



USAID
FROM THE AMERICAN PEOPLE

SERBIA



Young residents of Prijepolje enjoying the inauguration of the Business Improvement District

Family business is Micro-Enterprise of the Year

The idyllic scenery surrounding the river Pčinja where the town of Trgovište is situated provides far more than just beautiful views. The Stošić family has long known that the plants of the forest yield much sought after natural products. Several years ago the family formed a company to get some of these products onto the market. Just recently, the company was recognized by ProCredit Bank and the Economic Journalists of Serbia as the best Micro-Enterprise in Serbia.

The family always knew they were on to a good thing. As Aleksandar Stošić explained, "The 'Kleka' company was founded with the aim of taking advantage of the best nature can offer, namely - unpolluted forest fruits and medicinal and aromatic herbs. We owe a lot to the natural resources and the pristine and healthy environment." But, the road to success as a business has not been an easy one. Without the proper equipment to prepare their valuable 'pickings' for market, the company was dependent on large companies to do that for them. This drai-

ned their profits and in the end, the family wasn't satisfied with the quality of the processing.

To take the company's future into their own hands, the family decided to invest. "First we built a drying house, because high-quality forest foods are perishable and must be dried properly. Then we decided to expand our business", said Aleksandar. But even the drying house and the cooling chamber didn't allow the family to expand as far as possible.

The family heard about USAID's community revitalization through democratic action (CRDA) project. They attended seminars and then made a business plan which included adding new processing equipment. After receiving a grant based on their sound business plan and investing themselves, "Kleka" doubled production within a year. The increased production both necessitated and allowed them to hire four additional permanent workers and 30 more seasonal laborers, which allowed for even higher production. As Mr. Stošić will



Freshly picked forest mushrooms

tell anyone, "Our family has huge plans for the future and our biggest wish is to supply organic products so that everyone can enjoy the benefits of these gifts of nature. As a result, we would be in a position to hire

even more people." Since 2001, USAID's work on local development has realized over 5,000 projects in cooperation with communities and companies to help improve livelihoods for people throughout Serbia.

Famous spa revamped and rebranded

Changing market poses challenge for top resort

Since Roman troops pitched their tents here in the first century, the hot springs of Vrnjačka Banja have attracted generations of road weary travelers. By modern times, Vrnjačka Banja had become one of Serbia's best known spas. The five thermal springs set in the postcard perfect Morava River Valley drew thousands of visitors annually from all over Yugoslavia and abroad. But in the past few decades, Vrnjačka Banja has started to get a little rough around the edges. Lack of investment and little in the way of spa promotion threatened jobs and growth in a town heavily dependent on tourism.

Working with the National Tourism Organization of Serbia and local businesses, USAID's enterprise development project conducted market research that showed strong potential for the area. There was just one problem. The international visitors said that they still loved the scenery and the hot springs, but they weren't quite so in love anymore with the state of the facilities or the level of service offered. And, with other countries working to promote their spa tourism, Vrnjačka Banja found itself facing stiffer competition for



Since 2004, USAID has helped Vrnjačka Banja spa managers and tourism officials in planning the spa's development. Foreign visitors and spending are up significantly.

tourists' Euros. With this information confirming what the Spa managers had already suspected, they wanted to find ways to bring the tourists back.

New image, focus on wellness USAID helped these managers to see for themselves how successful spas in the EU operate, introducing them to model businesses in Italy and Slovenia. To improve services, staff members were trained in hotel and restaurant customer relations. The project also helped

officials develop new signage for improved walking routes. Even the city center got a coat of paint. And to promote the destination, specialists in international travel branding worked with local businesses to develop new guides, maps and websites.

"Vrnjačka Banja is attractive to tourists again"

Travelers responded positively. In 2006, international stays increased by 59 percent, bringing the total number of

visitors to 150,000. Spending was up by \$5,300,000. The historic promenade is alive these days with guests from Russia, Israel, Cyprus, Germany and France as Vrnjačka Banja enjoys its best season in 15 years. Local tourism director Milomir Perović is pleased with the improvements and repositioning of the resort. "Vrnjačka Banja is attractive to tourists again, this time around for vacation and recreation, rather than a health care site."

The work with the spa is just one element of USAID's enterprise development project to help Serbia and its companies to fully integrate into higher value markets by raising standards and letting the world know how many great things Serbia has to offer. Total sector growth in areas that the project has been working in over the past three years is \$350 million with tourism revenues up over 100 percent, by \$183 million. Pharmaceutical research companies investing in Serbia have risen from just 3 to 24, driving estimated growth from \$6 million to over \$25 million; Fruit juice exports are up \$23 million, over 200 percent; Apparel exports are up \$100 million, over 80 percent.

From 'Truman Eggs' to hurricane relief....

Occasionally, when people I meet in Serbia hear that I work for USAID, they tell me about how they or their parents or grandparents remember the 'Truman eggs' or cheddar cheese that were provided as part of U.S. assistance following the Second World War. This 'American foods experience' is something shared by most Europeans of that generation. And, while the powdered milk and other durable consumables of that day may not have tasted anywhere near as good as the wonderful, domestically produced foods I buy regularly in your markets and shops today-it is nice to hear how people have fond memories of the American people lending a hand.

While many Americans had lost their lives in that war, the country's agricultural and industrial capacity was intact and growing. This put the United States in a unique position of being able to help Europeans to survive the post-war shortages and get back on their feet with food- and other short-term aid, as well as longer-term development assistance. During a six-year span, the Marshall Plan provided approximately \$12bn dollars in U.S. assistance to Europe. In 1950, Yugoslavia received \$150 million of that assistance.

In 1961, the U.S. Congress passed the Foreign Assistance Act which made a clear division between military and non-military assistance. Following the passage of that Act, President John F. Kennedy established the U.S. Agency for International Development (USAID) to take the lead on non-military related, long-range economic and social development assistance efforts.

Interestingly, at just about the same time, Yugoslavia, as a leader of the Non-Aligned Movement, hosted the 1st Summit of Non-Aligned Countries in Belgrade in September 1961. It is well known that, as one of the economic powers of the movement, Yugoslavia's foreign assistance helped countries in Africa, the Middle East, Asia and other far flung corners of the world to improve their medical facilities, infrastructure and agriculture. I've had the pleasure of meeting a great number of Serbian doctors and engineers who had traveled

around the world to share their expertise as part of that assistance.

The reason I bring up these historical references is to highlight that both of our countries have been providing assistance for quite a long time. I should also emphasize that this assistance can go both ways.

When Hurricane Katrina hit the Gulf Coast of the United States in August of 2005, international television coverage showed in real-time just how badly the people of New Orleans were suffering. Offers of assistance came pouring in from caring people around the world. One of those offers came from the Agrarian Association of Medveđa. The 12-member association had previously received assistance from USAID to improve the yield from their vegetable crops. Together the Association members raised money and contributed it to a fund set up to help Katrina's victims to rebuild their lives. With the donation, they sent a note urging the victims "to be brave and to believe in the future". In their own community, this association had also come together to build a house for an underprivileged family and to install a heating system in the local kindergarten. Their assistance to their close neighbors and their far away neighbors in New Orleans helped both communities when they most needed it.

Since USAID returned to Serbia in 2001 to take a central role in



Putting the final touches on a Business Improvement District pedestrian street.

providing American assistance here, there has been a real change in the kind of assistance most needed. At that time, the enthusiasm for democratic transition was clearly visible but resources were quite short at all levels. We decided to concentrate much of our assistance to help people to make the changes they had identified on a local level to improve their communities. USAID's implementing partners coordinated with these communities to identify their priorities and to take concrete steps to make things happen. Many of you may have used schools, roads, markets, medical clinics... that were built or rebuilt through these programs. To make sure that the funds provided by the American taxpayers would go where they were most needed — we asked communities to decide which projects they would also be willing to put their own resources into. While it wasn't a requirement for

cooperation, we see it as a sign of success that more often than not, communities voluntarily contributed approximately half of the resources needed to complete the projects they had chosen.

At the same time, Serbia's newly elected leaders at every level were working to improve the functioning of their institutions and the services they provide. In more instances than I can count, we were asked to help provide everything from expert advice to equipment to help these institutions become more responsive to the needs of the people. Municipal governments sought our assistance in improving the day-to-day functions of their offices, while various State Institutions tapped into our resources to help update laws and regulations and to devise the best methods for implementing them.

On a local level, associations, like the one in Medveđa, and individual producers asked us to help them get more returns from their labor. In some cases this meant helping farmers to build greenhouses, in other cases it meant showing Serbian producers how to best package and market their already high-quality products for export.

In all of the areas which I've mentioned, we have done our best to provide the kind of assistance that people in Serbia have identified as useful. Now, we are working with you to help where we can to ensure that forward progress continues. As Serbia moves towards further Euro-Atlantic integration, our assistance will be needed less and less, but we will continue working with you on what we have started together and will look for other ways to assist where it is most needed. I hope you will take some time to look through these pages to learn a little bit more about our common work.

Keith Simmons, USAID Mission Director



An example of the promotional materials prepared for the recent textile fair in Moscow: USAID and the Serbian Investment and Export Promotion Agency (SIEPA) help companies to prepare for and present their high-quality products at international fairs. Participation at these fairs results in contracts worth millions of dollars for Serbian companies.

Building Zrenjanin's industrial zone.



Serbian kaymak, Croatian chocolate... driving local government reform

While some in Serbia prefer to think that all of these cross-border exchanges strange and sinister aspects to them, other people see them for what they really are—efforts of local governments to reform and improve their work. But there is also another side to the story, a gastronomical side, so to speak. So, let's take a look at it.

When a municipality that wants to provide more efficient service to its citizens by improving its work or introducing new practices visits some of its neighbors in other countries to see how they do it—we may say that this is cross-border cooperation in action.

Macedonian-Serbian border: Venko Pašalski, the Mayor of Berovo, Macedonia, is in his car getting ready for a meeting with his old friend, Mr. Pašalski is on his way to visit Vranje, in Southern Serbia. The actual reason for this trip is to pay a visit to a Citizens Assistance Center and Local Economic Development Office—the projects Vranje Municipality implemented together with USAID. But, an additional reason for his visit can be found in his briefcase. Four years ago, Mr. Pašalski had promised a bottle of red wine to the Mayor of Vranje, Mr. Mirosljub Stojčić. Since then, Vranje

What is the Municipal Economic Growth Activity (MEGA)?

The Municipal Economic Growth Activity is a local economic development project which started in October 2005. The purpose of the project is to develop the skills of local governments and local business groups to foster economic growth and job creation, assist them to put these concepts and skills into practice, and to create a business friendly environment where the local private sector can flourish. The goal of this activity is to help local governments:

- Create new jobs;
 - Establish new businesses;
 - Attract investments;
 - Establish Private-Public Partnerships.
- The project targets municipal economic centers throughout the country. A prime consideration in

the selection of participating municipalities is their ability to influence their regions' economic development.

Using Local Economic Development offices and strategic plans, MEGA municipalities have begun attracting new investments in their communities. To date, their work has resulted in commitments from the public and private sector of \$77 million. It is projected that in 2007, total investments in these municipalities will lead to the creation of some 5,500 jobs. Through its Foreign and Domestic Investment (F&DI) Promotion component, USAID is now including 11 additional municipalities in the MEGA program.

has, through USAID funded programs, become a true role model for other municipalities when it comes to providing services. Their Citizens Assistance Center is recognized as one of the best in the region. Also, in cooperation with USAID's Municipal Economic Growth Activity (MEGA), Vranje has established a Business Improvement District is developing

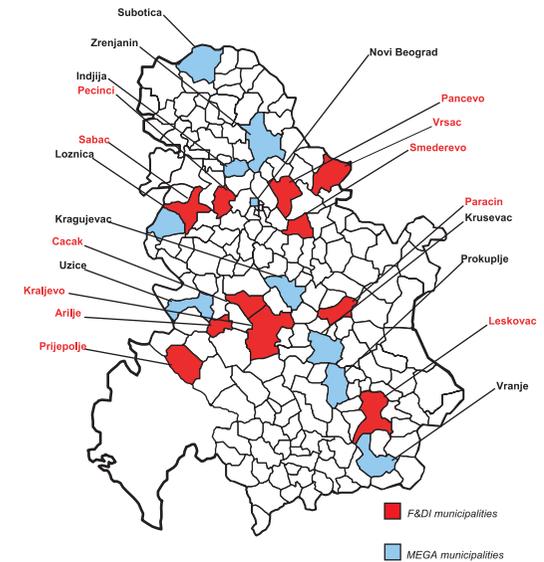
an industrial park and is working on a Master Plan for development. These are the reasons why Mr. Pašalski, who is working hard to transform his own municipality into a similarly fine example of good practices in Macedonia, initiated this visit to pick up some best practices. So the story goes on....

Mr. Mirosljub Stojčić is walking alongside his guest, clearly satisfied judging from the big smile on his face. He finally got his Tikveš wine. He is a true connoisseur of wine and everyone knows a good bottle of Tikveš wine is something special.

On the other side of Serbia, the Mayor of Indjija is bidding farewell to a delegation from Veles, Macedonia, and is getting ready for a new one. The municipality's successful cooperation with USAID and the implementation of many innovative projects such as System 48 (a local government management and accountability system based on the CitiStat model from Baltimore, USA, which got its name from the idea that all citizen requests and complaints have to be answered within 48 hours) and the Citizens Assistance Center, are reasons why so many representatives from cities around Serbia and the region come to visit Indjija. Only a few days ago he received a variety of Kraš chocolates from a delegation working with USAID's Mission to Croatia who are preparing to replicate Indjija's wireless internet system in Vukovar.

On the side, some simple deals.... Kraš chocolate and Montenegrin prosciutto in exchange for Tikveš red wine. The only thing actually missing here is Montenegrin prosciutto, but as you'll see — not for long.

Map of MEGA and MEGA F&DI municipalities



Sharing best practices and...

Representatives of ten MEGA municipalities (Vranje and Indjija amongst them) recently visited the Czech Republic to learn about their best practices in local economic development. Through its work in the Czech Republic, USAID introduced concepts for local economic development and strategic planning that they are now sharing with Serbs.

Staying in Indjija, a Montenegrin delegation from Budva is visiting Indjija's Citizen Assistance Center, as they are preparing to launch a similar initiative. Lazar Radenović, the Deputy Mayor of Budva, wants to improve the work of his municipality's public administration and introduce the highest standards possible.

The Municipality of Indjija has the best service department in the region (unique by the fact it includes tax and cadastre departments in the Citizen Assistance Center). Can anything make more sense than such an exchange of experience? And so, little by little, we get information from a reliable source as to where to get the best Montenegrin prosciutto! Add some Serbian kaymak on bread....

Preparing for truly 'golden' old age

Everyone has a different image of the perfect retirement, but the common theme of these images is having enough money to not have to worry about making ends meet. Looking at the current average pension in Serbia, one can only wonder whether making only the required standard pension contributions will allow us to maintain the standards of living we are accustomed to once we stop working.

In April 2006, the Law on Voluntary Pension Funds came into force. Individuals now have the opportunity to choose to save some of their money in a sound investment fund that will provide them additional income in old age. As part of a project to advise on the formulation and implementation of laws, policies and procedures relating to financial, fiscal and macroeconomic development, USAID assisted in drafting

and implementing this Law and is helping to establish the regulatory structure to supervise the management of these funds.

The current public pension system will not be sufficient in the long run. As in much of Europe, the decreasing population trend has meant that already the ratio of active workers supporting pensioners today is much smaller than in the past. The burden on workers in the future will be even greater. In recent years, the gap between pensions and salaries has widened significantly. Voluntary pension funds can serve to narrow that gap. They operate under strict standards set by the National Bank of Serbia (NBS) to make sure that people's life savings are managed prudently.

How successfully a fund operates can be measured by the changes in value of

its investment unit. An investor can calculate the exact value of assets in his or her possession by multiplying the number of investment units owned by the value of the unit on the day. The returns of a fund are affected by the overall state of the financial markets. It is up to the individual to get informed about the products offered on the capital market, and then decide on a combination of saving and investing. "It's time for a change of habits. We have to understand that by joining funds we become part of the financial system as investors and instead of wasting time with gossiping and re-evaluating the latest political developments, we should focus on taking care of ourselves," Slobodanka Pops, Manager of voluntary pension funds at NBS. More information about voluntary pension funds is available at www.nbs.yu.



Making the best out of a bad situation

"Dreaded" and "Bankruptcy" are two words that tend to be grouped together. Yet, while "dreaded" bankruptcy may be the solution of last resort—done properly and transparently, it can be the strong medicine needed for a healthier economy.

The Serbian Bankruptcy Law that has been in force since 2005 is a modern and dynamic law that has received high praise. The European Bank for Reconstruction and Development (EBRD) recently ranked it, together with the Romanian law, as being "superior to those of the other 25 countries whose laws were assessed."

The current Law finally provides a proper definition of bankruptcy, which includes not only liquidation but also reorganization, as an important economic mechanism present in all

market economies. But, a law in and of itself is useless without enforcement and a system to make use of it. To help the provisions of the law translate into reality, a Bankruptcy Unit has been set up as a part of the Privatization Agency. The Bankruptcy Unit serves as a statutory bankruptcy administrator for insolvent state- and socially-owned companies. Additionally, a Bankruptcy Supervision Agency has been established.

A clear division of roles and responsibilities, aimed at contributing to faster and more efficient implementation of bankruptcy proceedings has yielded its first results. A good example is Koceljeva-based Vočar, a fruit and vegetable processing plant. The bankruptcy proceeding, with the Privatization Agency appointed as bankruptcy

administrator, was conducted in a professional manner in accordance with the current law and quickly resulted in a successful sale. Only three months after opening the bankruptcy case, the plant was sold as a whole at a public auction to Austria's Rauch, a European leader in juice production.

The President of Koceljeva Municipality, Veroljub Matić speaks about the process with pride, "Vočar is a good example of a professionally and efficiently concluded bankruptcy. It is very important for the Municipality of Koceljeva, and indeed for Serbia as a whole. This will ensure the improvement of total production capacity, create new jobs and will affect the development of the entire region, not only by stimulating production of essential raw materials – fruit and

vegetables – but also by engaging other segments of the economy and fostering private entrepreneurship."

USAID is supporting the Bankruptcy Unit with targeted technical assistance in bankruptcy and civil enforcement to help it transform assets which are currently burdens on the economy into engines of growth. By reorganizing or liquidating insolvent enterprises and finding investors to get them going again, some of Serbia's rusting eyesores can once again become places of employment.

In addition, a clear message is sent to the international community and investors, by citing examples of successfully completed bankruptcies, that Serbia is becoming a safer place to invest and do business.

Radio discovers hit with café

What's the new 'in' place right near the beautiful pedestrian area of Novi Sad—where books and CDs are launched, panels hosted, and where local Youth Theatre actors gave free-of-charge weekend performances for kids while keeping up the strike to oppose the actions of the politically appointed theatre manager?

Radio 021, named after Novi Sad's area code, started 2007 by relocating to new premises, at Miletićeva St. No 45. No more expensive rented spaces and having to renovate them to fit the station's needs, no more sub-leases, sharing the offices with others.... Moving under its own roof is probably the best news ever for '021', and this came on top of other worthy achievements as well.

Having earned the role of the undisputed radio market leader in Vojvodina, the station was able to obtain a favorable loan from MDLF (Media Development Loan Fund) in Prague, to buy and restore an old, centrally-located house big enough to properly host the whole '021' operation—including book publishing, a record company, TV production... and, a hip café?

Recognizing the station's reputation for having a much appreciated sense of humor and a knack for organizing successful off-air events and promotions, Edward 'Bud' Stiker, a radio industry expert from the U.S., suggested they capitalize on their

local fame by opening a 'Radio' themed café right in the building. Bud's work with the station was supported by USAID's media development project.

An important element of that work is to help stations find ways to ensure they can be sustainable. The station's management embraced Bud's idea. After all, 'Bud' had been consulting with the station for years, training their Sales and Promotion staff, and as the Vice President for International Development of the largest radio organization in the world, he knows something about helping stations be profitable.

On Bud's suggestion, the radio station announced that people bringing in non-functioning, antique radios could get prizes from the station. The Golden Age of Wireless materialized out of nowhere: ancient radio sets kept coming out of closets, attics, second-hand shops, remote farms...and soon found their places immortalized as decorations on the



walls of the café.

After months of reconstruction, the final result has come as a pleasant surprise for many. The café's sub-brand is 'At the Butkaj Bros' in loving memory of one of stations' original talents, very popular talk-show host Srdjan Spasojevic a.k.a. Đani Butkaj who died in a motorcycle accident back in 2002.

And this August will mark 10 years since the Rolling Stones, 'I Can't Get No) Satisfaction' blasted out over their airwaves, loudly declaring the station's entrance onto the Novi Sad scene with a not-so-subtle jibe at Milošević's regime. At the time, no

one would have guessed that 92.2 FM would ever top the listener charts for the region. Back then, they were broadcasting from an office in a high-rise building that later suspiciously caught fire in April 2000, only months before the Milošević regime finally collapsed. And while the building is only now being rebuilt, Radio 021 has already come back even stronger.

For the last several years, Radio 021 managed to establish itself as completely independent from the City Hall and local administration.

Meanwhile '021' kept developing its programming output as the embodiment of independent news and multicultural entertainment in this part of Serbia. And by targeting a demographic group appealing to advertisers (mothers with young children), Radio 021 returned to the Number One position in the local market. And now it also has one of the best cafés in town.

So, next time you are in Novi Sad—if you are looking to 'tune in' to a good café—you might want to seek out the Radio Café.

Active job search

If you are looking for a job—go to a job club to learn how to present yourself in the best light to a potential employer, and then visit an employment fair to learn more about jobs that need to be filled.

Statistics tell us that high unemployment is a considerable impediment to Serbia's development. At the same time, public opinion surveys reveal additional problems lurking underneath. Youth view the job search as one of the biggest challenges in their life after completing school.

While educational institutions provide youth with knowledge, it is completely up to the individual to turn this knowledge into a professional (and profitable) career. Very little help is offered at schools to help prepare young people for conducting proactive job searches. With the shift to a market economy

and the on going privatization process, jobs have shifted from the public sector to the private sector, and the unemployed need to adapt to meet new job demands.

In today's job climate, in addition to professional qualifications, one needs to have numerous practical skills, and employers prefer if those skills are supported with some real work experience. A well written résumé and good interview skills are also important. The National Employment Agency now offers this type of training through job clubs. The training was made possible with support provided through USAID's Community Revitalization through Democratic Action program, and it is being implemented through local branch offices and regional bureaus of the Agency.

So far, thanks to the assistance provided by USAID, seven such job clubs are functioning with significant success in the municipalities of



Participants receiving course completion certificates from the Valjevo Job Club

Sombor, Pančevo, Kikinda, Vršac, Subotica, Zrenjanin and Valjevo. For example, the Valjevo Job Club provided training to 116 unemployed individuals in the course of the past six months, out of which 49 young people have already found new positions.

Besides Job Clubs, USAID has also facilitated the establishment of employment fairs. Novi Beograd municipality was the first of the ten municipalities selected to participate in USAID's municipal economic growth activity, to start organizing

such fairs. In May 2006 visitors to one of the fairs had an opportunity to familiarize themselves with job openings in the sector of civil engineering, while in December they had a chance to find out about job opportunities in the textile industry. More than 70 companies presented their businesses and employment prospects to job hunters and, in the end, found 370 new employees.

Job seekers should look out for future fairs – as other municipalities are planning employment fairs in the coming months.

Serbia opens first “smart” training program in Southeast Europe

Smart cards, smart jobs

In February, Belgrade’s Singidunum University opened the first training program for smart card technology in Southeast Europe. An estimated 200 students are projected to complete the course in the first year.

According to Professor Milan Milosavljević, Dean of the Faculty of Business Information Science who founded the program with support from the USAID’s enterprise development project, smart card skills are increasingly in demand for banking, mobile phone systems, passport control and other fields that require a high degree of data security and user authentication.

“This gives our students a tremendous advantage when they enter the workforce. They can negotiate better positions. They command better salaries.

And the employer knows they don’t have to commit to expensive training programs or sending someone abroad to learn this technology.”

As the first students in the Balkans to know how to use smart card technology, graduates should also be in demand throughout the region.

Milosavljević, who previously taught artificial intelligence at Cornell University, projects that at least 120 jobs will open in Serbia this year alone for smart card proficient technicians.

The training program will be an integral part of the Security of IT Systems and Electronic Business study course and specialized trainings in IT security.

Smart cards are plastic cards with an embedded microchip. The memory is protected by a microprocessor which prevents unauthorized access.



Smart students in training

From classroom to courtroom

Growing up in Bar, Montenegro, Vladimir Leposavić dreamed of a life as a lawyer and the opportunity to fight for justice. Attracted by the quality of the professors, Vladimir moved to Belgrade four years ago to begin his studies at the Law School. A top-ten honor student in his final year of the law program, he pondered the choices he might have upon graduation. Since the law school curriculum is largely theoretical, Vladimir and many of his fellow students lacked the practical knowledge that could prove useful in choosing what path to take after graduation. What did it really mean to be a judge, a prosecutor, or a lawyer?

After searching the internet, Vladimir discovered the Court Internship Program, where law students have the opportunity to spend two weeks inside a real courtroom and observe and interact with judges, prosecutors and lawyers as they perform their jobs. Vladimir immediately applied for the program and completed his criminal law internship last year.

The internship program started in 2005 with sponsorship from the American Bar Association’s Rule of Law Initiative, a USAID-funded project whose goal is to promote the rule of law in Serbia. The program, managed by the Young Lawyers of Serbia Association, supplements a primarily theoretical law school curriculum.



Students getting firsthand experience in how a trial really works.

First, students like Vladimir are assigned to a judge and a courtroom, where they watch real trials and have the chance to meet with the judge informally and discuss their thoughts on the case and how the judge makes his or her decisions. Students visit the court archives and get a better understanding of the practical daily functions of the court staff. Later, in the case of the criminal law internship, students tour the Belgrade prison to speak with prison personnel, police officers, and prisoners to gain insight into the criminal law process. During the second week, students perform a courtroom simulation exercise and assume the roles of judge, prosecutor, lawyer, and defendant in a trial.

In advance of the simulation exercise, students are presented with a scenario and are asked to develop a courtroom strategy to advocate their positions. Judges then observe the simulated trials and critique the participants.

Branka Čatić, a 2005 graduate of the State Belgrade Law School and a Young Lawyers project assistant for the program, has fond memories of her time in the program. “Before graduation, I was confused about what career path to choose. I really didn’t have any real understanding of what a judge, prosecutor, or lawyer does. I went through the program’s criminal law course, and for two weeks I actually observed real trials in a real courtroom and had an opportunity to talk to the judge afterwards to

discuss the case.” During the simulation exercise, Branka played the role of a judge, which helped shape her career decisions. “The simulation showed me that I could speak in public and could make decisions from the bench. I found that I liked it.” Branka currently works for the 1st District Court of Belgrade, helping judges prepare for trial. She is preparing to take the Bar exam in May and would like to pursue a career as a judge.

To date, more than 1400 Serbian law school students have participated in the Court Internship Program. December 8, 2006 marked the official close of the 9th round of this program, which was attended by 210 students in six cities (Belgrade, Niš, Novi Sad, Kragujevac, Novi Pazar and Vranje) working in small groups in the courts, prosecutor’s office, and private attorneys’ offices. In addition, 73 third and fourth-year students attended lectures by adjunct professors – actual practitioners who visited Belgrade Law School and Union University in Belgrade.

For students like Vladimir—the experience was invaluable. “Ultimately, I would like to work as a law school professor, and I think that the understanding and experience I gained from the internship program will help me to be a better teacher and explain to my students how the system works.”

Basketball ace in the fields



Tarlać with members of "Ridica-agrar" during a visit to his hometown.

People from Ridica will tell you that homegrown basketball star Dragan Tarlać is a remarkable person, who didn't forget his community even at the peak of his fame. They wistfully remember when he was playing for the Greek basketball team Olympiakos, and how, during a visit back home, he brought along several of his fellow players, and they rolled up their sleeves to unload coal for the local school.

Residents of Ridica decided almost two years ago to take their destiny into their own hands and to improve their economic lot through advanced agricultural production.

Despite the local saying "it's safest to rely on yourself and your own abilities", residents decided to put their trust into the collective abilities of their community. And, it worked. In early 2005, they decided to establish the association "Ridica-agrar", that today numbers more than forty members and is actively engaged in making agricultural production more profitable through collective efforts in purchasing and utilizing agricultural equipment and auxiliary goods, getting professional and practical training for their members and pursuing more strategic placement of their products on the market.

After reaching an agreement 'in their own house' they looked to see if they could find some help from international donors. Their collaborative effort caught not only USAID's attention, but also that of Dragan Tarlać. USAID had been providing assistance on similar projects in the region since 2001. Dragan Tarlać, of course, was a hometown boy.

USAID assisted the association by purchasing and setting up 13 greenhouses. The spring season now starts 10-40 days earlier, the autumn season lasts 20-60 days longer, thus enabling association members to get their products onto the market when the prices are the most favorable. Tarlać provided office equipment for running the association and donated agricultural machinery.

Thanks to this community driven initiative, thirteen new jobs have been created, providing for respectable incomes for several families. After many years of stagnation and an outflow of residents, residents of Ridica today confidently say, "This is just the beginning!"

Through its Community Revitalization through Democratic Action (CRDA) program, USAID has engaged in thousands of projects with farmers and other agricultural producers—helping "ordinary" folk to achieve extraordinary things for their futures. An estimated \$80+ million dollars in additional income has been generated through the program, including over \$30 million in increased agricultural sales.



Tarlać on a more familiar court.
Photo: Peda Milosavljević

For more information on USAID activities, please visit:
<http://serbia-montenegro.usaid.gov>



If you have any comments or questions about USAID in Serbia, please write to us at comments-Belgrade@usaid.gov