



POLICY EVALUATION REPORT

WEBIN
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LIST OF ABBREVIATIONS

CBSSE	Coordination Body for the Suppression of the Shadow Economy
CCIS	Chamber of Commerce and Industry of Serbia
CRCSI	Central Registry of Compulsory Social Insurance
CSO	Civil Society Organisations
DAS	Development Agency of Serbia
FIC	Foreign Investors Council
GIZ	Gesellschaft für Internationale Zusammenarbeit (Corporation for International Cooperation)
HIF	Health Insurance Fund
IPA	Instrument for Pre-Accession Assistance
LGU	Local Government Unit
LoNQFS	Law on National Qualifications Framework of Serbia
LoY	Law on Youth
MoCI	Ministry of Culture and Information
MoE	Ministry of Economy
MoEP	Ministry of Environmental Protection
MoESTD	Ministry of Education, Science and Technological Development
MoFA	Ministry of Foreign Affairs
MoHMRS	Ministry of Human and Minority Rights and Social Dialogue
MoIA	Ministry of Internal Affairs
MoJ	Ministry of Justice
MoLEVSA	Ministry of Labour, Employment, Veteran and Social Affairs
MoYS	Ministry of Youth and Sports
NALED	National Alliance for Local Economic Development
NECC	National Entrepreneurship and Competitiveness Council
NTF	National Tempus Foundation
NYC	National Youth Council
NYS	National Youth Strategy
OECD	Organization for Economic Cooperation and Development
PPS	Public Policy Secretariat
RGA	Republic Geodetic Authority
RYCO	Regional Youth Cooperation Office
SBRA	Serbian Business Registers Agency
SCTM	Standing Conference of Towns and Municipalities
SECO	State Secretariat for Economic Affairs
SME	Small and Medium Enterprises
SMES	Small and Medium Enterprises Strategy
SORS	Statistical Office of the Republic of Serbia
SoYP	Subjects of Youth Participation
TA	Tax Administration
USAID – BEP	United States Agency for International Development - Business Enablin Project



SUMMARY

This report presents an evaluation of the implementation of two phasing out strategies in the Republic of Serbia relevant for youth entrepreneurship, and seen through the prism of the By LEAP project framework whose topic is closely related to youth participation and entrepreneurship, and the aim of which is to strengthen youth initiatives and support student/youth companies. The chosen strategies are as follows:

- 1) National Youth Strategy (2015-2020)
- 2) Small and medium enterprises strategy (2015-2020)

These two strategies have been selected because some segments and strategic goals presented in these strategies and/or their aims and principles are oriented towards youth entrepreneurship and improved position of youth in the society.

Even though both strategies declare their advocacy for various rights of young people, it appears at some points that both strategies leave ample room for improvement and inclusion of additional aspects and perspectives which would observe the issue of youth rights and potentials from a much broader, yet more material perspective.

It is the aim of this evaluation report to offer some conclusions and recommendations which could be valuable for the young and other vulnerable groups in terms of getting a chance of improving their social, economic and cultural position by being offered equal opportunities for development and growth through official state policies and solutions. Thus, the report is equally intended for policy and decision makers, as well as for all potential beneficiaries of favourable results that might ensue in response to evaluation findings.





INTRODUCTION WITH METHODOLOGY

The ByLEAP project aims to strengthen the participation of grassroots CSOs and youth initiatives in the regional network, and ensure sustainability of young entrepreneur (student/youth) companies through demonstration and training/mentoring activities. Significant efforts were dedicated to improving the policy environment and supporting human and institutional capacity/workforce development initiatives that respond to the needs of the CSO's and local/grassroots beneficiaries.

This is planned to be achieved through the following main objectives:

- Contribute to youth entrepreneurship opportunities and strengthen employment perspectives of youth in the Western Balkans;
- Strengthen regional entrepreneurship education network and its capacity to participate in reform process;
- Support growth of innovative youth entrepreneurship initiatives including from rural and remote areas, and their transformation into sustainable youth SMEs;
- Foster youth employment and entrepreneurship opportunities through advocating for legal environment prone to student and youth companies' sustainable development.

Bearing in mind the afore-stated objectives, there is a clear and apparent need to thoroughly analyse and address the existing relevant policies which could directly influence further development and position of young entrepreneurs and student/youth companies by supporting and/or suggesting a proper policy framework which could enable further progress and improve the conditions for the young the take initiatives of self-employment, and providing opportunities to young people to increase chances of employment and employability.

The report focuses on the analysis of two phasing-out strategies which appear to be the most relevant for the afore-stated purposes:

- a) National Youth Strategy (2015-2025)
- b) Small and medium enterprises strategy (2015-2020)

The National Youth Strategy (hereinafter: NYS) adopted for the period between 2015 and 2020 claimed to have recognised the young as the present and future of our society, resource of innovation, and driving force of development. Therefore, as it has been stated in the NYS, "it is necessary to continuously and systematically invest in youth development and establish a partnership relationship between youth and the state in order to increase active participation in society, encourage social integration and ensure the involvement of youth in the development of youth policy" (NYS 2015-2025: 1). The Strategy is based on the Law on Youth (hereinafter: LoY) with the aim of providing conditions to enable young people to fully reach their potential, and actively participate in society.

In other words, the NYS is a key mechanism "for the implementation, coordination and improvement of youth policy, which creates a supportive environment in which youth initiatives are encouraged and



respected” (NYS 2015-2025:1). The aim of this strategy was to provide a framework for all subjects of youth participation (hereinafter: SoYP) and the state to cooperate to achieve the set goals by respecting the agreed principles, and fostering a partnership relationship. The NYS is a guide to youth work and collaboration with the young for all SoYP and it constitutes a platform for action at the local, national, regional and international levels.

The analysed NYS was presented with nine strategic goals, some of which are directly related to the stated ByLEAP objectives, and those are as follows: improved employability and employment of young women and men, increased quality and opportunities for acquiring qualifications and developing competences and innovativeness of young people, improved and enhanced active participation of young women and men in society, etc.

The institutions primarily responsible for the implementation of the NYS strategy are as follows: the Ministry of Youth and Sports (hereinafter: MoYS), Ministry of Labour, Employment, Veteran and Social Affairs (hereinafter: MoLEVSA), Ministry of Education, Science and Technological Development (hereinafter: MoESTD), Ministry of Economy (hereinafter: MoE), Ministry of Environmental Protection (hereinafter: MoEP), Ministry of Health (hereinafter: MoH), Ministry of Internal Affairs (hereinafter: MoIA), Ministry of Human and Minority Rights and Social Dialogue (hereinafter: MoHMRSD), Ministry of Justice (hereinafter: MoJ), Ministry of Foreign Affairs (MoFA), Ministry of Culture and Information (hereinafter: MoCI), Statistical Office of the Republic of Serbia (hereinafter: SORS), local government units (LGU), supported by all subjects of youth participation, National Youth Council, and other civil society representatives.

The Small and Medium Enterprises Strategy (hereinafter: SMES) adopted for the period between 2015 and 2020, stated that the development of entrepreneurship in general, as well as that of small and medium enterprises which make 99% of all business entities in Serbia is of crucial importance for the recovery and development of the Serbian economy, increased employment and improved standard of living of citizens (SMES 2015-2020:3). The proclaimed goal of this strategy was to “improve the situation in key areas for the development of entrepreneurship, such as the business environment, access to financing sources, human resources development, strengthening the sustainability and competitiveness of SMEs, access to new markets and the development of entrepreneurial spirit, entrepreneurship of women, youth and social entrepreneurship (SMES 2015-2020:3).

The analysed SMES was presented with six strategic objectives further developed and elaborated into a series of specific objectives which encompass various measures for the achievement of the stated goals. Among the presented strategic objectives, some are especially relevant for this particular report: improving business environment, improving access to the source of finance, and development and promotion of entrepreneurial spirit and encouragement of entrepreneurship of women, youth and social entrepreneurship.

The institutions primarily responsible for the implementation of the SMES strategy were as follows: line ministries and state administration bodies, the National Entrepreneurship and Competitiveness Council (hereinafter: NECC), the Public Policy Secretariat (hereinafter: PPS), Development Agency of Serbia (DAS), Chamber of Commerce and Industry of Serbia (CCIS), the Coordination Body for the Suppression of the Shadow Economy (hereinafter: CBSSE), tax administration (hereinafter: TA), Republic Geodetic Authority



(hereinafter: RGA), Serbian Business Registers Agency (hereinafter: SBRA), Standing Conference of Towns and Municipalities (SCTM), Health Insurance Fund (hereinafter: HIF), Central Registry of Compulsory Social Insurance (hereinafter: CRCSI), Protector of Citizens, etc.

The report consists of the analyses of the afore-mentioned strategies in relation to the current status, prospects and possibilities of the youth employment, employability and entrepreneurship. It is the aim of this report to try to perceive and recognize the manner in which the aforementioned strategies relate to the issue of youth entrepreneurship, what goals they set, and what they undertook and achieved so far in the period for which they had been adopted. Based on that, we will try to give suggestions and recommendations that could be implemented in the following period within the framework of the same, but updated strategies.

The basis for the evaluation of the afore-mentioned strategies will be the four established criteria: relevance, effectiveness, efficiency, and sustainability.

The target group of this particular research (and consequently the report) are all those direct and indirect stakeholders and beneficiaries who are interested and/or involved in the sector of youth participation, employment and entrepreneurship, whether they be policymakers, youth councils and/or offices, non-government youth organisations, other civil society stakeholders, educational institutions, the youth, etc.

The main method to which the authors resorted while preparing this report is the desk research. We resorted to the main phasing-out strategies relevant for the field covered by the scope of the ByLEAP project, namely the NYS, and the SMES, as well as to ex-ante and ex-post analyses of the NYS, the report with recommendations analysing the first decade of the LoY, the proposal for the updated 2020-2030 NYS, the report on the conducted impact analysis for SMEs, as well as the Study of challenges that hinder SMEs development.

The possible limitations of this particular evaluation would be the lack of a direct feedback from the main beneficiaries of the afore-mentioned strategies, as well as from those organisations and institutions which were the main actors of the implementation of the afore-mentioned strategies. However, since this particular report is being compiled as a part of the ByLEAP project activities, the authors have encountered the lack of time and resources limited by the project scope to conduct a wider research.



FINDINGS WITH INTERPRETATION

1. The National Youth Strategy

Relevance

The NYS observed in this report was adopted in February 2015, for the period 2015-2020.

The NYS was developed by a Government work group comprising 53 representatives of relevant state bodies and institutions, youth associations, and experts in the field of youth participation and policies.

For the purposes of developing the NYS, a situational analysis had been performed in order to scan the state of affairs, as well as identify the main challenges and causes of potential negative phenomena, and understand the consequences with the aim of defining potential solutions. Bearing in mind that, according to the Strategy, there had been 15 round tables, a public debate, and 5 public forums and round tables with thousands of young people, one can assert that there was a sound basis for defining the NYS.

The NYS is based on a plethora of national and international policies, the main being the Constitution of the Republic of Serbia and the Law on Youth, followed by a series of laws and strategies which could be relevant even to the smallest degree to youth issues and the implementation of the established action plan. In that respect, one can assert that strategy authors appeared to be thorough. As to relevant international, primarily EU strategies, the NYS was based on the EU Youth Strategies - Investment and Empowerment, the Renewed Framework for European Cooperation in the Field of Youth Work (2010-2018), and the Joint Report of the Council and the Commission on the Implementation of the Renewed Framework for European Cooperation in the Field of Youth Work (2010-2018). In addition to the two afore-mentioned strategies, the NYS was developed by consulting the Europe 2020: Youth on the Move and New Skills for New Jobs, and the Declaration and Resolution of the Council of Europe on the future of youth policy: Agenda 2020.

By grounding the NYS in a number of relevant national and international strategies and policies, one can assert that the NYS corresponded to a great deal with other relevant strategic frameworks at the national and international level.

The strategy defined nine strategic goals based on the previously established state of affairs in the field of youth and their participation in different aspect of social life. The focus was placed on employment and employability of young people, gender equality, education and competence development, health and safety, social inclusion, etc. Bearing in mind the status and standard of young people in Serbia, as well as the difficulties which they encounter in the field of employment and employability, social inclusion and active participation in the matters which directly concern them, one can assert that the set strategic goals were relevant at the time when the NYS was adopted. In 2020 a new Government body was formed with the aim of drafting a revised NYS for the period between 2022 and 2030, and the draft of the strategy is already available.



Even though some of the core segments of the NYS 2015-2020 have been kept in the revised strategy, in the meantime the legal framework in Serbia as well as in EU has changed to a certain degree and it is necessary to adjust the NYS strategic goals to the new context. Therefore, one can assert that the set goals and measures defined in the NYS for 2015-2020 are current even at the present moment and they will continue to be addressed in the upcoming period.

The main target group of the NYS are young people between 15 and 30 years of age belonging to different social and educational groups (men and women, ethnic minorities, young at risk of social exclusion, etc.). It appears that the strategy had in mind the main needs of the afore-mentioned target groups, and the challenges they faced in the society in general. Namely, creation and implementation of the action plan activities was based on the available data on the needs of young people. The available data indicate that the number of youth associations increased and that the support for umbrella associations, as one of the most important target groups, was improved.

This particular strategy was implemented in the period between 2015 and 2020. This was the period of a slow recovery from the global economic crisis, whereby the national context was marked by frequent election cycles which also signified frequent interruptions in the rhythm of the established measures and action plans for the implementation of the NYS. On the other hand, towards the end of the NYS period the world witnessed a global pandemic which completely paused the process of implementation of the NYS and created a gap between the completion period of the strategy in question and the revised strategy which is yet to be adopted. Furthermore, the pandemic led to the decline of a large number of indicators, primarily those related to starting one's own business, the quality of available cultural content, and the availability of educational and health programmes and services.

Effectiveness

Upon gaining insight into the results achieved after the implementation of the NYS 2015-2020, one can assert that the Strategy itself was very useful as a step in the right direction. However, there is ample room for further improvement. Namely, regular yearly research and analyses had been conducted in the period between 2015 and 2020 and the following conclusions were presented: a) there is a continuity in identified needs and challenges that the young encounter in the society and identified issues should also be addressed in the period ahead, but with more resilience and through a more efficient intersectoral cooperation; b) place focus on the development components of the Strategy; c) re-focus the main Strategy direction in order to respond to the needs of young people, their better organization and social action, development and realization of potential for personal and social well-being, and to have improved conditions for a quality life in Serbia (NYS, a draft 2022-2030:28).

The ex-post analysis pointed out that the main issue encountered in the implementation of the NYS was a lack of intersectoral cooperation, both at the nation level and levels of local municipalities. Availability of quality data and reporting about the implementation of the NYS were also stated as points in need of



improvement. Namely, as previously mentioned, a lack of communication and cooperation between different actors in the process of implementation of the NYS (the Ministry of Youth and Sport and local self-governments) created noise in the process of progress reporting. Furthermore, indicators of progress could have been clear and measurable to a greater extent. Namely, action plans for youth do not define indicators at the level of strategic goals, but sets of indicators at the level of a specific goal and at the level of each individual activity. Indicators of specific objectives do not contain initial values, target values or sources of verification (Ex-post: 53). Consequently, a lack of clear and measurable indicators makes it difficult to derive conclusions about the effectiveness of the NYS. According to available indicators, 70% of planned activities within the NYS have been implemented while for the remaining 30% one does not possess adequate data.

Generally speaking, the feedback obtained from target groups in an attempt to assess the level in which the NYS goals have been achieved indicated only partial effects of the defined strategic goals. There are some indicators of improvements regarding the increase of the youth employment rate, but it cannot be safely asserted that this increase is a direct result of the NYS implementation. Furthermore, there are still significant challenges in the process of transition from education to the world of work, in realizing the right to dignified work and in inclusion in the decision-making process at all levels of government (Ex-post, 2021: 53).

Efficiency

Generally speaking, when it comes to allocated resources to achieve the strategy goals, one can assert that based on the available data the largest amount of resources has been used to achieve the set goals. However, the lack of intersectoral cooperation created impediments in this aspect of NYS implementation, too. Furthermore, for strategic goals 7 and 8 (*Improved mobility, scope of international youth cooperation and support for young migrants* and *Improved youth information system and knowledge about young people*, respectively) over 40% of allocated resources per goal have not been spent.

On the basis of the available data one cannot safely assert to what extent the young have participated in the implementation of the NYS. This remains a point to be further improved in the upcoming period.

As it has been previously mentioned on several occasions, the mechanisms of coordination, monitoring and reporting on the strategy implementation were somewhat lacking and this is a major point to be improved in the upcoming period.



Sustainability

It is important to emphasise that during the five-year period of the implementation of the NYS several significant systemic and institutional mechanisms had been established which could secure the sustainability of the results achieved in the observed period (NYC, LoNQFS, RYCO, etc.). There are still some systemic and strategic issues to be addressed in order to improve the prospects of the NYS strategy for the upcoming period. It is commendable that first steps towards addressing the afore-mentioned issues have already been taken.

Within the conducted survey of interested parties, a significant number of respondents agree with the statement that mechanisms have been established for the sustainability of the implementation of the National Strategy for Youth (around 40%), while around 21% of the respondents disagree. (Ex-post,2021: 59). A big challenge is still identified in the capacity of all subjects of youth policy for the full implementation of existing mechanisms and mechanisms that are planned to be developed in the coming period. Particular attention is drawn to the lack of capacity and work standards of local institutions and youth organizations, primarily youth offices and youth councils at the local level and local youth organisations (Ex-post,2021: 59).

To sum up, the defined institutional mechanism can support the implementation of activities and ensure positive effects. However, most of these mechanisms do not work in practice and it is necessary to work on capacity building in order to ensure full implementation. The biggest challenge is perceived in the lack of continuous and systemic intersectoral cooperation that would include planning and implementation of measures to support young people and monitor the results of those measures.





2. The Small and Medium Enterprises Strategy

Relevance

The SMES observed in this report was adopted in March 2015, for the period 2015-2020.

The SMES was developed by the Government of the Republic of Serbia by considering the advice and attitudes obtained in consultation with all potentially interested parties, above all representatives of the economy, as well as by harmonizing the proposed priorities and measures with other competent ministries (SMES:3).

The goal of the Strategy was to improve the situation in areas crucial for the development of entrepreneurship, such as the business environment, access to financing sources, human resources development, strengthening the sustainability and competitiveness of SMEs, access to new markets, the development of entrepreneurial spirit, as well as entrepreneurship of women, youth and social entrepreneurship.

For the purposes of developing the currently observed SMES, the authors have analysed the results and outcomes of the implementation of the previous Small and Medium Enterprises' Development Strategy for the period 2008-2013 but they also resorted to information and recommendations contained in the reports of domestic and international institutions, as well as to information collected through interviews with entrepreneurs and business persons. The most relevant sources used are as follows: Doing Business 2015: Understanding Regulations for Small and Medium Size Enterprises, The Global Competitiveness Report 2014 – 2015, The White Book of the Foreign Investors Council (hereinafter: FIC), the Grey Book of the National Alliance for Local Economic Development (hereinafter: NALED), a study of the Project for Better Business Conditions (USAID BEP) termed Financing the growth of small and medium-sized enterprises - Key issues and recommendations for Serbia; Business survey: Serbia 2013 Project for better business conditions (USAID BEP), the OECD Report on Financing Small and Medium-sized Enterprises and Entrepreneurs for the year 2013, annual national small and medium-sized enterprises and entrepreneurship, and research conducted by DAS on the state, needs and problems encountered by SMEs . It also appears that special attention during the strategy development process was paid to recommendations contained in the annual reports of the European Commission on the progress of the Republic of Serbia, and the OECD Index of SMEs policy in the Western Balkans. Last but not least, the strategy authors also considered recommendations provided by entrepreneurs who participated in a dialogue organized within an action termed “You have a say – be part of the solution”.

The SMES is based on a wide range of national and international policies, the main being the Constitution of the Republic of Serbia and the Law on the Promotion of Small and Medium-sized Enterprises. In the period prior to drafting this particular strategy significant legislative and administrative reforms have been initiated or implemented in the Republic of Serbia with the aim of providing more favorable conditions for the functioning of the market economy, including the development of entrepreneurship. What was



recognised as an important element in the development of SMEs and entrepreneurship in general is also a significant improvement of the work of courts. Bearing all of the afore-mentioned in mind, one can assert that the strategy authors paid attention to both national and international, as well as regional legal, social and entrepreneurial ambiance.

By grounding the SMES in a number of relevant international and national strategies and policies, one can assert that the SMES corresponded to a great deal with other relevant strategic frameworks at the national, regional and wider international level.

The strategy defined six strategic goals based on the previously established state of affairs in the field of small and medium-sized enterprises. The focus was placed on improving the business environment, improving access to sources of financing, providing support for entrepreneurship education, strengthening sustainability and competitiveness of SMEs, improving access to new markets, and developing and promoting entrepreneurial spirit, encouraging women's entrepreneurship, and youth and social entrepreneurship. In the light of this report, the segment which focuses on strategic goals related to the entrepreneurship of the youth, women as well as social entrepreneurship and the manner in which these could be further developed and promoted is especially significant.

Bearing in mind the context of continuous changes and reforms in different legal, financial and social domains in the Republic of Serbia, one can assert that the goals and measures defined in SMES for 2015-2020 are still rather topical and, in addition to anticipated adjustments and improvements, it is expected that they will continue to be addressed in the upcoming period.

The main target group of the SMES are individuals, groups and/or organisations which define themselves as entrepreneurs, small and medium-sized businesses and enterprises, potential entrepreneurs coming from different walks of life and belonging to different social and age groups (the youth, women, etc.). In defining the strategic goals, the authors of SMES bore in mind particular needs and problems encountered by the afore-mentioned target groups.

This particular strategy was implemented in the period between 2015 and 2020, the period when the entire economy of the Republic of Serbia was still characterized by a slow recovery of economic activity after several years of recession caused by the global economic crisis. The macroeconomic environment was characterized by a high level of external and public debt, a high budget deficit, an insufficient level of direct foreign investments, exchange rate fluctuations, and a high level of unemployment (SEMS 2015: 15). The challenges identified as the main impediments to a further development of the private entrepreneurial sector are as follows: insufficiently developed legal framework, lack of business security, decline in domestic demand, slow economic recovery, the problem of liquidity, a high level of uncollectible loans, high interest rates, and a high level of grey economy. Furthermore, at the end of the SMES period the world witnessed a global pandemic which completely paused the process of implementation of the SMES and even the positive results achieved in some of the pre-pandemic years have been annulled to a large extent. Likewise, the pandemic led to the decline of a large number of indicators, primarily those related to starting one's own business, and/or maintaining the level of business production/management at the pre-pandemic level.



Effectiveness

Upon gaining insight into the results achieved after the implementation of the SMES 2015-2020, one can assert that the Strategy itself was very useful as a step in the right direction. However, there is still ample room for further improvement. Namely, it is necessary to continue the work of all regulatory bodies and other institutions to eliminate obstacles and reduce the costs that positive regulations create for the economy. Likewise, the EU principle “think first of all about the little ones” should be adopted and applied when drafting new strategies and regulations in the process of the ongoing reform. Further transparency and predictability of regulatory activities is strongly recommended, as well as inclusion of economic entities and citizens in the process of defining and adopting new relevant regulations. Though significant work has already been done in the field of suspending unnecessary administrative procedures, additional efforts need to be done in this domain.

Likewise, a lack of communication and cooperation between different actors in the process of implementation of the SMES (policymakers, regulatory bodies, legal and administrative offices, labour inspection services, local self-governments, business entities, entrepreneurs, all potential beneficiaries of the strategy in question) constitutes an impediment in the process of progress reporting. Thus, even though it has been foreseen by strategy authors, one still cannot come across the mid-term report on the SME strategy implementation progress.

Generally speaking, the feedback obtained from target groups in an attempt to assess the level in which the SMES goals have been achieved indicated only partial effects of the defined strategic goals. There are some visible aspects of improvements regarding somewhat better conditions for initiating and upholding the private business, but there is still long way to go to achieve the set strategic goals to their full potential.

Efficiency

Generally speaking, when it comes to allocated resources to achieve the strategy goals, one cannot assert with certainty if the allocated funds were sufficient to achieve the goals of the SMES. Namely, as one cannot encounter a mid-term report (if available), nor an ex-post analysis, one cannot be sure about the amount foreseen for the achievement of the set goals. The Action plan appears to be rather ambitious and a large number of activities have been foreseen for the purposes of implementing the measures defined by the SMES. The largest amount of resources came from the budget of the Republic of Serbia and Chamber of Commerce of the Republic of Serbia, while there were activities planned to be budgeted from international projects and donations (IPA, GIZ, SECO, World Bank, USAID-BEP).

On the basis of the available data one cannot safely assert to what extent the afore-mentioned target groups have participated in the implementation of the SMES. This remains a point to be further improved in the upcoming period.



As it has been previously mentioned on several occasions, the mechanisms of coordination, monitoring and reporting on the strategy implementation were somewhat lacking and this is a major point to be improved in the upcoming period.

Sustainability

It is important to emphasise that during the five-year period of the implementation of the SMES several significant systemic and institutional mechanisms had been established which could secure the sustainability of the results achieved in the observed period. Some of the finalized results are as follows: Real Estate Appraisers Act, the Business Portal of the Chamber of Commerce, further development of the concept of student companies (with emphasis on the lack of legal framework which slows down the development of student entrepreneurship), continuation of the implementation of the support entrepreneurship education programme according to the Junior Achievement international model, etc.

The sixth strategic goal which is specifically interesting for the purposes of this evaluation has been very difficult to monitor in regards to the level of achievement of foreseen measures and activities. Namely, the Global Entrepreneurship Monitor report for Serbia could not be traced, and neither could the majority of other foreseen outcomes and results.

To sum up, the defined institutional mechanisms, planned activities and foreseen results could indeed prove to be a path towards improvement of entrepreneurship among youth, as well as private entrepreneurship in general. However, most of these mechanisms, solutions and results could not easily be traced and it is necessary to work on capacity building, information flow and communication strategy in order to ensure the full implementation of the strategy and the Action plan, as well as to communicate the results to target groups. The biggest challenge is perceived in the lack of continuous and systemic intersectoral cooperation that would include planning and implementation of measures to educate and support young entrepreneurs, communicate the results and monitor the implementation of foreseen measures.





CONCLUSIONS AND RECOMMENDATIONS

The evaluation of two phasing-out strategies (namely, NYS and SMES) adopted for the period between 2015 and 2020 showed that both strategies had some strong, as well as some weak points.

As to the strong points, in both NYS and SMES, the strategy authors took a step in the right direction when it comes to defining strategic goals which had in mind the needs of young people as well as challenges that they encounter in the society regarding employment, employability, equal chances and opportunities, etc. Some of the defined strategic goals have been either partially or fully realised through activities and measures foreseen by respective action plans. However, there are still segments of both phasing-out strategies that leave ample room for improvement.

When it comes to the NYS, the following aspects could be improved in order to obtain more concrete results in the upcoming period:

- The identified needs and challenges that the young encounter in the society remain topical and they should be addressed in the period to come with more determination and pertinacity.
- A more efficient intersectoral cooperation, both at the national level and levels of local municipalities is a must in order to achieve the set goals; the goals and activities require cooperation of various institutions, bodies, organs, organisations and individuals, and without a good coordination and cooperation between these actors, there is a risk of not achieving the set goals.
- Some aspects of the Strategy could be more concrete and less vague, with clear and concrete needs of young people in mind (how to better organize themselves, how to come together to improve the quality of their lives, and solve problems that are important for them and for the communities).
- Quality data and timely reporting about the progress of the NYS implementation should be available for different actors in the process of implementation as a measure of quality assurance and timely action, should information indicate the necessity of changing the course; the mechanisms of coordination, monitoring and reporting on the strategy implementation were somewhat lacking and this is a major point to be improved in the upcoming period.
- Progress indicators should be clear and measurable to a greater extent. Without clear baseline indicators one cannot read properly the results indicators, and consequently one cannot assess to which degree the strategy and its Action plan were successful in achieving the set goals.
- The link between activities implemented as a part of strategic goals and improvements in the field covered by the strategy needs to be made clear. Namely, if there is an assertion that there was an increase in youth employment rate, it needs to be clear if the increase was the direct result of the strategy implementation.
- Young people (and not only those engaged in different youth organisations) should be more involved in the process of establishing the needs and challenges that the young encounter in the society, as well as in the process of strategy implementation.



- A more concrete approach is necessary when it comes to the process of transition from education to the world of work, in realising the right to dignified work and inclusion in the decision-making process at all levels of government.
- One can observe the lack of capacity and work standards of local institutions and youth organisations, primarily youth offices and youth councils at the local level and local youth organisations.

When it comes to the SMES, the following aspect could be improved in order to obtain more concrete results in the upcoming period:

- No mid-term report was produced (or at least it was not made available), which makes it difficult to observe the progress made by the strategy implementation for the given period.
- Including a wider network of interested parties (not merely already established businesses), such as a wide range of economic entities and citizens in the process of defining new relevant rules and regulations.
- Include the young (both individuals and organisations) by conducting a thorough research into the main obstacles and impediments that the young encounter when trying to venture into the world of entrepreneurship; the young should also be included to a greater extent in the process of strategy implementation.
- When defining the need to include entrepreneurship into school education at all levels, the authors should observe entrepreneurship as a key competence, rather than insisting on a one-dimensional definition of entrepreneurship as the process of developing, organising, and running a new business to generate profit while taking on financial risk.
- Adopt the EU principle *think first about the little ones*.
- Further simplify business start-up procedures, especially for students/youth.
- Create adequate legal framework which would specifically include student/youth start-up companies.
- The amount of the budget allocated for the implementation of the strategy was not altogether transparent, although the sources of funding have been stated. However, without clear insight into concrete expenditures and achieved results, it is not possible to say if the allocated means have been sufficient to achieve the set strategic goals. On the other hand, the mechanisms of coordination, monitoring and reporting on the strategy implementation were somewhat lacking, and this is a major point to be improved in the upcoming period.
- It is necessary to work on capacity building, information flow and communication strategy in order to ensure the full implementation of the strategy and the Action plan, as well as to communicate the results to target groups.
- As in the case of the NYS, one can observe the lack of continuous and systemic intersectoral cooperation that would include planning and implementation of measures to educate and support young entrepreneurs, communicate the results and monitor the implementation of foreseen measures.



Based on the sum-up of previously listed observations and conclusions, and in the light of the main interest of this evaluation report drafted as a part of the ByLEAP project activities, one can provide the following recommendations which first and foremost have the interest of young people and their future in mind:

1. Both evaluated strategies need to consider the concrete needs of young people and challenges that they encounter in everyday life. Young people should be directly included in the process of defining acts, rules, regulations, or any other strategic documents which pertain to steer and influence their future life. In this case, one does not only bear in mind youth organisations, offices and bodies as an organised manner of youth participation, but also young individuals (students at all levels of education, individuals encountering challenges in everyday life without having any kind of support, etc.). Prior to drafting any kind of official document, the authors should conduct a wide-scale research with the aim of obtaining as detailed and thorough information as possible. Furthermore, the young should also be included to a large degree in the process of implementation of strategies which directly concern them.
2. Both evaluated strategies should aim for as concrete and comprehensible outcomes as possible (concrete offices/bodies with concrete guidelines and solutions for young people to understand their current position, and be able to decide about the course they should take).
3. Both strategies should aim for special rules, regulations, and/or institutions which could directly assist the young and other vulnerable groups to venture into the world of entrepreneurship without fear, apprehension or reluctance. That being said, it is necessary to create an adequate legal framework which would specifically include student/youth start-up companies, while at the same time defining simple business start-up procedures for students/youth.
4. When drafting some future strategies, it is necessary to extend the definition of entrepreneurship and observe it as a key competence, too.
5. Strengthen intersectoral cooperation in the process of implementing both evaluated strategies. Without clear communication and cooperation, strategic goals cannot be met, and the challenges and problems that target groups encounter cannot be solved.

Systemic solutions cannot be achieved without the participation of all interested parties: target groups and state bodies and mechanisms. Comprehensive changes and solutions require comprehensive approach and cooperation, mutual understanding and dialogue, as well as the awareness of the complexity of such an endeavor. Although rules, regulations, laws, strategies and similar directives are drafted and defined by state representatives, they cannot be imposed through a top-down principle, but rather generated through a bottom-up principle. In the case of the afore-mentioned evaluated strategies, the young are the base from which the strategies should draw inspiration and create action, and not the other way around. It is, therefore, necessary for all actors that have already been engaged in the implementation of the two evaluated strategies to cooperate more closely and with a higher degree of transparency, understanding and appreciation to achieve the set goals and introduce the necessary positive changes.



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