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Factsheet **Serbia**

2017 Update



1. HIV EPIDEMIOLOGY AND RESPONSE

1.1 HIV epidemiology in brief

Serbia has a concentrated HIV epidemic, with 2,276 people living with HIV (PLHIV) officially registered¹ (84% of the estimated 2,700 PLHIV²) and 1,570 of them receiving antiretroviral therapy at the end of 2016³ (coverage 58% of the estimated and 69% of the registered number of people living with HIV). In 2016, 66% of new HIV infections were diagnosed among men who have sex with men (MSM) and only 0.6% among people who inject drugs (PWID). HIV prevalence among people who inject drugs and sex workers (SW) is below 2%, but 8.3% among men who have sex with men (Table 1). There were significant gender (e.g. 9% of newly diagnosed HIV infections were among women) and sub-national differences in the HIV prevalence (45% of newly diagnosed HIV infections were from Belgrade) in 2016.

1.2 Legal and institutional aspects of the national HIV response and the role of NGOs

NGOs are considered an important partner to the government in developing and implementing HIV policies. The **Strategy on HIV Infection and AIDS for the Period 2011-2015**⁴ contains a range of activities to be implemented by NGOs, including HIV prevention, treatment and care; promoting systematic and social changes, which would decrease the spread of HIV; and protecting the rights of key populations. The Strategy specifically emphasizes the need to develop the capacity of public associations to carry out outreach work. For example, Goal 2 Benchmark 1 focuses on "strengthening

¹ Institute of Public Health of Serbia 'Dr Milan Jovanović Batut'. Report on Communicable Diseases in Serbia in 2016. Belgrade: Institute of Public Health of Serbia; 2017.

² UNAIDS, 2016.

³ Serbian National Health Insurance Fund, 2017.

⁴ Republic of Serbia, Strategy on HIV Infection and AIDS (2011). The Strategy anticipates that funds will be allocated from the budget of Republic of Serbia and donations.

Table 1: Indicators for key populations

	PWID	MSM	SW
Estimated population size	20,000 ^a	55.447 ^b	3,901 ^c
HIV prevalence (%) ^d	1.5	8.3	1.6
Coverage of HIV testing in the past 12 months (%) ^d	19.3	36.3	49.2
Prevention programme coverage (%) ^d	19.5 ^a	50.8	69.2

^a Population aged 15-64. Source: Mravčik V, Sopko B. Summary of PDU estimates in Serbia, 2014. Institute of Public Health of Serbia "Dr Milan Jovanovic Batut" - twinning project. Belgrade; 2014 (unpublished report). In: Republic of Serbia. Country progress report. Belgrade: Ministry of Health of Serbia, Institute of Public Health of Serbia "Dr Milan Jovanovic Batut"; 2016.

^b Population aged 20-49. Source: Comiskey C, Dempsey O, Simic D, Baros S. Injecting drug users, sex workers and men who have sex with men: a national cross-sectional study to develop a framework and prevalence estimates for national HIV/AIDS programmes in the Republic of Serbia. *BMJOpen* 2013; 3:e002203.

^c Population 18-49. Source: Comiskey C, Dempsey O, Simic D, Baros S. Injecting drug users, sex workers and men who have sex with men: a national cross-sectional study to develop a framework and prevalence estimates for national HIV/AIDS programmes in the Republic of Serbia. *BMJOpen* 2013; 3:e002203.

^d Belgrade only. Source: Institute of Public Health of Serbia 'Dr Milan Jovanović Batut': Research among populations most at risk to HIV and among people living with HIV key findings 2013. Belgrade, Institute of Public Health of Serbia, 2014.

capacity of associations of people living with HIV for provision of services to people living with HIV". It includes the following activities:

- ▶ Create and implement accredited programmes of activist education in associations of people living with HIV for management of organization and providing psychosocial support and health support to people living with HIV.
- ▶ Encourage organizations of civil society to acquire licenses in educational area, home care and palliative care for people living with HIV.
- ▶ Strengthen cooperation with international and domestic partners.

The Strategy calls for a systematic, continued and planned multi-sectoral response of local communities to the HIV epidemic, including building partnerships with NGOs at the local

level and securing funds for services especially to vulnerable and key populations. An action plan, that would make the strategy operational, has never been developed and the funds were not secured for implementation of the activities.

A working group for the development of the new National Strategy was recently formed. It has the mandate to develop a draft of the National HIV Strategy for 2018-2025 and a draft of the Action Plan for 2018-2021.

A National Commission for Combating HIV/AIDS and Tuberculosis (NCHATB) was restructured in 2013⁵ as a multi-sectoral body. The NCHATB consists of 24 members, including representatives of five NGOs. The NCHATB is tasked to monitor and evaluate the national response, to formulate strategic directions and to develop proposals of programmes for the fight against HIV and tuberculosis at the national level. However, the NCHATB had only one session since 2013. The process of nomination of members for the new multisectoral NCHATB is under way by the relevant institutions. It is expected that the NCHATB will also play the role of the Country Coordinating Mechanism (CCM).

Several laws regulate the national HIV response. **The Law on Protecting Citizens from Communicable Diseases (2016)**⁶ lists communicable diseases, including HIV infection, measures to protect the population against these diseases, and methods of implementation and provision of funds for their implementation. It does not discuss the role of NGOs in prevention and control of communicable diseases. **The Law on Public Health (2016)**⁷ states that public associations (among

others) can participate in implementing public health policies. **The Law on Health Care (2005)**⁸ includes state and licensed private health care institutions as providers of health care services. It does not specifically include NGOs. However, a new **Law on Health Care draft (2016)**⁹ states associations of civil society as one of the healthcare actors. According to the **Health Insurance Law (2005)**¹⁰, all people living with HIV are fully covered by the state-funded health insurance. The Health Insurance Fund and additional government budget funds cover the costs of ARV treatment, opioid substitution therapy (OST), HIV laboratory monitoring for people living with HIV, HIV counselling and testing (HTC) and prevention activities of the public sector. A new **Health Insurance Law draft (2016)**¹¹ proposes no changes related to HIV infections.

According to the 2016 Country Progress Report submitted by Serbia to UNAIDS¹², NGOs were involved as implementing partners to the Global Fund to fight AIDS, Tuberculosis and Malaria projects along with the relevant ministries. The Global Fund projects boosted the cooperation among key stakeholders in the country, especially enhancing better communication and consultation between the government and NGOs. After the end of the Global Fund projects, only few NGOs continued to provide limited HIV-related services. Domestic financing of NGO services for key populations and organizations of PLHIV replaced only 6% of the budget available from the Global Fund after the Global Fund project ended¹³.

⁵ Republic of Serbia, Odluka o obrazovanju komisije za borbu protiv HIV/AIDS-a i tuberkuloze (2013).

⁶ Republic of Serbia, Zakon o zaštiti stanovništva od zaraznih bolesti (2016).

⁷ Republic of Serbia, Zakon o javnom zdravlju (2009).

⁸ Republic of Serbia, Zakon o zdravstvenoj zaštiti (2005).

⁹ Republic of Serbia. Nacrt zakona o zdravstvenoj zaštiti (2016).

¹⁰ Republic of Serbia, Zakon o zdravstvenom osiguranju (2005).

¹¹ Republic of Serbia, Nacrt zakona o zdravstvenom osiguranju (2016).

¹² Republic of Serbia. Country progress report. Belgrade: Ministry of Health of Serbia, Institute of Public Health of Serbia "Dr Milan Jovanovic Batut"; 2016.

¹³ Duric P, Simic D, Hamelmann C. Towards domestic financing of national HIV responses – lessons learnt from Serbia. Istanbul: UNDP; 2016.

2. SOCIAL CONTRACTING OF NGOS IN THE NATIONAL HIV RESPONSE

2.1 NGO landscape in Serbia

According to the Serbian Business Register Agency, there were 28,799 registered associations, 732 endowments and foundations and 66 foreign associations in 2016.

The registration process of NGOs is easy, inexpensive, and decentralized. According to the **Law on Associations** (2009)¹⁴ three or more founders, individuals and/or legal entities can establish an association. Registration is not mandatory and unregistered organizations can freely operate and receive financial support. In addition to the foundations, the **Law on Endowments and Foundations** (2010)¹⁵ introduced the legal form of an endowment as a nonprofit entity with specific objectives determined by its founder; only little capital is needed for its establishment¹⁶.

Associations, foundations and endowments are allowed to pursue economic activities under three conditions:

- ▶ Those activities are related to the organization's statutory goals.
- ▶ They are written in the organization's statute.
- ▶ They are incidental in terms of their volume, or are carried out in volume which is deemed necessary to advance the statutory goals¹⁷.

¹⁴ Republic of Serbia, Zakon o udruženjima (2009).

¹⁵ Republic of Serbia, Zakon o zadužbinama i fondacijama (2010).

¹⁶ Foundation is a not-for-profit, non-membership and non-governmental legal entity pursuing public interest objectives. Endowment is a not-for-profit, non-membership and non-governmental legal entity whose founder designated specific property to support its public or private interest objectives. Individuals and/or legal entities can establish both. Establishing an endowment includes a minimum capital amount equivalent to 30,000 Euros (app. US\$ 34,057), with important exception: if the competent state authority determines that an organization pursuing a public interest objective can accomplish

such objective without the minimum capital amount, the authority has discretionary power to waive the requirement for minimum capital.

According to the USAID 2016 CSO Sustainability Index for Central and Eastern Europe and Eurasia, while overall CSO sustainability in Serbia in 2016 remained at the same level as in the last three years, it is slightly above the average in Western Balkan countries. In 2016, the legal environment, advocacy, and public image dimensions all deteriorated. However, organizational capacity, financial viability, and infrastructure for NGOs improved¹⁸.

2.2. Social contracting of NGOs under Global Fund grants

In 2014, twenty-seven NGOs were financed by the Global Fund, with an average of \$39,283 available per NGO (range \$5,352 - \$103,140)¹⁹, mainly for prevention, care and support at the local level (Table 2). The Global Fund project in Serbia ended on September 30, 2014.

For the 2017-2019 period, the Global Fund allocated 1,098,351 EUR (approximately USD 1.3 million) to the Republic of Serbia for interventions in the response to HIV²⁰. In its allocation letter, the Global Fund set these prerequisites for the application: adopted new national HIV strategic document and action plan, developed M&E plan and a mechanism for NGO financing in the area of

such objective without the minimum capital amount, the authority has discretionary power to waive the requirement for minimum capital.

¹⁷ Financial (e.g. tax or in-kind) benefits are available, but are limited to definition of public interest status, which is not clearly defined. This directly influences the tax system of NGOs, as only those covered by the legal framework are relieved from paying tax, and only up to the sum of 100,000 RSD (app. US\$ 948).

¹⁸ USAID, The 2016 CSO Sustainability Index for Central and Eastern Europe and Eurasia (2017).

¹⁹ Duric P, Simic D, Hamelmann C. Towards domestic financing of national HIV responses – lessons learnt from Serbia. Istanbul: UNDP; 2016.

²⁰ Global Fund Allocations for 2017-2019 Allocation Period.

Table 2: Global Fund average annual budget for NGOs (2013-2014)

Programme	Budget allocated to NGOs (US\$)	% of line budget	National / sub-national / local level (%)
Prevention PWID	129,581	30.9	0/0/100
MSM	277,627	99.1	0/0/100
SW	273,631	94.1	0/0/100
Roma youth	119,214	98.6	0/0/100
Most at-risk adolescents	74,347	100.0	0/0/100
Prevention subtotal	874,400	60.8	0/0/100^a
Care and support	218,867	85.2	0/11/89
Supportive environment	6,647	6.2	100/0/0
TOTAL	1,018,591	39.8	4/5/91^a

^a Some prevention services and programmes included both sub-national and municipality level, but it wasn't possible to express those expenditures separately.

Source: Ministry of Health, NGOs.

HIV prevention for key populations and for the support to PLHIV defined and verified by the CCM. MoH of the Republic of Serbia is planning to apply for a new Global Fund grant in 2018.

2.3. Government social contracting to NGOs: Legal and regulatory frameworks

NGOs engaged in social service provision can obtain funding through grants from public sources. According to the Law on Associations²¹, there are several funding possibilities for NGOs whose objectives are of general public interest, namely

- ▶ from the National Budget,
- ▶ the budgets of autonomous provinces (Vojvodina),
- ▶ and municipal budgets.

²¹ Republic of Serbia, Zakon o udruženjima (2009).

²² Budget lines 472 – Benefits of social care, 424 – Specialized Services, 423 – Contract services from the State Budget.

²³ Republic of Serbia, Zakon o socijalnoj zaštiti (2011).

²⁴ The Law on Public-Private Partnership and Concessions (2011) defines public-private partnership ("PPP") as a long-term cooperation between public and private partners for the purpose of financing, construction, reconstruction, management or maintenance of infrastructure or other facilities of public interest or provision of services of public interest (Art 7).

²⁵ Republic of Serbia, Zakon o javnim nabavkama (2012).

The law includes a list of activities considered as public interest and eligible for funding, including health and social care, the affirmation of minority and human rights, education and culture. According to the Law, funding should be provided through an open competition and contracts are signed by the state authorities. The national budget includes lines for funding social services provided by NGOs²².

Several laws regulate the possibility to contract out and fund NGOs.

The **Law on Social Care** (2011)²³ provides that NGOs can be service providers in planning and evaluation, support to independent living, daily community services, therapy, consultation as well as education and housing services. The local government must provide funding for these services either through establishing a specific institution or the instruments of public procurement and public-private partnership²⁴. The Law establishes the Chamber for Social Care with competence to conduct monitoring, issue licenses to workers in social care and keep the register of members (see sections 2.4 and 2.5).

The **Law on Public Procurements** (2012)²⁵ provides for the types of procedures for

funding services from, and lists public services that can be procured, including health and social services. NGOs can compete for government contracts at the local and national levels along with other legal entities and business entrepreneurs. However, the Law establishes strict criteria that many NGOs might not be able to meet (e.g. providing bank guarantees that banks might be unwilling to issue to NGOs). This is especially the case when NGOs are competing with public institutions (as service providers) that have all basic criteria either already met or provided by the State²⁶.

The Law on Public-Private Partnership and Concessions (2011)²⁷ introduces a possibility to contract out public services under defined rules and procedures. NGOs are eligible to be private partners. The procedure for the selection of the private partner is guided by either the public procurement procedure or the concession²⁸ granting procedure regulated by this Law.

In 2013, the Government adopted a **Simplified Decree on Funds for Stimulating Programmes or Cost-Share for Financing the Programmes of Public Interest Implemented by Associations** (2012)²⁹, which defines the general conditions and procedures for awarding state funds to NGOs by different state bodies. This was a positive step towards more systematic NGO financing. The Decree prescribes the obligation to publish an open call for NGO funding based on general criteria that include how public interest will be served with the project/programme, its references and sustainability, possibility of co-fi-

ancing the project/programme from other sources (domestic or foreign) and whether the applicant has used previous budget funds in a legal and efficient manner. It leaves it to the state bodies that will issue the call to determine other specific criteria. According to the Decree each state body that allocates funds establishes their own *ad hoc* commission for selection of applicants. Applicants should submit the application and confirmation of their registration as well as a certified copy of their statute. NGOs who have received funding must submit quarterly or bi-annual and final reports for the implementation. The Decree does not allow for multiyear funding³⁰. In addition, there is no obligation to conduct evaluation of the achieved outputs/outcomes of the project/programme, nor possibility for prepayments³¹.

2.4. Quality control and assurance

In Serbia, HIV-related services are not always recognized as social services, and not seen as relevant and important. Specifically, HIV prevention services (testing, awareness raising, harm reduction) and psychosocial support services are not seen as social services but rather health or combination of health and social services. This kind of services are not officially recognized and thus cannot be standardized and integrated in the state system of social protection or healthcare. However, there are certain officially recognized social services (home care, palliative care) that potentially can be implemented by NGOs. For that purpose NGOs should be able to fulfill the conditions for provision of social services.

partnership where a public agreement concluded between a private and a public partner regulates the commercial use of natural resources or public goods or provision of services of public interest, which is granted by the public partner to the private partner, against the payment of a concession fee (Art 10).

²⁹ Republic of Serbia, Uredba o sredstvima za podsticanje programa ili nedostajućeg dela sredstava za finansiranje programa od javnog interesa koja realizuju udruženja (2012).

³⁰ Monitoring Matrix on Enabling Environment for Civil Society Development Country Report Serbia 2014.

³¹ Ibid.

²⁶ For example, centers for social care have less paperwork to gather and file as they already have all state-required licences provided. Source: Monitoring Matrix on Enabling Environment for Civil Society Development Country Report Serbia 2014. The Monitoring Matrix is a tool that has been developed for measuring the health of the legal, regulatory, and financial environment in which NGOs operate. The Matrix was developed by the European Center for Not-for-Profit Law (ECNL) and the NGO experts of the Balkan Civil Society Development Network.

²⁷ Republic of Serbia, Zakon o javno privatnom partnerstvu i koncesijama (2011).

²⁸ The Law on Public-Private Partnership and Concessions (2011) defines concessions as a sub-type of the contractual public-private

The minimum standards for providing social services are prescribed by the **Rulebook for Conditions and Standards in Providing Social Services** (2013)³² and are obligatory at all levels. Local governments can introduce higher standards for specific services.

It includes:

- ▶ structural standards - organizational, infrastructure and staff requirements (space, building, equipment, staff, etc.), and
- ▶ functional standards - process and expertise in providing the service.

Three state bodies, the Social Care Inspection, Republic Institute for Social Care and the Chamber of Social Care conduct monitoring of these standards. Service providers are required to continue maintaining the high quality of services with occasional checks from the Social Care Inspection; otherwise, they face sanctions that may include license non-renewal, suspension or annulment.

According to the **Rulebook on Licensing Social Care Organizations** (2013)³³, another document regulating this area, the inspector will provide its observations and conclusions in the inspection report, which is the base for the sanctioning procedure.

NGOs who have received public funds must allow the control of their programmes financed by public funds and submit a quarterly narrative and financial report on the implementation to the institution that provided funding³⁴. However, there is no evaluation prescribed for the programme quality.

³² Republic of Serbia, Pravilnik o bližim uslovima i standardima za pružanje usluga socijalne zaštite (2013).

³³ Republic of Serbia, Pravilnik o licenciranju organizacija socijalne zaštite (2013).

³⁴ Art. 10 of Simplified Decree on Funds for Stimulating Programmes or Cost-Share for Financing the Programmes of Public Interest Implemented by Associations.

2.5. Other prerequisites for service provision (licenses, special permissions, etc.)

NGOs need to acquire licenses to provide services in the areas of education, home care and palliative care for people living with HIV. According to the Law on Social Care, licensing ensures respecting criteria and standards for social service providers regarding specific services. Licenses are issued by the Ministry of Work, Employment, Veteran and Social Policy for a period of six years and can be renewed. In 2014, the administrative tax per license was the equivalent of 153 Euro. An NGO can have more than one license depending on the number of services they provide. The Rulebook on Licensing Social Care Organizations prescribes the procedure for licensing, renewal, suspension and annulment in details. The NGO has to submit evidence that it fulfills the criteria for a license; this includes:

- ▶ proof of valid registration,
- ▶ proof of fulfilling the standards for providing a specific service (space, equipment, staff, etc.), and
- ▶ proof of at least two years experience in providing services (projects, partnerships with local government, etc.).

In addition, as noted above, the Chamber of Social Care licenses staff working in the field of social care, based on the **Rulebook for Licensing Expert Workers in Social Care** (2013)³⁵. Conditions include:

- ▶ proof of adequate education,
- ▶ proof of adequate training for providing specific services,
- ▶ proof of at least one-year experience in providing social services or passed expert exam, or - in case of experience outside of institutions - adequate training combined with voluntary work on specific service provision and passed expert exam.

³⁵ Republic of Serbia, Pravilnik o licenciranju stručnih radnika socijalne zaštite (2013).

2.6. Government social contracting of NGOs: The practice

According to the 2016 Country Progress Report³⁶ a total amount of 9,744,894 EUR (app. US\$ 10,790,383) was spent for HIV funding in the Republic of Serbia. Out of the total HIV spending, 9,611,472 EUR has been provided from domestic sources at national level, mostly for ART and other treatment and diagnostics for PLHIV (84%), for OST (13%) and for HTC, and coordination and M&E activities. In addition, some provincial and municipal health authorities were providing additional resources for implementation of health programmes implemented by sub-national health institutions and NGOs (66,930 EUR)³⁷.

Despite the recognition of NGOs as potential service providers within the Law on Social Care, NGOs are not included in all phases of the development and provision of services; for example, NGOs cannot contribute to estimate the need in a particular service³⁸. The process of obtaining a license for providing social services is complicated and expensive for NGOs and without a license NGOs cannot get public funding³⁹. In practice, there is resistance from the social work centres towards social service providers outside the public system⁴⁰.

Local governments do not always recognize the importance and role of organizations of persons living with HIV in providing services, except in HIV prevention. This endangers sustainability of local organizations working in this field. After the end of the Global Fund project in Serbia, activities of NGOs in the national HIV response continued to be highly dependent on foreign support (US\$147,184 of foreign support vs. US\$66,930 available from domestic sources in 2015)⁴¹.

Even though the legal framework obliges the public sector to publish open competitions for local social service providers and there are good examples for this, such practice is not yet fully established and state-owned social service providers have preference in the final selection⁴². Local self-governments at city/municipality level tend to finance more public institutions for providing social services; among total funding of public social care institutions 78% comes from local (city/municipality) budgets, compared to 48% among NGOs⁴³. This finding is in line with the official data from the Database of Social Services on Local Level (of the Institute for Social Care), which states that, although NGOs are pioneers in social care services on the local level, the institutionalization of their services by the local government still represents challenges. Most innovative services end with the finalization of the project. Monitoring of service provision is performed during project implementation; however, there is no evaluation of quality and impact of services provided⁴⁴.

³⁶ Republic of Serbia. Country progress report. Belgrade: Ministry of Health of Serbia, Institute of Public Health of Serbia "Dr Milan Jovanovic Batut"; 2016.

³⁷ Duric P, Simic D, Hamelmann C. Towards domestic financing of national HIV responses – lessons learnt from Serbia. Istanbul: UNDP; 2016.

³⁸ "Technical Assistance to Civil Society Organizations Serbia Office, P2P Conference Social Welfare Services and Civil Society Organizations as Providers – EU Standards and National Practices (2015).

³⁹ Monitoring Matrix on Enabling Environment for Civil Society Development Country Report Serbia 2014.

⁴⁰ Technical Assistance to Civil Society Organizations Serbia Office, P2P Conference Social Welfare Services and Civil Society Organizations as Providers – EU Standards and National Practices (2015).

⁴¹ Duric P, Simic D, Hamelmann C. Towards domestic financing of national HIV responses – lessons learnt from Serbia. Istanbul: UNDP; 2016.

⁴² Ibid.

⁴³ NGOs get 16% of their funds from the state budget and 23% from donations/other sources (source: Trag Foundation, Comparative Study of Local Service Deliverers in Serbia: Competitiveness an Innovation of the Civil Sector, (2014)).

⁴⁴ Monitoring Matrix on Enabling Environment for Civil Society Development Country Report Serbia 2014.

3. RECOMMENDATIONS

Legal and institutional aspect of the national HIV response:

It is essential to ensure further support to key populations at higher risk of HIV and people living with HIV through social services provided by state and non-state service providers. CSOs have proven to have special value in providing prevention services, treatment literacy, care and support to PLHIV and other key populations. Based on competences, they could also provide other social and medical services, including HTC and palliative care. With that in mind, the following could be considered:

- ▶ It is important to adopt a new national HIV strategy, with an action plan that will be budgeted and to secure funds for its implementation. That should continue to support the implementation of the key goals and activities from the previous strategic framework, including the involvement of NGOs in planning, implementation and monitoring of the national response, covering prevention, treatment and care, promotion of systematic and social changes which would decrease HIV infection, protection of the rights of the most disadvantaged groups, and including capacity strengthening of governmental and civil society sector collaboration.
- ▶ Policies on state funding should include both funds for HIV prevention and to address the needs of people living with HIV and key populations at risk of HIV and include services for them using among others funding through social contracting at national, sub-national and local level.
- ▶ Policies on provision of social and health services should recognize HIV-related services and thus assure quality control and sustainability through their inclusion in the national system.

NGO landscape in Serbia:

The legal framework for NGOs, could further improve by strengthening sustainability for service provision.

- ▶ Enabling legal framework should empower CSOs by recognizing them as potential health/social service providers engaged in implementation of HIV strategies.
- ▶ The definition of public interest in the laws should be harmonized to ensure that NGOs engaged in a wider sphere of activities can enjoy tax benefits.
- ▶ The Law on Protecting Citizens from Communicable Diseases should recognize NGOs as one of the actors in communicable disease prevention and control.
- ▶ The Simplified Decree on Funds for Stimulating Programmes or Cost-Share for Financing the Programmes of Public Interest Implemented by Associations should be amended in order to allow funding for multi-year programmes with annual reviews, evaluation and quality control.

Social contracting of NGOs for the national HIV response:

- ▶ Legal frameworks should promote equal status of NGOs as social services providers at all levels.
- ▶ Local governments should be encouraged to adopt long-term plans and strategies on the needs for social services in their communities and projection of their funding. This would allow local governments to adjust their local budgets, plan for service provision beyond annual budget cycles, raise funding locally, including through creating their own reserves to ensure better sustainability of innovative services.

- ▶ NGOs should be included in all phases of the development and provision of services at all levels (state, provincial, local), including contributing to estimating the needs for a particular service.
- ▶ The legal framework could be reviewed to simplify the process of licensing for social services and abolish the administrative tax for non-profit entities.
- ▶ The Government could review the possibility of introducing a special procedure for social contracting of NGOs through amendment of the Law on Public-Private Partnerships and Concessions, Law on Social Care and its by-law.
- ▶ Local governments could be encouraged to publish open and transparent competitions as well as to award contracts for local social service providers.
- ▶ Additional support is needed to raise awareness of local governments and increase the capacity of NGOs in providing social services and implementing social contracting.
- ▶ Legal frameworks should prescribe what is acceptable as proof for person working as service provider; contract on volunteering should be accepted as proof as well.
- ▶ The evaluation process of the services supported by public funding should also be conducted and made publicly available.

NGO Social Contracting: Factsheet Serbia 2017 Update

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