

# NATIONAL EMPLOYMENT ACTION PLAN FOR THE YEAR 2019



Republic of Serbia  
Ministry of labour,  
employment,  
veteran and social affairs



SOCIAL INCLUSION AND  
POVERTY REDUCTION  
UNIT



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## I INTRODUCTION

The National Employment Action Plan for the year 2019 (hereinafter: NEAP) represents a consolidated overview of employment policy goals and priorities to be achieved through the implementation of active labour market programmes and measures, as well as of the activities undertaken in line with sectoral policies and the ongoing reform processes in the fields of economy, education, youth policy, social inclusion, which are relevant to and have impact on the employment policy.

The activities whose implementation is planned in 2019 are a continuation of the processes initiated in the previous period and are aimed at achieving the overall goal of the employment policy set by the National Employment Strategy 2011-2020 (*Official Gazette of RS, No 37/11*), namely the achievement of an efficient, stable and sustainable trend of employment growth in the Republic of Serbia by 2020, with the alignment of the employment policy and labour market institutions with the EU acquis.

State institutions, social partners, local self-government units and civil society organisations significantly contributed to the preparation of this document; however, their participation, assistance and support are also critical for both the achievement and the sustainability of the envisaged results.

Namely, the NEAP is prepared by the Working Group consisting of the representatives of the Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA), the National Employment Service (NES), the ministries responsible for youth, economic, financial and educational affairs, the Public Policy Secretariat of the Republic of Serbia, the Statistical Office of the Republic of Serbia, the Standing Conference of Towns and Municipalities, the Chamber of Commerce and Industry of Serbia, the Social Inclusion and Poverty Reduction Unit, as well as the representatives of social partners – the Serbian Association of Employers, the Confederation of Autonomous Trade Unions of Serbia and the Trade Union Confederation “Nezavisnost”. As part of the NEAP preparation process, the Working Group responsible for NEAP development held two meetings, in October and November 2018, as well as two regional meetings with the representatives of local employment councils (LEC) and local self-government units (LSGU), with a view to developing the employment policy in line with local labour market needs. The regional meetings were attended by 123 representatives of LSGUs and metropolitan municipalities, NES, MoLEVSA, other institutions, social partners and donors, as well as by the representatives of the civil sector (the Business Development Centre Kragujevac and the Youth with Disabilities Forum). Furthermore, a meeting was held in September 2018 with the National Alliance for Local Economic Development (NALED), the Centre for Social Policy and their project partners, in order to consider the modalities of support within the active

employment policy that can be provided to young people by the social protection system, to facilitate their timely and adequate integration or reintegration in the labour market.

As a result of these meetings and consultations, the following proposals and suggestions were approved and incorporated in the NEAP:

- To increase the share of the national co-financing awarded to local self-government units in group four (development level below 60% of the national average) and the devastated areas (development level under 50% of the national average) for the implementation of active labour market programmes and measures envisaged under local employment action plans and to extend the deadline for the submission of requests;
- To co-finance the professional practice programme in 2019 and increase the amount of the financial allowance for unemployed persons participating in the programme;
- To organise public works in 2019 in underdeveloped and devastated areas, except when a public works scheme is organised exclusively for persons with disabilities, in response to their disadvantaged position in the labour market, in which case the public works may be implemented in all LSGUs, regardless of their development level, due to the fact that the organisation of public works in developed municipalities is more challenging because of the shortage of unemployed people that can be engaged, as a result of the better supply of jobs;
- To increase the amount of the compensation for the work performed, paid to the persons engaged in public works;
- To abandon the term “youth up to 30 years of age who had/have the status of children without parental care” and replace it with the term “youth in institutional care, youth in foster families, youth in guardian families”, to ensure better coverage of this category of young people and improved employment support;
- To introduce two internship programmes for youth, which entail entering into an employment contract with a private-sector employer.

## II MACROECONOMIC FRAMEWORK<sup>1</sup>

The economic activity in 2018 has seen a considerable growth. According to the projections by the Ministry of Finance, the expected year-on-year GDP growth in 2018 is 4.2%. The contributing factors to the GDP growth have been the growth of the construction and service sectors, agricultural production at a considerably higher level compared to last year's and a stable industrial growth.

In the first nine months of 2018, the industry sector registered an overall increase in scale by 2.3%. The greatest effect on the increase was that of the manufacturing industry, whose year-on-year growth was 2.7%, contributing to the overall industrial output growth of 1.9 percentage points. Positive trends were registered in 19 out of 24 areas of the manufacturing industry. The areas with the largest positive impact were the oil industry and the manufacture of base metals. The acceleration of the machinery industry was stimulated by the greater demand for investment goods, while the increasing manufacture of construction materials was caused by the expansion of construction works.

In 2018, export is expected to grow by 9.2%; however, due to the business sector's increased demand for raw materials and equipment, import will also increase by 9.8%. The consequence of such foreign trade trends will be a slightly negative contribution of net export to the overall economic growth rate. This will also result in a minor increase of the current account deficit, although the deficit is still fully covered by foreign direct investments, which will increase by about 9% in 2018, totalling the amount of EUR 2.6 billion.

The inflow of foreign direct investments has continually grown, ensuring full coverage of the current account deficit. For the most part, foreign direct investments were made in the areas of the manufacturing industries that produce exchangeable goods, as well as in the services intended for foreign clients, which positively affects the foreign trade balance.

Instead of the envisaged national budget deficit, a surplus of 0.6% of the GDP is expected. The year 2018 will be the second consecutive year with a positive fiscal outcome, which is a confirmation of the successful consolidation and of the preserved fiscal discipline.

As a consequence of this fiscal outcome, the share of the public debt in the GDP has been decreasing at a higher rate than projected, and is expected to drop to 50% of the GDP in 2019.

The principal focus of economic policymakers is on the strengthening of

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<sup>1</sup> Prepared based on the data in the Fiscal Strategy for 2019 with Projections for 2020–2021 (Official Gazette of RS, No 92/18)

the established growth model, which relies on the growth of investments and export.

The incentives for attracting foreign direct investments are aimed at increasing the attractiveness of the fields of economic activity that manufacture exchangeable goods, in order to accelerate export growth and reduce the regional disparities. Furthermore, the Republic of Serbia is committed to reduce the social inequalities, ensure economic growth inclusiveness and create an environment of social cohesion.

Between 2016 and October 2018, a total of 64 contracts on the award of incentives<sup>2</sup> were concluded, and the implementation of these projects will create at least 31,090 jobs, most notably in the following areas: manufacture of electrical equipment, manufacture of motor vehicles, trailers and semi-trailers, repair and installation of machinery and equipment, manufacture of rubber and plastic products – totalling 18,366 jobs. Broken down by local self-government units' development levels, determined in line with a special Government regulation, 22 out of the total of 64 investment projects are implemented in local self-government units in the first group (developed above the national average), 20 projects are implemented in local self-government units in the second group (between 80% and 100% of the national average), 14 projects in the local self-government units in the third group (between 60% and 80% of the national average), 4 projects in the self-government units in the fourth group (under 60% of the national average) and 4 projects in the devastated areas (development level below 50% of the national average).

According to the records of the Central Registry of Statutory Social Insurance and the Statistical Business Register, the total number of employed people in the Republic of Serbia at the end of Q3 2018<sup>3</sup> was 2,146,842. Of that number, 1,699,260 persons were employees of legal entities, 370,016 were sole-traders, their employees and own-account workers, while 77,566 persons were registered individual farmers.

By cross-referencing the data on the number of newly employed persons by sectors of economic activity and the real growth rates, it was determined that employment trend did not follow the growth of the sectors. The seasonal aspect can be identified to a certain extent in the number of newly employed people in the construction sector. Overall employment is still dominated by the traditional sectors, such as the manufacturing industry, mining and other industries, wholesale and retail trade, transport and storage, and accommodation and food service activities, whereas the dominant role in the growth of the GVA sector was taken over by information and communication, and financial and insurance activities.

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<sup>2</sup> According to the Ministry of Economy records

<sup>3</sup> Statistical Office of the Republic of Serbia



The growth of these sectors should be perceived as the potential for additional employment growth<sup>4</sup>.

### **Projections for 2019-2021**<sup>5</sup>

The Republic of Serbia's efforts are focused on intensifying the reform processes, in order to ensure the continual improvement of the business environment, improved score in international competitiveness rankings and further upgrade of the country's credit rating. The necessity of identifying new sources of growth has been recognised, which puts innovations, research and development, renewable energy sources and eco-investing in permanent focus of the design of future activities.

The trends of Serbia's basic macroeconomic aggregates and indicators in the period 2019–2021 have been forecast based on the current economic indicators and prospects for the Republic of Serbia and the international level, as well as on the impact assessment of the envisaged economic policy measures. The projections also take into account the achieved fiscal stability and the trends of the real sector, the country's improved economic position and the growing inflow of foreign direct investments. In addition, the initiated reforms and the planned systemic enhancement of the business environment have been identified as the sources of potential further growth.

Investments are expected to increase in 2019 by 5.6%. Investments will be the second most important factor contributing to growth, which is very significant from the perspective of its sustainability.

The diversification of foreign direct investments by industrial and service activities, supported by a considerably greater output of the agriculture sector in 2018, will result in export growing at a higher rate than import (9.5% and 8.2%, respectively). The consequence of these trends will be a modest contribution of the net export to the GDP growth, which will improve the export-to-import ratio and decrease the current account deficit to 5.0% of the GDP.

The country's economic growth and the good fiscal outcome, in conjunction with the achieved fiscal discipline and the considerably enhanced credibility of the Republic of Serbia in the eyes of investors, as well as with more favourable borrowing terms in the international financial market, will ensure a continued reduction in the share of external and public debt in the GDP.

The increase of foreign direct investments is expected to continue in the period 2019–2021 (average annual inflow of EUR 2.7 billion), which will contribute to the creation of new jobs. Furthermore, the foreign direct

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<sup>4</sup> Analysis of employment trends by sectors of economic activity

<sup>5</sup> Prepared based on the data in the Fiscal Strategy for 2019 with Projections for 2020 and 2021

investments attracted to date will increase internal competitiveness and influence the efficiency of domestic manufacturers, while, on the other hand, they should activate new sales channels and create new market niches. Moreover, concrete measures will remove the barriers, release the resources for increased investments by domestic manufacturers and stimulate every form of domestic inventiveness and proactiveness.

On the supply side, the services and industry sectors will retain their role as the dominant factors of growth. A positive contribution will also come from the preserved dynamic growth of construction activities, whereas the agricultural production is first expected to decline in 2019, before it regains a modest rate of growth in 2020 and 2021.

The labour market is expected to continue its positive trends in the medium-term, which will primarily reflect in a greater increase of average wages and in a single-digit unemployment rate. Intensified activities of inspection authorities, after the improvement of the labour legislation and the adoption of the measures aimed at decreasing the tax burden on labour, will enable the continued decrease of the population working in the grey sector and their shifting into formal employment. This will enhance the working conditions, in terms of worker's rights and insurance, while the positive impact will also reflect on the budget revenues.

At the end of the medium-term period, the effects of the complex education system reforms and an adequate response to the needs of the business sector are expected, while active labour market measures, primarily the training in response to labour market needs and the support to social entrepreneurship, will facilitate the access to employment for hard-to-employ and socially vulnerable categories of unemployed persons, thus additionally ensuring economic growth inclusiveness.

### III LABOUR MARKET SITUATION

The situation in the labour market of the Republic of Serbia has been determined based on the Labour Force Survey data for Q2 2018, published on 31 August 2018.

**Table 1. Development of the key labour market indicators, population aged 15+**

Age group 15+ (%)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Activity rate	53.3	51.8	54.5	55.3	54.2	54.0	52.9	55.2
Employment rate	45.2	44.2	48.1	48.2	46.3	46.7	45.1	48.6
Unemployment rate	15.3	14.6	11.8	12.9	14.7	13.5	14.8	11.9
Inactivity rate	46.7	48.2	45.5	44.7	45.8	46.0	47.1	44.8

Source: LFS, SORS

The activity rate of the population aged 15 and over in Q2 2018 was 55.2%, which constituted an increase by 0.7 percentage points relative to Q2 2017 (54.5%).

The employment rate of the population aged 15 and over in Q2 2018 stood at 48.6%, having increased by 0.5 percentage points relative to Q2 2017 (48.1%).

The unemployment rate of the population aged 15 and over in Q2 2018 was 11.9%, which was 0.1 percentage points higher than in Q2 2017 (11.8%).

**Table 2. Structure of the population aged 15+**

Age group 15+ (%) (in thousands)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Total	6,017.6	5,995.3	5,988.2	5,981.2	5,974.2	5,984.7	5,967.1	5,959.2
Activity rate	3,208.8	3,105.0	3,265.0	3,310.1	3,239.2	3,229.8	3,157.0	3,288.3
Employment rate	2,719.4	2,652.2	2,881.0	2,881.9	2,763.6	2,794.7	2,688.3	2,896.8
Unemployment rate	489.4	452.8	384.1	428.2	475.6	435.2	468.7	391.6
Inactivity rate	2,808.8	2,890.2	2,723.2	2,671.1	2,735.0	2,754.9	2,810.2	2,670.9

Source: LFS, SORS

The number of employed people in Q2 2018 was approx. 2,896,800, having increased by 15,800 persons relative to the same period of the previous year.

The number of unemployed people in Q2 2018 totalled about 391,600, which constituted an increase by about 7,500 people relative to the same period of the previous year.

**Table 3. Development of the key labour market indicators, population aged 15–64**

Age bracket 15-64 (%)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Activity rate	65.6	64.0	67.0	68.4	67.4	66.7	65.8	68.5
Employment rate	55.2	54.3	58.8	59.2	57.1	57.4	55.6	60.0
Unemployment rate	15.9	15.2	12.3	13.5	15.3	14.1	15.5	12.5
Inactivity rate	34.4	36.0	33.0	31.6	32.6	33.3	34.2	31.5

Source: LFS, SORS

The employment rate of the population aged 15–64 years in Q2 2018 was 60.0%, which was 1.2 percentage points higher than in Q2 2017.

The unemployment rate of the population aged 15–64 in Q2 2018 stood at 12.5%, which constituted an increase by 0.2 percentage points relative to Q2 2017 (12.3%).

### **Regional aspect of labour market indicators**

Compared to Q2 2017, no statistically significant change occurred in the number of employed and unemployed people at the level of the general population; however, this does not apply to the regional level. In the Belgrade and Vojvodina regions, employment in the considered period increased (by 28,200 and 6,700 people, respectively) and unemployment decreased, while the situation in the other two regions – Southern and Eastern Serbia Region and Šumadija and Western Serbia Region – was quite different in that period: employment declined and unemployment increased.

In Q2 2018, the highest activity rate was recorded in the Belgrade Region (57.2%) and the Šumadija and Western Serbia Region (56.2%). In the Southern and Eastern Serbia Region this rate stood at 53.7%, while it was the lowest in the Vojvodina Region (53.5%).

In Q2 2018, the highest employment rate was recorded in the Belgrade Region (51.5%) and in the Šumadija and Western Serbia Region (49.1%). In the Vojvodina Region this rate was 48.1%, while the lowest value of this rate was registered in the Southern and Eastern Serbia Region (45.3%).

The unemployment rate was the highest in the Southern and Eastern Serbia Region (15.6%). In the Šumadija and Western Serbia Region it was 12.6%, while in the Belgrade Region it stood at 10.1%. The value of the unemployment rate was the lowest in the Vojvodina Region (10.0%).

### **Characteristics of employment**

#### **Employment breakdown by sectors**

Broken down by sectors of economic activity, in Q2 2018, the total employment was dominated by services with a share of 56.6% and industry with 22.7%, followed by agriculture, forestry and fishing with a share of 16.2% and construction with 4.5%.

**Table 4. Employment breakdown by sectors, population 15+**

Sectors (%)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Agriculture, forestry and fishing	18.6	16.2	17.8	18.5	16.3	17.2	14.8	16.2
Industry	20.2	21.0	20.3	20.9	22.4	21.2	23.2	22.7
Construction	4.3	3.5	4.5	4.3	4.2	4.1	4.2	4.5
Services	57.0	59.3	57.4	56.3	57.1	57.5	57.8	56.6

Source: LFS, SORS

### Employment structure – formal and informal

The number of formally employed people in Q2 2018 totalled about 2,289,600, which was 46,600 people more than in the same quarter of the previous year. Although formal employment in agriculture decreased by 37,400, in the other sectors it increased by 84,000, most notably in the manufacturing industry.

The number of informally employed people in Q2 2018 was about 607,200, having decreased by 30,800 persons compared to Q2 2017. The decrease was particularly notable among the informally employed people in agriculture (50,100 persons).

**Table 5. Structure of formally and informally employed people, population aged 15+**

Age group 15+ (in thousands)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Employed persons	2,719.4	2,652.2	2,881.0	2,881.9	2,763.6	2,794.7	2,688.3	2,896.8
Formally employed	2,120.2	2,148.1	2,243.0	2,253.5	2,217.2	2,215.4	2,188.2	2,289.6
Other than agriculture	1,888.0	1,919.7	1,980.7	1,978.1	1,984.2	1,965.7	1,991.1	2,064.7
Agriculture	232.2	228.4	262.3	275.4	232.8	249.7	197.1	224.9
Informally employed	599.2	504.1	637.9	628.4	546.4	579.2	500.1	607.2
Other than agriculture	206.0	178.9	224.9	238.1	215.0	214.2	186.5	244.2
Agriculture	393.2	325.2	413.0	390.3	331.4	365.0	313.5	363.0

The informal employment rate (age group 15+) in Q2 2018 was 21.0%, or 1.2 percentage points lower than in Q2 2017.

The informal employment rate in the sectors other than agriculture was 10.6 %, having increased by 0.4 percentage points relative to Q2 2017.

**Table 6. Informal unemployment rate, population aged 15+**

Age group 15+	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Informal employment rate, %	22	19.0	22.1	21.8	19.8	20.7	18.6	21.0
Informal employment rate in sectors other than agriculture, %	9.8	8.5	10.2	10.7	9.8	9.8	8.6	10.6

### Structure of unemployed people

Broken down by age, in Q2 2018, the two youngest groups (15-24 and 25-34) accounted for about 189,900 unemployed people.

**Table 7. Age structure of the unemployed**

Age bracket (in thousands)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
15-24	80.0	77.4	62.6	70.9	78.5	72.4	71.5	59.4
25-34	161.0	147.3	130.2	132.6	150.2	140.1	143.8	130.5
35-44	117.5	105.9	92.4	100.5	112.6	102.9	113.4	87.2
45-54	84.9	79.7	59.4	76.6	87.8	75.9	87.8	65.3
55-64	44.9	41.2	37.1	44.6	44.5	41.9	50.2	48.3
Total 15-64	488.3	451.4	381.5	425.2	473.5	432.9	466.7	390.7
Total 15+	489.4	452.8	384.1	428.2	475.6	435.2	468.7	391.6

Source: LFS, SORS

In Q2 2018, about 62% of the unemployed older than 15 years were long-term unemployed, i.e. had been seeking employment for over 12 months.

**Table 8. Breakdown of the unemployed by the duration of job seeking, population aged 15+**

Unemployed people broken down by length of joblessness (in thousands)	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Total	489.4	452.8	384.1	428.2	475.6	435.2	468.7	391.6
Shorter than 12 months	170.8	180.9	143.6	173.0	189.8	171.8	190.7	148.6
Longer than 12 months	318.7	271.9	240.5	255.2	285.8	263.4	278.0	243.0

Source: LFS, SORS



The long-term unemployment rate in Q2 2018 stood at 7.4 %, which was the same as in the same period of the previous year.

**Table 9. Long-term unemployment rate**

Age group 15+	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Long-term unemployment rate.	9.9	8.8	7.4	7.7	8.8	8.2	8.8	7.4

Source: LFS, SORS

### Women's status in the labour market

In the Republic of Serbia, women's unemployment is more pronounced than that of men.

**Table 10. Labour market indicators broken down by sex**

Age group 15+	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
<b>Males</b>								
Activity rate, %	61.8	60.0	62.5	63.5	62.8	62.2	61.4	63.6
Employment rate, %	52.8	51.5	55.6	55.8	54.0	54.2	52.7	56.4
Unemployment rate, %	14.6	14.3	11.0	12.0	14.1	12.8	14.1	11.3
<b>Females</b>								
Activity rate, %	45.5	44.1	47.1	47.8	46.2	46.3	45.0	47.3
Employment rate, %	38.2	37.5	41.1	41.1	39.1	39.7	37.9	41.4
Unemployment rate, %	16.1	15.0	12.7	14.0	15.4	14.3	15.8	12.6

Source: LFS, SORS

In Q2 2018, women’s activity rate was 47.3%, while men’s was 63.6%, which constitutes a gap of 16.3 percentage points.

The employment rate of women of 41.4% is still significantly lower than that of men (56.4%), with a gender gap of 15 percentage points.

In Q2 2018, women’s unemployment rate was 12.6%, and men’s was 11.3%, with a gap of 1.3 percentage points.

**Status of youth (aged 15-24 years) in the labour market**

Compared to Q2 2017, no significant changes occurred in the status of youth (aged 15–24) in the labour market.

The youth activity rate in Q2 2018 was 29.7%, which constituted an increase by 0.5 percentage points relative to Q2 2017.

The youth employment rate in Q2 2018 stood at 21.5%, having increased by 0.7 percentage points relative to Q2 2017.

The youth unemployment rate in Q2 2018 was 27.5%, or 1.4 percentage points lower than in Q2 2017.

**Table 11. Key youth labour market indicators**

Age bracket 15-24	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Activity rate, %	30.3	28.0	29.2	33.3	32.1	30.6	28.3	29.7
Employment rate, %	19.7	17.6	20.8	23.7	21.4	20.9	18.5	21.5
Unemployment rate, %	34.9	37.1	28.9	28.8	33.3	31.9	34.6	27.5
Inactivity rate, %	69.7	72.0	70.8	66.7	67.9	69.4	71.7	70.3

Source: LFS, SORS

The NEET rate (youth not in employment, education or training as a proportion of the total youth population) stood at 14.6% in Q2 2018, which was 0.7 percentage points lower compared to Q2 2017.

**Table 12. NEET rate**

Age group 15+	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
NEET rate	17.7	18.7	15.3	17.1	17.6	17.2	17.3	14.6

Source: LFS, SORS

### Status of the elderly (55–64) in the labour market

In Q2 2018, the activity rate of the people aged 55–64 years was 52.3%; their employment rate was 47.6%, while their unemployment rate was 8.9%.

**Table 13. Key labour market indicators for the elderly (aged 55–64 years)**

Age bracket 55–64	2016 average	Q1 2017	Q2 2017	Q3 2017	Q4 2017	2017 average	Q1 2018	Q2 2018
Activity rate, %	46.9	46.8	50.9	51.4	48.7	49.5	47.3	52.3
Employment rate, %	42.7	42.9	47.4	47.2	44.5	45.5	42.5	47.6
Unemploy- ment rate, %	9.0	8.3	6.9	8.3	8.7	8.1	10.2	8.9
Inactivity rate, %	53.1	53.2	49.1	48.6	51.3	50.5	52.6	47.7

Source: LFS, SORS

### Characteristics of registered unemployment

In line with the provisions of the Law on Employment and Unemployment Insurance, the NES maintains the records on unemployed people from the age of 15 until they fulfil retirement requirements, or at the latest until they turn 65 years of age, who are capable and immediately ready to work, who have not entered an employment relationship or have exercised their right to work in another way, and who are registered as unemployed and are actively seeking employment.

On 30 June 2018, there were 579,072 unemployed persons in the NES register, of whom 306,234 were women. Compared to the same period of 2017, the total number of unemployed people decreased by 66,354, or 10.3% (645,426 registered unemployed people on 30 June 2017), while the number of unemployed women decreased by 30,774, or 9.1% (337,008 unemployed women

on 30 June 2017). The fact that the decrease in the number of unemployed women was smaller than the decrease of overall unemployment resulted in the increase of women's share in total unemployment by 0.7 percentage points (from 52.2% in June 2017 to 52.9% in June 2018);

Broken down by education levels, in June 2018, the share of unemployed persons with no/low qualifications and persons with higher education increased year-on-year by 0.7 and 0.1 percentage points, respectively, while the share of unemployed people with secondary education decreased correspondingly (by 0.8 percentage points). The data in Table 14 show the decrease in the share of qualified unemployed persons (with secondary and higher education) by 0.7 percentage points at the expense of the increased share of unemployed people with no/low qualifications (the so-called unqualified workers). The same trend was registered in the structure of unemployed women, where the share of women with secondary and higher education decreased by 0.5 percentage points, while the share of unemployed women with no/low qualifications increased by the corresponding rate.

**Table 14. Registered unemployed people, by education levels**

Education attainment level	30 June 2017				30 June 2018				2017/2018 difference in pp	
	Total	Share	Females	Share	Total	Share	Females	Share	Total	Females
No/low qualifications	212,303	32.9%	108,112	32.1%	194,582	33.6%	99,863	32.6%	0.7	0.5
Secondary education	340,941	52.8%	170,809	50.7%	301,261	52.0%	153,348	50.1%	-0.8	-0.6
Higher education	92,182	14.3%	58,087	17.2%	83,229	14.4%	53,023	17.3%	0.1	0.1
<b>Total</b>	<b>645,426</b>	<b>100.0%</b>	<b>337,008</b>	<b>100.0%</b>	<b>579,072</b>	<b>100.0%</b>	<b>306,234</b>	<b>100.00</b>		

Source: NES

The comparative overview of the age structure of unemployed people (Table 15.) indicates a considerable decrease in the share of youth up to 30 years of age by 1.4 percentage points, while the share of unemployed people aged 30–49 years decreased by 0.5 percentage points. The share of unemployed people aged 50+ increased significantly relative to 2017, by 1.9 percentage points, which is also the reason why the average age of unemployed people increased by 8 months compared to 2017, to 41 years and 8 months in June 2018. In the structure of unemployed women, the share of the age group 50+ increased by 2.2 percentage points, which was greater than the increase of the share of this age group in the total registered unemployed population.

**Table 15. Registered unemployed people by age**

Age	30 June 2017				30 June 2018				2017/2018 difference in pp	
	Total	Share	Females	Share	Total	Share	Females	Share	Total	Females
15 - 29 <sup>6</sup>	146,843	22.8%	75,770	22.5%	123,686	21.4%	65,105	21.3%	-1.4	-1.2
30 - 49	303,070	46.9%	171,656	50.9%	268,632	46.4%	152,968	49.9%	-0.5	-1.0
50 +	195,513	30.3%	89,582	26.6%	186,754	32.2%	88,161	28.8%	1.9	2.2
<b>Total</b>	<b>645,426</b>	<b>100.0%</b>	<b>337,008</b>	<b>100.0%</b>	<b>579,072</b>	<b>100.0%</b>	<b>306,234</b>	<b>100.00</b>		

Source: NES

At the end of June 2018, the NES unemployment register included 13,443 persons with disabilities who were ready for active job seeking, of whom 5,291 were females (39.4%). In terms of age, the principal characteristics of this category of unemployed persons were a small share of youth up to 30 years of age (15.1%) and a very large share of persons aged 50+ (42.6%). Their educational structure also posed a considerable challenge for the provision of support in job seeking and employment, since 39.6% unemployed persons with disabilities had no/low qualifications, while only 6.4% attained higher education.

At the end of June 2018, there were 26,360 Roma on the NES unemployment register, of whom 12,518 were women (47.5%). The principal characteristics of this category of unemployed persons are a large proportion of youth up to 30 years of age (30.6%), a small share of persons aged 50+ (19.5%), as well as the share of persons with no/low qualifications of 89.4% in the total number of unemployed Roma.

At the end of June 2018, there were 66,555 financial social assistance recipients on the unemployment register, of whom 32,100 were women (48.2%). The principal characteristic of this category of unemployed persons was the large share of persons with no/low qualifications of 64.7% (whereas the persons with secondary and higher education accounted for 32.0% and only 3.3%, respectively). Broken down by age, 46.2% were in the age group 30–49, 39.2% were persons aged 50 or over, while 14.6% were youth up to 30 years of age.

The number of unemployed persons in the category of redundant workers at the end of June 2018 was 43,723 (of whom 23,552 or 53.9% were women), which constituted a decrease of 5,325 or 10.9% relative to the same period of

<sup>6</sup> The statistical age group of 15–29 years includes persons aged from 15 years and 0 days to 29 years and 364 days, in compliance with the definition provided in the Law on Youth, according to which persons become youth when they turn 15 and cease being youth when they turn 30 years of age.

2017. The number of women in this category of unemployed persons decreased by 2,388, i.e. by 9.2%.

At the end of June 2018, the greatest share in registered unemployment was that of the Sumadija and Western Serbia Region (34.5%), followed by the Southern and Eastern Serbia Region (26.9%), the Vojvodina Region (21.0%), the Belgrade Region (13.8%) and the Kosovo and Metohija Region (3.8%).

### **Registered youth unemployment**

Unemployed youth are the age group that experienced the greatest decline in size in the past year, having decreased by 23,157 persons or 15.8% relative to June 2017, to a total of 123,686 persons in June 2018. The number of young unemployed women was 65,105, which was 10,665 persons or 14.1% fewer than in June 2017. The share of youth in the total registered unemployment also decreased by 1.4 percentage points, to 21.4% at the end of June 2018.

The educational structure of unemployed youth is more favourable than that of the total unemployed population. The share of youth with secondary and higher education in the total youth population is larger than the share of unemployed persons with these education levels in the total unemployed population. Moreover, the share of youth in the total unemployed population with a higher education was 32.4%, and it was considerably larger than the share of youth in overall unemployment (21.4%). However, the comparison of educational structures of unemployed youth in 2016<sup>7</sup> and 2018 shows an increase in the share of youth with no/low qualifications by 2.5 percentage points and a decrease in the share of youth with secondary and higher education by 1.5 and 1.0 percentage points, respectively.

As regards the duration of joblessness, youth are in a better position than the overall unemployed population. The share of youth who had been looking for a job for over 12 months in the total youth population (long-term unemployment) was 50.5% (51.7% for young women), which was smaller than the overall long-term unemployment, while youth accounted for 15.6% of the overall long-term unemployment, which was also smaller than the share of youth in total registered unemployment. Nevertheless, the fact that almost a half of unemployed youth had been looking for a job for over 12 months, and that 13,756 young unemployed people had been jobless for 5 or more years, are a cause of great concern, since the inability to integrate or reintegrate in the labour market (first employment or re-employment) results in the decrease of motivation, activity and mobility in the labour market, obsolescence of the acquired knowledge and skills, specific

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<sup>7</sup> On 31 December 2016, there were 171,245 youth up to 30 years of age on the NES unemployment register, of whom 19.5% had no/low qualifications, 57.7% had secondary education and 2.8% had higher education degrees (source: NES).

changes in one's personal and professional life and behaviour, as well as in the dependency on social transfers<sup>8</sup>.

Unemployed youth's more favourable educational structure compared to that of the total unemployed population is a potential that should be cultivated by promoting the employability of youth with no/low qualifications and of youth who have secondary education but have no knowledge and skills demanded in the labour market. On the other hand, the cohort of unemployed youth with higher education should be approached with utmost prudence, as a social resource whose transition to the world of work should also be facilitated as efficiently as possible, so that their acquired knowledge and skills can be used to their full capacity.

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<sup>8</sup> 9,701 unemployed youth (4,838 females) were recipients of the financial social assistance administered by centres for social work.

**Table 16. Comparative overview and the share of youth unemployment in the total registered unemployment (by educational attainment levels and the duration of joblessness)**

Registered unemployed persons, on 30 June 2018	Unemployed population				Unemployed youth				
	Total	%	Females	%	Total	%	Females	%	Share of youth in the registered unemployment
<b>Educational structure</b>									
No/low qualifications	194,582	33.6	99,863	32.6	27,231	22.0	14,011	21.5	14.0%
Secondary education	301,261	52.0	153,348	50.1	69,490	56.2	33,018	50.7	23.1%
Higher education	83,229	14.4	53,023	17.3	26,965	21.8	18,076	27.8	32.4%
<b>Duration of joblessness</b>									
Up to 12 months	179,062	30.9	89,726	29.3	61,169	49.5	31,450	48.3	34.2%
1–2 years	79,749	13.8	40,742	13.3	22,284	18.0	12,006	18.4	27.9%
2–3 years	53,712	9.3	27,854	9.1	12,967	10.5	6,918	10.6	24.1%
3–5 years	71,995	12.4	38,045	12.4	13,510	10.9	7,222	11.1	18.8%
5–8 years	79,219	13.7	41,888	13.7	9,824	7.9	5,276	8.1	12.4%
8–10 years	33,870	5.8	18,121	5.9	2,621	2.1	1,465	2.3	7.7%
over 10 years	81,465	14.1	49,858	16.3	1,311	1.1	768	1.2	1.6%
<b>Total</b>	<b>579,072</b>	<b>100%</b>	<b>306,234</b>	<b>100%</b>	<b>123,686</b>	<b>100%</b>	<b>65,105</b>	<b>100%</b>	

Source: NES

**Registered unemployed persons aged 50+**

At the end of June 2018, the unemployment register included 186,754 people aged 50+, of whom 88,161 were women (47.2%). Although the number of unemployed people in this category decreased by 8,759 compared to the same period of 2017, their share in the total registered unemployment increased by 1.9 percentage points to 32.2% at the end of June 2018, which implies that the



number of persons in this category decreased at a much slower rate than the number of unemployed persons in the younger age groups.

In the total unemployed population aged 50+, 146,348 persons or 78.4% are long-term unemployed (71,525 females), which means that the long-term unemployment rate of this unemployed category is 9.3 percentage points higher than the total long-term unemployment. Long-term unemployed persons aged 50+ account for 25.3% of the total unemployment.

### **Long-term unemployment and multiple vulnerability**

As regards the duration of joblessness, the category of long-term unemployed persons, who had been looking for a job for over 12 months, accounted for 400,010 persons or 69.1% of the total registered unemployment, which was 0.1 percentage points more than in 2017 (69.0%). There were 216,508 long-term unemployed women, or 70.7% of the total number of unemployed women, which shows that the long-term unemployment of women was 1.6 percentage points higher than the overall long-term unemployment. In June 2018, the average duration of joblessness of the registered unemployed persons was 4 years and 9 months, which was 4 months longer than in the same period of 2017.

The persons aged 30–49 years and those aged 50+ had a higher share in the total long-term unemployed population than in the overall unemployed population. Namely, 47.8% of the long-term unemployed were aged 30–49, whereas 36.6% were aged 50+. Youth up to 30 years of age accounted for 15.6% of long-term unemployment. The educational structure of the long-term unemployed population shows that the share of persons with no/low qualifications in long-term unemployment (36.4%) is 2.8 percentage points larger than their share in the total unemployment, while the share of persons with secondary and higher education in the long-term unemployment (51.2% and 12.4%, respectively) is smaller than their share in the total unemployment.

Particular attention of the employment policy is devoted to the categories of hard-to-employ persons, who are facing multiple factors of vulnerability and are, accordingly, classified in the category of multiply vulnerable hard-to-employ persons. The analysis of the average duration of the unemployment spell indicates that as the number of vulnerability factors increases, so does the average duration of joblessness, which justifies the prioritisation of the persons with multiple vulnerability factors for the inclusion in active labour market measures. Shorter than average period of unemployment is found only among the persons who do not have additional factors of vulnerability. Particularly negative outcomes in the labour market, in terms of the duration of joblessness, are typical for the persons with the following characteristics: persons with disabilities, financial social assistance beneficiaries, Roma, members of the households in which other

members are also outside the labour market (whether spouse or parents). A factor that usually occurs in conjunction with the aforesaid is the low level of educational attainment and the lack of qualifications.

In the category of persons who have been unemployed longer than 10 years, and who are affected by two vulnerability factors, the two most powerful factors whose combined impact considerably degrades labour market outcomes are disability and the low level of education. Another combination of risk factors that results in intense vulnerability is the low level of education in conjunction with the status of a financial social assistance beneficiary. Besides these, the individual factors that are capable of exerting extremely negative influence on labour market outcomes are the status of a parent of children with developmental disabilities and the refugee status.

## IV EMPLOYMENT POLICY GOALS AND PRIORITIES

The process of setting employment policy goals and priorities for 2019 has taken into account:

**The Employment and Social Reform Programme (ESRP)**<sup>9</sup> which represents a strategic document and the key mechanism for dialogue on the Republic of Serbia's priorities in the area of employment and social policy in the pre-accession process.

On the basis of the identified labour market challenges, the following employment policy goals have been set:

- 1) Prevent high increase in unemployment;
- 2) Decrease the overall inactivity rate and increase the employment rate:
  - strengthen the role of employment policy
  - increase access to the labour market for the Roma;
- 3) Reduce labour market dualism;
- 4) Improve the status of youth in the labour market.

The above goals are coherent with the employment policy's strategic and operational framework, while at the same time the goals, measures and interventions, identified in the fields of labour, youth policy, education, pension and health care system, are aligned with the relevant sector documents.

**The Council Recommendation** of 15 February 2016 on the integration of the long-term unemployed into the labour market, as well as the fact that long-term unemployment is one of the key barriers to the work and social integration of the unemployed and leads to their knowledge, skills and competences becoming outdated. Therefore, it is essential to provide targeted support measures to the unemployed seeking work for over 12 months, while intensifying support to those seeking work for over 18 months.

**The European Pillar of Social Rights**, proclaimed and signed by the Council of the EU, the European Parliament and the European Commission on 17 November 2017, at the Social Summit for Fair Jobs and Growth. The aim of the European Pillar of Social Rights is to strengthen the EU acquis in the field of social protection and ensure more effective civil rights. It focuses on employment and social aspects, as well as on the alignment of the European social model with the challenges of the 21st century. The European Pillar of Social Rights has established 20 principles and rights, divided in three categories:

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<sup>9</sup> Adopted on 31 May 2016.

- Equal opportunities and access to the labour market.
- Dynamic labour markets and fair working conditions.
- Public support / social protection and inclusion.

The guidelines for the employment policies of the EU Member States, adopted annually, are part of the Europe 2020 integrated guidelines. The guidelines for 2018 (Council Decision (EU) 2018/1215) include:

- Boosting the demand for labour (creation of quality jobs, entrepreneurship fostering, development of social innovations, decreasing the tax burden on wages etc.);
- Enhancing labour supply and improving access to employment, skills and competences (ensuring the opportunities for the acquisition of knowledge, skills and competences in line with the modernisation of work processes and the projected needs, lifelong learning, equal opportunities for all in the education system, support to persons with no/low qualifications, intensified support to persons seeking work for over 18 months, support to improved school-to-work transition, increase of the share of women in the labour market and so on);
- Enhancing the functioning of labour markets and the effectiveness of social dialogue (strengthen the cooperation with social partners, improve the effectiveness of active employment policies through more efficient matching of supply and demand in the labour market, support labour force mobility etc.);
- Promoting equal opportunities for all, fostering social inclusion and combatting poverty (developing inclusive labour markets, modernising the social protection system, stimulating social inclusion, ensuring the access to high-quality services, securing the adequacy and sustainability of the pension system etc.).

Taking due account of the primary strategic goal of the employment policy, the European employment policy guidelines and recommendations, stock and flow indicators of the Republic of Serbia's labour market, the ongoing reform processes and documents, as well as the results of the previously implemented activities and evaluation findings, the following employment policy priorities have been set for 2019:

- 1) Improving conditions in the labour market and advancement of the labour market institutions;
- 2) Stimulating employment and inclusion of hard-to-employ persons in the labour market and support to the regional and local employment policy;
- 3) Improving the quality of the labour force and investing in the human capital.

### **1) Improving conditions in the labour market and advancement of the labour market institutions**

The activities to be implemented in 2019 are aimed at the further improvement of the legislative framework in the field of labour and employment, through the adoption of new reform-oriented regulations, whose implementation will enable increased employment of hard-to-employ categories of unemployed people, adequate legal regulation and the security of workers engaged in seasonal jobs, as well as the flexibility and legal certainty for workers employed through temp agencies.

The plan is to continue the activities for the improvement of the work of labour market institutions (NES, employment agencies and local employment councils), employment policy creation based on the findings of the policy impact evaluations and continual monitoring of employers' needs and jobseekers' characteristics, to ensure that active labour market measures are aligned with the status, capacities and needs of the national and local labour markets.

### **2) Stimulating employment and inclusion of hard-to-employ persons in the labour market and support to the regional and local employment policy**

Employment stimulation and employability improvement with a view to a more competitive performance in the labour market is pursued through the implementation of active labour market measures.

The employment policy focuses on the categories of hard-to-employ unemployed persons, who are included in active labour market measures both at the national level and through the implementation of local employment action plans. Accordingly, the regional and local employment policies will continue to receive support in 2019 through the co-financing of active labour market programmes or measures.

### **3) Improving the quality of the labour force and investing in the human capital**

The employment policy is an integral part of the human resource development system and it is created based on the analysis of the key and projected labour market trends, i.e. by interpreting and monitoring the tendencies, situations and future needs of employers at the national and local level, in order to tailor active labour market measures to the labour market needs.

Aimed at improving the quality of the labour force, the focus of the education system in the forthcoming period will be on the capacity strengthening of vocational schools and companies that provide dual education and on-the-job learning, reducing the early school leaving rate in the field of secondary vocational

education, quicker school-to-work transition and the decrease of the youth unemployment rate, and on increasing the attractiveness of vocational education and on-the-job learning as a youth career development pathway.

Creation of the legislative framework that will regulate dual education in the higher education system, with a view to ensuring the conditions for acquiring, upgrading and developing student competences in accordance with the needs of the labour market, gaining the relevant competences and skills and enhancing their employability. By ensuring a high quality of education and learning methods, the Ministry of Education, Science and Technological Development will provide opportunities to young people to stay in Serbia and will increase their chances of employment.

In order to ensure an increased market relevance of the education system, the priority in the upcoming period will be to further improve the legislative and institutional framework of the NQF system, which regulates the area of qualifications and their connection with the labour market and represents the basis for the implementation of the lifelong learning concept.

## V CATEGORIES OF HARD-TO-EMPLOY PERSONS

As per the Law on Employment and Unemployment Insurance, hard-to-employ persons are defined as unemployed persons who have difficulties finding a job as a consequence of their medical condition, insufficient or inadequate education, social or demographic background, as well as due to regional or occupational mismatch of supply and demand in the labour market, or other objective circumstances. Particularly vulnerable are the persons who are facing multiple factors of vulnerability/impaired employability. Certain active labour market programmes and measures promote the equality of these persons in the labour market.

In 2019, the status of hard-to-employ persons who will be prioritised for inclusion in active labour market measures is given to: youth up to 30 years of age, redundant workers, persons above 50 years of age, persons with no/low qualifications, persons with disabilities, the Roma, working able beneficiaries of financial social assistance, long-term unemployed persons (registered as unemployed for over 12 months, especially those unemployed for over 18 months), youth in institutional care, youth in foster families, youth in guardian families and victims of domestic violence.

The category of youth in institutional care, foster families and guardian families refers to young people up to 30 years of age who have or once had the status of youth in institutional care, foster and guardian families.

Furthermore, active labour market programmes and measures should also include other hard-to-employ persons from particularly vulnerable groups, such as: women (especially female victims of human trafficking), refugees and internally displaced persons, returnees under the Readmission Agreement, single parents, spouses from the families where both spouses are unemployed, parents of children with developmental disabilities, former criminal offenders and others, in a way that enables their integration in the labour market.

Owing to the necessity of intensifying the activities aimed at enhancing the position of youth, redundant workers, persons with no/low qualifications, long-term unemployed and persons with disabilities, special service packages have been prepared:

**Service package for redundant workers** - a service package is prepared for redundant workers, whose inflow into the unemployment register is expected as a result of both the finalisation of the restructuring process and the rightsizing of the public sector. The package comprises several steps, depending on whether the activities are undertaken before the termination of employment or after the persons are registered as unemployed.

To prevent unemployment, before the potentially redundant workers register as unemployed, the NES will organise meetings with the redundant workers' employer, the trade unions and the potentially redundant workers, in the employer's premises, as well as employment counselling sessions with the potentially redundant workers who requested individual counselling.

Based on the filled-out questionnaire or the individual session with an employment counsellor, potentially redundant workers will be included in the following measures: job club (five-day programme specifically designed for redundant workers), workshop for psychological support to career planning (one-day programme specifically designed for potentially redundant workers), entrepreneurship development training and active job search training.

After redundant workers register as unemployed, the NES will prioritise their involvement in active labour market programmes and measures, notably:

- 1) conduct an employability assessment of the person in question;
- 2) determine an individual employment action plan and specify the measures that are the most suitable for activation and employability enhancement (workshop for overcoming stress due to job loss, programme for the acquisition of practical knowledge for unqualified persons, redundant workers and long-term unemployed persons, and other measures);
- 3) organise a special informing session on the possibilities and advantages of investing severance pay into self-employment and the like.

Furthermore, in order to prevent long-term unemployment and facilitate redundant workers' faster reintegration in the labour market, the NES will intensify its visits to employers, especially in local self-government units where the implementation of redundancy relief programmes is imminent, in order to collect employment needs data.

**Service package for youth** - this package entails a set of steps undertaken by the NES for every young person registered as unemployed, in order to prevent the obsolescence of the competences (knowledge and skills) relevant to their competitive performance in the labour market and drifting into long-term unemployment. It includes:

- 1) employability assessment;
- 2) determination of individual employment action plans and identification of measures that are the most suitable for youth activation and employability enhancement;
- 3) job mediation or involvement in active labour market measures which can contribute to employment (professional guidance and career counselling, professional practice programme, internship programme for youth with higher education, internship programme for youth with secondary education, employment and self-employment subsidy, the programme of functional elementary education for adults and others).



**The service package for people with no/low qualifications and the long-term unemployed** includes:

- 1) employability assessment;
- 2) determination of individual employment action plans and identification of measures that are the most suitable for activation and enhancement of employability of persons with no/low qualifications and the long-term unemployed;
- 3) involvement in active job search measures (self-efficiency training for long-term unemployed qualified persons and motivation-activation training for persons with no/low qualifications);
- 4) involvement in further education and training programmes (functional elementary education for adults programme, acquisition of practical knowledge for persons without vocational qualifications, acquisition of practical knowledge for redundant workers and long-term unemployed persons and others), public works and the like.

**Service package for persons with disabilities** - entails job mediation and involvement of persons with disabilities in active labour market measures under mainstream conditions and under specifically tailored programmes, in accordance with persons with disabilities' needs, assessed professional capabilities, work capacities and the identified labour market needs. The package includes:

- 1) assessment of professional capabilities, notably employability
- 2) determination of individual employment action plans and identification of measures that are the most suitable for activation and enhancement of employability of persons with disabilities
- 3) job mediation or involvement in active labour market measures which can contribute to employability enhancement and employment.

## **VI ACTIVE LABOUR MARKET PROGRAMMES AND MEASURES**

The active labour market programmes and measures specified in this Action Plan, which will be implemented in 2019 by the NES, derive from and comply with the Law on Employment and Unemployment Insurance, Law on Professional Rehabilitation and Employment of Persons with Disabilities, and the rules on state aid control, while the criteria, methods and other issues of relevance to the implementation of active labour market measures are stipulated by the general documents of the MoLEVSA and the NES.

In order to implement active labour market programmes and measures, the NES announces public calls for applications and launches tender procedures in conformity with public procurement regulations, in Q1 2019.

Mediation in employing job seekers, active job search measures and professional guidance and career planning counselling are provided by the NES staff on a continuous basis throughout the calendar year.

Active labour market programmes and measures include:

### **1. Mediation in employing job seekers**

The mediation in employment of job seekers entails a set of job seeker oriented activities and measures, aimed at developing their active job seeking skills and connecting them with employers who have vacancies to fill.

Active job seeking skills are developed through individual and group sessions with job seekers. Employment counselling is an activity wherein an employment counsellor provides professional support to individual job seekers by informing them about their rights and obligations, the services provided by the NES, as well as about employment opportunities and in-demand occupations. A part of the employment counselling process is the assessment of job seekers' employability, i.e. of their professional capabilities and affinities, with the aim of determining the level of support they require. The types of support agreed by the job seeker and the employment counsellor are formalised in the individual employment action plan.

Active job search measures, such as the active job search training and job clubs, are the forms of group counselling with job seekers aimed at providing them with information about the situation in the local labour market and teaching them how to present themselves properly to employers. The aim of these measures is also to motivate the job seekers and improve their active job search competences.

The services for employers include the provision of information to employers about the situation in the labour market and the structure of job seekers on the NES unemployment register, as well as the counselling on the possibilities for vacancy filling, including the information about active labour market policies, identification of employers' future needs for the purpose of planning vocational training and other active labour market measures, selection of job seekers according to the requirements of the registered vacancies, job mediation at employer's request and on-line job mediation on the NES webpage, and other forms of cooperation with employers and other stakeholders in the labour market.

Employment fair is a job mediation measure, since it enables a direct contact between a large number of employers who have vacancies to fill and the job seekers who fulfil, to a significant degree, the requirements of specific vacancies. At the same time, it is also an activation measure, as it brings job seekers into direct contact with concrete vacancies, which positively affects their motivation to actively look for a job.

Employment caravans are a measure that enables the persons living in underdeveloped and undeveloped municipalities to participate in the NES programmes and measures. Unemployed persons who are unable to personally visit the NES branch and local offices due to unfavourable circumstances, are given access to counselling, all relevant information about their rights and obligations, as well as the possibility to register as unemployed persons.

## **2. Professional guidance and career planning counselling**

Professional guidance and career planning counselling is provided in the form of information and counselling on career development opportunities – directly, at the Career Guidance and Counselling Centres (CGCC), and via the NES website – in order to prevent the wrong choice of education or occupation, as well as to strengthen the clients' competences for taking appropriate decisions in their professional careers. As a way of supporting each individual job seeker in taking future career decisions, all NES branch offices provide career planning counselling, which includes the information about career choice/change opportunities in accordance with the situation in the labour market, the client's personal characteristics and interests. Career planning counsellors at the NES branch offices provide this service to job seekers, pupils/students in the final years of primary/secondary schools and higher education students.

As part of this active labour market measure, psychological workshops and training is organised for job seekers, such as the self-efficiency training and the workshop for overcoming the stress due to job loss, aimed at the development of the skills and techniques for assuming an active role in career planning and job seeking and for coping with stress with a view to a more efficient job search. The measure also includes the selection of candidates for referral to employers, based on the job requirements and the physical and psychological capabilities of job seekers.

### 3. Further education and training

The Annual Further Education and Training Programme specifies the further education and training programmes and measures to be implemented in 2019, as a means of the providing the clients with new knowledge, skills and work experience. The AFETP is based on an analysis of labour market needs, i.e. employers' needs in terms of the knowledge and skills needed to perform specific jobs, as identified through contacts with employers. Based on the results of the needs analysis, further education and training will be provided in the occupational sectors in which a shortage of knowledge and skills has been identified.

The Annual Further Education and Training Programme is implemented through the following programmes and measures:

<b>3.1.</b>	<p><b>Professional practice programme</b> – vocational training for unassisted work in a particular occupation for which a person has received adequate formal education (qualifications), with a view to completing the internship period as a requirement for taking the professional examination, when this is prescribed by a law or a rulebook as a special precondition for unassisted work in a particular occupation. The programme is intended for unemployed persons without occupation-specific work experience, who have at least secondary education. The programme does not entail entering into an employment contract.</p> <p>The programme is implemented in private-sector employers, although a maximum of 30% of planned programme beneficiaries may be engaged in the public sector, exclusively in the fields of health care, education, social protection and the judiciary.</p> <p>Exceptionally, in the territory of the Autonomous Province of Kosovo &amp; Metohija and the devastated areas<sup>10</sup> in the territory of the Republic of Serbia, the professional practice programme may be implemented with the employer belonging either to the public or to the private sector, while the priority is given to the latter.</p> <p>Programme duration is specified by pertinent law or rulebook, but the NES finances it for a maximum period of 12 months.</p>
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<sup>10</sup> According to local self-government units' development levels determined by a separate Government regulation.

3.2.	<p><b>Internship programme for youth with higher education</b> – vocational training for unassisted work in a particular occupation for which a person has completed at least four-year higher education (at least 240 ESPB credits), with a view to completing the internship period as a requirement for taking the professional examination, when this is prescribed by a law or a rulebook as a special precondition for unassisted work in a particular occupation. The programme entails entering into an employment contract.</p> <p>The programme is intended for unemployed youth up to 30 years of age, with no work experience in the occupation for which they received formal education and with an average grade of at least 8.5 in the completed study levels, who have been registered as unemployed for over 6 months.</p> <p>Exceptionally, the programme may also include unemployed persons with disabilities and the Roma up to 35 years of age, regardless of their average grade and the duration of their registered unemployment.</p> <p>The programme is implemented with private-sector employers. The employer is entitled to a reimbursement of the costs of intern's wages.</p> <p>Programme duration is specified by pertinent law or rulebook, but the NES finances it for a maximum period of 12 months.</p> <p>The employer must retain the employee for at least another 6 months after the funding expires.</p>
3.3.	<p><b>Internship programme for unemployed persons with secondary education</b> – vocational training for unassisted work in a particular occupation for which a person has received adequate formal education (qualifications), with a view to completing the internship period as a requirement for taking the professional examination, when this is prescribed by a law or a rulebook as a special precondition for unassisted work in a particular occupation. The programme entails entering into an employment contract.</p> <p>Eligible persons for inclusion in the internship programme are unemployed persons with secondary education, without work experience in the occupation for which they received formal education, in the following categories:</p> <ul style="list-style-type: none"> <li>- youth up to 30 years of age who have been registered as unemployed for over 6 months;</li> <li>- unemployed persons with disabilities;</li> <li>- the Roma;</li> <li>- youth in institutional care, foster families and guardian families.</li> </ul> <p>The programme is implemented with private-sector employers. The employer is entitled to a reimbursement of the costs of intern's wages.</p> <p>Programme duration is specified by pertinent law or rulebook, but the NES finances it for a maximum period of 6 months. The employer must retain the employee for at least another 3 months after the funding expires.</p> <p>If an employer hires an unemployed person on a permanent contract at the beginning of the programme or before the expiry of the sixth month, or before the expiry of the programme, the employer is entitled to reimbursement of wage costs for another six months, i.e. for a total of 12 months. The employer must retain the employee for at least another 6 months after the funding expires, and the NES monitors the employment status of the employee for at least 6 months after the funding expires.</p>

<p>3.4.</p>	<p><b>Acquisition of practical knowledge programme for persons without vocational qualifications, redundant workers and long-term unemployed persons</b> registered as unemployed for over 18 months – entails gaining practical knowledge and skills through the performance of concrete tasks, by entering into an employment contract with a private-sector employer. The programme is intended for the following categories of unemployed persons, regardless of their age.</p> <ul style="list-style-type: none"> <li>- persons with incomplete secondary education, i.e. without vocational qualifications, and persons who completed functional elementary education for adults programme, whose share in the total number of people included in this programme must be at least 40%;</li> <li>- redundant workers and persons who have been registered as unemployed for over 18 months, with at least secondary education, regardless of their qualifications and work experience, whose knowledge, skills and competences are inadequate and inapplicable for work in a particular job.</li> </ul> <p>After concluding temporary employment contracts with unemployed persons, an employer becomes entitled to reimbursement of the costs of hired persons' wages for a period of 3 months. The employer must retain the employee for at least another 3 months after the expiry of the programme. If an employer hires an unemployed person on a permanent contract at the beginning of the programme or before the expiry of the third month, or before the expiry of the programme, the employer is entitled to reimbursement of wage costs for another three months, i.e. for a total of 6 months. The employer must retain the employee for at least another 6 months after the funding expires.</p>
<p>3.5.</p>	<p><b>Training in response to labour market needs</b> – gaining additional vocational, theoretical and practical knowledge and skills needed in the labour market and by employers, in order to enhance the employability of unemployed persons, most notably hard-to-employ persons with no/low qualifications.</p> <p>Training for unemployed persons with disabilities is provided by professional rehabilitation entities authorised by the ministry competent for employment affairs to implement professional rehabilitation measures and activities.</p> <p>Training for other unemployed persons is provided by publicly recognised organisers of adult education activities. Exceptionally, if there are no publicly recognised organisers of adult education activities that provide a specific training needed in the labour market, the training may also be delivered by other training providers.</p>
<p>3.5.1.</p>	<p><b>Specialist IT training in response to labour market needs</b> - training in new knowledge, skills and capabilities for unemployed persons in the field of information technology, with view to enhancing their competitiveness and employability.</p>
<p>3.6.</p>	<p><b>Training at employer's request – for unemployed persons</b> – gaining additional knowledge and skills needed for a specific job, at the request of private-sector employers, as well as of enterprises for professional rehabilitation and employment of persons with disabilities that are operating with predominantly state capital, if there are no persons with the knowledge and skills required by the specific job on the NES unemployment register, or if their existing knowledge and skills do not match the requirements of the specific job. Employers are obliged to hire the persons who complete the training on a permanent employment contract, in compliance with the law (although they may also employ them while the training is still ongoing, by submitting a request with a statement of reasons).</p>

3.7.	<b>Training at employer's request – for employees</b> – a private-sector employer may apply for the NES co-financing of the training costs for employees who lack certain knowledge and skills required by their job, to enable them to keep their job. The NES can co-finance employee training in accordance with the available funds and the regulations on the award of state aid.
3.8.	<b>Functional elementary education for adults programme</b> – completion of primary education in conformity with the law, with the option to acquire competences for simple jobs. The programme is intended for unemployed persons without primary education.

## 4. Employment subsidies

### 4.1 Subsidies for the employment of unemployed persons from the hard-to-employ category

The subsidy for the employment of unemployed persons from the hard-to-employ category in newly created jobs is a lump sum financial incentive provided to employers (in the private sector) for creating new jobs in which they will hire unemployed persons from the hard-to-employ category, in particular:

1. youth up to 30 years of age – with no/low qualifications, youth in institutional care, foster families and guardian families;
2. persons over 50 years of age in the status of redundant workers;
3. the Roma;
4. persons with disabilities;
5. working able beneficiaries of financial social assistance;
6. long-term unemployed persons;
7. victims of domestic violence.

In 2019, the subsidy for the employment of unemployed persons from the hard-to-employ category, according to local self-government units' development levels determined by a separate Government regulation, amounts to:

- 1) RSD 150,000 per beneficiary – for group one (above the national average) and group two (ranging from 80% to 100% of the national average);
- 2) RSD 200,000 per beneficiary – for group three (ranging from 60% to 80% of the national average);
- 3) RSD 250,000 per beneficiary – for group four (development level below 60% of the national average) and for devastated areas (development level below 50% of the national average);

The above subsidy amounts are increased by 20% for the following categories of hard-to-employ persons:

1. persons with disabilities;
2. working able beneficiaries of financial social assistance;

3. youth in institutional care, foster families and guardian families, and
4. victims of domestic violence,

Accordingly, the increased amounts are:

- 1) RSD 180,000 per beneficiary – for group one (above the national average) and group two (ranging from 80% to 100% of the national average);
- 2) RSD 240,000 per beneficiary – for group three (ranging from 60% to 80% of the national average);
- 3) RSD 300,000 per beneficiary – for group four (development level below 60% of the national average) and for devastated areas (development level below 50% of the national average);

The implementation of the programme is monitored for 12 months.

## **4.2. Self-employment support**

Self-employment support includes the provision of professional assistance and the financial support in the form of self-employment subsidies.

The professional assistance available to unemployed persons who wish to become self-employed consists of information and counselling services, entrepreneurship development training, as well as the support in the first year of business activities, implemented through the mentoring programme and specialist training provided by the NES, regional development agencies and others.

In 2019, the self-employment subsidy is awarded as a lump sum of RSD 200,000 per beneficiary for the establishment of a sole proprietorship, cooperative or other form of entrepreneurship, as well as for the establishment of a company, if the founder enters into an employment contract in it.

The priority in awarding self-employment subsidies is given to:

1. youth up to 30 years of age;
2. redundant workers;
3. the Roma;
4. persons with disabilities;
5. women.

In the case of self-employment of redundant workers, the subsidy is awarded as a lump sum of RSD 220,000 per beneficiary for the establishment of a sole proprietorship, cooperative or other form of entrepreneurship, as well as for the establishment of a company, if the founder enters into an employment contract in it.

In the case of self-employment of persons with disabilities, the subsidy is awarded as a lump sum of RSD 240,000 per beneficiary for the establishment



of a sole proprietorship, cooperative or other form of entrepreneurship, as well as for the establishment of a company, if the founder enters into an employment contract in it.

The implementation of the programme is monitored for 12 months.

For self-employment purposes, the unemployment benefit may be paid to the unemployment benefit recipient as a lump-sum payment, exclusive of statutory social insurance contributions.

#### **4.3. Wage subsidies for persons with disabilities without work experience**

An employer that concludes a permanent employment contract with a person with disability without work experience is entitled to a wage subsidy for this person during a 12-month period following the conclusion of the employment contract. The subsidy is awarded at the employer's request, in the amount of up to 75% of the total cost of the wage including the statutory social insurance contributions, but the amount may not exceed the minimum wage stipulated under labour regulations.

#### **5. Incentives for the employment of unemployment benefit recipients**

An unemployed person who has received the unemployment benefit for at least three months from the moment his/her entitlement is recognised, and who enters into a permanent employment contract receives a lump-sum payment of 30% of the total amount of the benefit (exclusive of statutory social insurance contributions) due for the remaining period of entitlement.

#### **6. Public works**

Public works are organised with the aim of work engagement of hard-to-employ unemployed persons and the unemployed in social need, in order to preserve and improve their working capabilities, as well as to achieve a certain social interest.

Public works are organised in the local self-government units classified according to their development levels, determined by a separate Government regulation, in the following groups:

- 1) group three (ranging from 60% to 80% of the national average) and
- 2) group four (development level below 60% of the national average) and devastated areas (development level below 50% of the national average);

The groups listed below should account for at least 70% of the total number of unemployed persons included in a public works scheme (except for persons with disabilities, for whom special quotas apply):

1. working able beneficiaries of financial social assistance;
2. the Roma;
3. persons with no/low qualifications;
4. redundant workers;
5. persons who have been unemployed for over 18 months.

The specified proportion of the above groups of unemployed persons refers to the public works implemented independently by the NES through regular public calls.

Public work schemes must engage at least 5 (five) unemployed persons from the above categories.

An employer implementing a public works scheme concludes a work engagement contract with an unemployed person, in accordance with the labour legislation and the public call. Funds intended for organising public works are used for:

- 1) payment of the compensation for the work performed to unemployed persons participating in public works (under contracts of temporary and casual work, in the monthly amount of up to RSD 22,000 for a full monthly number of hours worked, or the pro-rated amount for the actual number of hours worked in a month, increased by the amount of the appertaining tax and statutory social inclusion contributions and including the commuting costs);
- 2) reimbursement of public works implementation costs to the employer (paid as a lump sum in the maximum amount of RSD 2,000 per person, depending on the duration of the public works);
- 3) reimbursement of the costs of training (paid as a lump sum of RSD 1,000 per engaged worker who completes the training), which can be organised according to the internal curriculum of the employer that implements the public works scheme, or according to the curriculum of an educational institution, depending on the type of complexity of work involved. Upon completion of training, participants receive certificates of competences acquired.

In 2019, public works will be organised in the field of social protection and humanitarian activities, maintenance and reconstruction of public infrastructure and preservation and protection of the environment and nature.

Public works for persons with disabilities may be organised in all local self-government units, irrespective of their development level, and in all fields of

economic activity, including the field of culture. Public work schemes must engage at least 3 (three) unemployed persons with disabilities.

Autonomous province authorities, local self-government authorities, public institutions, public enterprises, companies, sole traders, cooperatives and associations are eligible for the procedure of organising public works.

## **7. Active labour market measures for persons with disabilities employed under special conditions**

*Support to persons with disabilities employed under special conditions includes:*

- **workplace adaptation** (provision of technical and technological workplace conditions, working tools, space and equipment in accordance with the capabilities and needs of the employed person with disability), through reimbursement of reasonable costs of workplace adaptation to the employer, in the amount of up to RSD 400,000 per person with disability for actually incurred costs of workplace adaptation;
- **professional support to the newly employed person with disability** (provision of work assistance in the induction process or workplace assistance), through reimbursement of wage costs for the person providing professional support to the employer in the amount of up to RSD 50,000 for a full monthly number of hours worked, or the pro-rated amount for the actual number of hours of provided support to a person with disability, increased by the appertaining tax and statutory social insurance contributions, for up to 12 months.

## **8. National co-financing of active labour market programmes or measures envisaged under local employment action plans (LEAP)**

An autonomous province and/or a local self-government unit may submit an application to the ministry in charge of employment affairs, by 20 February 2019 at the latest, through the NES, for co-financing of active labour market programmes or measures envisaged under LEAPs.

In 2019, co-financing from the funds earmarked for NEAP implementation will be approved for the following active labour market programmes or measures:

- 1. Professional practice programme;**
- 2. Acquisition of practical knowledge for persons with no qualifications, redundant workers and the long-term unemployed;**
- 3. Training at employer's request** – training for unemployed persons if there are no persons with the knowledge and skills required by the

specific job on the NES unemployment register, or if their existing knowledge and skills do not match the requirements of the specific job;

4. **Subsidies for the employment of unemployed persons from the hard-to-employ category** – awarded to employers for the employment of unemployed persons from one or more hard-to-employ categories, determined in accordance with the local labour market situation and needs and stipulated by LEAPs;
5. **Self-employment subsidy** – awarded to unemployed persons for the establishment of a sole proprietorship, cooperative or other form of entrepreneurship, as well as for the establishment of a company, if the founder enters into an employment contract in it, in eligible economic activities specified in LEAPs in line with local economic development needs;
6. **Public works scheme** – awarded to unemployed persons for the establishment of a sole proprietorship, cooperative or other form of entrepreneurship, as well as for the establishment of a company, if the founder enters into an employment contract in it, in eligible economic activities specified in LEAPs in line with local economic development needs;
  - 1) group three (ranging from 60% to 80% of the national average) and
  - 2) group four (development level below 60% of the national average) and devastated areas (development level below 50% of the national average).

Public work schemes must engage at least 5 (five) unemployed persons.

Public works for persons with disabilities may be organised in all local self-government units, irrespective of their development level, and in all fields of economic activity, including the field of culture. Public work schemes must engage at least 3 (three) unemployed persons with disabilities.

**To be eligible to apply** for co-financing of active labour market programmes or measures from the funds earmarked for LEAP implementation, an autonomous province and/or local self-government unit is required to have:

- 1) an established local employment council;
- 2) an adopted LEAP;
- 3) the LEAP aligned with the NEAP and the provincial EAP;
- 4) more than one half of the funding required for the programme or measure in question provided. Exceptionally, in case of an underdeveloped local self-government unit, the minister responsible for employment affairs may, as per Article 60 of the Law on Employment and Unemployment Insurance (*Official Gazette of RS*, Nos 36/09, 88/10, 38/15, 113/17 – amended by another law and 113/17), approve the co-financing even when less than a half of the necessary funds is provided.

**The criteria** for setting the amount that may be approved for co-financing of programmes or measures requested by local self-government units are:

1. *local self-government unit's development level* (underdeveloped local self-government units are entitled to higher amounts of the national co-financing than the developed ones are). The minimum share of national co-financing approved to local self-government units in group four (development level under 60% of the national average) and to devastated areas (development level under 50% of the national average) is 60%, except when local self-government units specifically request less than 60% of national co-financing;
2. *established local council for the territory of several local self-government units and adopted joint employment action plan for the area of those local self-government units.*

After the expiry of the request submission deadline, the NES verifies the fulfilment of eligibility requirements for co-financing of active labour market programmes or measures, prepares opinions on each individual LEAP (alignment with local economic development objectives and local labour market indicators) and, based on the criteria and the available funds, gives the proposal for the co-financing of active labour market programmes or measures.

The NES submits the proposal to co-finance active labour market programmes or measures to the ministry responsible for employment affairs within 30 days from the expiration date for the request submission, on the basis of which the minister responsible for employment affairs takes a decision.

The NES concludes agreements with the local self-government units named in the decision, regulating the modality of and procedure for implementing active labour market programmes or measures, as well as other issues of relevance to the implementation of the decision.

In line with local labour market needs, local self-government units may also plan other active labour market programmes or measures, include them in the LEAP and fund them entirely from the autonomous province and/or local self-government unit budgets. The NES provides professional and technical support to the implementation of active labour market programmes or measures that are funded entirely from the autonomous province and/or local government unit budgets.

### Plan for inclusion of unemployed persons in active labour market measures in 2019

	<b>ACTIVE LABOUR MARKET MEASURES</b>	<b>Number of persons participating in the measures (1)</b>	<b>Number of PWD participating in the measures (2)</b>	<b>Total number of persons participating in the measures (3) (1+2)</b>	<b>Effect of the measures on employability and employment</b>	
<b>1.</b>	<b>ACTIVE JOB SEARCH</b>	<b>109,710</b>	<b>5,010</b>	<b>114,720</b>	<b>33,474</b>	<b>29.2%</b>
1.1.	Active job search training	37,300	1,350	38,650	15,460	40%
1.2.	Self-efficiency training	3,120	80	3,200	512	16%
1.3.	Workshop for overcoming stress due to job loss	1,000	50	1,050	210	20%
1.4.	Job clubs	4,300	220	4,520	1,130	25%
1.5.	Employment fairs	53,000	3,000	56,000	12,320	22%
1.6.	Entrepreneurship development training	10,990	310	11,300	3,842	34%
<b>2.</b>	<b>FURTHER EDUCATION AND TRAINING</b>	<b>9,550</b>	<b>660</b>	<b>10,210</b>	<b>6,152</b>	<b>60.3%</b>
2.1.	Professional practice programme	4,000	30	4,030	1,612	40%
2.2.	Internship programme for youth with higher education	500	35	535	535	100%
2.3.	Internship programme for unemployed persons with secondary education	550	45	595	595	100%
2.4.	Acquisition of practical knowledge for persons with no qualifications, redundant workers and long-term unemployed persons	800	20	820	820	100%

## VI Active labour market programmes and measures

2.5.	Training in response to labour market needs	700	500	1,200	360	30%
2.5.1.	Specialist IT training	1,000	/	1,000	500	50%
2.6.	Training at employer's request – for unemployed persons	500	30	530	530	100%
2.7.	Training at employer's request – for employees	according to employers' requests				
2.8.	Functional elementary education for adults programme	1,500	/	1,500	1,200	80%
<b>3.</b>	<b>EMPLOYMENT SUBSIDIES</b>	<b>5,900</b>	<b>730</b>	<b>6,630</b>	<b>6,630</b>	<b>100%</b>
3.1.	Self-employment subsidy	3,300	130	3,430	3,430	100%
3.2.	Subsidies for the employment of unemployed persons from the hard-to-employ category	2,600	200	2,800	2,800	100%
3.3.	Wage subsidies for PWD without work experience	/	360	360	360	100%
3.4.	Support measures for PWD	/	40	40	40	100%
<b>4.</b>	<b>PUBLIC WORKS</b>	<b>3,000</b>	<b>1,000</b>	<b>4,000</b>	<b>4,000</b>	<b>100%</b>
	<b>TOTAL</b>	<b>128,160</b>	<b>7,400</b>	<b>135,560</b>	<b>50,256</b>	<b>37%</b>

- The effects of ALMP measures on employment show the number of beneficiaries who are employed after participating in the measure, as well as the persons currently participating in the measures that entail employment/work engagement (employment subsidies, public works, acquisition of practical knowledge programme, support measures for PWD).
- The effects of the measures: active job search training, self-efficiency training, workshop for overcoming stress due to job loss and the functional elementary education for adults programme, refer to the number of participants who were included in other ALMP measures or who are employed after participating in the measure;
- Equal participation of unemployed men and women in ALM programmes and measures with a view to enhancing equal employment opportunities.

**Plan for inclusion of unemployed persons in active labour market measures through direct award of the IPA 2013 grant to the NES, in 2019<sup>11</sup>**

	<b>ACTIVE LABOUR MARKET MEASURES</b>	<b>Number of persons participating in the measures</b>	<b>Number of employed (out of the total)</b>	<b>Effect</b>
<b>1.</b>	<b>FURTHER EDUCATION AND TRAINING</b>	<b>575</b>	<b>452</b>	<b>78.6%</b>
1.1.	Training in response to labour market needs	175	52	29.7%
1.2.	Training at employer's request – for unemployed persons	400	400	100%
	<b>TOTAL</b>	<b>575</b>	<b>452</b>	<b>78.6%</b>

<sup>11</sup> In 2019, the conclusion of an addendum to the IPA 2013 Grant Contract is planned, with a proposal for the reallocation of the unspent funds for ALMP measures, while taking into account the purpose and goal of the project. The funds will be reallocated to the measures that are really needed, in line with the project implementation timeframe.



## **VII EMPLOYMENT POLICY FINANCIAL FRAMEWORK AND FUNDING SOURCES**

Active employment policy is funded from the statutory employment insurance contributions, the Republic of Serbia budget, autonomous province and local self-government budgets, donations, loans and other sources.

In the NES Financial Plan for 2019, an amount of RSD 4,000,000,000 has been provided from the statutory unemployment insurance contributions for the implementation of the planned active labour market programmes and measures, while the Budget Fund for Professional Rehabilitation and Promotion of Employment of Persons with Disabilities has provided RSD 550,000,000 for the implementation of the measures of professional rehabilitation and the promotion of employment of persons with disabilities.

In addition, within the NES Financial Plan for 2019, an amount of RSD 206,583,000 has been provided from the direct grant to the NES (direct award) for the implementation of active labour market measures.

The NES Financial Plan for 2019 also includes the amount of RSD 900,000,000, provided from the autonomous province and local self-government units' budgets for the implementation of active labour market measures envisaged under local employment action plans.

In the chapter IX TABLE OF NEAP IMPLEMENTATION PRIORITIES, MEASURES AND ACTIVITIES, the column Funding source also includes the donors/projects SDC, GIZ and others, whose funds directly finance training events, seminars and other activities.

## VIII PRINCIPAL BODIES OF NEAP IMPLEMENTATION

The responsibility for implementation of active employment policy measures and activities foreseen under the NEAP rests with the ministry responsible for employment affairs, the NES and other bodies, institutions and social partners.

The efficiency and effectiveness of the active employment policy programmes and measures stipulated in the NEAP as the responsibility of the NES are monitored based on the Performance Agreement of the National Employment Service – a document concluded between the ministry responsible for employment affairs and the NES, in accordance with the Law on Employment and Unemployment Insurance. The agreement regulates in detail the tasks, obligations, targets and results for 2019, the timeframes for the implementation of specific programmes and measures, responsibilities, reporting requirements and other aspects.

The key role in the process of implementation and reporting belongs to the NES, while the principal role in monitoring, coordinating, managing NEAP implementation and reporting is played by the ministry responsible for employment affairs. Depending on the type and level of activity implementation, the ministry responsible for employment affairs will directly monitor the activities implemented at the national level for which it is responsible.

## IX TABLE OF NEAP IMPLEMENTATION PRIORITIES, MEASURES AND ACTIVITIES

PRIORITY 1 – IMPROVING CONDITIONS IN THE LABOUR MARKET AND ADVANCEMENT OF THE LABOUR MARKET INSTITUTIONS						
Measure	Activity	Lead implementing agency	Implementation partners	Indicator	Funding source	
<b>1.1. Improve the legislative framework in the field of labour and employment</b>	Adopt and implement legal provisions contributing to the improvement of the regulatory framework in the field of labour and employment.	MoLEVSA	Line ministries Social partners	Legal provisions in the field of labour and employment adopted and effective (the Law on Simplified Engagement of Workers in Seasonal Jobs in Certain Fields of Economic Activity, the Law on Temp Agency Employment and the Law on Social Entrepreneurship and Work Integration in Social Enterprises)	<b>No costs</b> – part of the employees' regular activities	
<b>1.2. Improve the NES capacities for more efficient provision of job mediation and career guidance and counselling services</b>	Increase the number of NES counsellors working directly with the unemployed persons through the internal reorganisation of the NES and the recruitment of new staff.	NES	/	The number of NES counsellors working directly with the unemployed persons increased relative to 2018, through internal reorganisation of the NES and the recruitment of new staff.	NES Financial Plan	

	Implement NES staff training and professional development programmes and establish a professional competence verification system.	NES	/	A NES staff training and professional development programme implemented and a professional competence verification system established.	NES Financial Plan
<p><b>1.3. Improve the capacities of employment agencies and develop different forms of cooperation between agencies and the NES</b></p>	Improve the professional counselling of unemployed persons.	NES	/	The number of risk profiles (employability assessments) created with all active job seekers, in line with the new methodology.	NES Financial Plan World Bank
	Intensify co-operation with employers	NES	/	At least 25,000 contacts with / visits to employers. The number of employers who use active labour market measures and services increased by 5% compared to 2018.	NES Financial Plan
	Improve caseload management at the NES branch office level.	NES	/	Standard deviation of employment counsellors' mean workload among the NES branch offices decreased by 10% compared to 2018.	NES Financial Plan
	Strengthen the capacities of employment agencies, especially for professional guidance, career planning counselling, record keeping tasks etc.	MoLEVSA	NES Employment agencies	Number of employment agencies that participated in the organised training/workshops/seminars.	Donors
	Conduct preparatory activities for joining the EURES network.	NES	Employment agencies	Analysis of the knowledge and skills of registered unemployed persons and of the labour market skill needs conducted.	Donors

<p><b>1.4. Strengthen the NES capacities for the implementation of training programmes in response to labour market needs</b></p>	<p>Improve the NES training programme in response to labour market needs.</p> <p>Improve the process of organisation of the training in response to labour market needs implemented by the NES.</p>	<p>MoLEVSA NES</p> <p>MoLEVSA NES</p>	<p>Technical Assistance for Capacity Building in Employment Policy</p> <p>Technical Assistance for Capacity Building in Employment Policy</p>	<p>Analysis of the knowledge and skills of registered unemployed persons and of the labour market skill needs conducted.</p> <p>Manual of procedures for the organisation of training implemented by the NES created.</p> <p>Number of NES staff who have successfully completed the training in the EU methods in the field of further education and training.</p>	<p>EUD, with co-funding from the national budget, IPA 2013</p> <p>EUD, with co-funding from the national budget, IPA 2013</p>
<p><b>1.5. Strengthen the NES capacities for the provision of services to PWD</b></p>	<p>Improve the employment services and ALMP measures for PWD provided by the NES.</p>	<p>MoLEVSA NES</p>	<p>Technical Assistance for Capacity Building in Employment Policy</p>	<p>Number of NES employment counsellors who have successfully completed the training for the preparation of PWD individual employment action plans.</p> <p>Number of PWD employment counsellors who have successfully completed the induction training package.</p>	<p>EUD, with co-funding from the national budget, IPA 2013</p>

<p><b>1.6. Strengthen the capacities of enterprises for professional rehabilitation and employment of persons with disabilities</b></p>	<p>Ensure the financial support to enterprises for improving the working conditions, employing and retaining persons with disabilities and stimulate the development of enterprises for professional rehabilitation of persons with disabilities. Adopt and implement legal instruments that contribute to improved distribution of the funds to the enterprises in line with the enterprises' needs and the rules for the award of state aid. Improve the work of professional services for the job skills training and professional rehabilitation and employment of persons with disabilities in enterprises, on the implementation of professional rehabilitation measures and activities.</p>	<p>MoLEVSA</p>	<p>Enterprises for professional rehabilitation and employment of PWD APWDES</p>	<p>Financial support provided to enterprises for retaining and employing persons with disabilities, improving the working conditions and stimulating the development of professional rehabilitation entities (number of enterprises that received financial support / number of PWD – by different purposes; number of established enterprises for professional rehabilitation and employment of PWD / number of PWD). Legal instrument that improves the distribution of funds to enterprises based on objectively established parameters, targeted in line with the enterprises' priorities and needs and with the rules for the award of state aid, adopted and implemented. Implementation initiated of the activities improving the work of professional services for job skills training and professional rehabilitation in enterprises, in the domain of professional rehabilitation and the development of methods and techniques for professional work with persons with disabilities. Training programmes for the implementation of professional rehabilitation measures and programmes for persons with disabilities in line with the enterprise's economic activity and the labour market needs improved/innovated and new ones developed.</p>	<p>Budget Fund for Professional Rehabilitation and Promotion of Employment of PWD IPA 2013</p>
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<p><b>1.7. Strengthen the capacities of local employment councils and promote dialogue and cooperation at the local and regional level</b></p>	<p>Organise training for local employment policy planning for the representatives of local employment councils, local self-government units and NES branch offices. Organise regional meetings with LSGUs to present the NEAP and prepare LEAPs</p>	<p>MoLEVSA NES</p>	<p>Local self-governments SCTM SDC GIZ</p>	<p>At least 5 training events organised. At least 4 regional meetings organised.</p>	<p>NES Financial Plan SCTM SDC GIZ</p>
<p><b>1.8. Improve the active labour market measure (ALMM) evaluation methods</b></p>	<p>Conduct analyses and/or evaluation of certain ALMP measures and/or the coverage and effects of ALMP measures for certain categories of hard-to-employ persons.</p>	<p>MoLEVSA</p>	<p>NES</p>	<p>At least two evaluation reports prepared for ALMP measures at the national level and by targeted categories of hard-to-employ persons.</p>	<p>Donors SDC GIZ</p>
<p><b>1.9. Conduct a survey to monitor labour market needs, forecast labour market trends and improve the planning procedures at the national and local levels</b></p>	<p>Conduct an employer survey on their needs in terms of occupations, qualifications, knowledge and skills of the labour force they employ or intend to hire, at the NES branch office level.</p>	<p>NES</p>	<p>Employer associations CCIS</p>	<p>Labour market forecasting reports at the local and national levels published.</p>	<p>NES Financial Plan</p>

PRIORITY 2 – STIMULATING EMPLOYMENT AND INCLUSION OF HARD-TO-EMPLOY PERSONS IN THE LABOUR MARKET AND SUPPORT TO THE REGIONAL AND LOCAL EMPLOYMENT POLICY					
Measure	Activity	Lead implementing agency	Implementation partners	Indicator	Funding source
<b>2.1. Enhance the efficiency of active labour market measures</b>	Provide job mediation services for the registered vacancies	NES	/	Number of vacancies reported by employers increased by 5% compared to 2018.	NES Financial Plan
	Provide employment counselling services in all NES branch offices.	NES	/	Individual counselling sessions held with all job seekers. Individual employment action plans prepared for all job seekers.	NES Financial Plan
	Provide career guidance and counselling services.	NES	/	Number of career guidance and counselling service clients from the category of unemployed persons increased by 5% compared to 2018.	NES Financial Plan
	Implemented ALMP measures in line with the Plan for Inclusion specified in the NEAP.	NES	/	At least 135,560 (plus additional 575 persons through the IPA 2013 Project) unemployed persons in ALMP measures, of whom at least 90% from the hard-to-employ category.	NES Financial Plan IPA 2013
<b>2.2. Stimulate employment of persons with disabilities (PWD)</b>	Implement ALMP measures for PWD in line with the Plan for Inclusion specified in the NEAP.	NES		At least 7,400 unemployed persons with disabilities included in ALMP measures.	Budget Fund for Professional Rehabilitation and Promotion of Employment of PWD IPA 2013



<p><b>2.3. Stimulate the development of regional and local employment policies</b></p>	<p>Implement ALMP measures envisaged under LEAPs through cooperation between local self-government units and the NES.</p>	<p>MoLEVSA Autonomous province/ local self-government NES</p>	<p>/</p>	<p>At least 130 requests for LEAP co-financing submitted. Funds earmarked in local self-government budgets for the implementation of LEAPs. Implemented ALMP measures envisaged under LEAPs through co-financing of NES technical support.</p>	<p>NES Financial Plan AP/LSG budget</p>
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PRIORITY 3 - IMPROVING THE QUALITY OF THE LABOUR FORCE AND INVESTING IN THE HUMAN CAPITAL						
Measure	Activity	Lead implementing agency	Implementation partners	Indicator	Funding source	
	Ensure the monitoring of programme implementation in accordance with the methodology for youth career guidance and counselling in the secondary and higher education systems and in the labour market.	MoESTD	IIE IEQE Career development centres within higher education institutions Euroguidance centre Civil society organisations	Methodology for monitoring the implementation of career guidance and counselling programmes established, based on the standards of career guidance and counselling services and on the institutions' work quality standards.	<b>No costs</b> – part of the employees' regular activities	
<b>3.1. Improve career guidance and counselling</b>	Raise the capacity of school teams for the implementation of the Rulebook Specifying Detailed Requirements, Methodologies, Activities and Composition of the Career Guidance and Counselling Team in the Secondary Schools that Deliver Qualification Profiles through Dual Education.	MoESTD	Schools IIE Civil society organisations Social partners	Number of formed career guidance teams in the dual education model, in line with the structure stipulated in the Rulebook.	<b>No costs</b> – part of the employees' regular activities	

IX Table of NEAP implementation priorities, measures and activities

	<p>Form career guidance and counselling teams in primary and secondary schools, as well as career guidance and counselling centres in higher education institutions.</p>	<p>MoESTD</p>	<p>Schools Higher education institutions Euroguidance centre Civil society organisations</p>	<p>Number of career guidance and counselling teams and centres functionally established in line with the standards for career guidance and counselling services.</p>	<p><b>No costs</b> – part of the employees' regular activities</p>
	<p>Organise professional guidance fairs.</p>	<p>NES Schools Civil society organisations</p>	<p>MoESTD MoYS</p>	<p>Number of organised fairs and the total number of participants per fair.</p>	<p><b>No costs</b> – part of the employees' regular activities Donors</p>
	<p>Organise media campaigns to promote career guidance and counselling</p>	<p>MoESTD MoYS Civil society organisations</p>	<p>Euroguidance centre</p>	<p>Number of campaigns organised.</p>	<p><b>No costs</b> – part of the employees' regular activities Donors</p>
	<p>Prepare a manual for secondary schools with guidelines for career guidance and counselling programme development.</p>	<p>MoESTD MoYS IIE</p>	<p>NES Schools Euroguidance centre Civil society organisations</p>	<p>Number of organised training events and seminars for the development of career guidance programmes in line with the standards and guidelines.</p>	<p><b>No costs</b> – part of the employees' regular activities Donors</p>

<p><b>3.2. Further develop the National Standard Occupational Classification (NSOC)</b></p>	<p>Provide support to the implementation of the codebook in compliance with the Decision on the Universal List of Codes for Data Entering and Coding in Labour-Related Records and Registries. Determine further NSOC development activities (institutional capacities, creation of the occupation description methodology, time limits, responsibilities for NSOC implementation, maintenance and updating)</p>	<p>MoLEVSA NES</p>	<p>CCIS GRSSI</p>	<p>Codebook Implementation Manual developed. Between 5 and 10 information sessions organised with employers, social partners etc. in order to inform them about the new Codebook of Occupations and the Codebook of Qualification Levels. Web application dedicated to the implementation of the new codebooks deployed on the MoLEVSA website.</p>	<p><b>No costs</b> – part of the employees' regular activities GIZ SDC</p>
<p><b>3.3. Further develop the National Qualifications Framework (NQF)</b></p>	<p>Adopt bylaws in conformity with the Law on NQS. Functional institutional framework for the implementation of NQF. Update the Qualifications Database.</p>	<p>MoESTD MoESTD MoESTD</p>	<p>MoESTD MoESTD MoESTD</p>	<p>Bylaws adopted. Further development of the institutions and bodies for NQF implementation. Number of qualifications entered in the Database.</p>	<p><b>No costs</b> – part of the employees' regular activities <b>No costs</b> – part of the employees' regular activities <b>No costs</b> – part of the employees' regular activities</p>

<p><b>3.4. Promote the life-long learning concept</b></p>	<p>Continual accreditation process of publicly recognised adult education providers.</p>	<p>MoESTD</p>	<p>IIE</p>	<p>Number of accredited publicly recognised adult education providers.</p>	<p><b>No costs</b> – part of the employees' regular activities</p>
<p><b>3.5. Continue the vocational education reform</b></p>	<p>Activities performed to promote the life-long learning concept.</p>	<p>MoESTD</p>	<p>Schools NES</p>	<p>Number of participants of the FEEA programme. Number of schools that provide FEEA programmes.</p>	<p><b>No costs</b> – part of the employees' regular activities</p>
<p><b>3.5. Continue the vocational education reform</b></p>	<p>Information on labour market needs shared for the purposes of formal education policy planning and development with the aim of better educational response to labour market needs.</p>	<p>MoESTD</p>	<p>CCIS NES</p>	<p>Number of meetings with social partners.</p>	<p></p>

	<p>A number of education and/or training programmes – qualifications developed in line with the identified labour market needs.</p>	<p>MoESTD</p>	<p>IIE</p>	<p>Number of education and/or training programmes developed in line with the identified labour market needs.</p>	<p><b>No costs</b> – part of the employees' regular activities</p>
	<p>Training whose learning outcomes are consistent with the qualification standard and/or actual labour market needs delivered.</p>	<p>MoESTD</p>	<p>Schools</p>	<p>Number of organised training events whose learning outcomes are consistent with the qualification standard and/or actual labour market needs.</p>	<p><b>No costs</b> – part of the employees' regular activities</p>

## X NEAP 2019 IMPLEMENTATION PERFORMANCE INDICATORS

OBJECTIVE	INDICATOR	Data source
Activity rate (15-64) increase	Activity rate - active population as a proportion of the total working-age population	SORS
Employment rate (15-64) increase	Employment rate - employed people as a proportion of the total working-age population	SORS
Unemployment rate (15-64) reduction	Unemployment rate - unemployed people as a proportion of the total active working-age population	SORS
Long-term unemployment reduction	Share of long-term unemployment - long-term unemployed people as a proportion of the total number of unemployed working-age people. Long-term unemployment rate - long-term unemployed people as a proportion of the active working-age population. Number of the long-term unemployed on the NES register. Share of the long-term unemployed in the total unemployed on the NES register.	SORS NES
Reduction of regional disparities	Employment rates by regions. Unemployment rates by regions.	SORS
Reduction of the share of informal economy	Number of people employed in informal economy. Share of the informally employed in the total number of employed people.	SORS
More unemployed people included in ALMP measures	Amount of funds allocated for the implementation of ALMP measures. Ratio of funds earmarked for ALMP measures at the annual level to the GDP	MoLEVSA NES MoF
More unemployed people employed after participation in ALMP measures	Number of the unemployed included in ALMP measures in one year. The unemployed included in ALMP measures as a proportion of the average number of the unemployed on the NES register.	NES
More unemployed people employed after participation in ALMP measures	Number of people employed six months after participation in ALMP measures, broken down by ALMP measures.	NES

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<p>Employment of youth aged up to 30</p>	<p>Youth activity rate - active population aged 15-24 as a proportion of the total working-age population.                  Youth employment rate - employed youth aged 15-24 as a proportion of the total working-age population.                  Youth unemployment rate - unemployed youth aged 15-24 as a proportion of the active working-age population.                  Number of youth (15-30) covered by ALMP measures, broken down by ALMP measures.                  Share of youth (15-30) included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of youth (15-30) employed from the NES register.</p>	<p>SORS NES</p>
<p>Employment of redundant workers</p>	<p>Number of redundant workers covered by ALMP measures, broken down by ALMP measures.                  Share of redundant workers included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of redundant workers employed from the NES register.</p>	<p>NES</p>
<p>Employment of people aged 50+</p>	<p>Elderly activity rate - active population aged 50-64 as a proportion of the total working-age population.                  Elderly employment rate - employed elderly people aged 50-64 as a proportion of the total working-age population.                  Elderly unemployment rate - unemployed elderly people aged 50-64 as a proportion of the active working-age population.                  Number of the elderly (50-65) covered by ALMP measures, broken down by ALMP measures.                  Share of the elderly (50-65) included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of elderly people aged 50+ employed from the NES register.</p>	<p>SORS NES</p>
<p>Employment of unemployed persons with no/low qualifications</p>	<p>Number of the unemployed with no/low qualifications covered by ALMP measures, broken down by ALMP measures.                  Share of the unemployed with no/low qualifications included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of the unemployed with no/low qualifications employed from the NES register.</p>	<p>NES</p>
<p>Employment of persons with disabilities (PWD)</p>	<p>Number of PWD covered by ALMP measures, broken down by ALMP measures.                  Share of PWD included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of PWD employed from the NES register.</p>	<p>NES</p>
<p>Employment of the Roma</p>	<p>Number of the Roma covered by ALMP measures, broken down by ALMP measures.                  Share of the Roma included in ALMP measures in the total number of the unemployed included in ALMP measures.                  Number of the Roma employed from the NES register.</p>	<p>NES</p>



Share of FSA Recipients	<p>Number of FSA recipients covered by ALMP measures, broken down by ALMP measures.</p> <p>Share of FSA recipients included in ALMP measures in the total number of the unemployed included in ALMP measures.</p> <p>Number of FSA recipients employed from the NES register.</p>	NES
Employment of the long-term unemployed people	<p>Number of the long-term unemployed persons (registered as unemployed for over 12/18 months) covered by ALMP measures, broken down by ALMP measures.</p> <p>Share of the long-term unemployed included in ALMP measures in the total number of the unemployed included in ALMP measures.</p> <p>Number of the long-term unemployed persons employed from the NES register.</p>	NES
Employment of youth in institutional care, foster families and guardian families	<p>Number of youth aged up to 30 years who have/had the status of youth in institutional care, foster and guardian families, who are covered by ALMP measures, broken down by ALMP measures.</p> <p>Share of youth aged up to 30 in this category, included in ALMP measures, in the total number of the unemployed included in ALMP measures.</p> <p>Number of youth aged up to 30 in this category, who are employed from the NES register.</p>	NES
Employment of victims of domestic violence	<p>Number of victims of domestic violence covered by ALMP measures, broken down by ALMP measures.</p> <p>Share of victims of domestic violence included in ALMP measures in the total number of the unemployed included in ALMP measures.</p> <p>Number of victims of domestic violence employed from the NES register.</p>	NES

## XI PARTICIPATION IN PROJECT IMPLEMENTATION

The ministry responsible for employment affairs participates in, or monitors the implementation of the following projects:

No.	Project	Implementation period	Funding source
1.	<p><b>“Competitiveness and Jobs”</b></p> <p>The project objective is to improve the effectiveness and coordination of selected public policies and programmes to alleviate and to eliminate obstacles to increasing competitiveness and employment. One of the project components envisages the reform of the labour market. The labour market reform is supported through the improvement of the NES job mediation services (for both the unemployed and employers) and increase of effectiveness of active labour market measures.</p>	January 2016 – June 2021	World Bank
2.	<p><b>“Technical Assistance for Capacity Building in Employment Policy”</b></p> <p>The project aims at further development and improvement of the training system, i.e. training programmes in response to labour market needs, in order to reduce the mismatch between supply and demand and increase the effectiveness of employment policy towards persons with disabilities.</p>	2017–2019	EUD, with co-funding from the national budget, IPA 2013 programming cycle, implemented by MoLEVSA and NES
3.	<p><b>“Support to the National Employment Service (NES) Employment Programme”</b></p> <p>The project has awarded funds to the NES for the implementation of active labour market measures, in particular: subsidy for creation of new jobs, self-employment subsidy, training at employer’s request (for unemployed persons) and training in response to labour market needs.</p>	2018-2020	EUD, with co-funding from the national budget, IPA 2013 programming cycle, implemented by MoLEVSA and NES

4.	<p><b>“Support to the Implementation of the Employment and Social Reform Programme in Serbia Focusing on the Youth Employment and Employability Policies”</b></p> <p>The project is conceived to contribute to the increase of youth employment and employability, through the implementation of the Employment and Social Reform Programme, aimed at enhancing legislative framework development and implementation at the national and local levels.</p>	<p>Main phase of the project: October 2016 – December 2019</p>	<p>Government of the Swiss Confederation/ SDC SIPRU</p>
5.	<p><b>“Youth Employment Promotion”</b></p> <p>The project aims to improve the conditions for better positioning of youth aged 15–35 years in the labour market, including by establishing and strengthening local youth employment initiatives. The project initiated the professional national dialogue for stimulating youth employment, which will feed the recommendations, experiences and knowledge gained during project implementation into the political dialogue within the German-Serbian initiative for sustainable growth and employment.</p>	<p>January 2015 – June 2021</p>	<p>German Agency for International Cooperation (GIZ)</p>

## ACRONYMS

<b>ALMP</b>	Active labour market policy
<b>APWDES</b>	Association of Enterprises for Professional Rehabilitation and Employment of PWD
<b>CRSSI</b>	Central Registry of Statutory Social Insurance
<b>EACEA</b>	Education, Audiovisual and Culture Executive Agency
<b>ESAP</b>	Employment and Social Affairs Platform
<b>EUD</b>	European Union Delegation
<b>EURES</b>	European Network of Public Employment Services
<b>Euroguidance</b>	European network for support to career guidance and counselling
<b>FEEA</b>	Functional elementary education of adults
<b>FSA</b>	Financial social assistance
<b>GDP</b>	Gross domestic product
<b>GIZ</b>	German Agency for International Cooperation
<b>IEQE</b>	Institute for Education Quality and Evaluation
<b>IIE</b>	Institute for the Improvement of Education
<b>IPA</b>	Instrument for Pre-accession Assistance
<b>LEAP</b>	Local employment action plan
<b>LFS</b>	Labour Force Survey
<b>LSGU</b>	Local self-government unit
<b>MoESTD</b>	Ministry of Education, Science and Technological Development
<b>MoF</b>	Ministry of Finance
<b>MoLEVSA</b>	Ministry of Labour, Employment, Veteran and Social Affairs
<b>MoYS</b>	Ministry of Youth and Sports
<b>NALED</b>	National Alliance for Local Economic Development
<b>NEAP</b>	National Employment Action Plan
<b>NEET</b>	Not in employment, education or training
<b>NES</b>	National Employment Service

<b>NQF</b>	National Qualifications Framework
<b>NSOC</b>	National Standard Occupational Classification
<b>PWD</b>	Persons with disabilities
<b>RCC</b>	Regional Cooperation Council
<b>RS</b>	Republic of Serbia
<b>SCTM</b>	Standing Conference of Towns and Municipalities
<b>SDC</b>	Swiss Agency for Development and Cooperation
<b>SIPRU</b>	Social Inclusion and Poverty Reduction Unit
<b>SORS</b>	Statistical Office of the Republic of Serbia



Republic of Serbia

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Ministry of labour, employment,  
veteran and social affairs



SOCIAL INCLUSION AND  
POVERTY REDUCTION  
UNIT



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

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