

## ANNEX C1bis: Twinning Light Fiche

**Project title:** Strengthening capacities and introducing EU practices for sustainable management and programming of the “Lozionica – creative hub”

**Beneficiary administration:** “Lozionica” LLC Belgrade

**Twining Reference:** SR 21 IPA EC 01 24 TWL

**Publication notice reference:** EuropeAid/183177/DD/ACT/RS

**EU funded project**

***TWINNING TOOL***

# 1 Basic Information

- 1.1 **Programme:** Annual Action Plan for Serbia for the year 2021 / Direct management / ex-ante control
- 1.2 **Twinning Sector:** Standardization and certification, Trade & Industry
- 1.3 **EU funded budget:** EUR 250.000
- 1.4 **Sustainable Development Goals (SDGs):** Sustainable economic growth (8.1), entrepreneurship (8.3), Technological upgrading and innovation (8.2), Scientific research for sustainable industrial development (9.5), Promotion of sustainable tourism (8.9), Access to ICT (9c) and Protection of cultural and natural heritage (11.4).

## 2 Objectives

### 2.1 Overall Objective

The project aims to enhance the capabilities of Lozionica, the Creative-Innovative Center, which serves as an infrastructural and formal framework for the development of the creative industries in Serbia. The goal is to establish Ložionica as the center of creativity, making it a unique center for creativity in the region.

### 2.2 Specific objective

The challenge that this Action seeks to address is the enhancement of the programming and operational model of the Lozionica in order to fulfill its mission and vision, while maximizing revenue streams to ensure long-term sustainability.

### 2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

Smart Specialization Strategy (2020-2027) & Action Plan (2023-2025):

**The Smart Specialization Strategy (4S)** is a key document adopted by the Government of the Republic of Serbia to develop a knowledge-based society. The Strategy is an important instrument for improving the innovation and research ecosystem and directing future investment in industrial areas identified as priorities in this process. The National Smart Specialization Strategy was developed through a detailed analytical and consultative process, guided by the best practice methodology of EU member states, with the development process overseen by the Joint Research Center of the European Commission.

The Strategy includes a plan to guide the industries recognized as priorities during the development process: Food for Future, Future Machines and Manufacturing Systems, ICT, and Creative Industries.

**The Action Plan for the Strategy for the period 2023-2025** includes all the measures and activities necessary to achieve the general and specific objectives of the Strategy while also serving as a roadmap in the fields of science, technology, and innovation aimed at achieving the Sustainable Development Goals. In this sense, a key instrument for the further development of Creative Industries is building the Lozionica complex, which will gather Serbian creative industries in one place, multiplying their effect and further generating creativity and innovation.

**The Convention on the Protection and Promotion of the Diversity of Cultural Expressions**, adopted by UNESCO in 2005, was ratified by the Serbian Parliament in 2009 and remains in force.

## 3 Description

### 3.1 Background and justification

In March 2021, the Serbian Government proclaimed the Center for Creativity and Innovation Lozionica (hereafter referred to as Lozionica) as a public use building, to be used primarily for activities in the fields of creative industries, innovation, and the knowledge-based economy, designating it as a national priority project. The construction work is expected to be completed by the end of 2024, with the grand opening planned for early spring of 2025.

The project focuses on creating both infrastructural and “soft” frameworks for creativity, R&D, business modelling, and the presentation of the Creative Industries in Serbia. It aims to be a premier Creative Hub and a flagship for creative industries development across the country and beyond.

The Lozionica reconstruction and adaptation project reflects the strategic direction and dedication of the Government of the Republic of Serbia to support the development of the innovation and creativity ecosystem and attract national and foreign investment to the industry. Creative industries already contribute more than 6% to the country’s GDP, and the sector has grown by more than 60% in the past six years. During the same timeframe, the sector's cumulative export growth rate has been 51%. The project aligns with other strategic documents, such as The Strategy of Smart Specialization, which recognizes creative industries – especially gaming and visual effects – as engines of sustainable economic growth and social development for Serbia.

The equipped Lozionica complex will feature larger spaces designed for events and programs, as well as various smaller spaces for workshops, research conducted by creatives and innovators, and spaces for performing and applied arts. The Centre’s activities will focus on supporting branches of the creative industries that have previously received less attention, such as design and fashion. Lozionica will house a fab lab workshop space, a business development model that allows for prototype building and collaborative work in the field of creative industry. The centre’s capacity will be strengthened by developing different services offered and promoting its visibility.

The Lozionica building complex, with its accompanying train roundabout and water tower, is situated on the Sava River coast in the area of Old Belgrade. Adapting and reviving former industrial complexes through repurposing is a global trend that has demonstrated excellent results in terms of productivity, expediency, and sustainability. Apart from its cultural importance, architectural heritage holds specific socio-economic value and represents the urban cultural landscape of a city, which is born out of the interaction between social groups and the spaces they occupy, embodying identity and cultural meaning. The roundabout, furnace room, and water tower of the Main Railway Station represent one such whole and are of interest to offices in charge of protecting industrial and cultural heritage buildings.

Lozionica is an example of best practice in the revival of abandoned structures, wherein a formerly deteriorating building complex will begin a new life as a sustainable centre of creativity and innovation in Belgrade. By decision of the Government of the Republic of

Serbia, Lozionica will be conserved and renovated according to its current protected status as an example of industrial heritage.

Creative Industries thrive when businesses cluster together in the same geographic area, benefiting from economies of scale, network effects, and improved productivity through specialized suppliers, reduced transaction costs, and increased collaboration. Successful clusters feature both vertical (supply chain) and horizontal (peer company) linkages, and are connected to external markets for customers, projects, and knowledge transfer. Creative Hubs, the most advanced form of these clusters, serve as dynamic spaces for experimentation, artistic expression, and business development, fostering growth and impact at the intersection of culture, economy, society, education, and technology.

**Core activities of Lozionica are based on following pillars:**

- Capacity Building in the field of creative industries professional associations and creative sector
- Network Development encouraging horizontal and vertical networks for Creative Industries practitioners to expand knowledge and markets.
- Knowledge share through the delivery of life-long learning platforms in the creative industries for industry professionals.
- Exposure and promotion of creative industries products and services to a broad audience (customers) and professional public.
- Capacity building for NGOs and private sector Industry Associations to support the creative industries.
- Market valorisation of creative industry products through public-private cooperation partnerships on local and EU level.

Additional goals include:

- Participation encouraging uptake of skills and careers and businesses in the Cis from across society.
- Cooperation through cross-border programs and projects that boost Cis effectiveness across the region and reduce disparities within and among countries.
- Sustainability through a focus on green/sustainability/environmental issues as they impact on the Cis in the creative industries.
- Integration, fostering cooperation between Creative Sectors of member states and aspiring EU states in the region.

Construction of Lozionica will constitute a major infrastructure investment by the Government of Serbia. Total cost of the project (including construction works and supply of equipment) is estimated at EUR 70 million. Financing will be secured through Government funds complemented with other sources. Currently, the construction of Lozionica has entered its second half, resulting in the closure of Lozionica as a physical space and the commencement of outdoor works.

The challenge that this Action seeks to address is the enhancement of the programming and operational model of the Lozionica Creative Hub in order to fulfil Lozionica's mission and vision, while maximizing revenue streams to ensure long-term sustainability.

Taking into consideration the overall structure and the purpose of the Facility, the needs assessment with regards to technical assistance has been carried out. Main gaps identified concern several areas, critical for functioning and sustainable operations. Namely, the development of the future business model, especially related to integration of different financing sources (Government funding, private sector income), as well as cost-efficiency of the Facility represents one of the main challenges. Additionally, specificity of the Facility and the area of creative industries requires a custom-made training programme encompassing the best practices from EU Member States. To assure sustainability, the planning function needs to be established with emphasis on international collaboration and inclusion into global network.

Putting in the context of this Project proposal, the ten-month period until the opening of Lozionica is an opportunity to strengthen capacities to operate and manage Lozionica and increase international visibility of Serbia's creative industries, as well as to strengthen capacities to plan and implement creative industry programs and education for the public and professional audience, and to reach operational readiness and sustainability of Lozionica. The IPA Twinning light will be used to aid in creation of proper management principles for Lozionica, increase employee's capacities and help facilitate Lozionica's full capacities for the opening in 2025.

Additionally, the intent to disseminate insights with other creative hubs across the Western Balkans gives this project an international dimension in terms of impact. In June 2024, Lozionica initiated the establishment of the Regional Creative Network, composed of creative hubs, spaces, and initiatives from Serbia, Croatia, Slovenia, Bosnia and Herzegovina, Albania, Montenegro, and North Macedonia. This network serves as a platform for hubs to share resources, best practices, and tools, facilitating a unified approach to nurturing creativity and cultural engagement. The network guides hubs in engaging with European cultural initiatives and EU funding opportunities, promoting the growth of creative enterprises and contributing to the revitalization of urban spaces through cultural activities and partnerships.

### 3.2 Ongoing reforms

The cultural and creative industries have become essential for inclusive economic growth, reducing inequalities and achieving the goals set out in the 2030 Sustainable Development Agenda. The Action is contributing to SDGs in supporting Sustainable economic growth (8.1), entrepreneurship (8.3), Technological upgrading and innovation (8.2), Scientific research for sustainable industrial development (9.5), Promotion of sustainable tourism (8.9), Access to ICT (9c) and Protection of cultural and natural heritage (11.4).

Under the recommendations of the **2022 EC Country Annual Report**, under the Chapter 26: Education and Culture, the European Commission has acknowledged that "In the area of culture, the cultural policy of Serbia is implemented within the 'Strategic priorities for the development of culture of the Republic of Serbia from 2021 to 2025'. The Council for creative industries continued the communication campaign 'Serbia Creates'. A year prior, under the recommendations of the **2021 EC Country Annual Report** under the Chapter 26: Education and culture, the Commission has acknowledged:

*“In the area of culture, Serbia has recognised creative industries as a sector with potential for economic and social development. The work of the Council for creative industries continued its national and international communication campaign ‘Serbia creates’. This Action is in line with Serbia’s efforts to promote and develop the infrastructure necessary for creative industries to contribute to economic and social growth.*

**Smart Specialization Strategy (2020-2027) & Action Plan (2023-2025):** The Republic of Serbia's Smart Specialization Strategy (S4) is a crucial government initiative to transform Serbia into a knowledge-driven society. This strategy emphasizes bolstering the nation's innovation and research sectors by funnelling investments into priority industrial segments, specifically Information and Communication Technology (ICT) and the Creative Industries. The accompanying Action Plan for 2023-2025 is tailored to enhance and market the innovations in the creative sector, with the most notable investment in this area being the "Lozionica – creative hub."

The Action is linked to the **Strategic Priorities for the Development of Culture, defined in the Culture Development Strategy 2020-2029**, that identifies 20 priority points of cultural policy aiming to improve the field of culture, raising awareness of cultural identity, mastering new modern and innovative methods and technologies for its transmission, as well as connecting and cooperating with actors in education, science and tourism. The strategic goals, among others, include cultural diplomacy, launching and continuing large projects - construction of important facilities, public-private partnership and cooperation with other actors, as well as economic dimension of culture and digitalization.

The Action is linked to the **Strategy for the Development of Digital Skills (2021-2026)** as digital skills in modern conditions enable employment, productivity, creativity and success especially of young people enabling their participation in emerging industrial sectors and the establishment of their own companies, i.e. competitiveness on the labour market. The Action is part of the Strategy's Overall Objective: to improve the digital knowledge and skills of all citizens, including members of vulnerable social groups, to enable monitoring of development information and communication technologies in all areas and providing needs economy and labour markets.

The Action is in line with the **Tourism Development Strategy of Republic of Serbia 2016-2025** and its main goals of:

- Strengthening the competitiveness of destinations through the activation of cultural heritage and natural resources in the function of sustainable tourism and local development
- Development of a framework to support the development of entrepreneurship and competitiveness of MSMEs in the field of tourism as well as the introduction of digitalization innovations in the tourism sector.

**Strategy for Startup Ecosystem Development (2021-2025):** The Government prioritizes the augmentation of the startup ecosystem to fortify its economic stance. Startups invigorate the economy by ushering in innovative products and services, fostering job creation, and enhancing exports. The focus is particularly on creative startups that cater to niche markets, spanning areas such as music, fashion, performing arts, gaming, publishing, and audio-visual arts, to name a few.

**Law on Innovation Activity:** The Serbian Law on Innovation Activity outlines the responsibilities of the Ministry in the realm of innovation. As per article 7, paragraph 1, the Ministry is tasked with:

- Collaborating with other government bodies to boost Serbia's overall innovation potential.
- Proposing public policy documentation related to innovative endeavours.
- Initiating international cooperation and ensuring Serbian entities integrate seamlessly into the European and global innovation landscapes.

**Economic Reform Program (2023-2025):** A significant structural reform highlighted for the 2023-2025 period centres around the establishment of infrastructure tailored for the design and execution of AI-based innovative solutions. The innovative hub “Lozionica” will serve as a nexus for Serbian creative entrepreneurs. This hub aims to foster domestic and international collaborations, facilitate knowledge-sharing, and incubate fresh ideas.

The Action is in line with **EU Agenda for Culture released in 2018** which aims to harness the power of culture and cultural diversity for social cohesion; bolster the common European identity; support jobs and growth in cultural and creative sectors and to strengthen international cultural relations. It states that “the Commission and the High Representative will, inter alia, promote the cultural and creative sectors in the Western Balkans through strengthened support from Creative Europe and envisage using the Instrument for Pre-Accession Assistance to support culture in the Enlargement countries and the Western Balkans, particularly in implementing the related flagship initiatives of the Action Plan in Support of the Transformation of the Western Balkans”.

This Action Fiche is in line with the **Western Balkans Strategy COM (2018) 65 final**, identifying that „ the levels of investment and growth rates are insufficient to significantly reduce the gap with the EU.” The Action Fiche is contributing to the Commission’s flagship Initiative to enhance support for socio-economic development. Interventions are complementing the above-mentioned flagship initiative by focusing activities that will trigger creation of jobs and employment.

### 3.3 Linked activities

The European Union has implemented a range of policies and programs to support and nurture the Creative Industries, with which Lozionica aligns for example:

- **Creative Europe Programme:** This is the EU's flagship program for supporting the cultural and creative sectors. It focuses on promoting European cultural diversity and heritage, strengthening the competitiveness of the cultural and creative industries, and fostering cross-border cooperation.
- **Horizon Europe:** While primarily a research and innovation program, Horizon Europe includes funding opportunities for creative industries, particularly in areas like new media, digital arts, and technology-driven creative services.
- **Science, technology and arts S+T+ARTS initiative,** the European Commission’s focus is on projects and people that have the potential to make meaningful contributions to this effort.
- The Instrument for Pre-accession Assistance (**IPA**)

- **European Structural and Investment Funds (ESIF):** Specifically, the European Regional Development Fund (ERDF) and the European Social Fund (ESF) can support creative industries through regional development projects, skills development, and job creation.
- **Digital Europe Programme:** This program focuses on the digital transformation of Europe's societies and economies. It includes support for the digitalization of cultural heritage and the adoption of advanced digital technologies by the creative industries.
- **Erasmus+:** While primarily known for education and training, Erasmus+ also supports partnerships and mobility in the creative and cultural sectors.
- **EUROSTARS:** A joint program between EUREKA and the European Commission, EUROSTARS supports innovative SMEs, including those in the creative industries, to lead international collaborative research and innovation projects.
- **Culture and Creativity:** This EU platform offers tools, statistics, and funding information to support cultural and creative sectors.
- **European Capital of Culture:** An initiative aimed at highlighting the richness and diversity of cultures in Europe and fostering a sense of belonging to a common cultural area.
- **Media and Audiovisual Action Plan:** This EU initiative aims to support the recovery and transformation of the media and audiovisual sectors, particularly in adapting to the digital age and fostering European content.
- **InvestEU Programme:** It provides long-term funding to various sectors, including cultural and creative industries, focusing on investment in innovation, infrastructure, and SMEs.
- **New European Bauhaus:** An initiative linking the European Green Deal to our living spaces, it includes aspects relevant to architecture, design, and the broader creative sector.
- **European Innovation Council (EIC):** Part of Horizon Europe, the EIC supports start-ups and SMEs in developing and scaling up breakthrough innovations, including those in creative sectors.

### 3.4 List of applicable *Union acquis* standards

In line with the implementation of the **Convention on the Protection and Promotion of the Diversity of Cultural Expressions (UNESCO 2005)**, the Serbian Parliament ratified the Convention in 2009. This Convention is the only *acquis*-related one for the EU negotiating process under Chapter 26. The cultural and creative industries are among the fastest-growing sectors in the world, with an estimated global worth of \$4.3 trillion per year, accounting for 6.1% of the global economy. They generate annual revenues of \$2,250 billion and nearly 30 million jobs worldwide, employing more people aged 15 to 29 than any other sector. The 2005 Convention is at the heart of the creative economy.

### 3.5 Components and results per component

Overall goal of the project: the project aims to enhance the capabilities of Lozionica, the Creative-Innovative Center, which serves as an infrastructural and formal platform for the development of the creative industries in Serbia. The goal is to establish Ložionica as, making it a unique center for creativity in the region.

Specific objective: The challenge that this Action seeks to address is the enhancement of the programming and operational model of the Lozionica in order to fulfill its mission and vision, while maximizing revenue streams to ensure long-term sustainability.

Component 1.1: Enhancing programming sector of Ložionica



Result 1.1: Programs at Ložionica site fully developed in order to leverage the site's unique history and character to create a vibrant, sustainable, and inclusive hub for creativity, innovation, and community engagement.

Component 2.1: Fully developed operational planning of Ložionica.

Result 2.1: Core management of Ložionica strengthened, including long-term operational planning and financing models, to ensure the site's ongoing success and sustainability.

Component 3.1: Collaborative short and long-term partnerships established and strengthened.

Result 3.1: Collaborative partnerships with relevant institutions expanded, to unlock new opportunities for programming, knowledge-sharing, and community engagement.

Component 4.1: Diversified funding strategy and core business strategy established.

Result 4.1: Core business model enhanced, with a diversified funding strategy and innovative revenue streams that combine public and private sources.

### 3.6 Activities

**Component 1.1:** Enhancing programming sector of Ložionica

**Result 1.1:** Programs at Ložionica site fully developed in order to leverage the site's unique industrial cultural heritage of Belgrade and character to create a vibrant, sustainable, and inclusive hub for creativity, innovation, and community engagement.

**Activity 1.1:** Conduct Comprehensive Custom-Made Operations and Programming Management Planning for Ložionica

- **Desk Analysis:** Analyze data obtained from various sources, including scientific and professional literature, to benchmark the best practices against leading creative hubs globally. This includes identifying best practices in governance, operational standards, and compliance protocols for creative hubs.
- **Preparation of Draft Benchmark Analysis Report:** Develop an initial draft report based on the benchmarking analysis.
- **Consultation on the Draft Benchmark Analysis:** Engage in discussions to review and refine the draft Benchmark Analysis report.
- **Creation of Program Guidelines:** Develop guidelines for selected key creative industry sectors (up to four) to guide the development of art, educational, and business programming.
- **Development of Two-Year Program Plan:** Formulate a two-year program plan that covers key areas, including life-long learning programs, education for students and professionals, and the concept of performing arts events.
- **Preparation of Draft Program Plan Report:** Compile a draft report summarizing the proposed two-year program plan.
- **Consultation Meetings on the Draft Report:** Conduct meetings to discuss and refine the draft report based on stakeholder input.
- **Submission of Final Report:** Finalize and submit the comprehensive report outlining the program guidelines and two-year plan.

**Component 2.1:** Fully developed operational planning of Ložionica.

**Result 2.1:** Core management of Ložionica strengthened, including long-term operational planning and financing models, to ensure the site's ongoing success and sustainability.

**Activity 2.1:** Conduct Comprehensive Operations Management Planning for Ložionica

- **Development of Operational Management Goals:** Define clear operational management goals aligned with Ložionica's mission and vision, creating detailed strategies to achieve these goals.
- **Establishment of Key Performance Indicators (KPIs):** Set KPIs to measure progress and success in operational management.
- **Workflow Streamlining:** Enhance productivity by implementing best practices for the efficient allocation and management of human, financial, and material resources.
- **Design and Implementation of Training Programs:** Create and execute comprehensive training programs to enhance staff operational skills.
- **Continuous Monitoring and Evaluation System:** Establish a system to continuously monitor and evaluate operational effectiveness, identifying potential risks.
- **Development of Mitigation Strategies:** Formulate strategies to mitigate risks and ensure resilience and sustainability in operations.

**Result 2.2:** Enhanced operational capacity at Ložionica through skill development and knowledge transfer from EU-based internships.

**Activity 2.2:** Business Enhancement Through Internships

- **Selection of Candidates:** Identify and select one or more suitable candidates from Ložionica to participate in internships within EU Member State partner institutions.
- **Internship Placement:** Coordinate with EU partners to place the selected candidates in internships that align with their skills and Ložionica's strategic objectives.
- **Monitoring and Evaluation:** Monitor the progress of these internships and evaluate the impact on the professional development of the candidates and the operational enhancement of Ložionica.
- **Knowledge Transfer:** Ensure that the experiences and knowledge gained by the interns are shared with the broader Ložionica team upon their return.

**Component 3.1:** Collaborative short and long-term partnerships established and strengthened.

**Result 3.1:** Collaborative partnerships with relevant institutions expanded, to unlock new opportunities for programming, knowledge-sharing, and community engagement.

**Activity 3.1:** Conduct an International Partnership and Fundraising Plan

- **Creation of Partnership Development Plan:** Develop a comprehensive plan outlining potential partners, engagement strategies, and timelines for partnership development.
- **International Fundraising Proposals:** Map potential calls, partners, and opportunities for international fundraising to support Ložionica's initiatives.
- **Development of Strategic Positioning Documents:** Prepare strategic documents and presentations that clearly define Ložionica's positioning within the global creative ecosystem, highlighting its strengths and areas for potential growth.

### **Activity 3.2: Organization of two or more study visits**

- **Planning and Coordination:** Organize and coordinate study visits to EU Member States, focusing on enhancing the transfer of know-how.
- **Engagement with EU Member States:** Identify and collaborate with partner institutions in EU Member States to facilitate study visits.
- **Documentation and Reporting:** Document the learnings and outcomes from study visits, ensuring the knowledge gained is integrated into Lozionica's operational practices.

### **Component 4.1: Diversified funding strategy and core business strategy established.**

**Result 4.1:** Core business model enhanced, with a diversified funding strategy and innovative revenue streams that combine public and private sources.

### **Activity 4.1: Diversified funding plans**

- **Secure sustained funding** and support through ongoing dialogue with relevant stakeholders.
- **Cultivate a network of private sector sponsors** and donors, leveraging the site's growing reputation and impact to attract corporate support and investment.
- **Explore revenue-generating activities** within the site, such as venue rentals, ticketed events, and the sale of locally produced goods and services.

### **3.7 Means/input from the EU Member State Partner Administration:**

The project will be implemented in the form of a Twinning Light contract envisaged to provide exchange of experience and know-how with a Member State with good practice in the project activities.

The Twinning Partner shall provide an adequate team of experts: Project Leader (PL), responsible for overall coordination of project activities, Component Leaders (CL) responsible for a specific results/activity in the project and short-term experts with suitable knowledge to carry out the described activities.

### **Profile and tasks of the PL:**

General description of the position: S/he will be responsible for overall project coordination and ensuring the quality control of project implementation. S/he shall ensure the delivery of all project activities and outputs, as well as the preparation of project reports. The Project Leader will manage the implementation of the project with the Project Leader from the Beneficiary Country and provide assistance tailored to specific needs as they arise during the implementation of this contract. S/he will actively contribute to relevant project activities.

Qualifications and Skills Required: University degree in cultural/arts management, creative industries, project management, or an equivalent experience. Exceptional command of English, with the ability to communicate complex ideas eloquently. Proficiency in computer skills, particularly in project management tools.

General Professional Experience: At least six (6) and preferably ten (10) years of professional experience in cultural and arts management. Proven leadership experience in managing strategic

planning and operations within the cultural and creative sectors, with expertise in programming, partnership development, and financial sustainability. Experience as a Team Leader in at least one (1) internationally funded project is an asset. Knowledge of cultural policies in the Republic of Serbia and the Western Balkans region is an asset..

Specific experience: At least six (6) and preferably ten (10) years of experience in designing and executing programs for cultural organizations, projects, and creative and innovative initiatives. Proven expertise in navigating within international and multicultural environments, bringing a global perspective to local initiatives. Demonstrated ability to oversee and elevate day-to-day operations in the arts, culture, and creative sectors, particularly within pioneering cultural and creative spaces. A track record of fostering interdisciplinary partnerships and nurturing ecosystems that empower diverse communities of creators and innovators.

### **3.7.1 Profile and tasks of the Component Leader:**

General Description of the position: S/he will ensure that the activities of each component are implemented on time, within scope, and according to the project's objectives. S/he will oversee activities, track progress, communicate with the Project Leader, and foster collaboration across different stakeholders to achieve sustainable outcomes.

Qualifications and Skills Required: University degree in arts and cultural management, creative industries, project management, business administration, economics, law, or a related discipline. Alternatively, at least five (5) and preferably seven (7) years of equivalent transformative experience. Exceptional command of English, with the ability to communicate complex ideas eloquently. Proficiency in computer skills.

General Professional Experience: A minimum of five (5) years of leadership experience in managing and transforming cultural and creative organizations or dynamic creative hubs.

Specific experience: At least five (5) years of experience in project implementation for cultural organizations, projects, and initiatives. Proven expertise in navigating international and multicultural environments, bringing a global perspective to local initiatives. Experience in executing programs for cultural organizations and creative spaces, particularly with a focus on program development. Proven expertise in operational planning, guiding local and global teams to enhance day-to-day activities. A strong track record of fostering partnerships and interdisciplinary collaborations, expanding networks across creative ecosystems. Demonstrated capability in overseeing core strategy and ensuring sustainable growth through an enhanced business model.

### **3.7.2 Profile and tasks of other short-term experts:**

General description of the position: Short-term experts will be made available by the Twinning Light Partner to support the implementation of project activities. They will provide expertise in relevant areas to ensure the successful completion of the project.

Qualifications and skills required: University degree in cultural management, creative industries, project management, business administration, economics, law, or an equivalent experience. Exceptional command of English, with the ability to communicate complex ideas eloquently. Proficiency in computer skills.

General professional experience: At least three (3) and preferably five (5) years of experience supporting program development for cultural organizations. Involvement in operational planning, assisting with daily management in arts and creative industries, and strengthening core management

processes. Supporting partnership development, helping to expand networks and establish new collaborations in creative ecosystems. Assisting in shaping core strategies and enhancing business models for cultural spaces, contributing to sustainable growth and strategic decision-making. Exceptional command of English, with the ability to communicate complex ideas eloquently. Proficiency in computer skills

Specific experience: At least three (3) years of experience in operational planning, assisting with daily management in arts and creative industries, and strengthening core management processes. Proven experience supporting partnership development, helping to expand networks and establish new collaborations in creative ecosystems. Experience in assisting in shaping core strategies and enhancing business models for cultural spaces, contributing to sustainable growth and strategic decision-making.

## 4 Budget

The total budget for this Twinning project is EUR 250.000

	IPA Contribution	TOTAL
Twinning light contract	EUR 250,000	EUR 250,000

## 5 Implementation Arrangements

### 5.1 Implementing Agency responsible for tendering, contracting and accounting

European Union Delegation to the Republic of Serbia  
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 11070 Belgrade, Republic of Serbia  
 Phone: +381 11 3083200

### 5.2 Institutional framework

The project beneficiary is Lozionica LLC, a state-established, state-owned limited liability company responsible for managing the Lozionica project. Lozionica LLC was established in March 2024 and currently employs its managing director. Additional hiring is planned for early 2025, in line with the company's internal business plan and workforce systematization.

The plan is to have up to 20 full-time employees and 10 external advisors. At present, the Lozionica workforce consists of employees from the “Serbia Creates” national platform (an intergovernmental umbrella body in charge of global promotion of Serbia’s export potential in the field of creative industries, innovation, and knowledge-based economy) that is part of the Government's Office for IT and eGovernment – the project's investor – and includes 12 full-time staff and 6 external advisors. The team, managed by Lozionica's managing director, covers all areas relevant to the hub's operations, including legal and financial experts, social science experts, international relations experts, cultural management and production experts, as well as professionals in communications, branding, community building, and public relations.

The Twinning Light project will be strategically coordinated by the Director, with five additional personnel assigned to support the implementation of project activities.

### **5.3 Counterparts in the Beneficiary administration**

#### *5.3.1 Contact person:*

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#### *5.3.2 PL counterpart*

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## **6 Duration of the project**

The overall execution period of the Twinning contract is 11 months.

The **implementation period of the Action will last 8 months**. The execution period of the contract shall enter into force upon the date of notification by the Contracting Authority of the contract signed by all parties, whereas it shall end 3 months after the implementation period of the Action.

## **7 Sustainability**

After the successful implementation of this project, Lozionica will have established robust operations management and protocols, ensuring smooth operations and the effective implementation of programs. As the very first space of its kind not only in the country but in the region, Lozionica will set a clear example for all future spaces and disseminate the knowledge gained through its pioneering efforts. This will involve sharing best practices, hosting workshops and conferences, and creating a comprehensive knowledge-sharing platform to ensure that the lessons learned contribute to the broader ecosystem of creative industries.

## **8 Crosscutting issues (equal opportunity, environment, climate etc...)**

The Lozionica project is committed to addressing a range of crosscutting issues, positioning itself as a regional leader in CCI sector and sustainable development and social equity. Through its innovative approach, the project aims to serve as a model for advancing gender equality, human rights, environmental sustainability, and regional inclusivity.

By addressing these crosscutting issues, the Lozionica project will not only enhance its long-term sustainability but also set a benchmark for other initiatives in the region to follow. It aims to create a vibrant, inclusive, and sustainable space that supports creativity, innovation, and social transformation.

**Advancing Gender Equality and Human Rights:** The programming at Ložionica will be deliberately structured to promote gender equality and uphold human rights. Efforts will be made to create a welcoming and safe space for all, with targeted initiatives to empower women, minorities, and marginalized groups. The project will actively recruit participants and collaborators from diverse backgrounds and ensure they have equal access to resources, decision-making processes, and leadership opportunities. By fostering an inclusive environment,

**Promoting Equal Opportunity:** Ložionica aims to be a catalyst for equal opportunity by providing platforms for individuals from all socioeconomic backgrounds to engage in creative and entrepreneurial activities. The project will offer training, mentorship, and networking opportunities to support personal and professional development, with a focus on those who are traditionally underrepresented in the creative and cultural sectors.

**Environmental Sustainability and Climate Action:** The renovation and operation of the Ložionica complex will prioritize sustainable practices by incorporating renewable energy sources, energy-efficient technologies, and circular economy principles. The project will demonstrate how adaptive reuse of industrial spaces can contribute to reducing the carbon footprint and mitigating the impacts of climate change. Additionally, environmental education and awareness initiatives will be integrated into the programming to inspire sustainable behaviors within the community.

**Regional Inclusivity and Community Impact:** Ložionica's , fostering regional inclusivity by serving as a hub for creative exchange and collaboration across the WBalkans. The project will facilitate cross-border partnerships and knowledge sharing, promoting cultural understanding and solidarity within the region. Through its inclusive approach and diverse programming, Ložionica will support regional development and cohesion, contributing to a more resilient and connected community.

## 9 Conditionality and sequencing

There are no conditional factors affecting the initiation or implementation of the Twinning Light Project. Given that Ložionica is a government-funded initiative, with its infrastructure and equipment set to become operational by April 2025 and the public opening already underway, the successful execution of the project is not contingent on any specified conditions.

## 10 Indicators for performance measurement

Number of proposed programs (baseline: 0, target: 7)

Number of trained staff (baseline: 2, target: 20)

Number of established key performance indicators (baseline: 0, target: 30)

Number of new partnerships established (baseline: 0, target: 4)

Business model improvement index (baseline: 0, target: 30% increase in operational and financial efficiency)

Number of programming initiatives developed (baseline: 0, target: 2)

Efficiency improvements in operational processes (baseline: 0, target: 30%)

Number of interns placed in EU partner institutions (baseline: 0, target: 3)

Number of fundraising concepts developed (baseline: 0, target: 2)

Number of study visits conducted (baseline: 0, target: 2)

## **11 Facilities available**

The Beneficiary's administration has sufficient office space for experts assigned to the Twinning Light Project. Dedicated offices equipped with the necessary resources are available for experts at the temporary headquarters (National Assembly, Kralja Milana, Belgrade), while a large meeting and presentation room is also accessible at the current Ložionica construction site. The Ložionica infrastructure and headquarters are projected to be fully operational by the end of April 2025, following the completion of construction and the installation of essential equipment. All necessary working conditions will be in place by the time the initial activations and community events commence in the spring of 2025. Additionally, personnel onboarding is planned for early 2025 to ensure the successful implementation of the program.



**Annex 1: Simplified Logical Framework**

	Description	Indicators	Sources of verification	Risks	Assumptions(external to project)
<b>Overall Objective</b>	Enhance capabilities of Lozionica as a creative hub			Lack of dedication impacting cooperation and coordination	Continued government commitment to Lozionica project
<b>Specific (Project) Objective(s)</b>	Enhance Lozionica programming Improve Lozionica operating model			Resistance to change in management practices Limited resources for program implementation	Support from stakeholders and creative community Strong collaboration and engagement
<b>Mandatory results/outputs by components</b>	C.1.Programming sector enhanced R.1.1. Lozionica programs ready to be implemented	Number of proposed programs (baseline:0, target 7)	Program plan report Final report	Lack of interest and dedication High turnover in management	Sufficient financial and material resources enabled
	C.2. Operational planning developed R.2.1.Core management strengthened R.2.2. Operational capacity enhanced	Number of trained staff (baseline:2, target:20) Number of established key performance indicators (baseline:0, target:30)	Training and workshop attendance records Monitoring and evaluation system report	Financial constraints limiting model implementation Difficulty in securing partnerships	Qualified trainers and management buy-in
	C.3. Partnerships expanded R.3.1.New partnerships established	Number of new partnerships established (baseline 0, target: 4)	Partnership development plan		Interest from potential partners and investors
	C.4.Core strategy established C.4.1.Business model enhanced	Business model improvement index (baseline:0, target 30% increase in operational and financial efficiency)	Business model documentation		High market demand for creative services

<b>Activities</b>	A1.1. Conduct comprehensive Custom-Made programming management planning (C.1, R.1.1)	Number of programming initiatives developed (baseline 0, target:2)	Benchmark analysis report	Insufficient expertise for program development	Access to creative professionals and experts
	A2.1. Conduct comprehensive operations management planning (C.2.1, R.2.1)	Efficiency improvements in operational processes (baseline:0, target 30%)	Program plans	Operational disruptions due to resource shortages	Stable operational environment
	A.2.2.. Business Enhancement Through Internships (C.2.1., R.2.2)	Number of interns placed in EU partner institutions (baseline 0, target 3)	Operations reports	Challenges in accessing international markets	Global interest in cultural and creative collaborations
	A.3.1. Conduct an International Partnership and Fundraising Plan (C.3, R.3.1)	Number of fundraising concepts developed (baseline:0, target:2)	Fundraising proposals with new partners	Travel restrictions or visa issues for participants	Partner institutions in the EU are willing and able to host the visits
	A3.2. Organization of Two or More Study Visits (C.3., R.3.1)	Number of study visits conducted (baseline:0, target:2)	Study visits reports	Lack of suitable candidates for internships	Adequate number of qualified candidates interested in participating
			Internship completion reports		

