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Projekat za bolje uslove poslovanja
Business Enabling Project

Technical Assistance Advisor

**Technical Assistance to the to the Chamber of PEOs and PEOs profession
(individual PEOs offices) and the Ministry of Justice in Financial Planning,
Budgeting and Controlling**

**Business Enabling Project
USAID**

Belgrade

“Financial Planning, Budgeting and Controlling Specialist”

Total Input for Technical Assistance Advisor - 30 Days

Overall Length of On-going Project: May 1, 2017 – September 30, 2017

Position

- The Serbia Business Enabling Project (BEP) is seeking an **Advisor** to *provide technical assistance to the Chamber of PEOs and PEOs profession (individual PEOs offices) and MoJ to effectively implement the new Law on Enforcement and Security, by: (i) providing business and financial advisory on PEOs’ operations and costs under the newly introduced regulatory framework and competences; (ii) the way the new Tariffs impacts their businesses; and (iii) the way PEOs should run their operations.*

Project Summary

The Serbia Business Enabling Project (“BEP”) is a seven-year USAID-funded project awarded to Cardno Emerging Markets USA, Ltd. to assist the Government of Serbia to strengthen the business environment, fiscal and macroeconomic management, financial market development, and business education throughout the country. It provides long-term technical assistance and other support to help advance legal and regulatory reforms, build institutional and professional capacity, and other activities as may be requested by the GoS. The project is organized around three components, each implemented by a resident team of Serbian and international professionals: Component 1 – Business Regulation and Economic Governance; Component 2 – Macroeconomic Policy and Public Financial Management; Component 3 – Financial Markets Development.

BEP Component 3, Financial Markets Development, helps Serbian financial markets increase the competitiveness and affordability of financial services and helps improve the business environment for finance. This includes technical assistance to help counterparts draft or/and implement new legislation, strengthen their institutional capacity, and help to influence policies that will shape the evolution of the financial sector and its role in economic development.

The main counterparts for this assignment will be the Ministry of Justice (MoJ), and the Chamber of PEOs.

Background to SoW

The rule of law provides a foundation for the development of a democratic society. It requires an efficient, transparent and just judicial system. An important element of a fully functional and trustworthy judiciary is an effective system to enforce court judgments. An effective judiciary and system to enforce judgments also have great economic impact: the financial sector and parties to commercial transactions rely on the ability to collect debts quickly and efficiently.

Unfortunately, Serbia has suffered from a very poor system for enforcing judgments. Credit enforcement continues to be a constraint to access to finance and business growth in Serbia. The country's position in the World Bank's Doing Business rankings for Enforcing Contracts remains low, and creditors still complain about how difficult it is to collect debts. Doing Business reports that enforcing contracts takes 635 days in Serbia, and cost 40.8 percent of the claim on average in Serbia, compared to 21.3 percent in OECD high-income countries.

The inability to enforce a court order makes the entire judicial process uncertain. If the final judgment produced by a court is unenforceable, court procedures and all judicial reform initiatives undertaken by the MoJ and the government of Serbia are less meaningful. This problem impairs overall economic growth while it also impacts the citizens on a more personal level. For example: (i) small businesses are unable to collect from larger businesses; (ii) employees are unable to collect owed wages from their employers; (iii) single mothers are unable to collect alimony or child support; and (iv) all are being denied access to loans or credit at reasonable rates as a consequence of the high costs and low success rates of collecting unpaid debts.

The Law on Enforcement and Security, enacted in May 2011 with the assistance from USAID, introduced a number of substantial changes aimed at reducing the time it takes to collect a claim. The most important element of the law was the establishment of a system of professional, out-of-court, enforcement officers (PEOs), coexisting in parallel with the court base enforcement officers.

USAID BEP has been providing assistance to improving enforcement since 2011 and building capacities of the PEOs. In relation to the latter area of assistance, USAID BEP's major activities included:

- Developing the curriculum and methodology, drafting training manuals and materials for education of professional enforcement officers, and providing an

electronic version of the Professional Enforcement Officers Practice Manual (with developed materials, the trainings were easily replicable to ensure that all new entrants to the profession have necessary qualifications);

- Organizing together with the Chamber of PEOs several rounds of training sessions on the practical aspects, on supervision of the PEOs profession, and a specialized training program to educate PEOs on financial management, mediation and effective and efficient enforcement process;
- Facilitating dialogue between PEOs, judiciary, businesses, bankers and other enforcement stakeholders to build a stronger working relationship and improve the efficiency of the enforcement process;
- Assisting optimizing costs of enforcement, by conducting an Analysis on PEOs Tariffs of fees (further: Tariffs). Analysis focused on Tariffs' impact to the PEOs businesses and the enforcement process, with recommendations for improvements;

On December 18, 2015, the National Assembly adopted the new Law on Enforcement and Security ("Official Gazette of RS" no. 106/2015 dated on December 21, 2015), which mandates the use of out-of-court professional enforcement officers (PEOs) for collection of most of commercial claims. In addition, the new Law broadens the competence (jurisdiction) of PEOs, in order to maintain and increase the speed of the enforcement proceedings and reduce excessive workload of the courts, adding new competences and activities to the PEOs within the enforcement process. The challenge now is to successfully implement this law. This will require PEOs to work in a highly efficient and professional manner, and the courts and creditors to work effectively with the PEOs.

In accordance with the new Law, the new By-law on PEOs Tariffs of fees ("Official Gazette of RS" no. 59/2016, dated on June 28, 2016), has been adopted. The new Tariffs introduced a new method of calculating fees, announced to be more transparent, precise and drafted in a way that will allow the creditor and the enforcement debtor to more easily identify the costs of enforcement proceedings.

However, the new Law and ancillary regulation (such as: Amendments to the Law on Court Taxes "Official Gazette of RS" no. 106/2015 dated on December 21, 2015) introduce new competencies and procedures to the PEOs. The costs of many of these competencies and procedures haven't been quantified, analysed nor projected (such as collection of unpaid court fees). USAID BEP's Analysis on PEOs Tariffs of fees (further: Analysis) associated to the PEOs' operations and costs under the newly introduced competences and the way the new Tariff of Fees impacts their businesses, revealed large number of challenges for PEOs. This Analysis reflected practical aspects of PEOs' work, including PEO's office management, field work, financial and accounting obligations, communication with creditors and debtors, case administration etc. The Analysis sought to reach the appropriate balance between keeping the fees high enough to enable the PEO profession to attract knowledgeable professionals, to reach sustainability and grow, keep integrity and impartiality, and the need to keep the fees low enough to not burden businesses with yet another unreasonable cost in collecting their debts.

Conclusions and recommendations of the Analysis showed how processing cases and collecting fees quickly on the one hand, while controlling costs on the other hand, is crucial for PEOs offices and profession sustainability.

Thus there is a necessity to disseminate these findings and further educate the PEOs on the way they should run their offices, and where necessary adjust their operations, in accordance with the new business and regulatory environment.

The USAID Business Enabling Project assists the Ministry of Justice in its efforts to reduce lending risk and lower the cost of enforcement. The target of those efforts in the enforcement area is to support the timely and consistent implementation of the newly adopted law that fully came into force on July 1, 2016.

Objective

The primary objective for this new program will be:

- To provide technical assistance to the Chamber of PEOs and PEOs profession (individual PEOs offices) and MoJ to effectively implement the new Law on Enforcement and Security, by: (i) providing business and financial advisory on PEOs' operations and costs under the newly introduced regulatory framework and competences; (ii) the way the new Tariffs impacts their businesses; and (iii) the way PEOs should run their operations.

Tasks Include:

- 1) Designing the Business and Financial Manual for PEOs. The Manual should include: designed custom income and costs time maps – maps should reflect data received from sample offices through the Analysis, and include scenarios (models) if costs optimization and outsourcing activities are implemented on PEOs office level. The Manual should provide tools advices to raise managerial skills among PEOs for their offices and finances. Cost optimization topics should include trainings on topics such as: business specialization vs. multiplication, outsourcing (e.g. delivery services), investments as precondition for growth, etc.;
- 2) Presenting the Manual and delivering one series of trainings to PEOs through daily workshops on topics, findings and recommendations included in the Manual in four appellate cities around Serbia (Belgrade, Novi Sad, Kragujevac, Niš);
- 3) Preparing limited further analysis/brief research as a follow-on activity to the existing Analysis, based on a special request of the MoJ (if any);
- 4) Presenting the Analysis and Manual findings to the MoJ, Chamber of PEOs and interested public;

Qualifications:

10 years plus experience in financial reporting, monitoring and control, planning, budgeting and/or internal audit.

Required experience:

- Previous experience with increasing professional capacities of PEOs;
- Previous experience with establishment of PEOs reporting, controlling and oversight systems;
- Previous experience in conducting analysis of PEOs Tariffs;

Desired experience includes:

- Previous experience in consulting international cooperation and development projects;
- Previous experience in working with and advising stakeholders within the enforcement sector (MoJ, Chamber of PEOs, etc.), including providing assistance such as conducting research, reports and drafting bylaws;

Education:

Advanced Degree in Finance or Economics.

Total Input for Technical Assistance Advisor - 30 Days**Application –**

Please carefully assess your ability and review the requirements as they relate to this position.
Only Applicants meeting the criteria will be contacted.

Deadline - Application need to be submitted by April 20th, 2017.

Please send the following to:

info@bep.rs

Cover Letter

Current CV

Contact Information:

- Email
- Mobile

Thank You.