

THE REPUBLIC OF SERBIA
National Agency for Regional Development
**Support for strengthening
competitiveness**



Support for improving competitiveness in Serbia

Human Resources capacity building

Business improvement and Innovation

Export Support

Standardization

Enabling business environment

Institutions – Entrepreneurship Support

Institutions of the Republic of Serbia:

- Ministry of Economy
- Ministry of Regional Development and Local Government
- Development Fund of the Republic of Serbia
- National Employment Service
- National Agency for Regional Development
- Export Credit and Insurance Agency of the Republic of Serbia
- Serbian Investment and Export Promotion Agency
- Innovation Fund
- Intellectual Property Office

International credit lines: European Investment Bank: Apex Global Loans, Government of the Republic of Italy, Kfz, LEDIB, EFSE

International Projects: EU/CIP (EEN, WENS, WEM, SENECO), IPA/ IISP, SECEP, USAID, JICA, ...



Strengthening Human Resources

Knowledge Transfer

- ✓ **Standardized Set of Services Programme**
- ✓ **Mentoring** (NARD cooperates with Japanese Government since 2002. Currently ongoing project NARD JICA which aims to increase the number of mentors in Serbia and to establish the mentoring scheme in Bosnia and Herzegovina and Montenegro, following the model already established in Serbia.)
- ✓ **EBRD Small Business Support**

Education for Entrepreneurship

- ✓ **Council for lifelong entrepreneurial education**
- ✓ **Training Programmes for teachers in the field of entrepreneurship** (GIZ, Culture Contact, Junior Achievement, Citizen's Initiative, Belgrade Open School)
- ✓ **Pilot Project aimed at integrating entrepreneurship in the programs of elementary schools and higher education institutions** (South East European Center for Entrepreneurial Learning – SEECEL)

The coverage of students who study the subject of entrepreneurship in vocational schools was increased by including 5 pilot profiles in the regular education system.

Business improvement and Innovation - loans

Government loans

✓ **Development Fund:** long-term loans, short-term loans to boost competitiveness and liquidity, loans for development of enterprises from underdeveloped municipalities, loans to boost the quality of catering services, loans for women's entrepreneurship (in 2012 = 294 loans, RSD 16,3 million)

Credit lines of international financial institutions

- ✓ **European Investment Bank (EIB), Apex Global Loans** – financing the export-oriented SMEs and enterprises of medium market capitalizations, EUR 100 million
- ✓ **Credit lines of the Italian Government** - SME and public utility companies, RSD 30 million
- ✓ **German Bank for Reconstruction (KfW)** – for financing agriculture, energy efficiency, renewable resources and municipal infrastructure, EUR 100 million
- ✓ **LEDIB – The Kingdom of Denmark** – financing the SMEE, farmers and cooperatives of Niš, Jablanica, Pčinja, Toplica and Pirot district
- ✓ **European Fund for Southeast Europe (EFSE)**

Business improvement and innovation - subventions

- ✓ **Support Programme for small enterprises and entrepreneurs for the purchase of equipment:** participation of the Ministry of 25% in value of the loan, the company 5% and credit of commercial bank 70% (79 companies supported, with RSD 98 million)
- ✓ **SMEE Competitiveness Support Programme:** support to successful SMEEs for aligning their business with the requirements of international quality standards, improving business processes, products and services and strengthening human resources (2013 = 215 SMEE with RSD 38 million)
- ✓ **Support Programme for innovative fast-growing SMEE and cooperatives:** co-financing the costs of professional support which will be provided to selected SMEEs in the implementation of activities by domestic consulting firms, educational and research organizations, faculties, innovation centers, laboratories and other companies and organizations.
- ✓ **Women's Entrepreneurship Support Programme:** financial support to SMEE owned by women who at the same time run those businesses, which includes participation in the co-financing of projects which contribute to increase in their share on the market, reduction of business costs and the increased number of employees. (2013 = 44 programmes, RSD7,5 million).
- ✓ **Support for small and medium enterprises and entrepreneurs in the early stage of development:** support for enterprises which run their business up to three years in the underdeveloped areas (2013 = 2 SMEE, RSD 4 million).
- ✓ **Support Measure for medium enterprises from underdeveloped areas – regional competitiveness** (budget: RSD 20 million)

Business improvement and Innovation


– Innovation support

- ✓ Ministry of Education, Science and Technological Development finances the **participation in realization of innovation projects according to programmes of innovation**, whereby 99 innovation projects of legal entities, out of which 4 belong to infrastructure, were supported with the budget resources, in total amount of EUR 1,7 million and 23 projects for individuals, in the amount of EUR 90.000.
- ✓ **Innovation Fund** has approved financing of 25 projects in 2012, in the amount of EUR 2,77 million, within the Early Stage of Development Programme and Innovation co-funding Programme, and all together within the Innovation Support Project in Serbia which is financed from IPA 2011 and administrated by the World Bank
- ✓ Traditional **Competition for selection of the best technological innovation** in Serbia is organized annually by the Ministry of Education, Science and Technological Development, with the support of Serbian Chamber of Commerce, Faculty of Technical Sciences in Novi Sad and Radio Television of Serbia, in which more than 1000 participants took part.

Business Improvement and Innovation

- EU programmes for innovation support

Within the Competitiveness and Innovation Programme (CIP-IEP), the following projects are implemented

- Enterprise Europe Network
 - SEENECO – South East Europe Network of Excellence for Cluster Organizations
 - Women's Entrepreneurship Mentors
 - Culture routes in the region of middle and lower Danube
 - European excellent destinations – availability of tourist destinations
 - Micro-financing – financial instruments CIP/EIP intended for SME, through Čačak Bank
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- Collecting and creating profiles, 300 profiles per year
 - International business meetings
 - 20 contracts on cooperation between domestic and foreign enterprises which are the Network clients

Within IPA 2010 Programme cycle:

- Integrated Innovation Support Programme (IISP, project value EUR 2,8 million): training of businesses in the field of innovation; institutions which will deal with technological brokerage were selected and trained, and recommendations for establishing mechanism of venture capital in Serbia were formulated.

Business improvement and Innovation

- EU programmes for Innovation Support - 2

Programme for enterprise development and innovation of West Balkans (EDIF)

- Represents joint initiative of European Commission, European Investment Bank, European Investment Fund and European Bank for Reconstruction and Development
- Implementation started on 5/12/2012
- Consists of three components which relate to financing SMEs, specifically:
 - **Enterprise Innovation Fund** – ENIF, venture capital fund for financing innovative SMEs in the initial phase of development – EUR 30-40 million planned;
 - **Enterprise Expansion Fund** – ENEF, development capital fund which will focus on already established SMEs that have high growth potentials; EUR 45-50 million planned;
 - **Guarantee Facility** – GF, warranty that should improve the ability of SMEs to access financing by banks, as well as potential reduction of loan costs — EUR 20 million planned;

Export Support

- ✓ **Programme to encourage competitiveness and internationalization of Serbian economy** (2012 = 276 enterprises and 5 business associations, over RSD 137 million)
- ✓ **Export Credit and Insurance Agency (ECIA)** in 2012 implemented 180 short-term loans provided for exporters in the total amount of EUR 77.432.000, out of which EUR 21.475.000 refers to SME, that is 27,7%, bought EUR 53,23 million of claims, out of which EUR 20,38 or 38,29% referring to SME and based on the insurance of commercial risks, signed 61 contracts through which 938 purchasers were insured, with the total amount of insured contracts of EUR 126.893.423.
- ✓ **Participation in Fairs** in the following fields: food industry, construction industry, furniture industry, automobile industry, IKT sector and metal industry in countries throughout the world. Participation is organized by SIEPA and Serbian Chamber of Commerce.
- ✓ **„Meet the buyer“** was held at the end of 2012 where over 130 domestic companies met 20 foreign purchasers from the sector of food and furniture industry.
- ✓ **Support to Enterprise Competitiveness and Export Promotion (SECEP)** has developed the Study of import substitution aimed to develop a methodology that will enable the identification of potential production or investment opportunities for SMEs in Serbia.
- ✓ **Association of Serbian Exporters** (formed in 2012)

Cluster Support

- ✓ **Innovative Clusters Support Programme** aims to increase the productivity and competitiveness of local enterprises and entrepreneurs, through clustering and active partnerships between companies and research organizations involved in projects with commercial objectives. (2012 = 16 clusters, RSD 12 million, 2013 = 17 clusters, RSD 13 million).
- ✓ Through **Programme to encourage competitiveness and internationalization of Serbian economy**, SIEPA has financed the participation of clusters in international Fairs.
- ✓ **Serbian Chamber of Commerce Cluster Council** recorded significant achievements in the field of positioning the concept of cluster development in Serbia (the website of the Council shows 59 mapped clusters, and a catalog of clusters in Serbia is also made, as well as two study visits - Kolding, Denmark, and Graz, Austria)

Standards and technical regulations

- ✓ **Institute for Standardization of Serbia (ISS)** has taken over 19.127 European standards took 12 European standards as Serbian standards, accounting for about 88% of all European standards. At the same time, 9.146 Serbian standards that are contrary to European standards were withdrawn. As for the so-called harmonized standards or the standards in support of the technical regulations, ISS has taken about 92%, which means that all European standards needed for the implementation of the adopted technical regulations were taken as Serbian standards, and to a large extent, for the regulations that are in the process of preparation
- ✓ **Accredited Body of Serbia (ABS)** became a full member of the European Organization for Accreditation and signed a multilateral agreement on the recognition of accreditation for several areas of accreditation. 8 certification bodies were accredited for management system certification, 55 laboratories for calibration, 8 medical laboratories and 298 examination laboratories. ABS has become a full member of ILAC and signatory of the ILAC MRA Agreement (Mutual Recognition Agreement) for the field of testing and calibration.

International SMEE Support Programmes

Projects financed from the pre-accession EU funds – IPA:

- Integrated Innovation Support Programme, IISP (IPA 2010)
- Improved SME Competitiveness and Innovation Programme , ICIP (IPA 2008);
- Support to Enterprise Competitiveness and Export Promotion , SECEP (IPA 2007)
- Regional Socio-Economic Development Programme 2, RSEDP 2 (IPA 2007)

Projects financed from the EU Competitiveness and Innovation Framework Programme (CIP):

- Enterprise Europe Network, EEN
- European Network of Women’s Entrepreneurship Ambassadors, WENS
- European Network of Women’s Entrepreneurship Mentors , WEM
- South East Europe Network of Excellence for Cluster Organizations, SEENECO

Projects implemented through bilateral cooperation:

- Mechanism for fostering innovation in Southeast Europe , FINNO (Italy)
- Strengthening bilateral cooperation between Serbia and Italy through Permanent Forum (Italy)
- Mentoring Promotion Project in small and medium enterprises JICA (Japanese Government)
- Private Sector Development in 12 municipalities of South and South-West Serbia (USAID)

Thank you for your attention



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