

NALED BECOMES THE ENGINE OF CHANGE AND GROWTH

January 2008 is marked as a great month for National Alliance for Local Economic Development (NALED), when it finally becomes self-sustainable. Thanks to lots of hard work and dedication, NALED now has its own office in Belgrade, it managed to furnish the premises with office and computer equipment, it would shortly have full-time employees, and an advertizing agency to take care of its public image.

Why is NALED so important? Because its aim is to advocate for legal reforms that support local economic development. In turn, this will lead to creation of an enabling environment for investments and business development.

No doubt that this non profit organization functioning as a partnership between public and private sector is developing quickly. Since its establishment in 2006, NALED has managed to attract around 35 members, including some of the most successful companies operating in Serbia, such as Nimax, Microsoft, LAFarge, Deloitte, IBM, Komercijalna banka, as well as many

municipalities. It is being supported by the membership fees.

USAID's *Municipal Economic Growth Activity* was supporting and assisting NALED from the beginning. It provided office space and technical assistance to NALED with the aim to decrease its operating costs in the early days. Over time, NALED grew so strong, that it was finally able to leave the nest. Support demonstrated by the U.S. Ambassador Mr. Cameron Munter, who attended a dinner with NALED's Board few months ago, enhanced their enthusiasm and will to really make a difference.

As Miroljub Cosic, Municipal Manager in Krusevac has put it: "We had excellent cooperation with USAID's Municipal Economic Growth Activity, and we see NALED as a means to secure future sustainability of the results we had achieved with the USAID's program. Another thing we expect is to raise the economic capacities of our Municipality."

And how is NALED going to fulfill such high demands of its members? By working on removing legal impediments to growth of businesses, certification of business friendly municipalities, organization of public discussions, tracking and analyzing business legislation.

„NALED will definitely contribute to the speedier implementation of the Law on Local Self-Government. You know, it is much more efficient to cooperate directly with local governments than to go through the Republic level," says Vladan Maksic from the Nimax company (deals with street lighting). „We expect a lot from NALED's certification program, because municipalities would finally be organized in line with EU and USAID's standards," adds Mr. Maksic.

„Private-public partnerships are the future. We in NALED work together to our mutual benefit. There is no business without the shared interest. If only one party gets to have the benefit, it is then shortsighted and one time wonder," explains Vlado Vuckovic.

Vlado Vuckovic, Expert for the Economy in the Municipality of Kragujevac agrees: "Our biggest motive to join NALED was to speed up the process of passing crucial laws, without which no progress can be achieved - Property Law and Law on Local Government Financing." And what would these laws bring the people of Kragujevac? "We would be better positioned as a city, attract more local and foreign investors, and would have investment locations with undisputed background."

Obviously, the hopes for NALED are quite high, but also the trust in its abilities. Its members expect direct benefits, such as the ability to influence legislative reforms. Critical in achieving this is establishment of contacts and cooperation with senior government officials, NGOs, donors and investors, and this will be done through NALED. Only proactive networking and participation in public and private debates with key stakeholders can lead to change in attitude resulting in economic growth, and NALED will work toward this goal, as hard as ever before.