RECOVERY – LEGAL FRAMEWORK

The Government of the Republic of Serbia adopted the National Recovery Plans for the following sectors:

- Demolished family housing units
- Damaged family housing units
- Water management
- Financial assistance to sub-tenants
- Power and energy units
- Telecommunications
- Agriculture
- Traffic
- Education
- Economy

The criteria for the distribution of the state assistance are equal for all.

PROCESS OF STATE ASSISTANCE DISTRIBUTION

The process has been taking place based on the Recovery Programmes for the destroyed and damaged family housing units and in line with the legal procedure stipulated by the Law on General Administrative Procedure and *lex specialis*, i.e. the Law on Recovery of Flood Affected Areas in the Republic of Serbia:

The primary measure is the construction of standardised houses:

- Five and more members of household
- Up to four household members
- One-two members of household

In case the construction is not possible, financial assistance is disbursed:

- 3,000,000.00 RSD for type C houses
- 2,500,000.00 RSD for type B houses
- 2,000,000.00 RSD for type A houses

Five categories of damages are defined, i.e. the following amounts of financial assistance:

I  120,000.00 RSD  
II  200,000.00 RSD  
III  250,000.00 RSD  
IV  350,000.00 RSD  
V  600,000.00 RSD

The criteria for the distribution of the state assistance are equal for all.
Based on the National Recovery Programme for beneficiaries with damaged and destroyed family housing units, the level of financial assistance has been set for sub-tenants living in housing units that were damaged or destroyed during the floods.

**FINANCIAL ASSISTANCE TO SUB-TENANTS**

The assistance is set based on the damage category of the housing unit that they used:

1. Category
   - 24,000 RSD
2. Category
   - 48,000 RSD
3. Category
   - 72,000 RSD
4. Category
   - 96,000 RSD
5. Category
   - 120,000 RSD
6. Category
   - 144,000 RSD

**ASSISTANCE PROGRAMME TO BUSINESSES**

Based on the National Recovery Programme for economic activity within the flooded areas, the financial assistance has been set for the businesses that employ less than 50 employees. The amount of the non-refundable aid is determined based on the number of employees and may vary between 240,000 and 600,000 RSD. As of 31 December 2016, 2012 businesses received assistance totaling in 567 million dinars.

600 million dinars were allocated from the state budget for non-refundable assistance to businesses.

<table>
<thead>
<tr>
<th>Number</th>
<th>Employees</th>
<th>Assistance Amount (RSD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1-25</td>
<td>240,000.00</td>
</tr>
<tr>
<td>2</td>
<td>26-50</td>
<td>264,000.00</td>
</tr>
<tr>
<td>3</td>
<td>51-75</td>
<td>288,000.00</td>
</tr>
<tr>
<td>4</td>
<td>76-100</td>
<td>312,000.00</td>
</tr>
<tr>
<td>5</td>
<td>101-125</td>
<td>336,000.00</td>
</tr>
<tr>
<td>6</td>
<td>126-250</td>
<td>360,000.00</td>
</tr>
<tr>
<td>25</td>
<td>251-500</td>
<td>600,000.00</td>
</tr>
</tbody>
</table>
TRANSPARENCY IN MONEY DISBURSEMENT

For the first time in Serbia:
- All decisions are made public on notice boards in municipality and city administration buildings
- The lists of all interventions and all state assistance beneficiaries together with the type and the amount of assistance distributed are published on the Office’s website - www.obnova.gov.rs
- Open public procurement in all cases related to the elimination of natural hazard impact
- Information on all public procurements are published on the Office’s webpage - www.obnova.gov.rs
- Transparency Serbia carried out an oversight of the implementation of public procurement procedures in flood relief. Among other things, this organisation’s report indicates that the established public procurement mechanism based on the Law on Recovery of Flood Affected Areas in the Republic of Serbia gave positive results. It also states that the rules which govern the flood-related public procurement as well as practises from flood relief related public procurement can be used to improve the regular public procurement mechanism in Serbia.
- The State Ombudsperson’s report indicates that thousands of citizens were gravely affected by the floods and that citizens’ solidarity, activities of state institutions, and in particular the transparent work of the Government of Serbia’s Office for Reconstruction and Flood Relief (FAAARO) and international assistance helped mitigate the flood consequences.

RECONSTRUCTION IN NUMBERS
DESTROYED HOUSING UNITS
From 4 August 2014 until 9 March 2017

490 FAMILIES
WHOSE HOUSES WERE DESTROYED IN FLOODS HAVE BEEN ASSISTED

DISTRIBUTION OF STATE ASSISTANCE FOR DESTROYED BUILDINGS

161 houses donated by the European Union - in 27 municipalities in 28 municipalities and building for 32 socially vulnerable families
35 houses donated by The United Arab Emirates - in Obrenovac, Valjevo and Krupanj via UNDP as the Implementing Partner
25 houses donated by Kuwait - in Obrenovac
11 houses donated by Pazova Foundation for the most affected - in Bajina Bašta
11 houses donated by France - in Obrenovac and Kladovo
10 houses donated by Dragica Nikolić Foundation - in Ub and Bajina Bašta
10 houses donated by Blic Foundation and TV Prva - in Obrenovac
4 houses donated by UNITAS Foundation - in Obrenovac and Krupanj

266 HOUSES NEWLY BUILT

214 FAMILIES RECEIVED FINANCIAL ASSISTANCE
STATE ASSISTANCE FOR THE DAMAGED AND DESTROYED HOUSING UNITS

SO FAR, THE STATE ASSISTANCE HAS BEEN DISBURSED

- **21,007 households**
- **5 billion Dinars**
- **238,704 Dinars**

All details about the beneficiaries of the disbursed state assistance for the damaged and destroyed housing units are listed on the Office’s webpage - [www.obnova.gov.rs](http://www.obnova.gov.rs)

Funds for Reconstruction

are provided in line with the Law on Recovery of Flood Affected Areas (from the Republic of Serbia budget, the budget of the Autonomous Province and budgets of local self-government, donations, contributions and gifts, acceptances from loans, financial assets sales, European Union financial assistance, public enterprises' funds, and other organisations founded by the Republic of Serbia, Autonomous Province or the local self-government, and other sources).

- **220.7 million EUR** of grants
- **26 million EUR** Bilateral donors
- **62 million EUR**
  - 2014 IPA funds -
  - Available in the first quarter of 2015
  - The funds will be managed by the EU as per agreement with the Government

- **42.5 million EUR** Individual donations
  - Individuals and businesses from Serbia and abroad

- **60.2 million EUR** Solidarity Fund

- **30 million EUR**
  - 2012 IPA funds -
  - Available and implemented
  - The funds will be managed by the EU as per agreement with the Government

- **≈ 300 million USD in loans:**
  - **300 million USD**
    - World Bank loan -
    - The Bank has approved the loan in October 2014

The total damage (including losses) is estimated at > 1.7 billion Euros

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Overview of Activities

### ENERGY

<table>
<thead>
<tr>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 million USD</td>
<td>Funding for the project of pumping out water from the Kolubara open pit mine Tamnava Zapadno Polje was secured in cooperation with the World Bank. A total of 30 million USD were provided for this purpose.</td>
</tr>
<tr>
<td>150 million USD</td>
<td>Funding for purchase/import of electricity for the period of 2014-2016 was secured in an agreement with the World Bank. The total funds allocated for this purpose shall amount to almost 150 million USD. Owing to these funds, THERE WERE NO POWER CUTS in Serbia.</td>
</tr>
<tr>
<td>20 million EUR</td>
<td>In cooperation with the World Bank, approximately 20 million Euros have been secured to fund the renewal of destroyed and damaged equipment by floods in Belgrade Power Distribution Enterprise (“Elektrodistribucija Beograd” – EDB)</td>
</tr>
</tbody>
</table>
Along with the funds allocated for the reconstruction of damaged and destroyed flood-control infrastructure, funds for the projects of flood-control system improvement amounting to approximately 70 million Euros have been secured in cooperation with the World Bank, the EU and bilateral donors. The projects will be implemented as of July 2015.

Based on the proposal made by the Government Office for Reconstruction and Flood Relief, the Governments of Japan, Great Britain, Turkey, Italy, Algeria, Canada, Indonesia, Albania and Bulgaria, and also the Coca-Cola Foundation and the European Union, have approved the total of approximately 1 billion dinars to fund the projects for reconstruction of flood-control infrastructure.

The reconstruction and rehabilitation works have been completed at more than 120 locations in Serbia which fall under the authority of public water management enterprises “Srbijavode,” “Beogradvode” and “VodeVojvodine”.

The total estimated value of the completed works is over 3 billion dinars.

In 2015, 29 torrent check dams will be constructed. Funds for the construction of 18 dams have been provided by UNDP (Krupanj, Mali Zvornik, Bajina Bašta, Ljubovija, Osečina, Vrnjačka Banja, Kosjerić and Loznica), 5 dams have been built in the municipality of Lučani with the funds from the donation of Canada, whereas the construction of 5 more dams will be funded from the donation of Japan through UNDP (Koceljeva, Ljubovija, Kladovo and Negotin) and another one will be constructed in Bosilegrad with the funds from the donation of Turkey.
DIRECT AID

Apart from the direct aid coming from the state, over 15,000 households throughout Serbia received aid for the reconstruction of houses in money, construction material and/or labour coming from the donations by the European Union (EU), Austria, USA and Switzerland through the following organisations: the Serbian Red Cross, Caritas, Mercy Corps, ADRA etc.

Financial aid in the amount of 210 Euros was secured through the Serbian Red Cross for over 15,000 households that were issued decisions on state aid. This programme is implemented in cooperation with the Office.

An EU donation secured house reconstructions for 1,000 socially vulnerable households afflicted with the floods; among these are ALL houses damaged in Braće Jugović Settlement in Obrenovac and ALL damaged houses in Krupanj.

PUBLIC BUILDINGS

The process of reconstruction, implemented owing to various donors, includes 65 public buildings (some of them are funded by several donors).

Sixty-five public facilities have been reconstructed, including primary schools, secondary schools, kindergartens, health, cultural and sports centers.

- The funds to reconstruct 21 public buildings in Obrenovac, Šabac, Trstenik, Ljubovija, Paracin and Svilajnac have been secured solely by the EU, in cooperation with the Office. As a part of the donation, the schools have also been equipped, mainly with furniture. The approximate value of the investment is 2 million Euros.

- Four million Euros in donations received from the Government of Norway has been used to fund the reconstruction and outfitting of buildings at 25 public facilities in total.

- From other donors – So far, the reconstruction of 19 public facilities has been funded using donations received from Ana and Vlade Divac Foundation, Novak Đoković Foundation, the B92 Fund and various French foundations.

  The following projects have been financed from the Solidarity Fund:
  - Construction of 73 completely new bridges in 28 LSGs;
  - Implementation of 64 projects for the reconstruction and improvement of local infrastructure at 36 LSGs, which includes road infrastructure, regulation of local watercourses, water supply and sewerage and landslide rehabilitation.
  - Implementation of 59 projects to reconstruct public facilities in healthcare and education sectors in 23 LSGs;
AGRICULTURE

An EU-funded agriculture relief program worth 9.5 million Euros implemented by the FAO in cooperation with the Office. As part of this program, aid packages (saplings, domestic animals, animal feed, equipment, etc.) are donated for over 34,000 agricultural households on the territory of 29 municipalities which suffered damage due to the floods.

In cooperation with the Ministry of Agriculture and Environmental Protection, the Office set up seed distribution for sowing nearly 16,000 hectares of land owned by approximately 10,000 small farmers.

The households were provided with the assistance in fuel worth almost 65 million dinars (430 tonnes of fuel) as well as 61 million dinars of financial assistance to purchase fertilizer for 8,872 agricultural households.

So far, the total amount of allocated and provided assistance has reached 13 million Euros.

PREVENTION

The Government of Serbia adopted the National Plan for Natural Disaster Risk Management in December 2014, which is to be implemented in cooperation with the World Bank, the UN and EU.

Over 70 million EUR have so far been secured to implement prevention measures programme.

900,000€ of additional relief to farmers through two new national programs:

500,000€ through the National Recovery Program for Flood-Affected Agricultural Land – Two hundred Euros per hectare for remediation of nearly 3,000 hectares of agricultural land

400,000€ through an assistance program for cattle breeders whose livestock perished in the floods to recover 5,000 head of cattle