



USAID
FROM THE AMERICAN PEOPLE

**MUNICIPAL ECONOMIC
GROWTH ACTIVITY**

The Contract Signed on the First Water Treatment Facility in Zrenjanin



This is how it all began: the representatives of Zrenjanin with their ticket to Chicago, which they won at the 'Invest in Serbia' competition, organized on August 23, 2006

On November 27, 2006, approximately three weeks after returning from the study-tour to Chicago, organized by USAID-funded Municipal Economic Growth Activity program for the three winners of the 'Invest in Serbia' competition, Zrenjanin signed the agreement on building and equipping the first water treatment facility in Zrenjanin. The agreement was signed with the US, Chicago-based company, 'S&A Capital', by the Mayor of Zrenjanin, Goran Knezevic, and General Manager of the water and waste water public utility company from Zrenjanin, Bratislav Tomic.

The contract states that 'S&A Capital' will provide 25% of the total potable water needs of the citizens of Zrenjanin, which is 8,640 cubic meters per day, at approximately 0.22 Euros (which is currently 17.5 dinars). More importantly, the quality of supplied water will have to be up to all the hygienic standards of potable water. The US company also agreed that the deadline for completing the water treatment facility should be May 30, 2007, while the deadline to start potable water supply is August 31, 2007, the latest. The Municipality of Zrenjanin will, in return, provide the right to land use on the 99 years grace period with no compensation.

The similar deal is currently being negotiated with the Municipality of Loznica, which, along with Zrenjanin, was one of the three municipalities in Chicago. Loznica has thus possibly returned from their US study-tour with a solution to their gasification problem.