

**Republic of Serbia**

Municipality of Negotin



***MEDIUM-TERM PROGRAM OF PROPERTY  
MANAGEMENT IN THE MUNICIPALITY  
NEGOTIN***

**- SUMMARY -**

Creation of the Study is a part of the activities covered in the project realisation:  
*Improvement of Property Management in Municipalities of Negotin and Kladovo*  
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## GEOGRAPHICAL POSITION

The Municipality of Negotin borders in the north with the Municipality of Kladovo, in the north-west and west with the Municipality of Majdanpek, south-west with the Municipality of Bor, in the south with the Municipality of Zaječar, in the south-west and east there is the border with the Republic of Bulgaria with the length of 41 km and in the north-west there is the border with the Republic of Romania of 35.5 km of length along the international river of the Danube. The length of the state land border is 31 km, and water border 45.5 km.

From Belgrade to Negotin there is an international road E 75 through Paraćin (300 km), through Smederevo, Požarevac and Majdanpek (290 km), or the Danube highway, through Donji Milanovac (250 km). The distance between Negotin and Niš is 150 km, Negotin and Zaječar 57 km, and the distance between Negotin and the nearest town in Bulgaria Vidin is 55 km, while the distance between Negotin and the nearest town in Romania Turnu Severin is 80 km.

There are 39 populated settlements on the territory of Negotin, which are the City of Negotin and the following villages: Aleksandrovac, Bračevac, Brestovac, Bukovče, Veljkovo, Vidrovac, Vratna, Dupljane, Dušanovac, Jabukovac, Jasenica, Karbulovo, Kobišnica, Kovilovo, Mala Kamenica, Malajnica, Miloševo, Mihajlovac, Mokranje, Plavna, Popovica, Prahovo, Radujevac, Rajac, Rečka, Rogljevo, Samarinovac, Sikole, Slatina, Smedovac, Srbovo, Tamnič, Trnjane, Urovica, Crnomasnica, Čubra, Šarkamen and Štubik, and 42 cadastral municipalities.

In the Municipality of Negotin there are 49,679 citizens, which is by 8,311 citizens less compared to the census from 2002, when there were 57,990 citizens. As for the city of Negotin, there are 18,357 citizens, and in villages there are 31,322 citizens.



**The total area** of the Municipality of Negotin is 1,089km<sup>2</sup>, which is 1,9% of the total area of the Republic of Serbia and takes 7th place regarding the area and has 39 settlements. According to the census from 2002, there were 43,418 citizens living in the country, out of 57,990 citizens in total. In villages, there are 38,070 citizens, out of which 25,660 without the citizens living abroad, while in the city there are 19,920, i.e. 17,758 (in the country longer than one year of stay). In the Municipality of Negotin there is a large number of citizens who are temporary employed abroad, that is, 14,572 citizens – according to the census from 2002.

## INTRODUCTION

The Project "*Improvement of Property Management in Municipalities of Negotin and Kladovo*", realised through the *Exchange 4* program, implemented by the *Permanent Conference of Cities and Municipalities in Serbia*. The Municipality of Negotin signed an agreement with the Delegation of the European Union to the Republic of Serbia on 24 January 2014, which co-financed the realisation of the project with the amount of 102,808.00 EUR, which is 85% of the total Project value, while the remainder was financed the local self-government through hiring its staff and other material resources. A partner in the realisation of the project was the municipality of Kladovo with which there is a traditional cooperation on development projects in this part of Serbia. The project was completed early in February in 2015.

The following results have been achieved:

1. Implementation of the information system and database on public property on the territory of the municipality of Negotin
2. Conducted procedures for property transfer regarding the part of property owned by the Republic of Serbia to the level of local self-government in Negotin
3. Creation of medium-term public property management plans in municipalities of Negotin and Kladovo
4. Creation of promotional catalogues with investment project proposals activating public property for potential investors
5. Raising the capacity of the employed in local self-governments in Kladovo and Negotin for property management

Project results users, apart from the local self-government in Negotin and Kladovo, public companies and institutions founded by them, are also interested investors in the sector for real estates, farmers and other interested parties.

## Terms of Reference

For the purpose of the realisation of project activities, in July 2014, the Municipality of Negotin announced a public call for the selection of adequate consulting firms which could realise the following objectives:

- Development of strategic framework for public property management which could be a foundation for future development plans for local economic development
- Promotion of visibility of public property management in local self-governments in Negotin and Kladovo through the process of creation of strategic management framework.

After the termination of the selection process regarding the adequate contractor and in accordance with the defined objectives of realisation, the Contract was signed, obligating the contractor to create the following:

- Catalogue of Investment Projects in municipalities of Negotin and Kladovo
- Medium-Term Public Property Management Plan in the Municipality of Negotin, and
- Medium-Term Public Property Management Plan in the Municipality of Kladovo

The spatial and urban plans define the future purpose of land, through normative which directly determine the planning and construction rules, as well as strategic (policy level) level, but they do not define the mechanisms to be used in activating public property (of the

Republic of Serbia, and local self-governments and other public holders) particularly through the models of public-private partnership. Also, the mentioned documents do not indicate the possibilities of development of capital development projects which would include public property, and which could be presented to the potential investors. The similar situation is with other development documents passed by the local self-government (Strategies, Action Plans, Annual Work Plan, etc...).

The development of the *Medium-Term Public Property Management Program* (for the municipalities of Negotin and Kladovo) and the supporting catalogue of the investment projects based on the existing material and other values, has improved the position of the local self-government in the eyes of the potential investors, business community, investment funds and banks. The creation of new projects in the sector of real estate including the public property and updating of old projects have improved the investment identity of the local self-government.

The medium-term plans for public property management (for municipalities of Negotin and Kladovo), are the framework for their improved management and maintenance. The process of strategic planning involved the local self-governments in risk identification and in development of activities to minimize the identified risks. Basic phases of strategic planning which were implemented are the following: situation analysis, creation of strategic framework for action, public insight and adoption by the competent authority.

On the other hand, the *Catalogue of Investment Projects* of the municipality of Negotin includes the following:

- *Development Model for Public Property Management* (defining the objectives, limits and speed of development of public property in accordance with its potentials and resources of local self-government)
- *Competition Plan* (Positioning of each property category in an adequate manner in relation to the available market potential)
- *Sectoral Marketing Plan* (Defining of promotion plan for each real estate category)
- *Implementation Plan* (steps, implementation subjects and steps for public property activation)

In order to provide a wider participatory approach to citizens but also to all other interested citizens, prior to the adoption of the Strategic Plan by the Municipal Assembly of Negotin, the Draft Document received the adequate feedback regarding its key content aspects. The public insight has promoted the level of transparency of the Strategic Document and improved the credibility of the process. The public insight took 14 days (from 15 January – 29 January 2015 (<http://negotin.rs/ads-javni-uvid-u-srednjorocni-plan-upravljanja-javnom-imovinom-u-opstinama-negotin-i-kladovo-144.htm>)) and the interested parties were informed through the media on the manners of providing their suggestions regarding the Draft Document.

In addition to the mentioned activities, two round tables were organised (one in Negotin on 29 January 2015, and the second on 30 January 2015) at which the key issues and offered solutions were presented regarding the public property management in local self-governments.

The catalogue is a rather important document containing the relevant information which will influence the economic development of Negotin. The selection of real estate as a part of the catalogue was performed in cooperation with officials of the municipality of Negotin as well as the selection of supporting documents of importance for mentioned real estate. The mentioned document is closely related to the Medium-term Plan of Property Management on the territory of the Municipality and represents its elaboration at the level of concrete real estate.

The planned parties to whom the mentioned material would be distributed are the following: potential investors and other interested institutions/companies/individuals.

## **Realised Methodology**

In accordance with the defined project objectives and dynamics, a series of formal communications was initiated with local self-governments in order to familiarise with the problem context in the best possible manner (general and local) which would be the subject of the Study. Based on the mentioned communication, many documents were obtained which could be divided into three categories:

- Legal acts (Constitution, laws, statutes, rulings, etc.)
- Spatial planning, urban and other strategic documents
- Local finances (decisions on annual budgets, etc.)

Below, we are stating the list of documents analysed for the purpose of the Situation Analysis according to the mentioned criteria:

### Legal acts

- Constitution of RS (“Official Gazette of RS”, No. 98/2006);
- Law on Public Property (“Official Gazette of RS”, No. 72/2011, 88/2013 and 105/2014);
- Law on Local Self-Government (“Official Gazette of RS”, No. 129/2007 and 83/2014);
- Law on Planning and Construction (“Official Gazette of RS”, No. 72/09, 81/09, 64/10, 24/11, 121/12, 42/13,50/13 and 98/13);
- Law on Agricultural Land (“Official Gazette of RS”, No. 62/06, 65/08 and 41/09)
- Law on Forests (“Official Gazette of RS”, No. 30/10 and 93/12);
- Law on Public Roads (“Official Gazette of RS”, No. 101/05, 123/07,101/11, 93/12 and 104/13);
- Law on Public-Private Partnership and Concession (“Official Gazette RS”, No. 88/2011);
- Law on Expropriation (“Official Gazette of RS”, No. 53/95, “Official Gazette of FRY”, No. 16/01 and “Official Gazette of RS”, No. 20/09 and 55/13);
- Regulation on terms of acquisition and selling of real estate through direct negotiation and leasing of the property in public ownership and procedures of public competition and written offers (“Official Gazette of RS”, No. 24/2012);
- Regulation on official buildings and business premises in public ownership used by authorities of the RS (“Official Gazette of RS”, No. 70/14);
- Regulation on records and census of real estate and other assets in public ownership (“Official Gazette of RS”, No. 27/96);
- Regulation on records of real estate in public ownership (“Official Gazette of RS”, No. 70/2014);
- Regulation on terms, manner and procedure of selling or leasing of construction land in public ownership of the Republic of Serbia, that is, autonomous province (“Official Gazette of RS”, No. 67/11,85/11,23/12,55/12);

### Local finances

- Ruling on final budget account of the municipality of Negotin for 2013
- Ruling on final budget account of the municipality of Negotin for 2012
- Ruling on final budget account of the municipality of Negotin for 2011
- Price list of services of PUC Badnjevo Negotin since 1 March 2013
- List of lessees and users of public property in the municipality of Negotin – 2014
- Work program with the financial plan for provision of funds for expenditures of public company for construction land of the municipality of Negotin for the period of 1 January – 31 December 2013 (December 2012)
- Amendment to the work program with the financial plan for provision of funds for expenditures of public company for construction for construction land of the municipality of Negotin for the period of 1 January - 31 December 2013 (February 2013)

- Amendment to the work program with the financial plan for provision of funds for expenditures of public company for construction land of the municipality of Negotin for the period of 1 January - 31 December 2013 (June 2013)
- Annual business program of public company for construction land of the municipality of Negotin for the period of 1 January – 31 December 2014
- Work program with the financial plan for provision of funds for expenditures of public company for construction land of the municipality of Negotin for the period of 1 January – 31 December 2012
- Work program with the financial plan for provision of funds for expenditures of public company for construction land of the municipality of Negotin for the period of 1 January – 31 December 2011
- List of business premises of the municipality of Negotin – cumulative review by accounts, the balance of books for the period of 1 January 2013 – 31 December 2013.

#### Spatial plan, urban and other strategic documents

- General Regulation Plan for the settlement of Negotin – 2011
- Spatial Plan of the municipality of Negotin – 2011
- Strategic assessment of the impact of the spatial plan of the municipality of Negotin – 2011
- Capital investment plan of the municipality of Negotin 2012-2016
- Sustainable Development Strategy of the municipality of Negotin for the period of 2012 – 2021
- Brochure “Step by step through original local public revenues” – KLER Negotin
- Brochure “Step by step to building permits” – KLER Negotin
- Guide for investors in the municipality of Negotin – KLER Negotin
- Guide for investors – catalogue of free locations in the municipality of Negotin – KLER Negotin
- Final statement of the evaluation commission for the municipality of Negotin – Certification of the municipalities with favourable business environment – NALED 2013.
- Review of construction land by numbers of plots and purposes in the municipality of Negotin
- Brochure “Step by step to the registration of entrepreneur and DOO”– KLER Negotin

## **CONCLUSION OF THE SITUATION ANALYSIS**

Analysis of the sector of public property management in the municipality of Negotin shows that there is a certain number of issues influencing the inefficiency of the management of this important public resource. In the majority of cases it is about unequal relations of the invested resources (financial and material) and achieved results in the context of local economic development and level of social standards.

Through the structuring of the achieved revenues and realised expenditures for the needs of maintenance and construction of the communal infrastructure, facilities of social standards and policies of development of public property, as well as the analysis of legal and organisational context of public property management, the following problematic list was created:

- Significant number of debtors (business premises lessee) owe significant amounts to the local self-government – it is necessary to think of mechanisms for collection of debts from big debtors

- There is no model of activating of business premises such as subsidies for the needs on LER (establishment of business incubators, social companies and similar support models)
- There is not a defined minimal standard for public property maintenance by lessee
- Amount of received revenues from property is not in proportion with the value of the property which is leased as well as depreciation costs – it is necessary to develop lease models which could have better effects of the property value
- Land Development Public Agency (as the most important subject of public property management with developmental power) has a small number of staff with university education and there is a significant inequality in age structure of the employees in favour of the senior staff members (average employee in the company is over 50 years of age, with secondary education and with more than 30 years of service)
- Management of the Agency cannot realise the development programs raising the business capacity and financial efficiency on its own, since the efforts are focused on the realisation of the annual work plan
- Operations of the Agency are not performed in accordance with the market criteria – they are not strategically oriented towards the market business (vast potential available to the Agency is not functional for profit making for the local community – general interest):
  - There is no policy of price formation (fees for communal equipment of construction land)
  - There is no development of new “products” (investment chances) for interested parties
  - There is no business plan, marketing strategy, promotion and sale plan
  - Business KPI are not defined (key performance indicators)
- Inadequate organizational structure of the company (there are no sectors of research and development and marketing and sale)
- In the budget structure there are no projects related to the development/improvement of the status and number of business premises in public ownership
- Passive relation with the potential investors and lack of the model for the realization of PPP projects which could include them
- Unclear policy for public debt planning used for financing of the capital expenditures in the budget
- Structure of the capital investments does not follow the structure of the public property value
- Realised income of the property (sale and lease) does not follow the growth of capital investment – stated expenditures are mostly financed from other positions (property tax, communal tax, borrowing, etc.); proportion of the capital investment of 2013 is by 2.5 times higher compared to 2011, but the expenditure structure fails to follow this trend.
- Projects stated in the *Sustainable Development Strategy of the Municipality of Negotin* are defined more with the focus on the physical maintenance of infrastructure and public facilities, and less with the focus on their real functional effects
- Numerous infrastructure, great area of the municipality, small number of citizens and dispersed settlements network have influenced the high price of maintenance of public infrastructure and network of facilities for public purposes (large liabilities in the budget of the Municipality)

In accordance with the mentioned statements, we are stating some of the proposals below regarding the improvement of the situation in the sector of public property management. We consider that the mentioned proposals should be a part of the platform for defining the strategic goals and the medium-term action plan for public property management in the municipality of Negotin:



- Improved business model for the operation of enterprises, created on the medium-term business plan,
- Created portfolio of investment possibilities and model for their realization – creation of the portfolio of public property with the potential of becoming a generator of local development
- Creation of PPP model for public lighting and reduction of costs (concession)
- Creation of PPP model for sewerage and reduction of costs (concession)
- Creation of capital investment projects which engage liabilities (public property which is not activated for the needs of public and other functions but requires maintenance)
- Improve the presentation for potential investors with clear stress on important information and specificities; create specialized presentations describing concrete investment possibilities for specific economic sectors
- Digitalise the data on the land and plots including all the information on the infrastructure
- Improve the database of municipal business facilities with additional information; create and establish the updating system for the base of business facilities owned by natural and legal persons
- Create the annual marketing plan of the municipality of Negotin with a clear analysis of specificities and information promoted by the activity plan
- Marketing coverage of the business premises of the Municipality in order to have a maximum utilization

In the next phase of the creation of the Study, the establishment of the *Medium-Term Public Property Management Plan* (with the action plan) will define the concrete proposals of the projects and activities in the period of 5 years, which realization would significantly improve the utilization of the existing public property and ensure the new.

## **METHODOLOGICAL GUIDELINES**

The status analysis in the field of property management in the municipality of Negotin, indicated the key issues which characterise the mentioned field.

In accordance with the project task, the further focus will be on the formation of adequate indicators (which informational basis was elaborated through the situation analysis shown in the previous chapter) on the basis of which it would be possible to measure the impact of the implementation of the planned measures and policies in the sector of public property on one hand, and concrete measures and activities which are necessary to be realised within 5 years on the other hand, in order to improve the public property management in those areas where it is possible.

The indicator system and the action plan will be formulated in accordance with the thematic sectors based on which the situation analysis was conducted:

### *1. Legal and Institutional Framework for Public Property Management*

- Department of General Administration, Property and Housing Affairs of the municipality of Negotin
- Property census of the municipality of Negotin

### *2. Financial and Organisational Framework of Public Property Management*

- Business premises
  - Leased
  - Non-leased
  - Amount of debt for the lease of business premises
  - Business entity

- Non-profit associations and organisations
- PC for construction land of the municipality of Negotin
  - Business plan
  - Realised funds in PPP projects
- Budget of the municipality of Negotin and public property
  - Income from real estate sale
  - Income from property
  - Ongoing maintenance and repairs
  - Buildings and construction facilities

### *3. Planning and Strategic and Promotional Framework of Public Property Management*

- PPF Negotin in line with the law and local interests
- PGR Negotin in line with the law and local interests
- Sustainable Development Strategy of the municipality of Negotin monitored at the annual level
- Realisation of the Capital Investment Plan
- Recertification of BFC standards of NALED

According to the variety of parameters to be followed, the time horizon for certain indicators was defined on the basis of the available data at the time of the creation of the situation analysis, so that the values for some were available only for 2014, while for some the values were available for previous periods.

After the creation of the indicator list, we are going to show the action plan with the proposal of activities used for the promotion of the status in the sector for public property management in the next 5 years, as well as the guidelines for the formation of the monitoring and evaluation system.

Realisation of the mentioned methodology will expectedly bring to a significant improvement of public property management on the territory of the municipality of Negotin.

## **LIST OF STATUS INDICATORS**

### ***1. Legal and Institutional Framework of Public Property Management***

1.1. Department of General Administration, Property and Housing Affairs of the municipality of Negotin

Indicator structure:	2014
The number of staff on the property and legal affairs of legal profession	3
Functional information system on real estate established	yes
Database on real estate in public ownership updated – regular update system established	yes
Census of public property completed (list the % of realisation if not)	50%

## 2. Financial and Organisational Framework of Public Property Management

### 2.1. Business premises

Indicator Structure:	2014
Leased business premises	48
Non-leased business premises	13

### 2.2. Amount of debt for the lease of business premises

Indicator Structure:	2014
Business entity	7,290,792.1
Non-profit associations and organisations	1,611,706.5

In dinars

### 2.3. Public company for construction land of the municipality of Negotin

Indicator Structure:	2014
Business plan created	No
Number of realised PPP projects	/
Realised funds in PPP projects	/

### 2.4. Budget of the municipality of Negotin and public property

Indicator Structure:	2011	2012	2013
Income from real estate sale	1,844,000	2,345,000	2,142,000
Income from property	49,215,000	38,530,000	44,448,000
Ongoing maintenance and repairs	29,472,000	46,600,000	54,394,000
Buildings and construction facilities (engineering)	92,779,000	112,460,000	225,054,000

In dinars

### **3. Planning and Strategic Framework of Public Property Management**

Indicator Structure:	2014
PPF Negotin adopted and in line with the local strategic interests	Yes
PGR Negotin adopted and in line with the local strategic interests	Yes
Sustainable Development Strategy of the municipality of Negotin adopted and there is a regular annual monitoring	Yes
Realisation of the capital investment plan	50%
Recertification of BFC standards of NALED	N/A

\* BFC standard municipality of Negotin, March 2014

## ACTION PLAN

### *Hierarchy of Objectives*

<b>Vision</b>	Public Property as a Stable Support for Socioeconomic Development of the Local Community					
<b>Strategic objectives</b>	<b>1</b>	<b><i>Improved legal and institutional framework of public property management</i></b>	<b>2</b>	<b><i>Improved financial – organisational framework of public property management</i></b>	<b>3</b>	<b><i>Improved planning – strategic and promotional framework of public property management</i></b>
<b>Expected results</b>	1.1	<i>Raised capacity of the Department of General Administration, Property and Housing Affairs of the municipality of Negotin</i>	2.1	<i>Improved Business Entity Management System</i>	3.1	<i>Planning documents harmonised with the current interests of the local community</i>
	1.2	<i>Raised capacity of the PC for construction land of the municipality of Negotin</i>	2.2	<i>Improved utilization of public property in the local economic development</i>	3.2	<i>Strategic documents and sectoral strategies harmonised with current interests of local community</i>
	1.3	<i>Improved information, legal and information basis for property management</i>	2.3	<i>Reduced costs for maintenance of communal infrastructure</i>	3.3	<i>Developed promotional mechanism for affirmation of investment potentials of the municipality with public property in focus</i>

O.no.	Strategic Objective:	O.no.	Indicator					
1	<i>Improved legal and institutional framework of public property management</i>	1	Procedures, transparency and financial effects of public property management accelerated by 10% in the period of 5 years					
O.no.	Expected results:	O.no.	Indicator					
1.1	<i>Raised capacity of the Department of General Administration, Property and Housing Affairs of the municipality of Negotin</i>	1.1	Performance on property cases accelerated and number of complaints reduced by 10 % in the period of 5 years					
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
1.1.1	Improvement of organisational –technical capacities of the Department	X	X	X	X	X	1.1.1	IT equipment improved; improved database on real estate and the basis for ownership registration of local self-government; realised education for the employed on the topic for public property management
O.no.	Expected result:	O.no.	Indicator					
1.2	<i>Raised capacity of the PC for construction land of the municipality of Negotin</i>	1.2	Growth of source income of public company by 20% in the period of 5 years					
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
1.2.1	Improvement of staff capacity of PC for construction land of the municipality of Negotin	X	X	X	X	X	1.2.1	Improvement of capacity of staff in the segments of project management, marketing and sale
1.2.2	Introduction of professional management in PC for construction land of the municipality of Negotin		X	X			1.2.2	Introduction of ISO standards of 9001:2008 quality in the are of company management
1.2.3	Creation of medium-term business plan of PC for construction land of the municipality of Negotin, defining of business model and KPI (key performance indicators)	X	X				1.2.3	Creation of business plan of public company with the defined business model adopted by the Municipal Assembly of Negotin
1.2.4	Reorganisation of PC for construction land of the municipality of Negotin and introduction of the sector for research and		X	X			1.2.4	Number of investment inquiries for concrete projects based on public property of the municipality

	development and marketing and sale							increased by 20%;
<b>O.no.</b>	<b>Expected result:</b>						<b>O.no.</b>	<b>Indicator</b>
1.3	<i>Improved information, legal and information basis for property management</i>						1.3	Access to data and legal acts on public property of the municipality of Negotin has been improved by 50% for the citizens through the Internet in the period of 5 years
<b>O.no.</b>	<b>Activities</b>	<b>Implementation Dynamics</b>					<b>O.no.</b>	<b>Indicator</b>
		<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>		
1.3.1	Creation of Plan of Review of Existing Rulings of the Local Self-Government in the domain of public property; updating of the existing and passing of the missing	X	X	X	X	X	1.3.1	Updated legal acts in the domain of public property management at annual level
1.3.2	Creation of WEB applications on the existing Internet Page of the municipality for search for public property (construction land and business premises)	X	X				1.3.2	Established the system of search for public property at the WEB page for the citizens of the municipality by different criteria
1.3.3	Digitalisation of data on land and plots including all the information on infrastructure – creation of GIS	X	X	X	X		1.3.3	Established GIS of public property of the municipality of Negotin
1.3.4	Digitalisation of the register of agricultural land which is leased, formation of database and its merging with the database of public property data of the municipality of Negotin	X	X				1.3.4	Database created for leased agricultural land which is integrated in the municipal database on public property and and GIS

O.no.	Strategic Objective:	O.no.	Indicator					
2	<i>Improved financial – organisational framework of public property management</i>	2	Income from local property increased by 20% and generated costs reduced by 15% in the period of 5 years					
O.no.	Expected result:	O.no.	Indicator					
2.1	<i>Improved system for public property management</i>	2.1	Visibility of business premises and ability and lease model improved by 25%; Depreciation costs reduced by 10%					
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
2.1.1	Definition and implementation of mechanisms for collection of receivables from lessee of the business premises	X					2.1.1	Debts of lessees of business premises reduced by 30% in the period of 5 years
2.1.2	Definition of standards for maintenance of leased business premises – reduction of the rate of depreciation of property	X					2.1.2	Ruling of the Municipal Assembly of Negotin (ot municipal council) on minimum standards for maintenance and investment in public property by the lessee of business premises and facilities was passed
2.1.3	Marketing promotion of business premises of the Municipality which are leased in order to have their maximum utilization	X	X	X	X	X	2.1.3	Number of non-leased business premises reduced by 30% in the period of 5 years
2.1.4	Improve the base of municipal business premises with additional information; create and establish the system for business property data updating	X	X				2.1.4	Improved database on business premises with data of importance for potential lessees and their businesses (locations preferences for characteristic businesses)
O.no.	Expected result:	O.no.	Indicator					
2.2	<i>Improved utilization of public property in the local economic development</i>	2.2	Number of businesses using public property of the Municipality increased by 15%					
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
2.2.1	Establish the subsidy mechanisms for development of economy which would include the use of public property		X	X			2.2.1	Created portfolio of public property intended for subsidies of local economy and activation models
2.2.2	Development of model of lease of public		X	X			2.2.2	Created portfolio of public property and



	property which is the most efficient manner of bringing effects of its value							its leasing/selling models
2.2.3	Formation of market system for determination of fees for communal equipment of construction land – pricing policy		X				2.2.3	Ruling on communal fees of the municipality passed by the Municipal Assembly of Negotin; Created market real scale of communal fees for equipment of construction land
2.2.4	Creation and realisation of cross border and neighbouring projects for affirmation of public property use in the economic context, particularly in the context of the Danube	X	X	X	X	X	2.2.4	Realised minimum 3 cross border / neighbouring projects for affirmation of public property of the municipality for economic purposes
2.2.5	Increase in the number and quality of business premises as a basis for the increase in export income	X	X	X	X	X	2.2.5	Number of business premises of the Municipality increased by 5%
<b>O.no.</b>	<b>Expected result:</b>						<b>O.no.</b>	<b>Indicator</b>
2.3	<i>Reduced costs for maintenance of communal infrastructure</i>						2.3	Costs of functioning of public lighting, sewerage and district heating system reduced by 25% in the period of 5 years
<b>O.no.</b>	<b>Activities</b>	<b>Implementation Dynamics</b>					<b>O.no.</b>	<b>Indicator</b>
		<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>		
2.3.1	Creation and the implementation of PPP model for public lighting which would reduce the maintenance costs		X	X	X		2.3.1	Maintenance costs and costs of public lighting system functioning reduced by 20%
2.3.2	Creation and the implementation of PPP model for sewerage system which would reduce the maintenance costs		X	X	X		2.3.2	Maintenance costs and costs of sewerage system functioning reduced by 25%
2.3.3	Creation and implementation of PPP model for improvement of the district heating system		X	X	X		2.3.3	Maintenance costs and costs of district heating system functioning reduced by 30%
2.3.4	Creation of the Master plan of the development of local communal network by the “smart networks” principle	X	X				2.3.4	Master Plan with the implementation plan adopted by the Municipal Assembly

O.no.	Strategic Objective:					O.no.	Indicator	
3	<b>Improved planning – strategic and promotional framework of public property management</b>					3	System of monitoring, evaluation and updating of planning and strategic documents and presentation of development priorities to interested parties has been improved by 20%	
O.no.	Expected result:					O.no.	Indicator	
3.1	<i>Planning documents harmonised with the current interests of the local community</i>					3.1	Planning documents with entered development projects of importance for activation of public property have been adopted	
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
3.1.1	Amendments to PPF of Negotin and updating of development priorities and policies of public property management		X	X			3.1.1	Adopted PPF with entered development projects of importance for activation of public property
3.1.2	Amendments to PGR of Negotin and updating of development priorities and policies of public property management		X	X			3.1.2	Adopted PGR with entered development projects of importance for activation of public property
O.no.	Expected result:					O.no.	Indicator	
3.2	<i>Strategic documents and sectoral strategies harmonised with current interests of local community</i>					3.2	Strategic priorities harmonised in the sectoral and integral development documents of the Municipality	
O.no.	Activities	Implementation Dynamics					O.no.	Indicator
		2015	2016	2017	2018	2019		
3.2.1	Creation of the development strategy for social housing with special reference to the use of public property for the mentioned purposes		X	X			3.2.1	Strategy of social housing has been adopted and public property to be activated for the mentioned purposes has been defined
3.2.2	Amendments to the plan of capital investments and updating of development priorities of public property management		X				3.2.2	Updated PCI with entered development projects of importance for public property management was adopted
3.2.3	Creation of medium-term plan and program of development of construction land harmonised with the plan of capital		X				3.2.3	Medium-term plan and program of development of construction land harmonised with the PCI and program

	investment and program budget of the Municipality at annual level							budget of the Municipality was adopted
3.2.4	Creation of plan for public debt management for the needs of capital expenditures (investment)	X					3.2.4	Plan for public debt management and strategic development priorities to be financed through the capital borrowing adopted
<b>O.no.</b>	<b>Expected result:</b>						<b>O.no.</b>	<b>Indicator</b>
3.3	<i>Developed promotional mechanism for affirmation of investment potentials of the municipality with public property in focus</i>						3.3	Visibility of investment potentials of the municipality of Negotin has been increased by 20%
<b>O.no.</b>	<b>Activities</b>	<b>Implementation Dynamics</b>					<b>O.no.</b>	<b>Indicator</b>
		<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>		
3.3.1	Creation of the catalogue of PPP projects for activation of public property and the model of their realisation	X	X				3.3.1	Catalogue of PPP projects with the minimum of 5 development projects which affirm the utilisation of public property with activation models has been created
3.3.2	Creation of Medium-term marketing plan and plan of promotion for concrete categories of investors with the focus on public property and the model of their activation	X					3.3.2	Medium-term marketing plan for promotion of investment potentials and projects with the focus on public property of the Municipality has been adopted
3.3.3	Creation of annual marketing plan of the municipality of Negotin with the plan of activities and promotion of concrete investment projects	X	X	X	X	X	3.3.3	Annual marketing plan for the promotion of investment potentials potentials and projects with the focus on public property of the Municipality has been adopted
3.3.4	Creation of specialised presentations describing concrete possibilities for investment in public property for special economic sectors	X	X	X	X	X	3.3.4	Promotional catalogue with presentations of investment possibilities in minimum three world languages has been created
3.3.5	Recertification of BFC standards every two years		X		X		3.3.5	Certification on recertification of BFC standards of NALED for each two years has been obtained

## MONITORING AND EVALUATION SYSTEM

According to the fact that the situation analysis was done separately for the municipality of Kladovo and Negotin, but in accordance with the same methodological setting, the final conclusions obtained are the following:

- Though there were different socioeconomic predisposition, both municipalities had almost identical issues in the domain of public property management
- Key subjects dealing with the management, maintenance and improvement of quality of public property are identical according to the defined authorisations (each administration has its own bodies of local self-governments and companies)
- Revenues from public property are significantly lower than the expenditures generated
- Investment in physical infrastructure and communal activities are not adequately revalued through the overall local economic growth
- Promotional aspect of investment potential affirming public property does not correspond to real information requirements of potential investors
- Almost nothing is invested in the commercial projects which could be of public interest
- Lack of professional market oriented management of public companies dealing with construction land and public property
- Lack of systematic monitoring and evaluation of the implementation of strategic and planning documents

In accordance with the aforementioned, the author team presented the platform with identical action plans to be implemented in the following 5 years in the municipalities of Kladovo and Negotin. We consider that the mentioned methodological approach is justified for two aspects:

- Two municipalities could jointly monitor the status of the sector of public property management through the realisation of similar or identical activities, and therefore, through the exchange of knowledge and experience, the mentioned processes could develop more efficiently
- According to different organisational and technical predispositions of the mentioned two municipalities, it could be seen which methodological approach in the realisation of certain solutions has better effect and in which circumstances.

Of significant importance will be the possibility of regular coordination of the competent services of local self-governments, so that the cooperation model, which is to be defined in the following period, could be used as an example of good practice for other local self-governments in Serbia.

The implementation process of the presented medium-term program must be clearly defined in order to ensure its continuation in the future. The key subjects identified during the creation of the document must be aware of their roles and responsibilities, and it is necessary that the local self-government performs the following: Ključni akteri koji su prepoznati tokom izrade dokumenta moraju biti svesni svojih uloga i odgovornosti, a lokalna samouprava je neophodno da:

- Assign responsibility – so that the plans can be realised efficiently
- Define a set of measurable objectives – in order to monitor the realisation improvement

Process of strategic planning is above all a dynamic process and the final documents are observed as dynamic, that is, changable instruments. As a guarantee of such active approach, the overall process of planning should be defined as a multi-year cycle; analyses – planning – implementation – realisation – evaluation – and repeated analyses. Five years later, a new medium-term program for public property management should be developed which should be harmonised with other sectoral and integral development documents.

Implementation phase of the presented medium-term program is based on the combination of the action plan, organisational structure and inclusion of interested subjects. Process of the creation of the medium-term program for public property management is incorporated and uses the existing structure of local administration. *Department of General Administration, Property and Housing Affairs of the municipality of Negotin* will be responsible for Program implementation control.

*Department of General Administration, Property and Housing Affairs of the municipality of Negotin* is responsible for implementation control preeminantly regarding four directions:

- Direct connection of the Action plan with the creation of acts of the municipal budget. For each activity within the Action plan, financial resources or financial sources must be provided;
- Direct connection with all municipal operational plans and departments. The Program must fully be integrated with the municipal daily operational procedures. Management system should precisely identify persons responsible for the implementation of certain activities and provide precisely defined authorisations and responsibilities of all heads of departments for implementation of that integrated process in the real time period (until the adoption of next municipal budget)
- Integration of the Program with the plans, projects and activities of all public and private institutions involved as main holders of the Action plan implementation, starting from various institutions and bodies of public administration, public communal companies, etc. A large number of daily management activities are performed in the field of urban system and strategic planning, under the power of different municipal institutions and bodies. Their full involvement in the implementation of the detailed action plan is of vital importance.
- Work coordination with competent bodies of the municipality of Kladovo

Completion and status of the implementation of the *Medium-Term Public Property Management Program of the municipality of Negotin* must be continuously monitored and evaluated through annual evaluation cycles using status indicators. The mentioned indicators represent a basis for the complete implementation monitoring system, as a basic part of management system. The indicators provide basic information and knowledge regarding the improvement of the Program implementation process and harmonisation dynamics. All changes of the indicators and all the results of annual evaluation must be available to all citizens through a single and readable report. This manner provides a transparent insight into the process of the overall realisation of the *Medium-Term Public Property Management Program of the municipality of Negotin*.