in cooperation with the Public Procurement Office and provides mentoring support for purchasers to apply environmental criteria in public procurement procedures. There were over 2,500 participants in the trainings held so far. This is part of the activities foreseen in the Action Plan for the development of CE.
3	Prepared and adopted Law on Amendments to the Law on Waste Management 2023	Achieved	The National Assembly passed the Law in April 2023, and NALED was part of the WG for drafting regulations.
9.2 Sustainable packaging waste management chain established			
#	Result	Status	Rationale
1	New Law on Packaging and Packaging Waste prepared and adopted 2023	Planned	The consultative process with businesses had two rounds, after which the Ministry came out with an informal proposal and announcement that the packaging waste management system will be improved, among other things, by introducing a deposit system

			for PET and ALU packaging from 2027. After the new Government is established, it is expected that the WG will be formed to amend the Law on Packaging and Packaging Waste.
2	Increased quantities of collected packaging waste by an average of 15% for all materials by the end of 2025	In progress	Through the cross-border project with Montenegro, 2,000 bins for separating packaging waste have been purchased, of which 1,500 bins for the City of Novi Pazar. Additionally, as an upgrade to the project, the city received additional bins for sorting glass packaging from the system operator with whom it has signed a contract.
3	Increased quantities of collected packaging glass by at least 20% in selected pilot cities by the end of 2025	Achieved	Even after the end of the project in December 2022, local governments continued to collect glass packaging waste during 2023. The total number of glass containers donated through the project remains in use on the streets of 14 LGUs.
4	Piloted system of a “smart” deposit return system of packaging waste during 2023	Achieved	As part of the project, a case study analysis was prepared that shows the benefits and drawbacks of this system with recommendations for improvement in the event of its mass replication in other cities in Serbia.
9.3 Improved conditions for collection and treatment of products that become special waste streams after use			
#	Result	Status	Rationale
1	Defined business models for collection and treatment of at least two separate waste streams 2025	Achieved	After the completion of the project in December 2022, business models for both waste flows were defined and suggestions were made for improving the system. During 2023, the models were presented to a wider group of stakeholders, but there was no room for further work with decision makers on regulatory recommendations. Also, in 2023, a new project was applied for, which will also refer to waste tires from motor vehicles.
2	Piloted collection of waste batteries and light bulbs at a minimum of 15 locations of public institutions by the end of 2023	Achieved	During 2023, the collection of waste light bulbs continued in part of the locations covered by the project. The project has been completed and NALED has no influence on the further

			flow of the collection of batteries and light bulbs.
3	Incentives for waste battery collection introduced 2025	Planned	Currently, there is no interest in raising this topic within the relevant ministry. It remains on NALED agenda until better conditions for advocacy are established.
4	Regulated food waste management through legal framework and inspection 2023	Postponed	Through new projects and initiatives, NALED is launching this topic in 2024.
5	Systematically resolved collection and treatment of waste motor oils by the end of 2025	Postponed	Due to problems with the export permits of the only operator authorized in Serbia to collect and export this waste flow, the activities have been postponed.
9.4 Improved regulatory framework and capacities for wastewater management			
#	Result	Status	Rationale
1	Joint Government's working group tasked with wastewater management established by 2023	Achieved	Currently, there is no will on the part of the competent institutions for the establishment of this WG by the line ministry. After the formation of the new Government, NALED will examine the possibility of starting this topic.
2	The capacity for construction and management of wastewater treatment plants of at least 10 local governments strengthened by the end of 2025	Planned	Diagnostics of the current state of wastewater management was done and presented to interested parties. For concrete activities with local governments, continued financing of this topic by the IFC is awaited as announced.
3	A system of tariffs for wastewater established 2024	Planned	NALED followed the results of the project of the Directorate for Water, which proposes the introduction of a tariff body, the results of the project were presented to NALED's Environment Protection Alliance. The status of WG is unknown to us.
9.5 Public-private dialogue improved and citizens' awareness of environmental protection improved			
#	Result	Status	Rationale
1	Joint Government Working Group established to improve the system of environmental fees by the end of 2023	Planned	This is a priority topic of the Environment Protection Alliance for work with the new Government. In the coming period, NALED will activate the work of the Alliance WG on the subject of fees in order to define concrete

			proposals and activities for the establishment of a functional system of fees in the area of EP, including the implementation of the WG recommendation on improving the work of the Green Fund.
2	At least 10 workshops on proper collection and disposal of various waste streams conducted by the end of 2023	Achieved	In 2023, a new cross-border cooperation project with Montenegro was launched, in the framework of which workshops and trainings are held for local governments in the border region of Serbia and Montenegro, where representatives of PUC and LGUs are trained on proper waste collection and disposal. Also, in 2023, the smart packaging collection project was completed in Zrenjanin, where workshops and demonstrations of the proper disposal of packaging waste were held on smart machines.
3	At least two awareness-raising campaigns per year in cooperation with members and citizens conducted	Achieved	Activities continued through campaigns for packaging waste management in Zrenjanin www.pametnorecikliraj.rs and within the BEST project - cooperation in waste management in the border region of Serbia and Montenegro www.ambalazaipakovanje.com/odrzivi-razvoj/naled-projekat-best-saradnja-u-upravljanju-otpadom-do-odrzive-zivotne-sredine

STRATEGIC AREA 2: PROMOTION OF TERRITORIAL DEVELOPMENT AND EU INTEGRATION

Program goal 10: Improved conditions for local economic development

10.1 Strengthened capacities of local governments to support businesses and promote investment			
#	Result	Status	Rationale
1	Organized at least one MasterClass per year for mayors and mayors in cooperation with the National Academy of Public Administration	Not achieved	After the announcement of the public call for municipalities to participate in the BFC SEE Program according to the latest IV edition, a series of info sessions were held in the country and the region. An excellent result was achieved and the participation of 18

			cities and municipalities in Serbia was confirmed. Election cycles in the country caused some delays, but the Master Class training for BFC municipalities and cities is definitely planned for 2024 after the local elections held in June.
2	At least 200 local officers trained a year on the topics of local economic development and implementing regulations relevant for businesses	Achieved	<p>During 2023, NALED held a large number of trainings for local governments, attended by more than 1,000 employees in municipal administrations. 15 trainings were organized for the provision of electronic services and the use of eRecords software, attended by 650 local officials and chiefs of departments. In addition, 200 employees from all 38 public archives, as well as 70 LG employees, were trained on the application of eArchive software, which became a legal obligation from January 1, 2024.</p> <p>In the field of information security, through trainings organized in cooperation with RATEL, 22 IT administrators from 17 cities and municipalities improved their knowledge and skills. 40 officials from more than 20 LG received training on modern technologies such as artificial intelligence, smart cities and information security, in cooperation with Yandex.</p> <p>In addition, 17 trainings were organized for local government officials in connection with the implementation of the Amendments to the Law on Public Procurement, and especially the application of environmental and social criteria in procurement.</p>
3	Methodology developed and at least 10 local governments supported to develop their	Achieved	NALED supported 10 local governments to make development plans with the participation of citizens, which is a prerequisite for

	local development plans by mid-2023		obtaining support for the development of medium-term plans. Workshops, field visits and mentoring support were provided.
4	Piloted system for digitalization of managing agricultural land in 5 local governments by the end of 2022 and offered to other local governments	Achieved	The application of the Agrolife digital solution for agricultural land management was successfully piloted in five local governments (Sombor, Subotica, Bačka Topola, Vrbas and Inđija) until the end of 2022. The results were presented at the final conference (link) in April 2023. 73 weather stations connected to the Agrolife application have been installed. The number of registered users in municipalities is 3,500. The first weather stations that were installed in Vojvodina and parts of Bosnia and Herzegovina created 620,500 recommendations for more efficient work in the field and prevention measures against the occurrence of 117 diseases and pests.
10.2 Improved local business environment through BFC SEE program			
#	Result	Status	Rationale
1	At least 20 local governments in Serbia have improved their conditions for doing business through the Certification of Business-Friendly Municipalities (BFC SEE) program until 2025	In progress	During the year 2023, the activities necessary for the start of the certification process according to the IV edition of the BFC standard were carried out - the procedure for selecting evaluators and improving the software in accordance with the new standard was successfully implemented. After a public call, held info sessions and direct talks with mayors, 18 cities and municipalities confirmed their participation in the BFC SEE Program, which will improve business conditions in the next year in accordance with the best international practices.
2	The average progress that cities and municipalities achieve after the end of the process is at least 15%	In progress	The elections at the end of 2023 led to the postponement of the start of the certification process for 2024, and considering that the processes last up to 12 months, the assessment

	compared to criteria fulfilment at the beginning of the process		of progress will be analyzed in the second half of 2025.
3	Established exchange of practice between mayors by holding at least 3 sessions of the BFC Club per year	Achieved	During 2023, three sessions of the BFC Club were held (February, June, November) according to the established dynamics, on topics of importance for local economic development: improvement of information security and digital services, issuance of electronic building permits, Local eGovernment Development Index (LEI), development of energy, solving property-legal issues, registration in the Cadaster and management of public property. The sessions of the BFC club were attended by the relevant ministers for information and telecommunications, for energy, representatives of the Prime Minister's Cabinet and the Republic Directorate for Property. In 2024, the session of the BFC Club was held in February.

Program goal 11: Improved and harmonized conditions for doing business in the Western Balkans

11.1 Improved regional cooperation and business environment standards through the BFE platform			
#	Result	Status	Rationale
1	At least two more Western Balkan economies joined the regional BFE Platform by the end of 2023	Achieved	The BFE Platform has grown into the CORE Partnership (Partnership for Competitive Region), in which institutions and organizations from the economies of the Western Balkans participate in order to strengthen cooperation and the competitiveness of the region. The network of partners from Serbia, Montenegro, North Macedonia and Bosnia and Herzegovina was joined by organizations from the territory of Kosovo* and Albania.
2	IV edition of BFC SEE standards for business-friendly	Achieved	By the decision of the Regional Council of the CORE Partnership, at the

	environment in the region adopted by the end of 2023		beginning of 2023, a new, IV edition of the BFC SEE standard was adopted, with the aim of integrating and harmonizing with the requirements of EU integration, and a special place was given to the criteria that contribute to the implementation of the green agenda, digital transformation and socially responsible business.
3	At least 100 cities and municipalities of the region took part in the certification process by BFC SEE standard by the end of 2025	In progress	49 municipalities and cities from the region have confirmed participation in the BFC SEE Program in 2024, and according to the new IV edition of the standard.
11.2 Established mechanisms for monitoring and implementation of economic reforms in the region			
#	Result	Status	Rationale
1	Business Environment Index for the Western Balkans established and published from 2023	Achieved	In 2023, the results of regional business friendly environment index in SEE (SBE report) have been published and presented in October at the CORE days conference in Kotor .
2	Analysis and key recommendations for improving the Open Balkan initiative published 2023	Partially achieved	NALED advocates the linking of Open Balkan initiative with the reform of seasonal engagement, to enable registration of seasonal workers from the entire region using a unified app, and using the entry of workers' OBeID, which is especially significant for Serbia from the perspective of EXPO 2027 organization.
3	At least 5 cross-border / regional cooperation projects performed by the end of 2025	Achieved	During 2023, three major regional projects have been completed, focusing on capacity building in local governments, financed by the German Government via GIZ and private partners from NALED membership (SAGA supported the introduction of ChatBot in municipalities, TeleGroup supported the development of AgroLife app, and SEKOPAK joined the project for developing glass recycling infrastructure). Additionally, cross-border project with partners from North Macedonia has been realized, focusing on increasing employment

			opportunities in rural areas. There is an ongoing regional project supporting the strengthening of BFE network/CORE Partnership, as well as two cross-border cooperation projects within Serbia-BiH and Serbia-Montenegro programs.
11.3 Investment potentials of Serbia and the Western Balkans promoted			
#	Result	Status	Rationale
1	The first regional “BFE week” organized to promote the investment potential of BFC SEE cities and municipalities 2022	Achieved	In October 2023, the second regional CORE Days conference was organized in Kotor, attended by 150 selected participants from the region – representatives of local governments, institutions, businesses and international community. The conference was opened by the President of Montenegro Jakov Milatović. The conference topic was smart and green development. More information can be found at www.coredays.org
2	At least 10 cities and municipalities in the region included in the BFC SEE ranked in the list of Financial Times fDi Cities of the Future by the end of 2025	In progress	10 cities and municipalities that have a valid BFC certificate, or used to be a part of the BFC SEE Program, have been included in various list categories of the latest edition of FDI magazine. These include: Skoplje, Kragujevac, Leskovac, Šimanovci (Pećinci), Zrenjanin, Subotica, Tešanj, Kakanj, Gradiška, Jastrebarsko.

Program goal 12: Improved EU integration process in areas important for businesses

12.1 Improved process of EU membership negotiations			
#	Result	Status	Rationale
1	At least two meetings of the working group for the Economic Reform Program within the NCEU organized annually	Achieved	In 2023, two meetings of the Interdepartmental working group for ERP managed by NALED, on the topic of ERP preparation for the period 2024-2026. The meetings involved discussions with the Ministry of Finance on draft ERP and the reforms proposed for realization.
2	At least 20% of the recommendations given	Partially achieved	Within Chapter 16 – a total of 2 out of 12 recommendations have been fully

	through the National Convention on the EU (NCEU), for chapters 5, 11, 12, 13, 16, 20, 22, 23 and 27, is integrated into the plans of institutions on an annual basis		or partially implemented in 2022 (abolished mandatory VAT registration of foreign companies that do not engage in trade on Serbian market and reduced tax burden on the lowest salaries).
3	Analysis performed and recommendations provided for improving the readiness to implement EU Regional Policy (Chapter 22) by the end of 2022	Achieved	The analysis of Western Balkans readiness for the EU Regional Policy (Chapter 22), with detailed recommendations, has been performed, presented and accepted by the Directorate General for Regional EC Policy (DG REGIO), that financed its development. Within a meeting of the regional theme group for EU within RESPA, the findings and recommendations have been presented to line institutions in May 2023.
4	Annual Progress Reports of Serbia reflects comments provided by NALED	Achieved	In April 2023, NALED submitted extensive recommendations for drafting the European Commission's Progress Report for Serbia. The 2023 report reflects most of NALED recommendations, particularly related to digitization, business environment (parafiscals, tax policy), inspection reform, building administrative capacities, countering shadow economy, green agenda, public procurement, public administration, preparation for using the resources from structural and cohesion fund etc.
12.2 Improved transfer of knowledge and best practices from EU member states			
#	Result	Status	Rationale
1	At least 2 study visits per year organized for public representatives and the private sector in EU member states	Achieved	Four study tours on the topics of innovation ecosystem have been organized for the representatives of startup community and the public sector: international conference ViennaUp '23 (Austria), international conference Hub.Berlin 2023 (Germany). Public-private study visit to Poland was organized (Warsaw, 18 – 22 June) within the initiative Better Way, on the topic of cashless payments and fintech solutions. Two

			<p>study tours were organized for public sector representatives within the project “Public procurement and good governance for higher competitiveness”. There were study tours organized to Sweden on the topic of green criteria application in public procurement procedures, and to Portugal on the topic of electronic procurement and the role of Portuguese three-level administrative court system in the public procurement system. A study tour to Bulgaria was organized for local governments with the aim of exchanging experiences in managing EU funds.</p>
2	<p>At least 30 training sessions and meetings for knowledge exchange with EU institutions organized by the end of 2025</p>	In progress	<p>During 2023, knowledge exchange with EU institutions was organized through CORE Days conference in Kotor in October, meetings with the Directorate General for EC Regional Policy (DG REGIO) and regional theme group for the EU within RESPA. Exchange was also organized with the Directorate General for Economic and Financial Affairs on the topic of procurement of innovation, meetings with DG NEAR regarding public administration reform progress monitoring, meetings with EBRD on regional cooperation and monitoring the improvement of business environment, and capacity building for the application of ESG criteria. Cooperation with the European Innovation and Technology Institute (EIT) has also been established, through three organized exchange sessions, after which NALED successfully applied for the role of EIT Food Hub in Serbia.</p>
3	<p>At least 6 thematic workshops organized within the TAIEX support program for local governments by the end of 2023</p>	In progress	<p>In 2023, a study tour was realized, including the representatives of five local governments (Paraćin, Niš, Raška, Čačak i Leskovac), on the topics of local economic development and</p>

			<p>Cohesion policy, as well as two TAIEX workshops on the topics smart cities and eGovernment.</p> <p>Additionally, proposal for organizing workshops on managing capital investments has been prepared and approved for four municipalities (Paraćin, Leskovac, Niš, Raška). There are also planned capacity building trainings in the fields of public procurement and human resources management.</p>
12.3 Promoted importance and the benefits of EU integration for Serbian economy			
#	Result	Status	Rationale
1	Provided support to public administration in promoting public administration reform with EU support 2022	Achieved	In 2023, NALED provided support to the visibility and communication of public administration reform, within a project funded by the European Union, and the main beneficiary being the Ministry of Public Administration and Local Government.
2	Importance of economic reforms on the EU path promoted within at least two conferences a year	Achieved	<p>The importance of economic reforms on the path to EU has been promoted within the second annual conference CORE Days – Partnership for Competitive Region, organized in Kotor, in October 2022.</p> <p>Through its Grey Book, NALED particularly highlights the recommendations significant for the harmonization with the EU standards and acquis, marking them with an EU badge – these recommendations are promoted within the annual conference dedicated to Grey Book, in the presence of the Head of EU Delegation, international community, businesses, state institutions, civil sector and the media.</p>