2030 Agenda Sub-Fund – UNDESA

PROGRESS REPORT

Project title	Addressing COVID-19 and Sustainable Investments along the Belt and Road by Strengthening Partner Countries' Capacities and Establishing a Network of Sustainable Investment Promotion (SIP) Facilities with Serbia as an Early Pilot
Project Reference no.	PDF-SDG-2020-02
Duration of project	March 15, 2021 - October 14,2023
Lead UN entity	UNDP
Partner implementing entities	General Secretariat of the Government of the Republic of Serbia, Council for Cooperation with Russia and China of the Republic of Serbia, Serbian Development Agency
Reporting period	April 1 - October 14, 2023
Project Total budget (a):	$ 999,646.54 total project budget; UNDP CO Serbia: $ 971,619.06
Expenditures to date (b):	US $ 945,517.41
Utilization rate (b/a):	97 %
Important issues (ONLY bullets - narrative in the relevant sections below)	• **The project ended on October 14, 2023.** All planned activities have been successfully completed. • **Four additional reports** were finalized by consultants, making **a total of 12 reports on the Open Balkans Initiative** that were delivered within the Legal advisory service activity. These reports have assisted the FDI Unit (that assists the Cabinets of the President and the Prime Minister) and the Serbian Development Agency to plan activities, as they have provided analysis and defined roadmaps for achieving full benefits of the agreements within the Open Balkan Initiative, as well as identification of obstacles for their full implementation. Also, expert assistance was provided for the implementation of the one stop shop at border crossings and establishment the SEED electronic system which connects customs of Initiative's countries. • **Three High level events** were held to promote the **SDG Investor Map** and investing in Serbia: 1) The Second Sustainable Investment Conference in June Belgrade, where the SDG Investor Map was presented for the first time to a wider audience; 2) the side event at the High Level Political Dialogue in New York (July 18, 2023), which showcased the SDG Investor Map to a wide audience of high level representatives of UN member states; and 3) the High level political forum during the China International Fair for Investment & Trade - CIFIT in Xiamen, China (September 9, 2023), where a high level political delegation from Serbia met and exchanged information and views on trade, investment, SDG's and cooperation in achieving sustainable growth with high ranking Chinese delegation. This heightened awareness raising on sustainable investments facilitated the decision of the Serbian government to base the next FDI strategy on the SDG Investor Map. • **Two knowledge exchange visits** were held that built on the high-level events organized (the SIP Forum in Belgrade, Serbia, in June and the CIFIT Investment Fair in Xiamen China in September). • **Online One-Stop-Shop Platform** has been launched, which will continue to be updated by the Belt and Road Institute that is hosting the platform. Also, a **promotional campaign** implemented to raise awareness on it. • **Research-based training curriculum on eCommerce was developed and direct support to 29 companies** was delivered to assist them to introduce eCommerce. • **Representatives of 22 companies were trained on ESG standard**s, which exceeded the target of 10 companies by 110%. Two sets of trainings (April-May & September-October) were held and, an **awareness raising campaign** on the standards was implemented, generating huge impact in the business community. • **A Final event was held showcasing the project results and a certificate award ceremony** for the companies that attended the ESG training.

1. SUMMARY OF ACHIEVEMENTS TO DATE

This reporting period marks the final stage of project implementation. The project ended on October 14, 2023, with all activities completed.

Achievements in the reporting period include:

Under Outcome 1, **The SDG Investor Map** was finalized in the previous reporting period, as per the unique SGD mapping methodology created by the UNDP HQ SDG Impact Team, which also had a significant role in the process related to strategic guidance and overall quality control during map development. The Map was presented internationally. It has generated huge interest and has in a short time become an important topic, and the heightened awareness raising on sustainable investments generate through the promotion of the Map, has contributed to the government decision to base the next FDI strategy on the SDG Investor Map. Also, the **legal advisory service** has been concluded with the consultants delivering the final set of reports, dealing with labor relations and trade within the Open Balkans Initiative, and a report on the current situation regarding the Open Balkans Initiative was prepared. As initially planned, a total of 12 reports has been delivered within the project, to assist the FDI Unit of the Cabinet of the President and the Serbian Development Agency to plan activities. The reports have provided analysis of implementation of the various agreements within the Open Balkans Initiative and defined roadmaps for achieving their full benefits as well as identified obstacles for their full implementation The **Online One-Stop-Shop Platform** was finalized and promoted in the reporting period. This online tool is hosted by the Belt and Road Institute and will continue to be upgraded and updated by the Institute beyond the project lifetime.

Screenshot of the SDG Investor Map in English

All events under Outcome 2, have been successfully organized. Three high level events which were opportunities to also promote the SDG Investor Map as well as investing in Serbia: 1) The Second Sustainable Investment Conference was held in June 2023, in Belgrade, where the SDG Investor Map was presented for the first time to a wider audience; 2) the side event at the High Level Political Forum in New York, UN, (July 18, 2023), which showcased the SDG Investor Map to a wide audience of high level representatives of UN member states; and 3) the High level political forum during the CIFIT Investment Fair in Xiamen, Fujian Province, China (September 2023), where a high level political delegation from Serbia met and exchanged information and views on trade, investment, SDGs and cooperation in achieving sustainable growth with high ranking Chinese delegation. Also, two knowledge exchange visits were held that built on the high-level events organized (the SIP Forum in Belgrade, Serbia, in June and the CIFIT Investment Fair in Xiamen China in September) providing an opportunity for participants to learn and share experiences on topics important for social and economic growth. The abovementioned events engaged more than 480 people.[1]

Under Outcome 3 two sets of trainings were held. The first trainings **on eCommerce**, engaged 29 companies, firstly through a deep dive, where the exact needs of SMEs regarding eCommerce were

[1] Due to the nature of the event in New York which was organized as a side event to the High-Level Political

identified, and then a training and recommendations were developed to match the needs of these companies and direct support for eCommerce implementation was provided to selected SMEs. Also, a concise online learning guide has been created has been made available online, through the Online One Stop Shop Platform. **The second set of trainings focused on environmental, social, and governance (ESG) standards** [2]. In the two sets of ESG Practitioner trainings that were held, 32 companies were engaged out of which 22 completed the trainings successfully and obtained the certificate of attendance. In parallel to the trainings, a promotional/awareness raising campaign was implemented. The success of the campaign has been proven by the huge interest for the training that was generated, with more than 100 companies applying for the trainings.

The project ended with a final event on October 13, 2023, that showcased the project's results and during which certificates were given to the companies that completed the ESG Practitioner training.

2. REVIEW OF PROGRESS

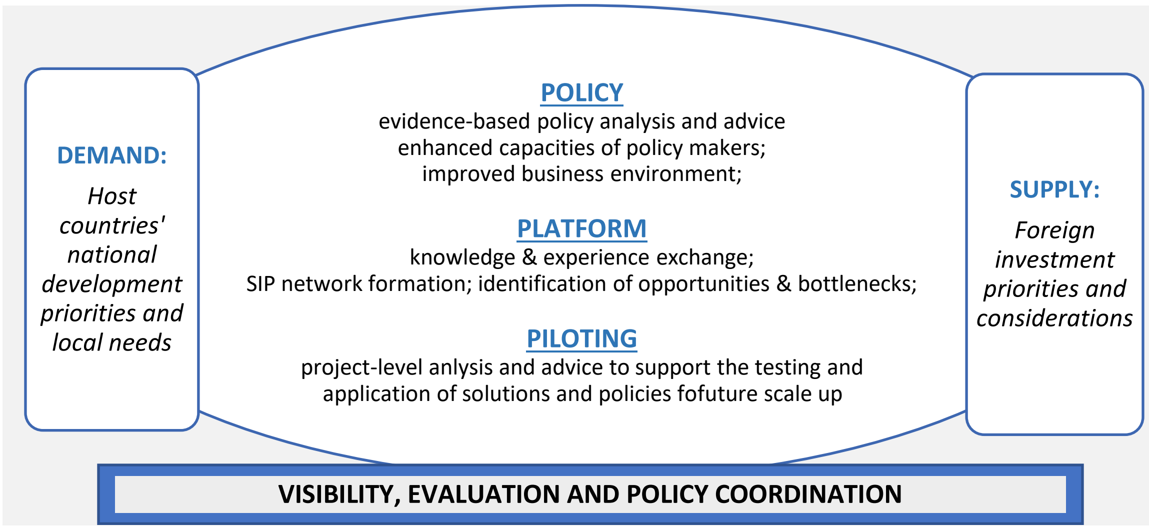
The Project

Through policy engagement, platform building, and piloting projects, the SIP Project in Serbia aims to improve the country's overall investment climate to attract and sustain foreign investments that counteract the impact of COVID-19 on economic and social sustainability of development in the country. This was done through strengthening the relevant institutional frameworks and further developing capacities.

The overarching short-term goal was to provide a multilateral framework of cooperation to leverage sustainable investment opportunities in response to the immediate aftermath of the COVID-19 pandemic, to show early and positive results, bridge communication gaps, and ensure that foreign investments complement existing programs and local stakeholders are fully engaged. The program first focused on the positive early results in Serbia and aimed to generate: i) concrete, relevant and effective modalities for setting up an effective SIP facility; and ii) concrete lessons for what areas to focus on to maximize impact and what approaches work the best (and which ones do not).

Dialogue organized by ECOSOC are organized, we were not able to capture the exact number of participants at the side event.

[2] Environmental, social, and governance (ESG) criteria are a set of standards for a company's behavior used by socially conscious investors to screen potential investments. They are the root to sustainable finance, in the financial sector as environmental, social and governance (ESG) criteria into account when making investment decisions, leading to more long-term investments in sustainable economic activities and projects. In the Europe Union, these standards are regulated by the Corporate Sustainability Reporting Directive (CSRD), more available at this link.



The intermediate and long-term goals were set to improve overall investment cooperation and conditions towards a sustainable, forward-looking path, and to anchor the investment promotion approach in well-structured, local institutions that embody local needs and development priorities of partner countries.

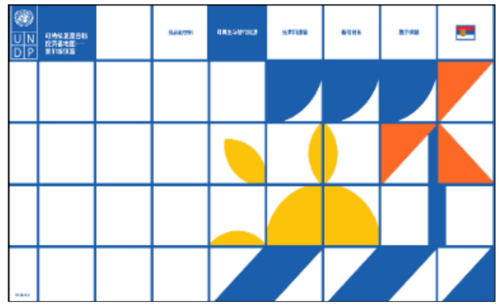
Progress in the Reporting Period

In this period the UNDP team has focused on implementing the following activities:

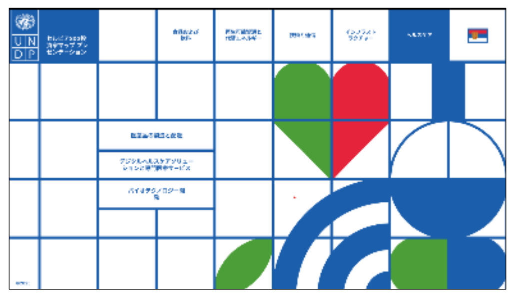
Outcome 1

IA 1.2 A Post-COVID-19 SDG Investor Map – Although the SDG Investor Map (SIP MAP) was completed in the previous reporting period, in this period it was designed into an interactive, user friendly, online tool, where all information that was accumulated through the unique eight step SDG mapping methodology created by the UNDP HQ SDG Impact Team was congested and made available in a few clicks[3].

The online tool provides information on the five sectors have been selected as the ones identified with the highest priority in Serbia (Food & Beverage, Technology and Communications, Infrastructure, Renewables and Alternative Energy, and Healthcare) and the thirteen Investment Opportunity Areas, which were identified. It also provides information on potential sustainable investment opportunities, the scope and size of investment projects, rate of return on investment, etc.



Screenshot of the SDG Investor Map in Chinese



Screenshot of the SDG Investor Map in Japanese

This platform is accessible to all interested parties, public and private, both domestic and foreign investors, enabling them to identify sustainable investment opportunities in Serbia. The SIP Map is available in three languages, English[4], Japanese[5] and Chinese[6], to reach a wider audience and encourage investment in sustainable development.

The SIP Map was showcased at all events organized by the project, as well as other investment promotion events hosted both by UNDP and Serbian national partners. The promotion of the SIP Map began in June 2023 in Belgrade Serbia, and in less than five months the Map steadily became one of the "hot topics" of all events that promoted or were hosted by Serbia.

National partners recognized the potential and importance of the SIP Map and have placed it among the top four presentations of initiatives that will be promoted and worked on in the next 5 years (alongside the Bio4 project[7], Innovation District in Kragujevac and Expo 2027[8]). Importantly, the Government of Serbia has recognized the importance of the map and has decided to base the next foreign direct investment strategy on the SDG Investor Map. The map has been presented at all major events, including most recently the Biotech Future Forum 2023[9], held on October 20, 2023, in Belgrade Serbia, where Minister Jelena Begovic,

[3] More on the SDG Investor Map and its methodology can be found at https://sdginvestorplatform.undp.org/market-intelligence .
[4] The SDG Investor Map is available in English on this link.
[5] The version of the Map in Japanese can be found here.
[6] The Chinese version of the SDG Investor Map can be found here.
[7] More information on the Bio4 project is available at https://bio4.rs/
[8] More information on the Expo 2027 project is available at https://expobelgrade2027.org/ .
[9] More on the BBF can be found at https://c4ir.rs/en/biotechbeg-en/ .

Minister of Science, Technological Development and Innovation, presented the SIP Map and spoke of its potential.

This is also underscored by the reports in the media, whether quoting national partners from events or in interviews to the media, which highlight the SDG Investor Map as one of the four most important topics.

IA 1.3 Legal advisory service - Further legal expert support was delivered to the Foreign Direct Investment Unit in implementing the agreements deriving from Open Balkan Initiative. Consultants Jelena Radulović – National Consultant for Progress Monitoring and Nenad Đurđević - National Consultant for Trade Facilitation, worked to help harmonize the policies and legal framework related to labor relations and trade. They provided three additional reports, totaling eleven reports for the duration of the project. The reports submitted in this reporting period focus on:

- Report on the procedures for border crossing and movement of goods
- Report on the introduction of electronic mechanism for exchange of trade documents
- Report on implementation analysis of the Agreement on conditions for free access to labor market in the Open Balkan countries

Also, the consultants provided an Open Balkans Progress report, which provided an update on the current status of the Open Balkan Initiative.

The focus of the reports are the agreements which were concluded between Serbia, North Macedonia and Albania, with the aim to harmonize the policies and legal framework related to free movement of goods, labor and capital in the Open Balkan countries. These reports provide analysis and roadmaps to enable the full implementation of the agreements. They deliver an overview of the legal and political obstacles which needed to be lifted to achieve full implementation of the *Agreement on the interconnection of electronic identification schemes for citizens of the Western Balkans* and *Agreement on conditions for free access to the labor market in the Western Balkans*. Also, expert support was included to enable the national counterparts to understand the advantages of implementation of the *one stop shop at border crossings* as well as to facilitate the establishment the *SEED electronic system* which connects customs of three countries which is also on its path to full implementation. The consultants provided overview to the FDI Unit of all initiatives originated in the Open Balkan process which made progress tracking and obstacles easier to detect.

These services were provided to the FDI Unit (which is an advisory unit to the Cabinet of the President of the Republic, and the Cabinet of the Prime Minister) and to the Serbian Development Agency.

Outcome 2

Activities under Outcome 2, as they involved travel and in person meetings, have been continually impacted by COVID-19 and the countermeasures that were introduced globally. The dialogues and visits were pushed back during project implementation, waiting for the countermeasures to be lifted. As the situation improved in Q1 2023, we continually liaised with the national partners and UNDP China to find opportunities to organize the events that will suit both the Serbian and Chinese sides. In the previous report, we listed the events that were selected for implementation which included:

- High level political forum in Belgrade (June 2023)
- High-level policy dialogue/Investment Forum in China (Beijing, September 2023)
- High-level policy dialogue/Investment Forum in China (Xiamen, September 2023)
- Knowledge exchange visit Serbia (June 2023)
- Knowledge exchange visit China (September 2023)

Prior to organizing the events in both China and Serbia, we conducted surveys to gauge the expectations and preferences of potential participants.

In communication with our Chinese partners, we were advised to carefully consider the planned potential Investor visit from China, as the country had just opened up after several years of lockdown introduced due to the COVID pandemic, and people were carefully considering the trips that they were taking (from business to personal holiday travel). They suggested we expand the idea and use the opportunity to create a larger learning opportunity. We liaised this idea with our national partners and agreed to use the initiatives that were initiated by the Belt and Road Institute and build on these activities. In coordination with the Institute and other national partners we confirmed that the knowledge exchange would build on the High-level political forum in Belgrade in June 2023. Through communication with the BRI Institute and other national partners we identified the area that was of most interest for all partners to be developed on – to engage youth, business, international organizations, and governments, to share their views and experiences and ideas for sustainable economic development and investment.

To gauge interest and to understand the needs of potential participants, we surveyed the Serbian national partners on the two upcoming events, the High-level Policy Dialogue and Investment Forum in China set for Beijing and Xiamen in September 2023. Respondents indicated a strong preference for the organization of the events in this period. Feedback from potential participants (over two-thirds) expressed a desire for the forum and high-level dialogue to be consolidated into a single trip, specifically favoring Xiamen and the CIFIT Investment Fair, as the chosen venue, due to the importance CIFIT has globally, as one of the most prominent investment and trade fairs in the world.

We also researched the interest and intentions regarding the knowledge exchange visits. The Serbian partners communicated that they were interested in participating in the knowledge exchange visits (all surveyed confirmed interest). Almost all surveyed indicated the preference for the knowledge visit to be held *within* the CIFIT Investment Fair and maximizing the effect of the high-level delegation that was visiting. Surveyed national partners indicated that they would like the knowledge exchange visit to focus on practical meetings with countries presenting at the fair, to share views and exchange lessons learned and best practices in investment promotion.

Based on this feedback we adjusted the planned events and successfully organized the events described below.

IA 2.1 Two sets of annual SIP events with participation from all countries investing in Serbia, held in Serbia and abroad

- **High level political forum in Belgrade (June 2023)** - The UNDP team in cooperation with national partners organized the Sustainable Investment Promotion Forum in Belgrade, Serbia on June 30, 2023. The June SIP Forum continued the discussion around the challenges in achieving the Sustainable Development Goals (SDGs) as a driving force for ending poverty, protecting the planet and ensuring prosperity for all people. The Forum was opened by introductory remarks from a high-level panel which included Tomislav Momirovic, Minister of Domestic and Foreign Trade, Government of the Republic of Serbia, H.E. Chen Bo, Ambassador of the PR China to the Republic of Serbia and Mr. Yakup Beris, Resident Representative, UNDP Serbia.

  Minister Tomislav Momirovic, Belgrade

  The Forum focused on promoting sustainable investments that not only generate profits but also contribute to sustainable development and broader social impacts. Highlighted were the potential social and economic benefits from foreign investment.

  The event showcased the "SDG Investor Map," presented by Professor Dragan Loncar, who headed the team that developed the SIP Map. He introduced the Map as a tool that aligns emerging markets with national development needs and government policies to attract investors. Professor Loncar presented the unique methodology consisting of 8 steps of SIP Map development. He stated that the SDG Investor Map transforms the needs and priorities stated in the Sustainable Development into real investment opportunities, with concrete data and information that is essential when making decisions about starting investments. Prof. Loncar’s key message was that sustainable investment can be profitable, as can be seen using the SIP Map.

  Key features of the Map are: 1) country-specific market information, supported by data and evidence 2) all analyses are done locally by UNDP offices, based on detailed research 3) available as a public good to investors and governments 4) findings are available through an online platform for easy access to domestic and foreign investors 5) it promotes sustainable investment and helps mobilize private capital, and encourages dialogue on necessary changes in investment policy.

Based on detailed analyses and implemented methodology, the following priority sectors were identified in Serbia: 1) the Food and Beverage Sector, with a special focus on agricultural production and the agro-industrial complex, which represent the country's long-term comparative potential with significant investment space; 2) the Renewable and Alternative Energy Sector, which in light of the country's obligations regarding the reduction of CO2 emissions and the global energy crisis, requires significant investments in new energy infrastructure and sources; 3) the Technology and Communication Sector, which is becoming one of the key generators of the country's development, with great potential for progressive growth, economic progress and improvement of the general social standard; 4) the Infrastructure Sector, with significant investment needs in numerous areas (utility systems and networks, waste management, transport infrastructure, agricultural infrastructure, real estate management) which are a prerequisite for the general development of the country, and the achievement of the Sustainable Development Goals. Infrastructure for tourism development is also included in this group; and 5) the Health Services Sector, with a focus on possible investments in the field of biotechnologies, drug production and specialist health services. Also presented were sustainable projects from the five areas, that are highlighted by the map and panel discussions on sustainable investment were held.

Chinese Ambassador H.E. Chen Bo, Belgrade

A total of 116 persons attended the Forum (106 in person, an additional 10 online).

- **High-level policy dialogue/Investment Forum in China** – Based on feedback from national partners as part of the CIFIT Investment Fair (China International Fair for Investment and Trade), on September 9, 2023, in Xiamen, the Second Investment Forum was held.

  CIFIT, the China International Fair for Investment & Trade took place in Xiamen, Fujian Province, PR China from September 8 to 11, 2023. CIFIT is the largest investment fair in the world, which this year was held under the slogan "Openness and integration - the path to high-quality development". Also, the fair held special importance this year, as it was the first large event since China's post-COVID opening early in 2023.

The Republic of Serbia was the guest of honor at the Fair, with a national delegation headed by the Deputy Prime Minister and Minister of Culture Ms. Maja Gojkovic, and Dr. Jelena Begović, Minister of Science, Technological Development and Innovation, Mrs. Dubravka Djedovic Handanovic, Minister of Mining and Energy and Dr. Mihailo Jovanović, Minister of Information and Telecommunications, as well as other high-ranking representatives of the Serbian Government. The official opening of the Serbian pavilion was September 8[10], while a day later, on September 9, the Serbian investment forum entitled "One China One Serbia" was held. The Chinese delegation was headed by Mr. Wang Jinfu, Vice Governor of Fujian Province, and included Mr. Ji Xian Feng, Vice Mayor of Xiamen, Mr. Liu Kai, Deputy Director General of Department for European Affairs MOFCOM and Mr. Huang Dezhi, Deputy Director General of Fujian Provincial Department of Commerce.

Minister Maja Gojkovic, CIFIT 2023, Xiamen, China

Minister Jovanovic, Cifit 2023, Xiamen China

Serbia presented four projects at the forum - Expo 2027, BIO4 Campus in Belgrade, Innovation District in Kragujevac, and the SDG Investor Map. The SIP Map was translated to Chinese to allow easy access to the Chinese partners.

A total of 205 persons was present at the event.

- **High level political forum New York, USA** - The High-Level Political Forum (HLPF) is the United Nations' central platform for monitoring progress on the 2030 Agenda and the Sustainable Development Goals (SDGs). The forum meets every year under the auspices of the Economic and Social Council (ECOSOC). The HLPF took place from July 10 to July 19, 2023, addressing the theme "Accelerating the recovery from the coronavirus disease (COVID-19) and the full implementation of the 2030 Agenda for Sustainable Development at all levels." During the forum, participants discussed recovery measures for addressing COVID-19's impact on the Sustainable Development Goals (SDGs) and

[10] The Serbian Pavilion received an award for the best and most visited pavilion at CIFIT. More information available at https://www.srbija.gov.rs/vest/en/213864/serbias-national-pavilion-at-cifit-china-fair-declared-best.php

provided policy guidance for the 2030 Agenda's full implementation. Specifically, the HLPF in 2023 conducted in-depth reviews of several SDGs, including Goals 6 (clean water and sanitation), 7 (affordable and clean energy), 9 (industry, innovation, and infrastructure), 11 (sustainable cities and communities), and 17 (partnerships for the Goals). The event also supported the mid-term review of SDG implementation and prepared for the 2023 SDG Summit, scheduled for September under the auspices of the General Assembly. Various additional events, such as Side Events, VNR Labs, Special Events, and Exhibitions, took place on the sidelines of the 2023 HLPF.

Serbian delegation and UNDP colleagues at the High Level Political Dialogue in New York

An event was organized on the margins of this meeting, as a side event. The event took take place on July 18, 2023, in the United Nations, New York, USA, entitled “Turning Financing Frameworks into Action”. Our efforts to engage the Government of Serbia to understand the importance of the event and to take part in it, resulted in the GoS to also be one of the co-Organizers of the event. Co-organizers included Government of BiH - SDG Financing Framework and the Government of Indonesia - SDG INFF, with presentations from SIDA on the Alignment with Addis Ababa Action Agenda and the UNDP on Upgrading the global financial architecture and role of UNDP. The Keynote speaker to the event was Professor Jeffrey Sachs.

The SIP Map was presented by Minister Jelena Begovic (Ministry of Science Innovation and Technological Development) showcasing the story of sustainable investment in Serbia and promoted sustainable investment projects in Serbia and Serbia as a sustainable investment location. She highlighted that the Map helps translate SDG needs and policy priorities into actionable investment opportunities that align with economic, social, and environmental sustainability principles and practices. This presentation of the SIP Map positioned Serbia as one of the countries that advocate the unlocking of private capital for reaching the SDGs.

Minister Begovic presenting the Map at the side event, High Level Political Forum in New York, 2023.

IA 2.2 Two knowledge and information exchange visits – As explained above, based on the feedback from national partners and potential participants, the two planned knowledge and information exchange visits formats were adjusted, and the two visits were successfully organized. They were organized in combination with the Belgrade Sustainable Investment Forum in June, and the High-level political dialogue and Investment forum in Xiamen, China during the CIFIT Investment Fair. The two visits were closely coordinated with the UNDP China country office and the national partners.

- **Knowledge exchange event in Serbia –** Based on the feedback from national partners, in partnership with the Belt and Road Institute, building on the impact of the Sustainable Investment Promotion Forum in Belgrade, on June 30, 2023, we organized a knowledge exchange event. The event was crafted as a Think Tank Conference, building on the previous conferences the Belt and Road Institute held. The knowledge exchange focused on four areas:
    - Synergy in Action: This session emphasized the importance of fostering innovation, digital connectivity, and youth engagement in the realms of science, technology, and art. Participants shared experiences and best practices related to ways to harness the collective power of these areas to drive sustainable economic development, focusing on meeting the SDGs.
    - Nurturing Emerging Leaders: Dedicated to empowering young thinkers in a multipolar world, this panel explored how the youth can contribute to interconnectivity. Panelists and participants shared experiences on sustainable inclusive active environments which are catalyst for growth. They discussed strategies to leverage the potential of young minds, ensuring their active involvement in sustainable development efforts aligned with the SDGs.
    - Bridging Borders: The participants explored the importance of global cooperation for reaching the SDGs and facilitating sustainable economic growth through partnerships. Participants underlined the importance of engaging youth and shared ideas and knowledge on how youth can play a pivotal role in fostering international collaboration and overcoming global challenges, with a focus on sustainable economic development.
    - Driving Sustainable Development and Environmental Resilience: In this session, the emphasis was on sustainable development and environmental resilience in a multipolar world. Participants discussed practical strategies to drive environmentally sustainable practices and economic growth, aligning with SDGs, in a world characterized by diverse geopolitical forces. Valuable exchanges were made on the importance of sustainable investment and economic development, which also took into consideration the environment.

The knowledge exchange event in Belgrade, Serbia

The knowledge exchange event drew in participants from Bulgaria, France, Greece, Italy, Montenegro, China, Poland, Kazakhstan, North Macedonia, Serbia, Slovenia, and Tanzania. A total of 69 participants were present. The after-event feedback from participants shows that the information, ideas and experiences shared have enriched their thinking and that they will use the knowledge obtained in their country's economic development. All participants confirmed that sustainable investment solutions are priorities and that the environment needs to be taken into consideration when decisions on investment and economic development are made.

Information on the event is annexed to the report.

- **Knowledge exchange event in China, Xiamen, Fujian Province.** – The high-level State Delegation, which participated in the Forum during CIFIT Investment Fair in Xiamen, China, during their visit also participated in knowledge exchange meetings with targeted delegations and companies. The knowledge exchange meetings were held for the duration of the CIFIT Investment Fair (September 8-11, 2023) and the national partners met with representatives of several selected countries, the topics and conclusions of the exchanges include:
    - Discussions with the **Chinese delegation** – after the high-level political dialogue, a knowledge exchange session was held which included discussions on the foreseen changes to the trade agreement between Serbia and China. The talks focused on new areas of economic collaboration, on strategies to address environmental sustainability and climate change through sustainable investment, best practices in creating free zones and cooperation in emerging technologies and innovation.
    - Discussions with representatives of the **Brazilian delegation** – talks revolved around sustainable investment best practices and lessons learned, also focus was given to sustainable agriculture and regenerative agricultural initiatives, experiences, and knowledge regarding environmental resilience. Also, the participants identified areas for possible South – South cooperation.
    - Discussions with representatives of **Singaporean delegation** revolved around exchanges of experiences creating the environment for the next generation of investment, and the "fifth industrial revolution", the importance of digital infrastructure and technology, cybersecurity cooperation, and scientific research collaboration, particularly in the area covered by Serbia's BIO4 initiative, like biomedical sciences and biotech.
    - Discussions with representatives of **UAE delegation** included exchanges on sustainable investment promotion, as well as knowledge and best practice in energy policy and investment in renewable energy, and cooperation and investment in innovation and scientific research.

  The delegation also met and exchanged ideas and views with the business community, including corporations like Zijin Mining Group, BYD Co. Ltd, Haier Smart Home Co, but also the Bank of China, China Merchants Bank and China Construction Bank.

IA 2.3 An online SIP One-Stop Shop Platform – In the reporting period the online One-Stop Shop Platform (OSS Platform) was finalized and launched[11]. This platform serves as a centralized hub for sustainable investments. The OSS Platform encourages investments that align with local needs and offer investment opportunities, post-COVID-19, while reducing transaction costs associated with project identification and screening. Additionally, the platform provides an enhanced online learning and capacity development experience, and easy access to analysis and measures for project de-risking and assessment. The OSS Platform prioritizes social, environmental, and governance aspects, thereby enabling investors to make informed decisions.

Screenshot of the online One-stop Shop Platform.

In parallel to the launch of the platform a media campaign was initiated to raise awareness on it and draw in users. The visuals and details of the campaign are annexed to this report.

Under Outcome 3:

IA3.1 A pilot online training curriculum package – Having fully agreed with the national partners that this support would be delivered in three phases, the UNDP team contracted a consultant that identified the exact needs of SMEs regarding eCommerce, based on which training and direct support for eCommerce implementation would be provided to selected SMEs.

In Phase 1, the consultant reviewed existing data and knowledge on export-focused e-commerce in Serbia, which included reviewing relevant Serbian and international reports, studies, scientific research, and statistics on e-commerce trends, the Serbian export-focused e-commerce ecosystem, and the impact of the COVID-19 crisis. The consultant identified systemic deficiencies and made recommendations. He identified that a clear front-runner in the e-commerce landscape in Serbia is the accommodation and services sector, with 84.5% of the enterprises from this sector having an e-commerce presence. The second most significant sector is the information and communication sector, where 53.2% of companies have an established e-commerce business. The top three is rounded with wholesale and retail sector, which has 38.4% of enterprises engaging in e-commerce. **Serbian top three sectors match with the EU top three sectors.** In Phase 2, qualitative deep-dive research into 15 relevant companies (out of the 29 preselected) was conducted to identify pain points in the e-commerce journey and opportunities and outline possible solutions. In Phase 3, based on the findings from the first two phases, an online curriculum for eCommerce introduction was developed and implemented, and the selected companies were trained. Also, the selected companies received direct support from a pool of experts to overcome obstacles, create customized e-commerce roadmaps, and document the overall progress of the process in two segment areas 1) how to establish a logistics center in the EU and 2) how to become ready for the Asian markets.

Findings are compiled in the consultant's reports, attached as an annex to the report.

[11] The platform is available at https://bribelgrade.org/ .

IA 3.2 Pilot training package on Environment, Social and Governance criteria Standards (ESG Standards)[12] - As was identified the implementation of ESG standards in small and medium-sized enterprises (SMEs) has become increasingly important, as investors and potential business partners use these criteria more often when making investment decisions. To support SMEs in aligning their business processes with ESG criteria, four consultants were contracted, and a training program called ESG Practitioner was designed and implemented in collaboration with the Serbian Development Agency (RAS).

Photos from the Final event, October 2023

The program, which includes expert lectures and workshops, was designed to provide practical knowledge and experiences for implementing ESG standards into SME business processes. It was designed for representatives of SMEs who want to increase their business sustainability, companies that are export-oriented, part of or have ambitions to become part of the supply chains of large multinational companies, as well as companies that want to improve risk management and take advantage of the opportunities that the implementation of ESG criteria brings.

In addition to the training program, an awareness-raising campaign was created and implemented to promote the importance and benefits of ESG standard introduction in SMEs.

The training was implemented through a hybrid of online and in person training sessions. Although planned as one training session for up to 10 companies, the relevance of the topic of the training and promotional campaign that raised awareness on the importance of the introduction of ESG standards, created a huge demand for the training. For the second round of training, 19 companies were selected, based on their size, business activity, export-orientation and international supply chain ambitions. The companies selected were from all parts of Serbia: Sombor, Kragujevac, Kraljevo, Nis, etc. Business sectors covered included production of furniture, signalization, trains, hydraulic pumps, packaging etc.

[12] Environmental, social, and governance (ESG) criteria are a set of standards for a company's behavior used by socially conscious investors to screen potential investments. Environmental social, and governance criteria consider how a company safeguards the environment, including corporate policies addressing climate change, for example. They are the root to sustainable finance, in the financial sector as environmental, social and governance (ESG) criteria into account when making investment decisions, leading to more long-term investments in sustainable economic activities and projects.

The first sessions took place in April and May 2023, while the second in took place in September and October 2023. For the first round of trainings 13 companies from the portfolio of the Development Agency of Serbia were selected and 10 companies completed the trainings successfully, with participating in at least 50% of training sessions. The second round of trainings was organized in September and October 2023. After an open call for applications, 19 companies were selected and 12 completed the training successfully. Certificates were awarded on the Closing event on October 10, 2023.

Feedback from the participating companies confirms the relevance of the topic, as well as the importance for such training as 70% of the companies surveyed reported that they had little or no understanding of the ESG standards. The companies also confirmed the timeliness of the trainings, as the new EU directives are slowly introducing non-financial reporting as mandatory.

To mark the closing of the project and to share knowledge and information obtained and showcase the project results, a ***final event*** was organized on October 10, 2023. Forty-nine participants representing government, academia, the international community, the public and private sector were present. Speakers included representatives of Government, UNDP and the companies that participated in the final ESG Practitioner workshop. The event ended on a high note, with the award of certificates for the companies that participated in the ESG training.

Table 1 – Review of Indicators of Achievement

INDICATOR as approved	BASELINE at the start of the project	INDICATOR OF ACHIEVEMENT at time period of reporting (DO NOT REPEAT ACTIVITY DESCRIPTION)	Comments
Outcome 1 **<u>Policy:</u>** Strengthened capacities of policymakers in Serbia to understand the impact of COVID-19 on enterprises, identify practical challenges, priorities, regulatory and institutional gaps in sustaining and upgrading investments and businesses that support Serbia's post-crisis recovery and long-term sustainability of its development.			
IA 1.1 An impact assessment study of COVID-19 on enterprises, and its outcome to be developed into an assessment report summarizing key findings with relevant case studies/best practices included.	No available impact assessment of COVID-19 on business.	*Completed.* *100% of activity completed.*	*The activity has been completed on time and as planned and reported on in the previous period.*
IA 1.2 A Post-COVID-19 SDG Investor Map to highlight business opportunities as well as potential social and economic benefits of foreign investments in priority sectors, subsectors, sub-regions and, more gradually, proven business models to safeguard social security and stimulate economic growth in Serbia after the COVID-19 crisis.	No post- COVID-19 SDG investor map for Serbia available.	*Completed.* *SDG Investor map created.* *100% of activity completed.*	*The activity has been completed on time and as planned and reported on.* *Although the map was finalized in the previous period, in the reporting period it was designed as an interactive tool. It was made available in three languages (Japanese[13], English[14] and Chinese [15]).* *The Map was promoted at 3 high level events, as is reported below.*

[13] The interactive SIP Map design in Japanese is available at this link.
[14] The interactive SIP Map design in English is available at this link .
[15] The interactive SIP Map design in Chinese is available at this link.

IA 1.3 Legal advisory service to the Serbian government to align its national legislations and investment policies with Albania and North Macedonia at first, so as to enable the free movement of goods, services, people and capital (i.e., EU principles of "four freedoms") in the Western Balkans, facilitating cross-border transport and trade, and improving the general business environment to attract and sustain foreign investments on both national and regional levels after the COVID-19 crisis.	Legal advisory services are not available for national governments to algin legislation and policies and enable the EU "Four Freedoms" in the Western Balkans.	*Completed.* *100% of activity completed.* *In total 12 reports have been delivered as part of the legal advisory service.*	*Although the implementation of this activity has had slight delays, timelines were slightly adjusted due to delays in the ratification of agreements.* *In the reporting period the two legal consultants have delivered an additional 3 reports, completing the task of delivery of legal advisory services:* *•Report on the procedures for border crossing and movement of goods* *•Report on the introduction of electronic mechanism for exchange of trade documents* *•Report on implementation analysis of the Agreement on conditions for free access to labor market in the Open Balkan countries* *Also, the consultants provided an **Open Balkans Progress report**.* *Reports are attached to this report as annexes.*
Outcome 2 **Platform** Enhanced knowledge, information exchange and communication on foreign investment opportunities, fostered knowledge and experience sharing on investment-led employment stimulation and economic growth after COVID-19, and an established learning and capacity development network among the SIP			

pilot countries towards presenting investment policy as well as governance solutions to counteract the impact of COVID-19 on economic and social sustainable development in Serbia.			
IA 2.1 Two sets of annual SIP events with participation from all countries investing in Serbia, held in Serbia and abroad (i.e., High-level Policy Dialogue and Sustainable Investment Promotion Forum) for increasing the awareness and forging mutual understandings among targeted regional cooperation stakeholders (e.g. Western Balkans, EU, Central Asia, etc). The aim is to identify how to advance sustainable investments in support of Serbia's post-crisis recovery; as well as gaps, lessons learned, and pathways to advance sustainable investment in Serbia and beyond with a specific focus on enterprises most affected by COVID-19.	No annual SIP events with participation from all countries investing in Serbia, held in Serbia and abroad.	*Completed.* *100% of activity completed.* *In the reporting period three high level events were held:* *HLPF in Belgrade, Serbia (June 2023)* *HLPF New York, a side event presentation of the SDG Investor Map (July 2023)* *Also, the second investment forum took place during the CIFIT Investment Fair (China International Fair for Investment and Trade), (September 2023 in Xiamen, China).*	*Slightly delayed, due to the COVID-19 pandemic and travel restrictions, the events were organized in a relatively short time.* *As the UNDP surveyed the interest and expectations of the participants (national partners), the plans were re-visited and adjusted, to suit their needs and schedules. All adjustments were agreed with national partners, and the partners in China.* *All activities were completed in September 2023.*
IA 2.2 Two knowledge and information exchange visits to facilitate learning and experience sharing among all partner countries, enhance understanding and institutional capacities in Serbia's post-crisis recovery, with a focus on investment-driven employment stimulation and economic	No knowledge and information exchange visits organized to facilitate learning and experience sharing among all partner countries.	*Completed.* *100% of activity completed.* *In the reporting period two knowledge exchange events were organized, to build on and add value to the high-level events: a knowledge exchange in the form of a think tank to build on the HLPF in*	*The organizing of the knowledge and information exchange visits was delayed through the project implementation, due to the COVID-19 pandemic and travel restrictions.* *As the UNDP surveyed the interest and expectations of the participants (national partners), the plans were re-visited and adjusted, to suit their needs*

growth. Field trip to selected projects, Special Economic Zones (SEZs) or enterprises will be organized.		*Belgrade, Serbia (June 2023) and a set of information exchanges during SIFIT that build on the HLPF China event in CIFIT (September 2023).*	*and schedules. All adjustments were agreed with national partners, and the partners in China.* *All activities were completed in September 2023.*
IA 2.3 An online SIP One-Stop Platform to inform and encourage sustainable investments that facilitate local needs to match investment opportunities from all interested nations after COVID-19, reducing transaction costs on project identification and screening; that enhance online learning and capacity development; and that provide easy access to analysis and measures for project de-risking and assessment with focus on social, environmental and governance aspects.	An online SIP One-Stop Platform not available.	*Completed.* *100% of activity completed.* The platform has been developed and is available[16]. *100% of the activity completed.*	*This activity was completed on time (September 2023).* The Belt and Road is hosting the platform.
EO3 **Pilot:** Learn from and showcase to relevant actors a mini-pilot of successful practices on how sustainable investment and business approaches can support post-crisis recovery and can be further scaled up and/or replicated in Serbia and possibly other SIP pilot countries.			
IA3.1 A pilot online training curriculum package	No training package available.	*This activity has been completed.*	*The activity was completed on time (October 2023).*

[16] The OSS platform is available at https://bribelgrade.org/ .

designed for most affected enterprises (especially SMEs) with a focus on sustaining and upgrading their business after COVID-19, to enhance enterprises' awareness and ability to economically and socially sustain their business, and thus to increase the resilience and inclusiveness of the labor market in Serbia after COVID-19.		*The Pilot training package has been developed.* *Direct assistance was also provided to selected companies.* *100% of the activity completed.*	*Based on the research conducted by the engaged consultant, the target sectors were selected, companies identified, and a deep dive research was conducted. This deep dive identified the opportunities and problems SME's have with eCommerce and a training was built on the needs of the targeted companies. 29 companies participated in the training.* *Also, direct assistance was provided to two sets of companies, one to establish a logistics center in the EU and the other to prepare companies for the Asian markets.* *Companies that participated were surveyed and gave high marks for the support.*
IA 3.2 Pilot training package on Environment, Social and Governance criteria Standards (ESG Standards)[17] for **at least 10 selected**[18] **enterprises**. This set of activities will entail capacity	No training on ESG available to companies.	*This activity has been completed.* *ESG practitioner curriculum developed.*	*The activity was completed on time (October 2023).* *The first round of training (April/May) engaged 13 companies.* *After the campaign was implemented to raise awareness on the importance and*

[17] Environmental, social, and governance (ESG) criteria are a set of standards for a company's behavior used by socially conscious investors to screen potential investments. ESG criteria consider how a company safeguards the environment, including corporate policies addressing climate change, for example. They are the root to sustainable finance, in the financial sector as environmental, social and governance (ESG) criteria into account when making investment decisions, leading to more long-term investments in sustainable economic activities and projects.

[18] The criteria for selection were developed by the order of the potential impacts, as assessed by the Project Board at the time of implementation.

building on sustainable business practices for the selected companies, tailored to their specific needs. Also, a set of outreach and communication activities on ESG standards will be implemented. The activity will be completed by Q4 of the third year.		*Engaging and awareness raising campaign designed and implemented.* *ESG training to 22 companies delivered.* *100% of the activity completed.*	*necessity of introducing ESG standards, more than 100 companies registered their interest to participate in the training.* *The second round of training was held in September and October, with 19 companies participating.* *The final event and award of certificate ceremony were held on October 10, 2023.*

Table 2 – Review of Activities/Outputs

Outputs/Activities	Status	Comment
O.1.1 **Output 1.1** Depending on the evolution of the pandemic, prepare and launch an **impact assessment study of COVID-19 on enterprises** in Serbia to assess the short-term and mid/long-term impact of COVID-19 on these enterprises, the support needed by them, and the impact on their ability to implement sustainable investment in the country; to identify potential opportunities, gaps, and priority areas for recovery to inform follow-up programme actions including critical "building back better" aspects; and to produce an assessment report summarizing key findings with relevant case studies/best practices included. The knowledge	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	All activities under this Output were on time and were implemented as planned (the Assessment was finalized in November 2022).

product is planned to be started in Q4 of the first year, and to be launched by Q1 of the second year, with a consultation / review meeting included in the half-day launch event, tentatively to invite about 100 participants. A team of senior national and international experts will be convened for drafting, based on both desk writing and field visits (if situation allows).		
O. 1.2 Building upon the findings of the SDG Impact[19] initiative, develop a **Post-COVID-19 SDG Investor Map**, a targeted platform of country-level data that highlights business opportunities as well as potential social and economic benefits of foreign investments in priority sectors, subsectors, sub-regions and, more granularly, proven business models to safeguard social security and stimulate economic growth in Serbia after the COVID-19 crisis. A team of senior national and international experts will be convened for drafting, based on both desk writing and field visits (if situation allows). The SDG Investor Map is planned to be started in Q4 of the first year, and to be launched in Q4 of the second year.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activities under this Outcome have been implemented on time and as planned (March 2023). To facilitate easy access to the map and the investment opportunities it presents, in the reporting period the data was made available through an interactive online platform. The platform is accessible to both domestic and foreign investors, enabling them to identify sustainable investment opportunities in Serbia. The SDG Investor Map has been made available three languages, including English, Japanese and Chinese, to reach a wider audience and encourage investment in sustainable development.

[19] SDG Impact is a UNDP initiative focused on eliminating barriers and driving integrity for SDG-enabling investment at scale. It consists of three pillars: 1) Impact Management, with practice standards, tools for impact measurement and certification with an SDG Impact Seal; 2) Impact Intelligence, with country-level data on SDG-enabling investment; 3) Impact Facilitation.

O. 1.3 In line with Serbian national strategies on foreign investment, provide **legal advisory service** to the Serbian government to align its national legislation and investment policies with countries in the region as to enable the free movement of goods, services, people and capital (along the EU principles of "four freedoms") in the Western Balkans[20], facilitating cross-border transport and trade, and improving the general business environment to attract and sustain foreign investments at both national and regional levels after the COVID-19 crisis. A team of senior legal experts will be convened for drafting, based on both desk writing and field visits (if situation allows). This activity is planned to be completed by Q2 of the third year.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activities under this Outcome were completed on time and as planned (September 2023). In the reporting period the experts have delivered additional 3 of reports, namely: •Report on the procedures for border crossing and movement of goods •Report on the introduction of electronic mechanism for exchange of trade documents •Report on implementation analysis of the Agreement on conditions for free access to labor market in the Open Balkan countries Also, the consultants provided one **Open Balkans Progress report** in this reporting period, completing the 12 reports.
O. 2.1 Based on the findings of the impact assessment of COVID-19 on enterprises (O. 1.1) and the legal advisory services on enabling "four freedoms" (O. 1.3), organize **High-level Policy Dialogue** among relevant stakeholders from Serbia, and other partner countries to facilitate exchanges, forge mutual understandings, identify opportunities, bottlenecks as well as pathways to advance sustainable investment in	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	This output is a cumulative output of the sub-outputs below. Activities under this output have been completed (June and September 2023), Two high level policy dialogue events were organized, one in Belgrade and one as a side event during the High-level Political Forum on Sustainable Development (HLPF). The events showcased the interactive SDG Investor Map, and presented investment opportunities in sectors such as food, energy, technology, and infrastructure, aligning with economic, social, and environmental sustainability principles.

[20] https://ec.europa.eu/neighbourhood-enlargement/policy/common-regional-market_en#:~:text=The%20Common%20Regional%20Market%20represents,privileged%20relation%20with%20the%20EU.

Serbia in support of its post-crisis recovery after COVID-19.		Activities were completed in July 2023.
O. 2.1.1 **First High-level Policy Dialogue**, aiming to exchange understanding, knowledge and practices on how to advance sustainable investment in Serbia supporting its post-COVID-19 recovery, and to jointly develop a comprehensive Action Plan among cross-sector stakeholders on facilitating sustainable investment from all sources in Serbia, and creating an enabling environment for regional cooperation (e.g. Western Balkans, EU, Central Asia, etc.) on investment and trade. Tentatively to invite about 80 participants from Serbia, Asia and other partner countries, with a specific focus on central and local governments, investment bureaus, private sector partners, financial institutions, overseas chambers, local commercial associations as well as development agencies. A field trip visit to selected projects (completed or ongoing), SEZs, industry parks or enterprises around Belgrade will also be planned, as to facilitate first-hand knowledge and experience sharing between participants and in-site managers on opportunities, challenges and solutions.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The UNDP team in cooperation with national partners identified the time and opportunity for the High-level Policy Dialogue in Belgrade, Serbia in June 2023. The Forum in Belgrade was held on June 30, 2023. It showcased the Sustainable Investment Program's progress and encouraged resilient economies despite crises. The event facilitated sharing experience and cooperation opportunities in the field of sustainable investment. The SDG Investor Map was presented as a facilitating tool for sustainable investment. The forum's goal was to share knowledge and practices to promote sustainable investment in Serbia and regional cooperation. A total of 106 representatives of key stakeholders from central and local governments, private sector partners, investors, and financial institutions attended the event. The HLPF event was complimented by a knowledge exchange event (see below O. 2.3.2).
O 2.1.2 **Final High-level Policy Dialogue**, summarizing programme results and outcomes, contribution to post-crisis recovery, and consolidating best practices and lessons learned for future SIP programme expansion in other partner countries. The high-level dialogue tentatively plans to invite about 50 key policy makers, technical experts,	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The event took take place on July 18, 2023, in the United Nations, New York, USA, entitled "Turning Financing Frameworks into Action" The SIP Map was presented by Minister Jelena Begovic (Ministry of Science Innovation and Technological Development).

enterprises and other relevant stakeholders from Serbia, Asia and other partner countries for in-depth discussion.		This presentation of the SIP Map positioned Serbia as one of the countries that advocate the unlocking of private capital for reaching the SDGs.
O. 2.2 Facilitate sustainable investment cooperation through **Sustainable Investment Promotion Forums**, with the aim to support the promotion, actualization, sustaining and upgrading of foreign investment from all interested nations in Serbia with a specific focus on enterprises most affected by COVID-19.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☒ Delayed	This output is a cumulative output of the sub-outputs below. The activities were completed in September 2023.
O. 2.2.1: **First Sustainable Investment Promotion Forum**, convening about 100 private and public stakeholders from Serbia, Asia and other partner countries to meet, exchange and share their practices, expertise and experience. Targeting potential investors from all interested nations, the forum plans to focus on opportunities and challenges for investing in Serbia after COVID-19 through investment pitches, roundtable discussions and Business to Business (B2B) networking sessions to advance the general sustainable investment climate in Serbia. The forum is planned in Q1 of the third year (may be further adjusted depending on the evolution of the pandemic).	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	*This output has been completed in March 2022.*
O. 2.2.2: **Second Sustainable Investment Promotion Forum**, convening about 100 private and public stakeholders from Serbia, Asia and other partner countries to meet, exchange and share their practices, expertise and technologies. Focusing on	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled	In cooperation with national partners the Second Sustainable Investment Promotion Forum was held on September 9, 2023, as part of the CIFIT Investment Fair (China International Fair for Investment and Trade), in Xiamen, PR China.

existing and potential international investors from all interested nations with concrete investment plans in Serbia, the forum will emphasize the actualization, sustaining and upgrading of foreign investment in Serbia after the COVID-19 crisis. The forum is planned in Q3 of the third year (may be further adjusted depending on the evolution of the pandemic).	☐ Delayed	The Second Sustainable Investment Forum was organized a side event entitled "One China, One Serbia" and present opportunities for investment in Serbia compliant with the SDG standards. The SDG Investor Map, developed within the SIP project, was presented, using the user-friendly multimedia interactive online tool, with explanations and translations in English and Chinese. The event was be complimented by an information exchange visit (see below O. 2.3.1)
O. 2.3 Knowledge and information exchange visits to facilitate learning and experience sharing among all partner countries, enhance understanding and institutional capacities in Serbia's post-crisis recovery, with a focus on investment-led employment stimulation and economic growth. Field trip to selected projects, Special Economic Zones (SEZs) or enterprises will also be organized.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	This output is a cumulative output of the sub-outputs below, which due to ongoing pandemic, were initially delayed, but have been implemented within the project life span (in July and September 2023). The knowledge and information exchange events were shaped based on the feedback from the national partners/key stakeholders (participants) and the activities were adjusted based on the needs identified.
O. 2.3.1 **Organize a knowledge exchange** in Asia, tentatively to invite about 15 participants (at both policy making and implementation levels) from line ministries in Serbia. The exchange is designed to include: i) seminars led by international experts and practitioners based in Asia and elsewhere regarding sustainable investment related topics such as post-crisis investment promotion, cross-border trade facilitation, employment stimulation, and small and medium enterprise (SME) revitalization,	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	Based on continual communication with national partners and UNDP China, and Chinese counterparts, it has been determined that the knowledge exchange visit will build on the High-level political dialogue planned in China (September 2023). The knowledge exchanges tool place in Xiamen, as part of CIFIT, the high-level State Delegation engaged in fruitful discussions with various delegations and companies. Among others, with the Chinese delegation, the focus was on potential changes to the Serbia-China trade agreement, environmental sustainability, and innovation collaboration. Talks with the Brazilian delegation emphasized sustainable investment and regenerative agriculture, aiming to explore avenues for South-South cooperation. The Singaporean delegation discussions revolved around digital

etc. Specific topics will be determined based on further consultation with Serbian government to reflect actual training needs; and ii) field visits to selected projects (completed or ongoing), SEZs or enterprises in Asia , as to demonstrate good practices and to facilitate first-hand knowledge and experience sharing between participants and in-site managers on opportunities, challenges and solutions for post-crisis recovery. The exchange is planned to be held in Q1 of the third year (may be further adjusted depending on the evolution of the pandemic).		infrastructure, cybersecurity, and scientific research, particularly in biomedicine. Exchanges with the UAE delegation covered sustainable investment promotion and renewable energy investment. Furthermore, interactions with key businesses including Zijing, BYD Co. Ltd, Haier Smart Home Co, and major banks provided valuable insights and potential opportunities for cooperation. The Serbian delegation counted 20 participants that were the focus of this knowledge exchange.
O. 2.3.2 Organize an **investor trip** to Serbia as a follow-up to the Sustainable Investment Promotion Forum in Asia (O. 2.2.1), bringing together a broad range of international investors and enterprises from all interested nations, government representatives and agencies, financial institutions, advisory groups and media (approximately 25 people in total) to selected projects (completed or ongoing), SEZs, industry parks or enterprises in Serbia. Participants will be able to discover/showcase emerging investment opportunities after COVID-19, build direct connections with the investment and business community in Serbia, and advance the actualization of sustainable investment in support of the country's post-crisis	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	Based on the feedback from national partners, and UNDP China, instead of an investor visit, a knowledge exchange event was organized, which included participants that were identified as potential investors. It was organized in partnership with the Belt and Road Institute, to building on the impact of the Sustainable Investment Promotion Forum in Belgrade, on June 30, 2023. The event was crafted as a Think Tank Conference, building on the previous conferences the Belt and Road Institute held. Participants shared experiences and best practices related to ways to harness the collective power of these areas to drive sustainable economic development, focusing on meeting the Sustainable Development Goals (SDGs). They discussed strategies to leverage the potential of young minds, ensuring their active involvement in sustainable development efforts aligned with the SDGs. They explored the importance of global cooperation for reaching the SDGs and facilitating sustainable economic growth through partnerships. A total of 69 participants engaged in the discussions.

recovery. The involvement of media also aims to increase international exposure of the exchange through site visits and communication platforms. The investor trip is planned to be held in Q3 of the third year.		
O. 2.4 Develop and maintain an online SIP One-Stop Platform, that offers a wide array of information and analysis and training resources for both existing and potential foreign investors from all interested nations keen on sustaining and expanding their business in Serbia and beyond after COVID-19.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	This output is a cumulative output of the sub-outputs below, which were completed in September 2023.
O. 2.4.1 **A "one-stop shop**" that offers a wide array of information, analysis and training resources for existing and potential foreign investors from all interested nations keen on sustaining and expanding their business in Serbia and beyond after COVID-19. The one-stop shop will serve as a resource and service hub that provides context analysis at country, sectoral and industry level; online training resources helping enterprises and investors adjust to new business models and industrial trends after COVID-19 (e.g. cross-border ecommerce, digital transformation); as well as tailored solutions at project/investment level addressing specific enquiries and/or barriers encountered by companies. A **desk/field officer working mechanism** will be established to facilitate	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activity was completed in September 2023. The OSS platform was developed and launched. A promotional campaign to raise awareness on the OSS platform was created and delivered.

communication and outreach to all relevant institutions and delivery units within and beyond Serbia. The desk/field officers will serve to enhance public sector efficiency and enforcement of investment-related policies at all levels in Serbia. Each regional desk/field officer will be responsible to liaise between the investors, central government bodies and the local governments. This function will be incorporated into relevant institutional setting established by the Government of Serbia with other stakeholders to ensure long-term sustainability.		
O. 2.4.2 **Online platform** to enhance the easy access of information and data, and to facilitate service provision for brokering demand and supply for foreign investments from all interested nations in Serbia. Consolidating the efforts of the one-stop shop, the main functions of this online platform can tentatively include the following: ○ Enable **information publication and retrieval**, particularly on context information and analysis of investment-related policies, regulations, laws and legislations at country and sectoral/industry level. ○ Advance **online learning and capacity development** for investors, particularly in response to emerging business models and industrial trends after COVID-19.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activity has been completed in September 2023. The OSS online platform was finalized, and the Belt and Road Institute is hosting the platform. This platform serves as a centralized hub for sustainable investments. The OSS Platform encourages investments that align with local needs and offer investment opportunities, post-COVID-19, while reducing transaction costs associated with project identification and screening.

○ Allow potential investors to **identify and make initial contacts** with respective government agencies, professional institutions / organizations, or experts who can provide support in their quest to establish cooperation with/in Serbia. ○ Establish a **Frequently Asked Questions (FAQs)** section with answers to common investment inquiries to avoid duplication of efforts and thus to improve service efficiency of relevant government agencies. To host **open calls for cooperation** to enable matchmaking between investors and product/technology/service providers.		
O. 3.1 Based on programme outcomes and findings of the impact assessment of COVID-19 on enterprises, design **a pilot online training curriculum package** for high value-added enterprises with innovative background, focusing on sustaining and upgrading their business after COVID-19. Topics will cover both the economic (e.g. financing, cost reduction, cross-border ecommerce, digital transformation) and social sides (e.g. labor law, protection of women and children rights, vulnerable employment) of post-crisis business, to enhance enterprises' awareness and ability	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activity was completed in September 2023. Based on research UNDP conducted in 2020, a large number of Serbian companies still lack sufficient knowledge and support to implement eCommerce. Thus, this assistance to SME's under this output focused on a) identifying the exact needs of companies and b) providing training and support for eCommerce implementation. The engaged consultant examined the Serbian export-focused e-commerce landscape in the post-COVID context, reviewed the existing data, identified potential structural deficiencies, and developed a set of recommendations. In Phase 2, the consultant performed qualitative deep-dive research into 15 of the 29 preselected companies and identified areas for possible assistance - pain points and opportunities. In Phase 3, an online curriculum for eCommerce introduction was developed, and the

to economically and socially sustain their business, and thus to increase the resilience and inclusiveness of the labor market in Serbia after COVID-19. The online training curriculum package will be completed by Q4 of the second year.		selected companies were trained, and then direct support was provided by a pool of experts in two target areas – creating a logistics hub in the EU and preparing SMEs for the Asian markets.
O. 3.2 Provide **and subsequently implement** the pilot training package on Environment, Social and Governance criteria Standards (ESG Standards)[21] for at least 10 selected[22] enterprises. This set of activities will entail capacity building on sustainable business practices for the selected companies, tailored to their specific needs. Also, a set of outreach and communication activities on ESG standards will be implemented. The activity will be completed by Q4 of the third year.	☐Not yet started ☐ In progress ☒Completed (indicate month & year) ☐ Cancelled ☐ Delayed	The activity has been completed in October 2023. The ESG Practitioner program was designed in a two phased approach, through online masterclasses and live workshops and it focused on representatives of SMEs who want to increase their business sustainability, companies that are export-oriented, part of or have ambitions to become part of the supply chains of large multinational companies, as well as companies that want to improve risk management and take advantage of the opportunities that the implementation of ESG criteria brings. Two sets of trainings were held (one in April/May and the other in September/October 2023) with 22 companies successfully completing the training. In parallel to the training an outreach campaign on ESG standards was conducted to raise awareness of the Serbian business community. The program's relevance and importance is confirmed by the great interest which has been generated, with more than 100 companies applying for the training. .

[21] Environmental, social, and governance (ESG) criteria are a set of standards for a company's behavior used by socially conscious investors to screen potential investments. Environmental \criteria consider how a company safeguards the environment, including corporate policies addressing climate change, for example. They are the root to sustainable finance, in the financial sector as environmental, social and governance (ESG) criteria into account when making investment decisions, leading to more long-term investments in sustainable economic activities and projects.

[22] The criteria for selection will be developed by the order of the potential impacts, as assessed by the Project Board at the time of implementation.

3. RESOURCE MOBILIZATION

The SIP project has been catalytical as it helped position the UN as a partner of choice to the Serbian Government for sustainable investment promotion. The Serbian Government has provided to UNDP in 2023 US$981,458 earmarked for FDI support. An additional US$981,458, government financing is in pipeline for 2024, which in total for this two year period amounts to US$ 1.962.916 . This support emphasizes the importance of cooperation and a shared vision for economic growth and development.

Table 3 – Financial mobilization

Source/Donor	**Purpose** **(Link to project logframe and ToC)**	**Year**	**Amount raised**		
			Cash (USD)	In-kind estimated value	In-kind description
Government of Serbia	**Outcome 1** **<u>Policy:</u>** Strengthened capacities of policymakers in Serbia to understand the impact of COVID-19 on enterprises, identify practical challenges, priorities, regulatory and institutional gaps in sustaining and upgrading investments and businesses that support Serbia's post-crisis recovery and long-term sustainability of its development. **Outcome 2** **Platform Enhanced** knowledge, information exchange and communication on foreign investment opportunities, fostered knowledge and experience sharing on investment-led employment stimulation and economic growth after COVID-19, and an established learning and capacity development network among the SIP pilot countries towards presenting investment policy as well as governance solutions to counteract the impact of COVID-19 on economic and social sustainable development in Serbia.	2023	981,458		
Government of Serbia		2024	981,458		

4. CHALLENGES/PROBLEMS ENCOUNTERED SO FAR (IF APPLICABLE)

Table 3 – Challenges and Corrective actions

Description of challenge	Corrective Action(s) taken to solve the issue, if any
On-going COVID-19 pandemic (including countermeasures that governments introduce to battle the effects of the pandemic have on individual countries)	Due to the ongoing COVID-19 pandemic, and continual shift in numbers of newly infected cases, the Team was constantly monitoring information on the effects the pandemic is having in Serbia and in China and in other relevant countries. This caused delays in organizing events under Outcome 2. The UNDP team agreed with the national partners to constantly and timely revisit the planned timeline and individual activities that are planned for implementation in the later part of the project. The countermeasures to COVID 19 were lifted in Q1 2023 in China, and the Team worked with national partners and UNDP China to identify and roll out of 3 large events and 2 knowledge exchange visits. As these visits were to be implemented in the last six months of the project, the Team exercised extreme due diligence, surveying all interested parties to make sure that the timelines suited all, that the needs were properly identified and then adjusted the plans as per national partner needs.

5. ANY REVISIONS REQUIRED TO THE AGREED/APPROVED PROJECT DOCUMENT (IF APPLICABLE)

No revisions were made to the Approved Project Document in this reporting period.

6. FINANCIAL INFORMATION

Total Project Budget	Expenditures	Balance	Delivery %
$ 971,619.06	$ 945,517.41	$ 26,101.65	97%

Note 1: Although the total budget for the project is $999,646.54, UNDP CO Serbia received $971,619.06 for the implementation of activities, as per project budget***.***

Note 2: UNDP moved its operations to new Quantum software as of January 2023 and the reporting module is not fully operational yet. Additionally, not all expenses including payroll have been posted correctly until this moment.

Note 3: The remaining project budget balance includes the PO commitment for the engagement of the project evaluator that will be liquidated as soon as the evaluation has been completed.

Additionally, once the payroll is posted accurately in full, and GMS collected, the project will be at 100% delivery.

7. OUTREACH AND ADVOCACY

High-level Political Forum in Belgrade.

This reporting period marks an intensive promotional period for the project, as several outreach activities focused on promotion of the project results, have also increased the visibility and outreach of the project.

The High-level Political Forum in Belgrade in June 2023 (**Sustainable Investment Promotion Forum**) gathered a lot of attention, as this was the first official public presentation of the Sustainable Investor Map. The UNDP team developed a media package and press release. Positive reports of the event were made by twenty-six (**26**) media outlets, including statements of Mr. Yakup Beris, UNDP Resident Representative and Serbian Minister of Internal and Foreign Trade, Mr. Tomislav Momirovic, H.E. Chen Bo, Ambassador of the PR China, as well as other panelists. The media reports note the importance of the SDG Investor Map and highlight that it was developed within the project, which is funded from the 2030 Agenda for Sustainable Development Sub-Fund under the UN Peace and Development Trust Fund.

Great media coverage was generated from the side event we organized with the national partners during the High-level Political Forum on Sustainable Development in New York, USA, in July 2023, to showcase the SDG Investor Map. The event propelled **41** positive media reports nationally, and included comments and quotes from Mr. Beris, UNDP RR, Haoliang Xu, UN Under-Secretary-General and UNDP Associate Administrator and Minister for Science, Technological Development and Innovation Ms. Jelena Begovic, who presented the Map at the event.

The most media coverage was generated by the promotional campaign of the Second Investment Forum entitled “One China, One Serbia” in Xiamen in China, during the CIFIT Investment Fair. The event featured high level representatives from both China and Serbia, and generated much public interest, which sparked eighty-two **(82)** positive reports in the Serbian media. The CIFIT Investment Fair boasts over 100 countries present and more than 50,000 business professionals, from over 1000 delegations attending the event.

A campaign conducted to **raise awareness on ESG standards** and **the training** that was being offered through the project generated huge impact. The campaign consisted of visuals (billboards and advertisements – print media adds), an online (social media) as well as a PR and media campaign consisting of strategically placed texts and interviews in online, TV and print media. The campaign included:

- more than 40 online, print and TV features in Serbian national, regional and local media,
- around 30 print ads in print media (daily and periodical),
- 54 LED billboards in 16 cities in Serbia,
- A promotional video on ESG criteria for social media[23]

All materials created and press-clippings are available in the Annex section.

Promotional video made for social media.

8. ANNEXES

A. Cumulative Financial Report
B. Outputs Disaggregated Data (template as provided by the Management Unit)
C. Contacts List of stakeholders and beneficiaries (template as provided by the Management Unit)
D. Legal advisory service (IA 1.3)
   a. Report on the procedures for border crossing and movement of goods
   b. Report on the introduction of electronic mechanism for exchange of trade documents
   c. Report on implementation analysis of the Agreement on conditions for free access to labor market in the Open Balkan countries
   d. Open Balkans Progress report.
E. Invitations to the high-level dialogues and events (under Outcome 2)
F. eCommerce training reports (IA3.1 A pilot online training curriculum package)
G. ESG Practitioner training information (IA 3.2 Pilot training package on ESG Standards)
H. Press clipping information.
I. Materials developed for the various promotional campaigns.

- [23] The video is available in the box, and on the following link ESG – Vaš biznis za korak ispred svih - YouTube