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Projekat za bolje uslove poslovanja  
Business Enabling Project

## **USAID Business Enabling Project in Serbia JOB DESCRIPTION AND STATEMENT OF WORK**

**Position:** PEOs Profession Analysis Specialist

**Employer:** Cardno Emerging Markets USA Ltd., Washington DC, Belgrade Representative Office

**Component 3:** Financial Market Development

**Location:** Belgrade

### **SCOPE OF WORK**

#### **About the Project**

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 in strengthening the business environment, fiscal and macroeconomic management, financial market development, and business education throughout the country. It provides long-term technical assistance and other financial 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 Market Development.

BEP Component 3, Financial Market Development, helps Serbian financial market increase the competitiveness and affordability of financial services, and develop risk management instruments. This includes technical assistance to help counterparts draft or/and implement new legislation, strengthen their institutional capacity, and help 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 Chamber of PEOs, and individual PEO offices.

#### **Background to SoW**

Strong rule of law is a foundation of democratic development of every society, and it requires a strong, efficient, transparent and just judicial system in order to drive development. Effective system of enforcement of court judgments is one of the most important elements of a fully functional and trustworthy judiciary, and in turn, strong judiciary and enforcement have great impacts on the economy as well: the financial sector and parties to commercial transactions rely on the ability to collect debts quickly and efficiently.



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Contract 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. Thus, Doing Business reports that enforcing contracts takes 635 days in Serbia, costing on average 40.8 percent of the claim 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 Ministry of Justice (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.

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 Bylaw 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.

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:

- Development of the curriculum and methodology for education of PEOs, together with detailed training manuals and materials. USAID BEP provided an electronic version of



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the PEO Practice Manual, which was later on updated to reflect the provisions of the current law;

- Organization of several rounds of trainings on a variety of topics, organized in coordination with the Chamber of PEOs. Topics covered include practical aspects of enforcing contracts, supervision of the PEO profession, financial and tax-related management, mediation and conflict resolution, and a set of specific trainings on operating a successful PEO office;
- Facilitation of private-public dialogue on enforcement in order to build a stronger working relationship between several important stakeholders – PEOs, Judiciary, businesses, bankers, and others, therefore ensuring higher efficiency of the enforcement system;
- Analysis and recommendations to the optimization of the PEOs Tariffs of Fees (further: Tariffs). Such analysis focused on the impact tariffs have on PEO offices, and the way they can manage their finances and conduct the activities undertaken in the enforcement process;

## Objective

Objective of this assistance is to analyze the PEO profession, and the impacts PEO profession has had on the judicial system and the overall Serbian economy since its establishment in 2011. Under this activity, the PEOs Profession Analysis Specialist will use all available data, provided by respective stakeholders and at disposal to the broader public.

## Tasks

The Consultant will conduct quantitative and qualitative analysis of the PEO profession, based on the available data, in coordination with the USAID BEP's Component 3 Legal Expert and Component 3 Junior Analyst.

In doing so, the Consultant will conduct following tasks:

- 1) **Conduct the analysis of the PEO profession**, including, but not limited to, the results the profession had in the previous period, the effects that the establishment of this profession had on the legal system and the number of cases, etc.
- 2) **Write a report detailing the findings**, up to 30 pages in length, in coordination with the USAID BEP's Component 3 Junior Analyst, based on the findings from the previous task of analyzing the profession.

## Period of performance

The period of performance of this SoW is September 1 to October 15, 2017. The maximum number of days under this LOE cannot exceed 15 (fifteen) days.



## Deliverables

Deliverables under this SoW include:

1. Written report on the findings of the PEO profession analysis;
2. Written final STTA report/ memo on the performed activities and achieved results.

Technical documentation, including report on financing gap and recommendations, should be prepared in Serbian language. Final STTA report/ memo should be prepared in English.

Drafts of all deliverables must be submitted to USAID BEP Task Management teams in accordance with the previously provided schedule. The final report/ memo should be provided within ten working days following the end of the period of performance.

## To Apply

1. **Requirements** for eligible candidates:
  - a) Advanced degree in Economics or Finance, with more than 10 years of experience in monitoring and controlling business operations, and/or financial planning, controlling and budgeting;
  - b) Previous experience with increasing professional capacities of PEOs;
  - c) Previous experience with establishment of PEOs reporting, controlling, and oversight systems;
  - d) Previous experience with analyzing PEOs Tariffs.
2. **Desired** experience:
  - a) Previous experience in consulting on international cooperation and development projects;
  - b) Previous experience in working with, and advising stakeholders within the enforcement sector (MoJ, Chamber of PEOs, etc), including providing assistance such as conducting research, creating reports, and drafting bylaws.
3. Applications, including CV clearly showing adequate technical background and relevant professional experience, should be sent by e-mail to: [info@bep.rs](mailto:info@bep.rs), by August 28, 2017 CoB (Close of Business-day). Only short-listed candidates will be contacted.