



Republic of Serbia  
Ministry of Labour, Employment,  
Veteran and Social Affairs



SOCIAL INCLUSION AND  
POVERTY REDUCTION  
UNIT



# NATIONAL EMPLOYMENT ACTION PLAN FOR 2020



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# NATIONAL EMPLOYMENT ACTION PLAN FOR 2020

## **National Employment Action Plan for 2020**

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## National Employment Action Plan for 2020

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## I INTRODUCTION

The National Employment Action Plan for 2020 (hereinafter: NEAP) represents a public policy document and the main employment policy instrument contributing to the achievement of the goal set by the National Employment Strategy for 2011–2020 (“*Official Gazette of RS*”, No. 37/11) related to the establishment of an efficient, stable and sustainable trend of employment growth in the Republic of Serbia by the end of 2020, with the alignment of employment policy and labour market institutions with the EU acquis.

The NEAP, establishing the objectives of the employment policy conditional on the implementation of active labour market programmes and measures, as well as activities and interventions in sectoral policies of relevance and with an impact in the field of employment policy, is the result of a broader consultative process and joint work by representatives of various institutions, social partners, local self-government units and social stakeholders.

### **Note on the implemented consultative process and public debate**

The Ministry of Labour, Employment, Veteran and Social Affairs has published a notification on its website about adopting the decision to start the consultative process with the aim of drafting the National Employment Action Plan for 2020 on 7 June 2019.

Namely, as part of the process of drafting the NEAP, meetings of the Working Group for preparing the NEAP<sup>1</sup> were held in July and October 2019, and two regional meetings were held with representatives of 51 local self-government units (LSU) in October.

Furthermore, consultations were held with civil society organizations to review proposals regarding the implementation of active labour market policy measures.

The following proposals and suggestions were accepted after the meetings and consultations:

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<sup>1</sup> The Working Group for drafting the NEAP consists of representatives of the Ministry of Labour, Employment, Veteran and Social Affairs, National Employment Service, Ministry of Youth and Sports, Ministry of Economy, Ministry of Finance, Ministry of Education, Science and Technological Development, Public Policy Secretariat, Statistical Office of the Republic of Serbia, Standing Conference of Towns and Municipalities, Serbian Chamber of Commerce and Industry, Social Inclusion and Poverty Reduction Unit, and representatives of social partners – Serbian Association of Employers, Confederation of Autonomous Trade Unions of Serbia and UGS “Nezavisnost”.

- To increase the amount of financial assistance to persons engaged in the *Professional traineeship programme*;
- To ease the conditions for unemployed persons in the *Internship programme for youth with higher education* (without the mandatory period of at least 6 months on the unemployment records) and employer obligations (without the obligation to retain the persons under employment after the expiry of programme financing) and to increase the amount of earnings for interns;
- To ease the employer obligations in the *Internship programme for unemployed persons with secondary education* (without the obligation to retain the persons under employment after the expiry of programme financing) and increase intern earnings so as to align them with minimum wage;
- To increase the amount of earnings in the *Programme of acquiring practical knowledge* for the engaged persons so as to align them with minimum wage;
- To separately show *Training for the labour market* for non-qualified persons and persons completing primary education based on the model of functional elementary education for adults (FEEA) implemented by publicly recognized organizers of adult education activities (PROA) that issue a publicly recognized document;
- To ease the employer obligations in the *Training based on an employer's request – for unemployed persons* so that the employer has the obligation of hiring at least 50% of the persons that have successfully completed training for a duration of at least 6 months;
- To increase the amount of subsidies for unemployed persons and persons with disabilities in the *Support for self-employment programme*;
- To introduce two separate categories in the *Subsidy for the employment of persons from the category of hard-to-employ persons* instead of the category "older than 50 years of age holding the status of redundant workers": "older than 50 years of age" and "redundant workers", and to increase the amount of subsidies for employers operating in an LSU with the I and II degree of development and in less developed LSUs (III degree of development);
- To plan activities for the promotion and provision of information about the standard of career guidance and counselling services, including education for organizations providing such services (NES staff, employment agencies, youth offices..).

The proposals that were not accepted relate to increasing the amount of expenses for trainings at the employer's request, because experiences in the

implementation of this measure through projects (e.g. the experiences of the “Education to Employment” project) lead to the conclusion that employer interest does not depend solely on the amount of financial participation of NES, and to increasing the financial assistance to unemployed persons in training at the employer’s request, and the amount of reimbursement for work completed to persons engaged in public works, since these have been increased in 2019.

Furthermore, proposals were not accepted for public works lasting longer than 4 (four) months, since the period for engagement in temporary and occasional work is in line with labour regulations (up to 120 working days during the calendar year), or for expanding the performance of public works into other areas (culture). The performance of public works will continue to be made possible in the field of culture for public works engaging persons with disabilities. Expansion into other areas and increases to the number of unemployed persons in public works is unacceptable, considering the available funds and need for a greater number of unemployed persons, primarily persons with qualifications or with low qualifications, as well as long-term unemployed to be covered by further education and training programmes to acquire additional knowledge and skills, in line with the recommendations of the European Commission and the Progress Report for Serbia, and the Ex-post Analysis of the NEAP for 2017 and NEAP for 2018.

The public debate on the draft National Employment Action Plan for 2020 was implemented electronically, during the period 22 November – 12 December 2019. Comments were received from NES during this period related to terminological harmonization. These were accepted and incorporated into the contents of the document. NES comments on the recommendations from the Ex-post Analysis of the NEAP for 2017 and NEAP for 2018 could not be the subject of amendments to this document, since they were produced by an independent expert.

### **Results of the ex-post analysis of the NEAP for 2017 and the NEAP for 2018, and ex-ante analysis of the NEAP for 2020**

An ex-post analysis of the NEAP for 2017 and the NEAP for 2018, and ex-ante analysis of the NEAP for 2020 have been produced as part of the process of drafting the public policy planning document. The following key challenges faced by employment policy have been identified:

- **Pronounced depopulation trend in demographics** – reflected in decreasing population numbers due to negative population growth and emigration, i.e. the work-capable population leaving the country, leading to a labour force deficit in the forthcoming period. The Republic of Serbia is among the oldest states in Europe, since the average population age in the Republic of Serbia is 43.2 years;

- **Population inactivity** – although a decrease is registered in the inactivity of the working age population during recent years, the Republic of Serbia remains characterized by one of the highest inactivity rates compared to EU member states;
- The **gender gap** is present in all labour market indicators;
- **Relatively high non-formal employment** – according to 2018 data, nearly one in six working persons are employed non-formally;
- **Territorial (regional) disparities** are present in numerous aspects of social and economic life, including employment and unemployment;
- **Unfavourable educational structure of unemployed persons** – according to 2018 data, one third of unemployed persons registered with the National Employment Service (NES) have no qualifications or low qualifications (33%);
- **Unfavourable age structure of unemployed persons** – the share of unemployed persons over 50 years of age in the NES records, according to data for 2018, is 32% (1/3 of the total number of unemployed), while youth up to 30 years of age have a share of 21.6% (1/5 of the total number of unemployed);
- **High long-term unemployment** – persons registered with NES are characterized by long-term unemployment, since as many as 68% of unemployed persons are seeking a job for more than one year, according to 2018 data;
- A large number of unemployed persons registered with NES have the status of **hard-to-employ** persons that have difficulties finding a job. Persons facing multiple vulnerability/employment difficulty factors are particularly sensitive;
- **Unmet employer needs** – employers that have vacancies turn to NES for mediation services and to undertake measures to meet the expressed employment needs. NES reports indicate that mediation successfully fills under 50% of the vacancies registered by employers annually, with the most frequent reasons for failure to meet the needs being: the referred persons do not accept the employer's offer, the records have no persons with the relevant knowledge and skills, there is no feedback on whether the need was successfully met for a certain number of submitted mediation requests;
- **Lack of more complete information on labour force demand** hampers the harmonization of labour force supply and demand regarding occupations and specific knowledge and skills in drafting the Catalogue of trainings for the needs of the labour market.



Having in mind the above challenges, and the scope and reach of active labour market policy measures implemented in 2017 and 2018, recommendations have been defined that were taken into consideration during the process of drafting the NEAP for 2020, namely:

- **Allocate a higher amount of funds for implementing active labour market policy measures** - although the amount of funds for active labour market policies in the budget of RS has been increasing during recent years, its share of the GDP is only at 0.08% (2018), not in line with the objective defined by the National Employment Strategy for 2011–2020 to continuously increase the share of expenditures for active labour market policy measures so as to reach 0.5% of the GDP by 2020. Increasing the amount of funds for implementing active labour market policy measures is also recommended by the European Commission in the Progress Report for Serbia for 2019. Having in mind the increase in minimum wage (affecting the increase of expenditures for individual measures), and the cost of implementing certain active labour market policy measures, it is necessary to increase the amount of allocated funds not only to maintain the achieved coverage of unemployed persons, but also to increase the number of those participating in active labour market policy measures.

- **Increase the coverage of unemployed persons with active labour market policy measures** - the increase in allocations for active labour market policy measures during recent years leads to an increase in the number of persons registered with NES becoming included in the measures (the amount of funds allocated for employment policy affects the number of persons that will be covered by the measures). However, the funds allocated for the implementation of measures at the annual level are sufficient for covering only one quarter of the unemployed persons registered with NES (22.4% in 2017 and 26.2% in 2018). Therefore it is necessary to increase the coverage of unemployed persons by active labour market policy measures, to be achieved by increasing the amount of funds for measures in the RS budget and other sources (local self-government unit budgets for implementing local employment action plans, donor funds).

- **Spend the funds allocated for active labour market policy measures during the year** - The NES does not fully spend the available amount of funds for active labour market policy measures, nor the funds from the Budget Fund for the Professional Rehabilitation and Promotion of Employment of Persons with Disabilities during the calendar year, returning them instead to the RS budget at the end of the year. Since the highest amount of unspent funds for active labour market policy measures relates to further education and training programmes (only 59% of the allocated funds were spent in 2018, although all the funds were contracted), the Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA) has established deadlines (Q1) for issuing public calls and competitions, and/or initiating public procurement procedures within the Performance Agreement of NES for 2019. NES needs to improve the planning of the implementation schedule for measures so as to maximize the contracting and spending of funds during the calendar year.

**- Increase the percentage of compliance with the expressed needs of employers** - Based on NES reports, mediation fills less than 50% of vacancies registered by employers annually. Therefore it is necessary to increase the percentage of compliance with the expressed needs of employers, based on an analysis of the reasons leading to such poor results. If the reason for unmet needs is that the referred persons do not accept the employer's offer, advisory work with persons and the selection process need to be improved. If there are no registered persons with the relevant knowledge and skills, a proposal needs to be given to organize trainings to acquire the necessary skills. Since there is no feedback for a certain number of submitted mediation requests about whether the need was met, it is necessary to constantly inform employers of the importance of receiving feedback on the outcome of mediation through the use of various channels (media, information sessions, direct contact).

**- Increase the coverage of unemployed persons with further education and training measures** - considering the characteristics of the unemployed persons in the records, with as much as one third without qualifications or with low qualifications, and two-thirds long-term unemployed, leading to the obsolescence of their knowledge and skills, it is necessary to increase the coverage of unemployed persons by further education and training measures, particularly training for the labour market and at the employers request. These trainings increase the employability of unemployed persons, and therefore improve their status in the labour market.

**- Further improve the employment conditions for hard-to-employ categories of unemployed persons** - it is necessary to continue improving and innovating active labour market policy measures (with the aim of improving their effect) followed by improved targeting of unemployed persons, and/or more intensive counselling work and better quality selection for inclusion in measures or mediation. Public works as a measure should be used selectively, and/or organized in underdeveloped areas with a lack of vacancies and economic activity, with the inclusion of hard-to-employer persons, and/or unemployed persons in a state of social need.

**- Further improve the monitoring of active labour market policy measures** - although the Eurostat methodology for monitoring active labour market policy measures was adapted in 2017 to the specific situation in the labour market of the Republic of Serbia, NES does not use it. Employment policy funds are being allocated by active labour market policy measure, not by target group of unemployed persons in the NES records, thereby it is impossible to report on funds spent by target group. This methodology needs to be applied since it defines rules for monitoring services recipients, and/or those covered by active labour market policy measures, along with the costs of services/measures, by calculating, in addition to direct costs of measures, operational costs of the NES (costs regarding the work of staff providing the services/measures). Connecting persons involved in the measures and the costs of services/measures would provide reports on the funds used by target group of unemployed persons.

**- Further improve the monitoring of employment effects** - the effects of measures on employment are being observed six months after the unemployed person leaves the measure, and/or at the expiry of contractual obligations. However, since certain measures are still under way at the time of submitting NES reports (January of the current year for the preceding year), some of the participants have just left the measure, so the employment effects being shown are incomplete. The problem is further complicated by the fact that with measures involving employment/work engagement of persons (employment subsidies, public works, programme for acquiring practical knowledge, support measures for PwD) the effect shows the number of persons still in the measure, while for active job-seeking measures, self-efficacy trainings, workshops for overcoming stress due to job loss and functional adult education, the effect shows the number of programme participants that became involved in other active labour market policy measures or those who found employment after leaving completing the measure. Therefore it is necessary to further improve the methodology for monitoring employment effects, because only the results of a correct assessment of the effects of implemented measures can be used to create new, or modify existing active labour market policy measures to achieve better effects.

**- Further improve the implementation of the Employers' Survey** - the NES implemented an employers' survey in 2018 over a sample of 1,500 companies, with only 915 of them completing the questionnaires, a number not sufficient to consider the results thus obtained as valid. Therefore it is necessary, in cooperation with social partners – primarily the Serbian Chamber of Commerce and Industry and Serbian Association of Employers, to improve the further implementation of the survey to identify the gap between labour force supply and demand regarding professions and required knowledge and skills, and use the results thus obtained to create and/or modify active labour market policy measures, as well as to draft the Catalogue of Trainings for the Labour Market. Improvements to the implementation of the employers' survey involve identifying weaknesses that need to be used to undertake specific activities, such as improving the survey questionnaire, motivating employers to take part in the survey by simplifying the method of completing the questionnaire (on-line platform), additional training of NES staff to implement the survey, or hiring an external agency to implement the survey.

**- Work continuously and intensively on improving the methods and techniques of counselling work with unemployed persons and cooperation with employers** - quality counselling work ensures that mediation upon the request of the employer results in increased success in meeting the needs of employers for the workers they need, and inclusion in active labour market policy measures for those persons whose employment is impossible without more intensive support, specifically in measures that will have the greatest effect on increasing their employability and on employment, based on the estimated individual capabilities and needs of unemployed persons. The development of a

system of introducing newly employed NES staff to their work and continuous professional development and training of staff should remain priorities for NES in the forthcoming period. Particular attention should be paid to the innovation of instruments, methods and techniques of counselling job-seekers, based on experiences in the work of public employment services in EU member states. On the other hand, developed cooperation with employers contributes just as much to the implementation of all active labour market policy measures, from mediation upon the request of the employer that provides candidates according to the employer's criteria, through measures that provide employers with significant funds to employ hard-to-employ persons, to trainings for the labour market organized based on information about in-demand occupations in the market, obtained precisely based on developed cooperation with employers.

## II MACROECONOMIC FRAMEWORK

During the past three years the Republic of Serbia achieved significant progress in establishing macroeconomic stability, because of, inter alia, the successful coordination of monetary and fiscal policy, the consistent implementation of fiscal consolidation and structural adjustments, with a favourable effect on the investment environment.

**Table 1. Basic macroeconomic trend indicators, 2016-2018**

	2016.	2017.	2018.
Gross domestic product, real growth, in %	3,3	2,0	4,3*
Gross domestic product, per capita, in EUR	5.203	5.581	6.110*
Public debt, % GDP	68,8	58,7	54,5
Foreign direct investment, net, in mil. EUR	1.899,2	2.418,1	3.187,9
Foreign direct investment, net, % GDP	5,2	6,2	7,5
Inflation, in %	1,2	3,0	2,0
Value of euro compared to dinar, average for the period	123,12	121,34	118,27
Value of dollar compared to dinar, average for the period	111,29	107,50	100,28
Number of employees**, average, in thousands	1.921	1.977	2.053
Minimum wage, net, RSD per work hour	121	130	143
Net earnings, average for the period, in RSD	46.097	47.893	49.650
- real growth rate	2,5	0,9	4,4
<i>Net earnings, average for the period, in EUR</i>	<b>374</b>	<b>395</b>	<b>420</b>
Average pension, average for the period, in RSD	23.488	23.913	25.278
- real growth rate	0,1	-1,2	3,6
<i>Average pension, average for the period, in EUR</i>	<b>191</b>	<b>197</b>	<b>214</b>

\* SORS assessment as the sum of four quarters

\*\* The number of employees does not cover registered individual farmers

Source: SORS, NBS, MoF and RFPDI

The average GDP growth in RS was 3.2% during the past three years. Since economic growth is a key macroeconomic indicator that the sustainable increase of the living standard of the population depends on, this has resulted in an increase of per capita GDP to more than EUR 6,000. The Serbian economy has achieved a 2.0% growth in 2017, below initial projections, primarily due to poor weather conditions that obstructed production processes and had a negative impact on the dynamics of construction activity and agricultural production. The growth of GDP

in 2018 was 4.4%, while the highest growth was achieved in agriculture (15.6%) and construction (12.7%), as well as services (6%). According to projections by the Ministry of Finance, GDP growth is expected to be 3.5% in 2019.

Improvements to the business environment have led to a strong influx of foreign direct investments (FDI), diversifying and contributing to the export potential of the country. Net FDI influx was EUR 3.2 bln in 2018, leading to an increase in its share of the GDP to 7.5%.

The accelerated economic activity, intensified investment cycle, and newly opened and expanded production capacities have led to positive trends in the labour market, regarding increases in employment and earnings. The minimum net price of labour was increased to RSD 143 per working hour in 2018, while the average net earnings are realistically higher by 4.4%, amounting to an average of EUR 420.

On the other hand, an expressed depopulation trend characterizes demographic movements in RS, with a strong effect on the labour market situation. Based on natural population growth only, the population numbers for RS decreased by around 292,600 during the period 2011-2018. In regards to emigration from RS<sup>2</sup>, most of those leaving or intending to leave the country are among the younger population aged up to 40 years. The main motives leading them to think about leaving RS are unemployment (lack of job and sources of income) and poor economic living conditions. Due to the emigration of young people, the economy and society in general are facing the negative effects of these departures.

In the future<sup>3</sup> RS will encounter not only an increasingly old population, threatening to endanger the pension system, but also a lack of workforce that will be impossible to meet by importing labour from surrounding countries

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<sup>2</sup> The RS faces a number of deficiencies regarding available data on external migration. The precise number of those leaving is unknown, but OECD and UN estimates are that up to 49,000 people leave RS annually.

<sup>3</sup> The results of population projections of RS until 2041, produced by SORS, indicate that during coming decades the population will be exposed to the process of demographic ageing based on all parameters, and that there will be an inevitable decrease in the share of work-capable population in the total population.

### III SITUATION ON THE LABOUR MARKET

The situation on the labour market in RS, measured by the basic indicators from the Labour Force Survey<sup>4</sup> (LFS), indicate a significant recovery of the market during recent years – the unemployment rate is decreasing, the employment rate is increasing, the number of employed persons is growing, followed by a decrease in the number of unemployed and inactive persons. Trends in the basic labour market indicators are mainly consistent with the trends of macroeconomic indicators (GDP growth, low and stable inflation, decrease of public debt, influx of FDI). However, despite these improvements, labour market indicators in RS remain more unfavourable than in European Union (EU) countries.

According to the latest LFS data available, the number of employed persons in Q3 2019 was around 2,938,700, while the number of unemployed was around 308,400. The employment rate was 49.6%, the unemployment rate was 9.5%, while the activity rate for the 15-and-above population was 54.8%.

Regarding labour market indicators during the period 2016–2018 it may be noted that a decrease in the inactivity of the working age population (15–64) is the main change in the structure on the labour market in RS. The number of inactive working age citizens has been decreased by around 140,000, while the inactivity rate, amounting to 32.2% in 2018, was lower by 2.2 percentage points during this period. Regarding reasons for inactivity, in the majority of cases the reasons are related to activities characteristic of certain ages. Namely, about half of the total number of inactive persons are pensioners and persons older than 75 years of age, and this category, along with persons in education or training, comprises about 2/3 of the total number of inactive persons. There is a significant number of persons that cannot work due to illness or inability, and those who can and want to work, but have been categorized as inactive because they have not been actively seeking a job. Despite this positive trend, the labour market in RS is still characterized by one of the highest inactivity rates compared to EU countries<sup>5</sup>, and the difference compared to the EU-28 average is 5.9 percentage points. The inactivity rate of women in RS is 39.4%, and of men 24.9%, representing a 14.5 percentage point difference, more than the gender gap in inactivity rates in EU-28, amounting to 11 percentage points.

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<sup>4</sup> The LFS represents the most comprehensive and only internationally comparable instrument for monitoring labour market trends, registering demographic and social-economic characteristics of the over-15 population. The main goal of LFS is to assess the size of the labour force, i.e. the employed and unemployed population.

<sup>5</sup> Only Italy and Croatia had an inactivity rate higher than RS, amounting to 34.4% and 33.7%, respectively.

**Table 2. Labour market indicators (15-64), comparative analysis - the Republic of Serbia and the EU**

Labour market indicators	Serbia					EY-28 (2018)	Serbia / EY-28, 2018 in pp
	2016	2017	2018	2018/2016 in pp			
1. <b>Activity rate</b>	<b>65.6</b>	<b>66.7</b>	<b>67.8</b>	<b>2.2</b>	↑	<b>73.7</b>	<b>-5.9</b>
Men	73.1	73.8	75.1	2.0	↑	79.2	-4.1
Women	58.1	59.6	60.6	2.5	↑	68.2	-7.6
2. <b>Employment rate</b>	<b>55.2</b>	<b>57.3</b>	<b>58.8</b>	<b>3.6</b>	↑	<b>68.6</b>	<b>-9.8</b>
Men	61.9	63.9	65.6	3.7	↑	73.8	-8.2
Women	48.4	50.8	52.0	3.6	↑	63.3	-11.3
3. <b>Youth employment rate (15-24)</b>	<b>19.7</b>	<b>20.9</b>	<b>21.1</b>	<b>1.4</b>	↑	<b>35.4</b>	<b>-14.3</b>
Men	24.9	26.1	26.0	1.1	↑	37.3	-11.3
Women	14.2	15.3	15.9	1.7	↑	33.3	-17.4
4. <b>Employment rate of older workers (55-64)</b>	<b>42.7</b>	<b>45.5</b>	<b>46.5</b>	<b>3.8</b>	↑	<b>58.7</b>	<b>-12.2</b>
Men	53.8	55.9	57.3	3.4	↑	65.4	-8.1
Women	32.5	36.0	36.7	4.3	↑	50.8	-14.1
5. <b>Запослени према професионалном статусу (учешће, у %)</b>							
Employed workers	71.7	72.8	75.2	3.5	↑	85.6	-10.4
Women	46.7	46.7	46.6	-0.1	↓	48.2	-1.6
Self-employed	21.2	22.0	19.9	-1.3	↓	13.5	6.4
Women	26.5	30.6	29.2	2.7	↑	32.7	-3.5
Helping household members	7.1	5.2	4.9	-2.2	↓	0.9	4.0
Women	69.8	71.3	70.4	0.6	↑	63.8	6.6



6.	<b>Employed persons by professional status (share, in %)</b>							
	Services	58.0	58.2	58.0	0.0	↔	72.1	-14.1
	Women	52.1	52.7	52.5	0.4	↑	54.5	-2.0
	Industry	25.6	26.5	28.1	2.5	↑	24.2	3.9
	Women	29.2	29.5	30.6	1.4	↑	23.5	7.1
	Agriculture	16.4	15.3	13.9	-2.5	↓	3.7	10.2
	Women	38.6	39.0	38.1	-0.5	↓	33.2	4.9
7.	<b>Rate of non-formal employment</b>	<b>20.0</b>	<b>18.6</b>	<b>17.2</b>	<b>-2.8</b>	↓	/	
	Men	19.5	17.8	16.8	-2.7	↓	/	
	Women	20.7	19.5	17.9	-2.9	↓	/	
8.	<b>Unemployment rate</b>	<b>15.9</b>	<b>14.1</b>	<b>13.3</b>	<b>-2.6</b>	↓	<b>7.0</b>	<b>6.3</b>
	Men	15.3	13.5	12.5	-2.8	↓	6.8	5.7
	Women	16.7	14.8	14.2	-2.5	↓	7.2	7.0
9.	<b>Youth unemployment rate (15-24)</b>	<b>34.9</b>	<b>31.9</b>	<b>29.7</b>	<b>-5.2</b>	↓	<b>15.2</b>	<b>14.5</b>
	Men	32.2	29.2	28.3	-3.9	↓	15.7	12.6
	Women	39.5	36.3	32.0	-7.5	↓	14.5	17.5
10.	<b>Youth (15-24) not in employment, education or training / NEET</b>	<b>17.7</b>	<b>17.2</b>	<b>16.5</b>	<b>-1.2</b>	↓	<b>10.4</b>	<b>6.1</b>
	Men	17.2	17.1	16.0	-1.2	↓	10.0	6.0
	Women	18.3	17.3	17.0	-1.3	↓	10.8	6.2
11.	<b>Unemployment rate of older persons (55-64)</b>	<b>9.0</b>	<b>8.1</b>	<b>8.7</b>	<b>-0.3</b>	↓	<b>5.2</b>	<b>3.5</b>
	Men	9.8	9.1	9.1	-0.7	↓	5.4	3.7
	Women	7.8	6.6	8.1	0.3	↑	5.1	3.0
12.	<b>Long-term unemployment rate</b>	<b>10.4</b>	<b>8.5</b>	<b>7.9</b>	<b>-2.5</b>	↓	<b>3.1</b>	<b>4.8</b>
	Men	10.0	8.3	7.6	-2.4	↓	3.0	4.6
	Women	10.9	8.8	8.3	-2.6	↓	3.1	5.2

13.	<b>Inactivity rate</b>	<b>34.4</b>	<b>33.3</b>	<b>32.2</b>	<b>-2.2</b>	↓	<b>26.3</b>	<b>5.9</b>
	Men	26.9	26.2	24.9	-2.0	↓	20.8	4.1
	Women	41.9	40.4	39.4	-2.5	↓	31.8	7.6

Source: SORS, LFS; Eurostat

The activity rate in RS amounted to 67.8% in 2018, but this is still below (by 5.9 percentage points) the activity rate in EU-28 (73.7%)<sup>6</sup>. The activity rate of women is 60.6%, and of men 75.1%, representing a 14.5 percentage point difference, more than the gender gap in activity rates at the EU-28 level, amounting to 11 percentage points.

At the same time, a total of 575,000 persons aged 15-74 years have been registered in 2018 belonging to the category of underutilized and potential labour force. The potential labour force consists of: 17,600 persons seeking a job, but unable to work, and 196,500 persons that can work, but are not seeking a job, with 66,300 of them discouraged. The underutilized labour force covers 360,900 persons working less than full time, who want and can work more hours.

The employment rate of the working age population is constantly growing, thus the number of employed persons, amounting to over 2.7 million in 2018, was increased by 106,000 during the period 2016-2018. During the same period the employment rate increased to 58.8% in 2018 (by 3.6 percentage points compared to 2016), but it remains 9.8 percentage points lower than the employment rate in EU-28 (68.6%)<sup>7</sup>.

The employment rate of men is 65.6%, while the employment rate of women is 52.0%. The difference in employment rates is 13.6 percentage points and makes the employment gender gap in RS higher than the EU-28 average (by 10.5 percentage points).

The employment rate of youth (15-24) in RS is very low, amounting to 21.1%, 14.3 percentage points below the youth employment rate in EU-28 (35.4%), while the employment rate of older workers (55-64) is 46.5% (a 3.8 percentage point increase compared to 2016), lower by 12.2 percentage points than the employment rate of older workers in EU-28 (58.7%). The employment gender gap among young men and women in RS, involving a higher employment rate for men compared to women, is 10.1 percentage points, whereas among older men and women the difference in favour of men is as much as 20.6 percentage points. This gender gap can be explained by the higher age limit for exercising the right to retirement for men compared to women.

<sup>6</sup> Among the European countries under review, only Italy (65.5%) and Croatia (66.3%) had a lower activity rate than Serbia.

<sup>7</sup> Among the European countries under review, only Greece (54.9%) and Italy (58.5%) have a lower employment rate than RS.

The poor job offer in the formal sector leads to engagement in the non-formal sector, as confirmed by data indicating that non-formal employment in RS is relatively high<sup>8</sup>. Around 463,000 working age persons were non-formally employed in 2018, meaning, in other words, that nearly one in six employed persons are non-formally employed (the non-formal employment rate is 17.2%). Non-formal employment is particularly notable in agriculture, since non-formal employees in agriculture comprise more than 60% of the total number of non-formally employed. The gender gap for non-formal employment is 1.1 percentage points (the non-formal employment rate of women is higher and amounts to 17.9%, while for men it is 16.8%), but what significantly differentiates the employment status of men and women is that the non-formally employed women are mainly engaged as helping household members, while the non-formally employed men are predominantly self-employed. The status of these women is particularly vulnerable, because not only are they not exercising their rights based on formal labour relations (like other non-formally employed persons), but they are not even being paid for their labour.

There are expressed territorial (regional) inequalities in the employment rate in RS. The employment rate has increased throughout all regions during 2016-2018, but it increased the most in the Belgrade region (by 6 percentage points) and the Vojvodina region (by 4.7 percentage points). The employment rate in the region with the highest employment rate (Belgrade region - 62.9%) was higher by 8.3 percentage points than the employment rate in the region with the lowest employment rate (the region of Southern and Eastern Serbia - 54.6%) in 2018.

Regarding employment by sector (agriculture, industry and services), the highest percentage of working age employed persons are found in the services sector, 58.0%, followed by the industry sector with a share of 28.1%, while the sector of agriculture employs 13.9% of all employed persons. The share of industry sector employees in total employment has increased by 2.5 percentage points during the 2016-2018 period, while the share of persons employed in agriculture in total employment has decreased by the same percentage points. However, despite these trends, the share of persons employed in agriculture in RS is nearly four times higher than in EU-28 (3.7%).

Unemployment has been constantly decreasing in RS since 2012. However, the unemployment rate of 13.3% in 2018 was double that of EU-28 (6.3%). The number of working age unemployed persons (15-64) was assessed at around 411,000 in 2018, a decrease by about 77,000 compared to 2016. The decrease in the number of unemployed and increase in the number of employed persons has led to a decrease in the unemployment rate by 2.6 percentage points

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<sup>8</sup> Non-formal employment relates to the share of persons working without a formal labour contract out of the total number of employed persons. It covers employees of unregistered companies, employees in a registered company without a formal labour contract or social insurance, and unpaid helping household members.

during the period under observation. The unemployment of men and women in the above period decreased, thus the difference in unemployment rates was 1.7 percentage points in 2018, still above the unemployment gender gap in EU-28, amounting to only 0.4 percentage points.

The challenges of structural unemployment still remain, since a large number of unemployed persons has been seeking a job for more than a year. The long-term unemployment rate, amounting to 7.9% in 2018, decreased by 2.5 percentage points during the period 2016-2018. Comparisons to EU countries show that the rate of long-term unemployment in RS is two and a half times higher than the EU-28 average (3.1%) and nearly equal for women and men (the difference was merely 0.7 percentage points in 2018). Long-term unemployment leads to the obsolescence of knowledge, and as the likelihood of finding a job decreases in proportion to the duration of the unemployment period, this can lead to permanent exclusion from the labour market.

The unemployment rate and number of unemployed persons have been reduced for all age categories, but the greatest decrease was registered among the youngest. Namely, of the total decrease in the number of unemployed persons during the period 2016-2018 (77,000), more than half (about 46,000 or 60%) relates to persons up to 34 years of age. Regarding the unemployment rate, the highest decrease was among youth up to 24 years of age (by 5.2 percentage points), where the unemployment rate is otherwise highest.

The unemployment rate of youth (15-24), amounting to 29.7% in 2018, decreased by 5.2 percentage points compared to 2016. However, it is 14.5 percentage points higher than in EU-28 (14.5%)<sup>9</sup>. Young women in the labour market have a higher unemployment rate compared to young men, with the difference being 3.7 percentage points (32.9% and 28.3%, respectively).

In addition to being unemployed, a significant number of youth are also outside the process of education and training. The number of youth not in employment, education or training<sup>10</sup> in RS was around 120,000 (16.5% of the total number of youth aged 15-24) in 2018, representing a decrease compared to 2016, both regarding the number of youth in this category, by 14,000, and their share in the total number of youth in this age cohort, by 1.2 percentage points.

Older persons (55-64) are vulnerable on the labour market as RS, much like the majority of EU countries, is facing the problem of an ageing population. The activity rate of older persons increased during the 2016-2018 period by 4.1 percentage points (from 46.9% to 51.0%), the employment rate increased by

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<sup>9</sup> Only Greece, Spain and Italy register higher unemployment rates in 2018 (39.9%, 34.3% and 32.2% respectively).

<sup>10</sup> NEET - not in employment, education or training.

3.8 percentage points (from 42.7% to 46.5%), while the unemployment rate of these persons decreased by 0.3 percentage points (from 9.0% to 8.7%). However, despite positive trends in the above indicators, the status of older persons in the labour market in RS is significantly more unfavourable than in EU-28 (61.9%, 58.7%, and 5.2% respectively).

The level of education has a significant impact on status in the labour market, because education, as a key factor of participation in the labour market, should provide for greater employment opportunities. The unemployment rate has decreased for all levels of education during the period 2016–2018. The highest unemployment rate, regarding education level, is registered among persons with a secondary level of education, amounting to 13.7% in 2018 and representing a decrease of 3 percentage points during the period under review. It is followed by the unemployment rate of persons without qualifications or with low qualifications of 12.1%<sup>11</sup> (a decrease of 0.4 percentage points), while it is lowest among persons with post-secondary and higher education at 10.8% (a 3.1 percentage point decrease). Regarding gender, unemployment rates among women are mainly higher than the unemployment rates of men at the same level of education<sup>12</sup>.

The specific nature of the transition from education to employment in RS<sup>13</sup> is characterized by education extending into the late twenties, but due to family pressures and the tendency of young persons towards financial independence, the prolonged completion of higher education is combined with temporary and occasional work and employment.

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<sup>11</sup> The relatively low unemployment rate of persons with primary education or no education is a paradox related to their very low activity rate. The cause of this is that a lower level of education is frequently combined with other vulnerability factors, since these persons belong to hard-to-employ categories on the labour market: older workers, population of rural areas, persons with disabilities, and Roma.

<sup>12</sup> One exception are persons with lower education or no education, where the unemployment rate is lower for women than men.

<sup>13</sup> Tomanović, S., Stanojević D. (2015), *Mladi u Srbiji 2015. Stanja, opažanja, verovanja i nadanja*, Belgrade, FRIEDRICH EBERT STIFTUNG and SeConS.

**Registered employment<sup>14</sup>**

An increase in registered employment has been recorder in RS during recent years<sup>15</sup>. On average, 2.1 million persons were formally employed in 2018, amounting to 121,000 (6%) more than in 2016. The increase in the total registered employment in 2018 is primarily due to employment in legal persons - the number of employed persons based on these grounds has increased by nearly 91,000 (5.7%). The number of entrepreneurs, their employees and persons performing independent activities has also increased (41,000, or 12.7%), while the number of registered individual agricultural workers has decreased by 10,000 (11.9%).

**Table 3. Registered employment, 2016-2018**

	2016	2017	2018	Change 2018/2016	
				Number	%
<b>Total</b>	<b>2,009,785</b>	<b>2,062,588</b>	<b>2,131,079</b>	<b>121,294</b>	<b>6.0</b>
Men	1,103,842	1,125,171	1,155,488	51,646	4.7
Women	905,942	937,416	975,592	69,650	7.7
Employed in legal persons	1,597,366	1,634,901	1,688,241	90,875	5.7
Entrepreneurs and their employees and persons performing independent business activities	323,313	342,457	364,305	40,992	12.7
Registered individual farmers	89,106	85,230	78,533	-10,573	-11.9

Source: SORS, Study on registered employment

The share of men (54.2%) in total registered employment is somewhat higher than the share of women (45.8%). During the period under review the number of registered employed persons has increased among members of both genders, with the increase in registered employment higher among women (women note an increase of around 70,000, while men registered around 51,000).

Regarding business activity, more than a third of the total number of registered persons work in the processing industry (primarily food, metal and

<sup>14</sup> The study on registered employment was based on combining data from the Central Register of Mandatory Social Insurance and Statistical Business Register.

<sup>15</sup> The term employed person covers persons with a formal legal labour contract, and/or established labour relations with the employer, open-ended or fixed-term; persons working outside labour relations, based on a service contract or a contract on temporary and occasional work; persons performing independent business activities, or founders of companies or entrepreneurial shops; and persons performing agricultural activities, registered with CRMSI.

mechanical engineering) and commerce (mainly retail). Registered employment has increased during 2018 in nearly all business activities (mostly in the processing industry and administrative and ancillary service activities); one exception is agriculture, where registered employment has decreased due to the decrease in the number of registered individual farmers.

There were 606,000 registered employed persons in the public sector in 2018, 15,700 (or 2.5%) less than in 2016. A decrease in the number of employed persons was registered in nearly all segments of the public sector, except among employees at the local self-government level<sup>16</sup> (increase of about 1,500 or 5.8%).

**Table 4. Registered employment in the public sector, 2016–2018**

	2016	2017	2018	Change 2018/2016	
				Numner	%
<b>Total</b>	<b>621,818</b>	<b>612,884</b>	<b>606,118</b>	<b>-15,700</b>	<b>-2.5</b>
<b>Public enterprises</b>	<b>159,746</b>	<b>152,606</b>	<b>148,765</b>	<b>-10,981</b>	<b>-6.9</b>
<i>Public state enterprises</i>	95,524	90,665	87,793	-7,731	-8.1
<i>Public local enterprises</i>	64,222	61,941	60,972	-3,250	-5.1
<b>Administration, all levels</b>	<b>161,606</b>	<b>161,872</b>	<b>160,833</b>	<b>-773</b>	<b>-0.5</b>
<i>Administration - state and autonomous province level</i>	134,987	133,473	132,671	-2,316	-1.7
<i>Administration - local self-government level</i>	26,619	28,399	28,162	1,543	5.8
<b>Healthcare and social work</b>	<b>152,798</b>	<b>150,493</b>	<b>149,603</b>	<b>-3,195</b>	<b>-2.1</b>
<b>Education and culture</b>	<b>147,668</b>	<b>147,913</b>	<b>146,917</b>	<b>-751</b>	<b>-0.5</b>

Source: SORS, Study on registered employment

### **Registered unemployment**

The positive trend of decreasing survey unemployment was followed by a trend of decreasing registered unemployment<sup>17</sup> during the period 2016–2018. The average number of unemployed persons registered by NES in 2018 (around 583,000) was reduced by 130,000 persons or 18.2% compared to 2016 (the share of unemployed women is 52.9%, or around 308,000, a decrease of 59,000 during the period under review).

<sup>16</sup> Employees not in labour relations are 14% of the total number of employees in administration at the local level, partly explicable by the employment limit in the public sector.

<sup>17</sup> There were on average 713,153 unemployed persons registered by NES in 2016, 650,573 unemployed persons in 2017, and 583,099 unemployed persons in 2018.

**Table 5. Unemployed persons registered by NES by characteristic, 2016-2018**

	Unemployed in the records, average			Change 2018/2016		Share in the total number, in %			
	2016	2017	2018	Number	%	2016	2017	2018	2018/2016 PP
<b>Total</b>	<b>713,153</b>	<b>650,573</b>	<b>583,099</b>	<b>-130,054</b>	<b>-18.2</b>				
<b>Gender</b>									
Men	346,057	311,525	274,609	<b>-71,449</b>	<b>-20.6</b>	48.5	47.9	47.1	-1.4
Women	367,096	339,048	308,490	<b>-58,606</b>	<b>-16.0</b>	51.5	52.1	52.9	1.4
<b>Education</b>									
Persons without qualifications and with low qualifications (I and II)	227,481	212,679	194,417	<b>-33,064</b>	<b>-14.5</b>	31.9	32.7	33.3	1.4
Secondary education (III and V)	383,363	344,037	303,756	<b>-79,607</b>	<b>-20.8</b>	53.8	52.9	52.1	-1.7
Post-secondary and higher education (VI-VIII)	102,310	93,858	84,926	-17,384	-17.0	14.3	14.4	14.6	0.2
<b>Age</b>									
Youth, 15-29	175,093	149,652	126,048	-49,045	-28.0	24.6	23.0	21.6	-2.9
30-49	336,122	304,730	269,874	-66,248	-19.7	47.1	46.8	46.3	-0.8
Older, 50 or above	201,938	196,191	187,177	-14,761	-7.3	28.3	30.2	32.1	3.8
<b>Duration of job-seeking</b>									
Up to one year	232,439	203,510	184,128	-48,312	-20.8	32.6	31.3	31.6	-1.0
Long-term unemployed (more than 12 months)	480,714	447,063	398,971	-81,743	-17.0	67.4	68.7	68.4	1.0
Very long-term unemployed (more than 2 years)	372,518	350,181	319,916	-52,602	-14.1	52.2	53.8	54.9	2.6

Source: NES



The characteristics of registered unemployed persons<sup>18</sup> are regarded relative to age, educational level and duration of job-seeking. The age structure of unemployed persons is unfavourable: the share of unemployed persons older than 50 years of age is 32% (or around 187,000 persons), while youth participate with 21.6% (or around 126,000 persons). The structure by educational level indicates that one third of unemployed persons are without qualifications or with low qualifications (33% or 194,000 persons), more than half have completed secondary school (52% or around 304,000 persons), while completed post-secondary and higher education is held by around 15% of unemployed persons (or around 85,000 persons). Long-term unemployment is a characteristic of persons registered by NES, indicating that 68% of persons are looking for a job for more than one year.

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<sup>18</sup> Calculation based on the average number of unemployed persons registered by NES in 2018.

## IV CATEGORIES OF HARD-TO-EMPLOY PERSONS

In accordance with the Law on Employment and Unemployment Insurance, hard-to-employ persons are those unemployed persons that due to their health status, insufficient or inadequate education, socio-demographic characteristics, regional or professional disparity in labour market supply and demand, or other objective circumstances, find it more difficult to find a job. Persons facing multiple vulnerability/employment difficulty factors are particularly vulnerable. Certain active labour market policy measures promote a more equitable status of these persons on the labour market.

Table 5 shows the structure of unemployed persons registered by NES, based on their primary characteristics - gender, education, age and duration of job-seeking, along with changes that occurred during the period 2016-2018. The share of women has increased in the gender structure of unemployed persons (by 1.4 percentage points). The share of persons without qualifications or with low qualifications in the qualification structure has increased (by 1.4 percentage points), the share of persons with a secondary education level has decreased (by 1.7 percentage points), while the share of higher education persons remained nearly unchanged (a 0.2 percentage point increase). Regarding the age structure of unemployed persons, a significant decrease in the share of youth (by 2.9 percentage points) and a significantly smaller decrease in the share of persons aged 30-49 (by 0.8 percentage points) is followed by a significant increase in the share of persons over 50 years of age (by 3.8 percentage points). Regarding duration of job-seeking, average annual data indicates that there was a 1.0 percentage point increase in the share of persons looking for a job for more than 12 months during the period 2016-2018, while the share of persons looking for a job for more than 24 months has increased by 2.6 percentage points. The above data shows that during the period under review the share of women, persons without qualifications and with low qualifications, those older than 50 years of age and those that are long-term unemployed, particularly those seeking a job for more than 24 months, has increased. Table 6 shows the latest available data for 2019:

**Table 6. Unemployed persons registered by NES by characteristic, 2019**

	Number of unemployed persons – as of 30 September 2019	%
<b>Total</b>	<b>502,561</b>	
<b>Gender</b>		
Men	227,852	45.3%
Women	274,709	54.7%
<b>Education</b>		
Persons without qualifications or low qualifications (I and II)	169,198	33.7%
Secondary level of education (III - V)	260,838	51.9%
Post-secondary and higher education (VI - VIII)	72,525	14.4%
<b>Age</b>		
Youth, 15-29	102,895	20.5%
30-49	228,695	45.5%
Older, 50 and over	170,971	34.0%
<b>Duration of job-seeking</b>		
Up to one year	168,236	33.5%
Long-term unemployed (longer than 12 months)	334,325	66.5%
Very long-term unemployed (longer than 2 years)	267,235	53.2%

Source: NES

## Women

Unemployment records<sup>19</sup> contain **274,709 women or 54.7%** of the total number of unemployed persons. The educational structure of unemployed women is somewhat more favourable than the educational structure of overall unemployment, primarily due to the higher share of women with higher education amounting to 17.1%, while the share of persons with higher education in the total number of unemployed persons is 14.4%. However, women without qualifications or with low qualifications participate in the total number of unemployed women with 32.7%, only 1.0 percentage points less than the share of unemployed persons with this educational level in the total registered unemployment rate (33.7%). Furthermore, 23,745 unemployed women have not completed primary school, and their share in the total number of unemployed persons without a completed

<sup>19</sup> As of 30 September 2019.

primary school is 54.2%, i.e. at the level of their share in total unemployment. The age structure of unemployed women is somewhat more favourable compared to the age structure of the total number of unemployed persons - 20.6% of unemployed women are up to 29 years of age, 48.5% are 30-49 years old, while the share of women older than 50 in the total number of unemployed women is 30.9%, lower than the share of persons older than 50 in total unemployment, corresponding to the earlier fulfilment of conditions for retirement for women. Regarding duration of job-seeking, 67.8% of the total number of unemployed women are long-term unemployed (looking for a job for more than 12 months), while 54.7% of unemployed women are in very long-term unemployment (looking for a job for more than 2 years), representing more unfavourable indicators compared to total unemployment. Regarding individual categories of unemployed persons, the share of women is higher compared to their share in total unemployment in the category of very long-term unemployment - 56.2% of women, long term unemployment - 55.7% of women, redundant workers - 56.3% of women and single parents - 84.8% of women.

Gender-sensitive budgeting has been introduced into the field of employment policy in 2016, achieving equal coverage of men and women in active labour market policy programmes and measures to increase equal opportunities for their employment. Women comprise a heterogeneous vulnerable group, therefore additional vulnerability factors need to be identified during their inclusion in active labour market policy measures.

### **Persons without qualifications or low qualifications**

Unemployment records<sup>20</sup> contain 169,198 persons without qualifications or with low qualifications or 33.7% of the total number of unemployed persons. The share of women with this educational level is 53.1%, i.e. 89,796 unemployed women have no qualifications or low qualifications. Furthermore, 43,820 unemployed women have not completed primary school - 8.7% of the total number of unemployed registered by NES. The age structure of the category of persons without qualifications and with low qualifications is unfavourable - 13.3% are youth, 47.5% are persons aged 30-49, while 39.2% have 50 or more years of age. A total of 73% of persons without qualifications and with low qualifications are long-term unemployed, while 61.1% of these persons are very long-term unemployed

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<sup>20</sup> As of 30 September 2019.

### Persons aged 50 or more

Unemployment records<sup>21</sup> contain 170,971 persons aged 50 or more, representing a 34% share in total unemployment. Women comprise 49.6% of this age category. The educational structure of this category of unemployed persons is unfavourable - 38.8% are persons without qualifications and with low qualifications, 52.3% have completed secondary education, while 8.9% are persons with post-secondary and higher education. A total of 76.4% of persons in this category are long-term unemployed, while very long-term unemployed account for 64.4%.

### Long-term unemployed and persons in very long-term unemployment

Unemployment records<sup>22</sup> contain 334,325 persons looking for a job for longer than 12 months, i.e. 66.5% of the total number of unemployed persons. The age structure of long-term unemployed persons is more unfavourable than for total unemployment - 14.4% are youth, 46.6% are persons aged 30-49, while 39% of long-term unemployed persons are 50 or more years of age. Furthermore, the educational structure of long-term unemployed persons is more unfavourable compared to total unemployment - 37% are persons without qualifications or with low qualifications, 50.7% of long-term unemployed persons have acquired secondary education, while 12.3% of long-term unemployed have higher education. The share of persons looking for a job for more than 24 months in the total number of unemployed is 53.2% (267,235 persons).

According to the presented data, the trend of increasing share in the total unemployment of women, persons without qualifications or with low qualifications, and persons aged 50 or more continues. These categories of unemployed persons are characterized by a higher long-term and very long-term unemployment compared to total unemployment. The share of persons in long-term and very long-term unemployment in the total number of unemployed persons is slightly lower compared to average data for 2018. Continuing this trend requires sustained intensive support for these persons for inclusion in the labour market, particularly having in mind the unfavourable age and qualification structure of this category of unemployed persons.

### Youth (15 - 30 years of age)

Data in *Table 5* shows that the number of youth in unemployment records has significantly decreased during the period 2016-2018, so that in 2018 there were 28% less youth in registered unemployment than in 2016, which is also a

<sup>21</sup> As of 30 September 2019.

<sup>22</sup> As of 30 September 2019.

considerable decrease compared to older age categories of the unemployed. This trend has continued in 2019 – the latest available data (Table 6) shows that NES records contain 102,895 unemployed youth, and that the share of youth in the total number of unemployed persons is 20.5%. A considerable decrease in the number of unemployed youth has also led to changes in the structure of youth in registered unemployment (Table 7) – the share of young women has increased, the share of youth without qualifications or with low qualifications and youth with secondary education has increased, while the share of youth with higher education has decreased, the share of youth from the youngest age category (15-19 years) has increased, while the share of older categories has increased. Long-term and very long-term unemployment of youth has decreased, so that 46.6% of unemployed youth are looking for a job for more than 12 months, and 29.3% are looking for a job for more than 2 years.

**Table 7. Unemployed youth registered by NES – structure**

	2017/31/12	2018/31/12	2019/30/9
<b>Total</b>	138,391	117,078	102,895
<b>Gender</b>			
Men	47.8%	46.4%	45.1%
Women	52.2%	53.6%	54.9%
<b>Education</b>			
Persons without qualifications or low qualifications (I and II)	20.9%	21.3%	22.0%
Secondary level of education (III - V)	56.4%	55.9%	57.2%
Post-secondary and higher education (VI - VIII)	22.7%	22.8%	20.8%
<b>Age</b>			
15-19	10.7%	11.2%	13.4%
20-24	38.2%	37.6%	35.9%
25-29	51.1%	51.2%	50.7%
<b>Duration of job-seeking</b>			
Up to one year	48.4%	51.8%	53.4%
Long-term unemployed (12 months +)	51.6%	48.2%	46.6%
Very long-term unemployed (2 years +)	32.7%	31.4%	29.3%

Source: NES

Regarding cases of employment from the unemployed persons record, at the end of 2018 the share of youth employment in the total number of employments from the records was 33.7%<sup>23</sup> and remained significantly higher than the share of youth in the total number of unemployed persons.

<sup>23</sup> NES data for 2018: number of cases of employment from NES records - 261,720, with youth representing 88,062 of that number.

Data on survey unemployment (*Table 8*) also show an improvement in the status of youth on the labour market. Namely, the activity rate of youth has increased by 0.9 percentage points during the period 2016-2018, while the employment rate has increased by 3.2 percentage points. A significant decrease of 5.3 percentage points was registered by the unemployment rate, while the NEET rate<sup>24</sup> decreased by 2.2 percentage points. The rate of non-formal employment of youth has considerably decreased by 5.4 percentage points. However, data also indicate that this improved status in the labour market was felt more by young men, best illustrated by data on the employment gender gap, presenting a difference in the employment share of men and women, continuously increasing during the period under review, reaching 11.4 percentage points in 2018.

**Table 8. Labour market indicators for youth (15-29), Republic of Serbia**

		2016	2017	2018	2018/2016. in p.p.
1.	Activity rate	47.2	47.6	48.1	0.9
	Men	53.0	53.6	54.4	1.4
	Women	41.0	41.2	41.5	0.5
2.	Employment rate	33.1	34.9	36.3	3.2
	Men	38.4	40.3	41.9	3.5
	Women	27.5	29.1	30.5	3.0
3.	Employment gender gap (in percentage points)	10.9	11.2	11.4	0.5
4.	Informal employment rate	26.3	21.9	20.9	-5.4
	Men	29.7	25.1	23.2	-6.5
	Women	21.5	17.4	17.5	-4.0
5.	Unemployment rate	29.8	26.7	24.5	-5.3
	Men	27.5	24.8	23.0	-4.5
	Women	32.8	29.3	26.6	-6.2
6.	NEET rate	22.3	21.7	20.1	-2.2
	Men	20.3	19.9	17.8	-2.5
	Women	24.5	23.7	22.5	-2.0

Source: LFS, SORS

<sup>24</sup> NEET - not in employment, education or training. It represents the share of youth aged 15-29 who are not employed, nor covered by the process of education or training in the total number of youth aged 15-29.

Although the status of youth in the labour market has improved significantly compared to the previous period, youth in RS are still facing considerably more obstacles in the labour market than their peers in EU-28, where the youth unemployment rate is twice lower, and the youth employment rate significantly higher<sup>25</sup>. Improvements of the status of youth in the labour market in RS were felt more by youth with better qualifications, who are more active in job-seeking (the decrease of NEET youth in the total number of youth is mainly the result of a decrease of the number of those from the active part of this category that are seeking a job, but not included in education or training), and male. Although the share of long-term unemployed youth in registered unemployment has been reduced, there is still cause for concern due to the fact that nearly one in two young persons registered by NES is seeking a job for more than 12 months, and one in three for longer than 24 months. Therefore, during the forthcoming period employment policy should focus on **youth with lower education levels, young women and youth seeking a job for a longer time**. Likewise, approaches to unemployed youth that do not turn to system institutions for support and are individually not active in job-seeking need to be improved. Support is also needed for **youth with secondary education, and those with higher education**, since absence from the work process leads to a loss and obsolescence of knowledge and skills gained in the educational process. The priority should be employment in occupations where the acquired knowledge and skills can be applied to the highest possible extent. Particular support should be given to highly educated young women that participate in the total number of unemployed highly educated youth in NES records with 68%, as well as to highly educated young Roma and persons with disabilities. Youth from all categories of hard- to-employ persons need system support to place the acquired education on the labour market and find a job in the relevant occupations.

Table 9 presents data on the number of unemployed persons from categories that held the status of hard-to-employ during previous years, and their share in the total number of unemployed persons registered by NES.

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<sup>25</sup> EUROSTAT data for 2018, for the population aged 15-29: unemployment rate – 12.0%; employment rate - 49.8%; activity rate - 56.6%.



**Table 9. Share of unemployed persons from hard-to-employ categories in registered unemployment (annual average)**

Categories of unemployed persons		2016	2017	2018
Unemployed persons	Number of persons, annual average	713,153	650,573	583,099
Persons with disabilities	Number of persons	15,660	14,906	14,429
	<i>Share of the total number of unemployed, %</i>	2.2	2.3	2.5
Roma	Number of persons	25,126	26,537	26,099
	<i>Share of the total number of unemployed, %</i>	3.5	4.1	4.5
Redundant workers	Number of persons	56,398	49,474	43,854
	<i>Share of the total number of unemployed, %</i>	7.9	7.6	7.5
Beneficiaries of financial social assistance	Number of persons	66,999	67,692	65,596
	<i>Share of the total number of unemployed, %</i>	9.4	10.4	11.2
Both unemployed parents	Number of persons	61,567	48,830	36,517
	<i>Share of the total number of unemployed, %</i>	8.6	7.5	6.3
Single parents	Number of persons	18,346	13,510	11,728
	<i>Share of the total number of unemployed, %</i>	2.6	2.1	2.0
Former criminal offenders	Number of persons	682	672	647
	<i>Share of the total number of unemployed, %</i>	0.1	0.1	0.1
Victims of domestic violence	Number of persons	95	149	163
	<i>Share of the total number of unemployed, %</i>	0.01	0.02	0.03
Victims of human trafficking	Number of persons	3	3	3
	<i>Share of the total number of unemployed, %</i>	0.0004	0.0005	0.0005
Returnees from abroad based on the Readmission Agreement	Number of persons	90	76	66
	<i>Share of the total number of unemployed, %</i>	0.01	0.01	0.01
Refugees	Number of persons	971	761	611
	<i>Share of the total number of unemployed, %</i>	0.1	0.1	0.1
Internally displaced persons	Number of persons	6,817	6,234	5,555
	<i>Share of the total number of unemployed, %</i>	1.0	1.0	1.0
Youth in institutional care, foster or guardian families	Number of persons	173	165	146
	<i>Share of the total number of unemployed, %</i>	0.02	0.03	0.03

Source: NES

## Persons with disabilities

The average number of persons with disabilities ready for active job-seeking (not temporarily prevented from work due to illness, etc.) in the unemployed records of NES (Table 9) has decreased during the period 2016-2019 (by 1,231 persons), but the share of this category in total unemployment has increased by 0.3 percentage points. The latest available data for 2019 (30 September 2019) indicate that NES records contain 12,309 unemployed persons with disabilities, with 41.2% of them women. By level of education, 54.4% of them have completed secondary education, 39% are persons without qualifications or with low qualifications, while only 6.6% unemployed persons with disabilities have post-secondary or higher education. According to age, 44.9% of unemployed persons with disabilities have 50 or more years of age, 42.0% are aged 30-49, while 13.1% are youth up to 30 years of age. A total of 74.5% of unemployed persons with disabilities are looking for a job for more than 12 months, while 62.5% of them are looking for a job for more than 2 years. **An unfavourable educational and age structure, along with a higher share in long-term unemployment, are characteristics of the category of unemployed persons with disabilities.**

## Roma

The number of unemployed Roma has increased during the period 2016-2019 (by 973 persons) along with their share in total unemployment, by 1.0 percentage point (Table 9). Data for 2019 (30 September 2019) indicate that NES records contain 25,536 unemployed Roma, with 49.7% of them women. **The high share of persons without qualifications or with low qualifications** of 89.7% is the main characteristic of the educational structure of this category of unemployed. A secondary level of education is held by 9.7%, while post-secondary and higher by only 0.6% Roma registered by NES. By age, 28.9% are youth up to 30 years of age, 49.5% are persons aged 30-49, while 21.6% of unemployed Roma are aged 50 or more. Long-term unemployment of Roma registered by NES is at 66.5%, while very long-term unemployment covers 53.2% of them..

## Beneficiaries of financial social assistance (FSA)

The average number of beneficiaries of FSA on unemployment records (Table 9) has decreased during the period 2016-2019 (by 1,403 persons), but the share of this category of unemployed in total unemployment increased by 1.8 percentage points. Data for 2019 (30 September 2019) indicate that NES records contain 57,542 unemployed FSA beneficiaries, with 49.7% of them women. By level of education, **65% are persons without qualifications or with low qualifications**, 31.6% have secondary education, while higher education is held by 3.4% of unemployed FSA beneficiaries. By age, 13.2% are youth up to 30 years of age, 45.8% are persons aged 30-49, while 41.0% of FSA beneficiaries

are aged 50 or more. A total of 91.7% of FSA beneficiaries are in long-term unemployment, 82.1% are in very long-term unemployment, and it is worth noting that nearly a quarter of FSA beneficiaries have been seeking a job for more than 10 years (23.8%).

### Redundant workers

Data from *Table 9* shows that the number of unemployed persons registering with NES with the status of redundant workers has decreased during the period 2016-2018 by 12,544 persons, while their share in the total number of unemployed has decreased by 0.4 percentage points. Data for 2019 (30 September 2019) indicate that NES records contain 37,410 persons with the status of redundant workers, with 56.3% of them women. By level of education, 20.4% of persons from this category are without qualifications or with low qualifications, **61.7% have completed secondary education**, while 17.9% of redundant workers have higher education. By age, **52.8% have 50 or more years of age**, 40.0% are between 30 and 49, while 7.2% are from the youth category. A total of 64.0% of persons in this category are long-term unemployed, while very long-term unemployed comprise 47.6%.

Inclusion in active labour market policy measures is being performed in accordance with a conducted employability assessment and individual employment plan. The employability assessment is used to identify the level of required support, while the individual employment plan determines specific activities and measures to be undertaken by the persons seeking a job and NES with the aim of increasing the employability and employment of persons. Certain active labour market policy measures define categories of hard-to-employ persons to be included in the measure, while for measures that have no defined categories the priority is given to unemployed persons from the following categories:

- *Persons without qualifications or low qualifications;*
- *Persons aged 50 or more;*
- *Long-term unemployed persons seeking a job for more than 12 months, particularly unemployed persons seeking a job for more than 18 months;*
- *Women, particularly long-term unemployed women;*
- *Youth up to 30 years of age, particularly young women, youth without qualifications or with low qualifications, and youth without work experience;*
- *Persons with disabilities;*
- *Roma;*
- *Beneficiaries of financial social assistance, and*
- *Persons holding the status of redundant workers.*

Furthermore, active labour market policy measures will also include unemployed persons from the following hard-to-employ categories: youth in institutional care, foster and guardian families<sup>26</sup>, victims of domestic violence, victims of human trafficking, refugees and displaced persons, returnees based on the Readmission Agreement, single parents, spouses from a family where both spouses are unemployed, parents of children with developmental impairments, former criminal offenders.

A special priority for participation in active labour market policy measures is given to persons facing multiple factors of harder employability, i.e. those belonging to two or more of the above categories of hard-to-employ persons.

The local employment action plan can identify other categories of hard-to-employ persons in accordance with the identified situation in the local labour market.

Pursuant to the introduced gender sensitive budgeting practice, the active labour market policy measures in 2020 will include an equal measure of both unemployed men and women, to promote equal opportunities for their employment.

Special packages of services are being implemented due to the need to intensify activities with the aim of improving the status of youth, redundant workers, persons without qualifications and those with low qualifications, long-term unemployed and persons with disabilities:

### **Service package for redundant workers**

To prevent unemployment, before potentially redundant workers register as unemployed, the NES will conduct informative meetings with employers facing redundancies, unions, as well as potential redundant workers, and organize employment counselling for those potentially redundant workers that express a need for individual counselling.

Using the completed questionnaire or individual interview with an employment counsellor, potentially redundant workers will be included in the following measures: job club (five-day programme designed for redundant workers), workshop for psychological support for career planning (one-day programme designed for potential redundant workers), entrepreneurship development training and active job search training.

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

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<sup>26</sup> The category of *youth in institutional care, foster and guardian families* covers youth up to 30 years of age who had or still have the status of youth in institutional care, foster and guardian families.

1) Conduct an employability assessment of the persons in question;

2) Determine an individual employment plan and specify measures best suited to activation and the improvement of employability (workshop for overcoming stress due to job loss, programme for the acquisition of practical knowledge for non-qualified persons, redundant workers and long-term unemployed, and other measures);

3) Organize special information sessions on opportunities and advantages of investing severance pay into self-employment, etc.

Furthermore, aiming to prevent long-term unemployment and/or to accelerate reintegration of redundant workers into the labour market, the NES will intensify its visits to employers, particularly in local self-government units that plan to implement programmes for resolving the issue of redundant workers, with the aim of collecting data on employment needs.em.

### **Service package for youth**

The package consists of activities implemented by NES for all young persons registered in the unemployment records with the aim of preventing the obsolescence of competences (knowledge and skills) of importance for competitive participation in the labour market and entering long-term unemployment, covering:

1) An employability assessment of the person;

2) Determining an individual employment plan and measures best suited for youth activation and improvement of employability;

3) Job mediation or involvement in active labour market policy measures that can contribute to employment (professional guidance and counselling on career planning, professional traineeship programme, internship programme for youth with higher education, internship programme for unemployed with secondary education, subsidies for employment and self-employment, functional primary education programme, etc.).

### **Service package for persons without qualifications, with low qualifications and long-term unemployed**

The package covers:

- 1) An employability assessment of the person;
- 2) Determining an individual employment plan and measures best suited for the activation and improvement of the employability of persons without qualifications and long-term unemployed persons;
- 3) Involvement in measures for active job-seeking (self-efficacy training for qualified long-term unemployed persons and motivation-activation trainings for persons without qualifications and with low qualifications);
- 4) Involvement in further education and training programmes (programme of functional elementary education for adults, programme for the acquisition of practical knowledge for non-qualified persons, redundant workers and long-term unemployed persons, etc.), public works, etc.
- 5) Involvement in the subsidized employment programme.

### **Service package for persons with disabilities**

The package covers job mediation and involvement of persons with disabilities in active labour market policy measures under general conditions and specifically tailored programmes, in accordance with the needs of persons with disabilities, assessed professional capabilities, work ability and identified needs in the labour market, and consists of:

- 1) An assessment of professional capabilities, and/or assessment of employability;
- 2) Determining an individual employment plan and measures best suited to the activation and improvement of employability of persons with disabilities;
- 3) Job mediation or involvement in active labour market policy measures that can contribute to improving employability enhancement and increasing employment.

## V EMPLOYMENT POLICY GOALS AND OBJECTIVES IN 2020

### Goal - Increasing Employment

The goal of employment policy in 2020 is increasing employment. The above goal is in line with the main strategic goal of employment policy established by the National Employment Strategy for 2011-2020; *establishing an efficient, stable and sustainable trend of employment growth in the Republic of Serbia with the simultaneous harmonization of employment policy and labour market institutions with the EU acquis.*

The following objectives were set to achieve the goal:

1. Reduce dualities in the labour market through improvements of the conditions and improvement of labour market institutions;
2. Promote employment and the inclusion of hard-to-employ persons in the labour market through the implementation of active labour market policy measures;
3. Support regional and local employment policies;
4. Improve the quality of the labour force and invest into human capital.

The objectives, with the measures and activities that will be implemented, are provided below and shown under Chapter IX.

### **1. Reduce dualities in the labour market through improvements of the conditions and improvement of labour market institutions**

Activities will be implemented in 2020 to improve the normative framework in the field of labour and employment, improvement of the capacities of principal actors in employment and principal actors in professional rehabilitation. The process of monitoring and evaluation will continue in order to align the active labour employment policy measures with the status and needs of the national and local labour market.

The measures that will lead to improvements of conditions in the labour market and improvements to labour market institutions are:

**1.1. Improvement of the normative and analytical framework for the labour market** – through the implementation of activities for the adoption and implementation of new regulations in the field of labour and employment, amendments to regulations in the field of employment, and adoption of new strategic documents.

The establishment of a legal framework in the field of social entrepreneurship is expected to increase the activation of work-capable persons found in the social welfare system, hard-to-employ unemployed persons and persons from particularly vulnerable categories.

The adoption of amendments to the Law on Employment and Unemployment Insurance will be implemented by harmonizing certain provisions of this law with the Law on the Planning System and other laws.

The Employment Strategy for 2021-2026 will be adopted by the end of 2020, with the first action plan for the implementation of this strategy for a three-year period, based on the results of the previously implemented strategy and the findings and recommendations of developed analytical materials.

In early 2019 the Government established the Coordination body for monitoring the flow of economic migrations to comprehensively analyse the state of play in the field of economic migrations. The work plan of the Coordination Body includes the adoption of a Strategy on Economic Migrations for 2021-2027 (with an action plan) with solutions and long-term measures for improving this field, aiming to prevent the further departure of citizens from the Republic of Serbia abroad and promote the return of experts from the diaspora, as well as the creation of a business and economic environment for the arrival of foreign experts.

The adoption of the above reform regulations and parallel implementation of activities in the National Programme for Combating the Grey Economy and the Action Plan, as well as the implementation of other regulations facilitating doing business for companies and entrepreneurs leads to improvements on the labour market, and should contribute to the realization of equal opportunities and a decrease in dualities in the labour market.

The implementation of the Law on Agency Employment will also be monitored during 2020. It regulates the protection of the rights of employees concluding labour agreements with an agency for temporary employment, for provision for temporary work to a beneficiary employer, etc.

Assessments of the status and achieved effects of regulations and strategic documents will be the subject of analyses and studies, and the basis for the adoption of new, or improvement of existing regulations in the field of labour and employment.



### **1.2. Strengthening the capacities of stakeholders on the labour market**

– organizing trainings for principal actors in employment affairs and principal actors in professional rehabilitation will improve the capacity of labour market institutions, with the aim of increasing the quality of service provided.

The Law on Employment and Unemployment Insurance prescribes the obligation of regular professional development and training of NES staff, introduction of new employees to their work, and testing the professional capacities of staff. The emphasis for the forthcoming period is on trainings for individual work with job-seekers and job mediation, profiling, work with employers, work with difficult clients, etc.

Civil servants working in labour and employment affairs need to be continuously included in training and workshops related to the harmonization of RS regulations with EU regulations, and to exchange experiences and learn about examples of good practices, along with presentations of policies, guidelines and recommendations at the EU level.

Trainings will be organized for enterprises for the professional rehabilitation and employment of persons with disabilities with the aim of improving their capacities for achieving their economic and social function.

Employment agencies will be covered by the trainings for providing career guidance and counselling services in accordance with standards, to improve this segment of the work that agencies, as the principal actors in employment, are obliged to provide in accordance with employment regulations.

## ***2. Promote employment and the inclusion of hard-to-employ persons in the labour market through the implementation of active labour market policy measures***

The following measures have been planned to promote employment and the inclusion of hard-to-employ persons on the labour market:

### **2.1. Mediation in employing job-seekers and professional guidance and counselling on career planning**

The planned activities aim to improve, and/or increase the quality of information and services provided to unemployed persons and employers. Well-implemented activities of counselling, profiling, drafting of individual employment plans, etc. represent a precondition for the appropriate inclusion of unemployed persons in the "targeted" measures of active labour market policy measures that will contribute the most to increasing the competitiveness of their participation in the labour market. On the other hand, cooperation with employers is important

with the aim of maximizing the number of reports collected on vacancies and requests for NES job mediation, as well as inclusion of employers in other active labour market policy measures.

A detailed description is provided in Chapter VI Active Labour Market Policy Programmes and Measures.

## **2.2. Employment support through subsidized employment and self-employment**

The planned activities aim to increase the employment rate of hard-to-employ persons with private employers and support for self-employment through professional assistance, training and awarding of subsidies for starting one's own business.

A detailed description is provided in Chapter VI Active Labour Market Policy Programmes and Measures.

## **2.3. Support for social inclusion**

The planned activities focus on persons in a state of social need that need to be provided additional support and assistance in inclusion in the labour market, i.e. unemployed beneficiaries of financial social assistance, Roma, and persons with disabilities.

Cooperation needs to be further improved between social work centres and the NES, through the implementation of the concluded Protocols on Cooperation that should contribute to the integration of FSA beneficiaries in the labour market.

Public works can have an important role in ensuring a link to the labour market and in providing income for persons in a state of social need.

## **3. Support regional and local employment policies**

Employment policy should support and contribute to the achievement of the goals of economic and regional development through a more significant participation of relevant local labour market stakeholders and their joint work within employment councils. Local employment councils have a key role in the processes of defining the status, needs and capacities of local labour markets, and/or the creation and implementation of measures of relevance for improving the status of the local labour market.

Special support is planned to be provided during the forthcoming period to those self-government units that have not drafted local employment action plans (LEAP) yet.

### **3.1. Development and improvement of the capacities of local self-governments to develop local employment policies**

The good practice of organizing regional meetings with LSUs to exchange experiences in the implementation of local employment policies will continue in 2020, with particular attention aimed at those local self-government units that have not drafted local employment action plans yet.

The organization of trainings for planning and monitoring the implementation of local employment policies will strengthen the capacities of local employment councils and promote dialogue and cooperation at the local and regional level.

### **3.2. Support for the drafting and implementation of local employment action plans**

Participation in the financing of active labour market policy programmes and measures will be approved in 2020 from funds allocated for the implementation of the NEAP, namely:

**1. Traineeship programme;**

**2. Internship programme for youth with higher education;**

**3. Programme of acquiring practical knowledge for non-qualified persons, redundant workers and long-term unemployed persons;**

**4. Training at the employer's request** – unemployed persons are included in the training if the unemployed records of NES have no persons with the required knowledge or skills, and/or the existing knowledge and skills do not correspond to the needs of the specific vacancy;

**5. Subsidy for employing unemployed persons from the category of hard-to-employ** – may be awarded for the hiring of unemployed persons from one or several categories of hard-to-employ persons, identified in accordance with the state and needs of the local market, and listed in the LEAP;

**6. Self-employment subsidy** – approved for an unemployed person to establish a shop, cooperative or other form of entrepreneurship, or for establishing a company if the founder is to be employed in it, under activities defined in accordance with the needs of local economic development in the LEAP;

**7. Public works programme** - unemployed persons from all hard-to-employ categories may be covered by the public works programme, in accordance with the status and needs of the local labour market established in the LEAP. Public works are organized within the territory of local self-government units that, according to the level of development established in accordance with a specific Government regulation, belong to the following:

- 1) Third group (ranging from 60% to 80% of the national average), and
- 2) Fourth group (level of development under 60% of the national average) and devastated areas (level of development under 50% of the national average).

The public works programme shall engage at least 5 (five) unemployed persons for work.

Public works for persons with disabilities may be organized in all local self-government units, regardless of the level of development, in the field of social welfare and humanitarian work, maintenance and renewal of public infrastructure, preservation and protection of the environment and nature, and culture.

Public works shall engage at least 3 (three) unemployed persons with disabilities for work.

**The condition** for submitting a request for funding active labour market policy programmes and measures from funds allocated for the implementation of the NEAP is that the autonomous province and/or local self-government unit has the following:

1. Established local employment council;
2. Adopted LEAP;
3. LEAP harmonized with NEAP and the provincial employment action plan;
4. Secured more than half the funds required to finance a given programme or measure. Under exceptional circumstances, in case of an underdeveloped local self-government unit, the minister competent for employment affairs may, in accordance with Article 60 of the Law on Employment and Unemployment Insurance (*Official Gazette of RS*, No. 36/09, 88/10, 38/15, 113/17-other law and 113/17) approve participation in funding even when less than half the required funds have been secured.

**The criteria** used to approve the amount of funds based on a request by the local self-government unit for participation in funding programmes or measures are the following:

1. *Development level of the local self-government unit* (a local self-government unit that belongs to an underdeveloped area is provided a higher amount of funds from the RS budget compared to developed local self-government units), however the minimum amount that may be secured from the RS budget for a local self-government unit that belongs to the fourth group (development level

under 60% of the national average) and devastated areas (development level under 50% of the national average) is 60%, except for local self-government units that expressed a need for securing a lower than 60% share of funds from the RS budget in the request for co-financing;

*2. Local council formed for an area of several local self-government units and adopted joint employment plan for the area of those local self-government units.*

The autonomous province and/or local self-government unit may submit a request for participation in the financing of active labour market policy programmes or measures envisaged by the LEAP to the ministry competent for employment affairs by way of NES, by 18 February 2020.

Upon the expiry of the deadline for the submission of requests, NES will check compliance with the conditions for financing active labour market policy programmes or measures, draft an opinion on each individual LEAP (compliance with local economic development goals and local labour market indicators) and provide a proposal for participation in financing the active labour market policy programmes or measures based on the criteria and available funds.

NES shall submit a proposal for participation in the financing of active labour market policy programmes or measures to the ministry competent for employment affairs within 30 days as of the expiry of the deadline for the submission of requests, and the ministry competent for employment affairs shall make a decision based on the proposal.

NES and the local self-government units covered by the decision shall conclude agreements on the method and procedure of implementing active labour market policy programmes or measures, and other issues of relevance for the implementation of the decision.

Local self-government units may, in accordance with the needs of the local labour market, plan other active labour market policy programmes or measures, identify them in the LEAP, and finance their implementation from the funds of the budget of the autonomous province and/or budget of the local self-government units. NES shall provide professional and technical support in the implementation of active labour market policy programmes or measures fully financed from the budget of the autonomous province and/or budget of the local self-government units.

## **4. Improving the quality of the labour force and investment into human capital**

Investments into human capital represent the basis for economic development and an innovative and competent economy. Measures are aimed at the further development of the career guidance and counselling system and decreasing the gap between supply and demand, through the development of a National Qualifications Framework and National System of Classification of Occupations, by continuing the reform of vocational education, as well as through further education and training programmes implemented by the National Employment Service.

### **4.1. Promote and further develop career guidance and counselling**

An important step for the establishment of a unified quality system in the field of career guidance and counselling was made with the adoption of the Rulebook on the standards of service for career guidance and counselling (*“Official Gazette of RS”, No. 43/19*), representing the basis for planning, development and evaluation of career guidance and counselling services.

Work will be done during 2020 on the promotion and dissemination of information about the standards for career guidance and counselling services, accreditation of providers of career guidance and counselling services in accordance with the adopted standards, as well as the education of organizations providing such services.

### **4.2. Implement further education and training programmes**

With the aim of improving the competences, knowledge and skills of unemployed persons, as well as training for independent work in the profession and acquisition of their first working experience, programmes of further education and training will be implemented that should contribute to the employability and employment of unemployed persons, particularly having in mind the high share in the NES records of unemployed persons without qualifications or low qualifications that do not have the knowledge required by the labour market, and the high share of young highly educated persons targeted by professional traineeship and internship programmes to facilitate their transition from education to employment.

A detailed description of the further education and training programme is provided in Chapter VI Active labour market policy programmes and measures.

### **4.3. Further develop the National Qualifications Framework**

Activities aimed at the further development of the National Qualifications Framework (NQFS) during the forthcoming period will be related to the adoption of by-laws in accordance with the Law on the NQFS, the creation of conditions for the unfettered functioning of established institutions and bodies, development of qualification standards and sectoral profiles and connecting the NQFS with the European Qualifications Framework.

### **4.4. Continue vocational education reform**

The reform of the vocational education system will continue during the forthcoming period, primarily through the development of the programme of teaching and learning in accordance with the qualifications standards and needs of the labour market, and the accreditation of publicly recognized organizers of adult education activities (PROA) for training programmes.

### **4.5. Further develop the National Standard Classification of Occupations**

An important step forward in the development of the classification of occupations was made through the adoption of the Decision on the Unified Codebook for entering and coding data in labour records (*Official Gazette of RS*, No. 56/18), and the adoption of the new Codebook of Occupations, a new list of occupations harmonized with the International Standard Classification of Occupations (ISCO-08), and the needs of the labour market in RS.

Further activities will be aimed at the development of a methodology for the standard of occupations and the drafting of the normative and institutional framework for establishing the process of drafting standards, and/or descriptions of occupations.

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

Active labour market policy programmes and measures established by this action plan to be implemented by NES during 2020, are being implemented in accordance with the Law on Employment and Unemployment Insurance, Law on the Professional Rehabilitation and Employment of Persons with Disabilities, and regulations on state aid, while the criteria, method and other issues of relevance for the implementation of active labour market policy measures are regulated by general MoLEVSA and NES acts.

To implement active labour market policy programmes and measures NES issues public calls and competitions, and/or initiates public procurement procedures in accordance with regulations on public procurements during Q1 2020.

Job mediation for job-seekers, active job-seeking measures and professional guidance and counselling on career planning are implemented by NES staff continuously throughout the calendar year.

### **1. Mediation in employing jobseekers**

Job mediation for jobseekers involves a set of activities and measures aimed at jobseekers with the aim of training these persons for active job-seeking and networking with employers that have a need for employees.

The development of capacities for active job-seeking is conducted through individual and group work with jobseekers. Employment counselling is an activity wherein an employment counsellor provides professional support to a jobseeker at the individual level, through information on the rights and obligations of jobseekers, on services provided by the NES, and opportunities for employment and occupations in demand. During employment counselling an assessment is performed of the employability of the person seeking a job, i.e. an assessment of their professional capabilities and affinities, with the aim of identifying the level of support they need. The type of support that the jobseeker and employment counsellor agree on is established in the individual employment plan.

Active job-seeking measures, such as trainings for active jobseekers and trainings in jobseeker clubs, are forms of group work with jobseekers, with the aim of informing the jobseekers about the situation in the local labour market and enabling them to present themselves to employers in a quality manner. These measures include motivating jobseekers and improving their competences for active job-seeking.



Services for employers involve informing employers about the situation in the labour market and the structure of jobseekers registered with NES, and counselling on the opportunities and methods for meeting the needs of employers for workers, including information on active labour market policy measures, testing future employer needs to plan trainings and other active labour market policy measures, selection of jobseekers according to conditions defined in the report on the employment needs - mediation upon the employer's request and online mediation on the NES website, along with other forms of cooperation with employers and other partners in the labour market.

Employment fairs are a mediation measure, since they provide for direct contact of a greater number of employers that have expressed hiring needs with jobseekers that mainly correspond to the requirements of employers for employment in specific jobs, while it is also an activation measure, since it directly confronts the jobseeker with specific vacancies, with a positive effect on their motivation for active job-seeking.

Employment caravans are a measure enabling persons that reside in underdeveloped and less developed municipalities to join NES programmes and measures. Unemployed persons that, due to difficult circumstance, are not able to personally come to NES branch offices can thus, with the help of NES counsellors, get informed, get advice, receive all relevant information regarding their rights and obligations, and register in the unemployment records.

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

Professional guidance and career planning counselling is being implemented through the activity of informing and counselling about opportunities for career development - directly, in centres for information and professional counselling (CIPC) and on the NES website, to prevent the wrong choice of educational direction or choice of occupation, and to strengthen the competences of the beneficiary for making effective decisions during their professional career. All NES branches are implementing counselling for career planning to provide support to every single person seeking a job in the process of making decisions on their future career. It covers the provision of information on opportunities for the choice/change of career in line with the situation in the labour market, personal characteristics, and interests of the client. Career planning counsellors in NES branches provide this services for jobseekers, students of final grades of primary and secondary schools and higher education students.

This active labour market policy measure includes psychological workshops and trainings intended for jobseekers, such as self-efficacy trainings and workshops for overcoming stress due to job loss, aiming to develop skills and techniques for accepting an active role in career planning and job-seeking and constructively overcoming stress to increase the efficacy of job-seeking. Furthermore, a

selection of candidates for employment with an employer is being implemented, according to the job requirements and psycho-physical capacities of the person.

### **3. Further education and training**

The annual programme of further education and training establishes the programmes and measures of further education and training implemented in 2020, i.e. programmes and measures that provide persons with new knowledge, skills, and work experience. This programme is based on an analysis of labour market demand, and/or the needs of employers regarding knowledge and skills necessary to perform specific jobs, identified through contact with employers. Accordingly, further education and training will be implemented for those areas of work where there is a deficit of knowledge and skills.

The reimbursement of the costs of further education and training, and the amount of NES participation in the costs of implementing further education and training, depending on the type of programme, are defined by the NES Work Programme for 2020, in accordance with available funds.

The annual programme of further education and training involves the implementation of the following programmes and measures:

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<sup>27</sup> In accordance with the development level of local self-government units established in accordance with a special Government regulation

3.1.	<p><b>Professional traineeship programme</b> - involves training for independent work in the profession that relevant education has been attained for, for completing an internship term i.e. acquiring the conditions for taking the professional examination when envisaged by a law or rulebook as a special condition for independent work in the profession. The programme is intended for unemployed persons with no work experience in the profession, with at least secondary education, implemented without establishing labour relations.</p> <p>The programme is being implemented with employers that belong to the private sector, while at most up to 30% of the total number planned for this programme may be hired in the public sector, and only in the field of healthcare, education, social welfare and the judiciary.</p> <p>Under exceptional circumstances, within the territory of AP Kosovo and Metohija and devastated areas<sup>27</sup> within the territory of RS, the traineeship programmes are being implemented with employers from the private or public sector, with the private sector having priority.</p> <p>The duration of the programme is determined by a law, and/or rulebook, with NES financing the programme for a maximum of 12 months.</p> <p><b>A total of 4,030 unemployed persons are planned to be covered in 2020, with 30 of them persons with disabilities.</b></p>
3.2.	<p><b>Internship programme for youth with higher education</b> - involves training for independent work in an occupation that at least post-secondary three of four-year education has been attained for, for completing an internship term i.e. acquiring the conditions for taking the professional examination when envisaged by a law or rulebook as a special condition for work in certain jobs, with the establishment of labour relations.</p> <p>The programme is intended for younger unemployed persons up to 30 years of age, without work experience in the occupation they have acquired education for, and a grade average of at least 8.5 in the completed levels of studies. Under exceptional circumstances unemployed persons with disabilities and Roma persons may be covered by the programme regardless of their age or grade average at the completed studies.</p> <p>The programme is being implemented with employers belonging to the private sector. The employer has the right of reimbursement of the costs of earnings for the intern. The duration of the programme is determined by a law, and/or rulebook, with NES financing the programme for a maximum of 12 months.</p> <p><b>A total of 530 unemployed persons are planned to be covered in 2020, with 30 of them persons with disabilities.</b></p>

<p>3.3.</p>	<p><b>Internship programme for unemployed persons with secondary education</b> - involves training for independent work in the profession that relevant education has been attained for, for completing an internship term i.e. acquiring the conditions for taking the professional examination when envisaged by a law or rulebook as a special condition for work in certain jobs, with the establishment of labour relations.</p> <p>Eligibility for inclusion in the internship programme is held by unemployed persons having completed secondary education, without work experience in the occupation that the education has been acquired for, namely:</p> <ul style="list-style-type: none"> <li>- Youth up to 30 years of age that have been on the unemployed records for more than 6 months,</li> <li>- Unemployed persons with disabilities,</li> <li>- Roma,</li> <li>- Youth in institutional care, foster families and guardian families.</li> </ul> <p>The programme is being implemented with employers belonging to the private sector. The employer has the right to the reimbursement of the costs of earnings for the intern.</p> <p>The duration of the programme is determined by a law, and/or rulebook, with NES financing the programme for a maximum of 6 months.</p> <p><b>A total of 590 unemployed persons are planned to be covered in 2020, with 40 of them persons with disabilities.</b></p>
<p>3.4.</p>	<p><b>Programme for the acquisition of practical knowledge for non-qualified persons, redundant workers and long-term unemployed persons</b> that have been on the unemployed records for more than 18 months - involves the acquisition of practical knowledge and skills through performing specific work by establishing labour relations with an employer belonging to the private sector. The programme is intended for the following categories of unemployed persons, regardless of their age:</p> <ul style="list-style-type: none"> <li>- Persons that have not completed secondary education, and/or without qualifications and persons that have completed functional elementary education for adults, participating in the total number of planned attendees of this programme with 40%;</li> <li>- Persons from the category of redundant workers and persons that have been on the unemployment record for more than 18 months - with at least secondary education, regardless of the type of acquired education and work experience, who do not have adequate and applicable knowledge, skills and competences for performing specific jobs.</li> </ul> <p>The employer establishes fixed-term labour relations with the unemployed person and exercises the right to reimbursement of the costs of earnings for the persons involved for a duration of 3 months. The employer has the obligation of retaining the person in employment for another 3 months after the programme is completed. If the employer establishes an open-ended labour relation with the unemployed person at the beginning of the programme or by the time the third month is over, and/or the end of the programme, they have the right to the reimbursement of the costs of earnings for another three months, i.e. for a total duration of 6 months. The employer has the obligation of retaining the person in employment for at least another 6 months after the financing expires.</p> <p><b>A total of 820 unemployed persons are planned to be covered in 2020, with 20 of them persons with disabilities.</b></p>

3.5.	<p><b>Training in response to labour market needs</b> - acquisition of further professional theoretical and practical knowledge and skills in accordance with the needs of the labour market and employers, with the aim of improving the employability of unemployed persons primarily for hard-to-employer persons without qualifications or with low qualifications.</p> <p><i>Training for unemployed persons with disabilities</i> is implemented by bodies conducting professional rehabilitation activities that have approval by the ministry competent for employment affairs to conduct professional rehabilitation measures and activities.</p> <p><b>A total of 500 persons with disabilities are planned to be covered in 2020.</b></p> <p><i>Training for non-qualified persons and persons completing primary education based on the FEEA model</i> implemented by publicly recognized organizers of adult education activities (PROA) and issuing a publicly recognized document.</p> <p><b>A total of 200 unemployed persons are planned to be covered in 2020.</b></p> <p><i>Training for other unemployed persons</i> is being implemented by publicly recognized organizers of adult education activities, except in cases where the trainings in demand in the labour market have no publicly recognized adult education activities, when the trainings may be performed by other training providers.</p> <p><b>A total of 500 unemployed persons are planned to be covered in 2020.</b></p> <p><i>Specialist IT training</i> in response to labour market needs - acquisition of new knowledge, skills and capabilities of unemployed persons in the field of information technologies, with the aim of raising the level of competitiveness and employability.</p> <p><b>A total of 1,000 unemployed persons are planned to be covered in 2020.</b></p>
3.6.	<p><b>Trainings at the employer's request - for unemployed persons</b> - acquisition of additional knowledge and skills required to work in a specific job, at the request of an employer belonging to the private sector, and enterprises for the professional rehabilitation and employment of persons with disabilities operating with a majority state capital, if the NES records have no persons with the required knowledge and skills for working in the specific job, and/or the existing knowledge and skills do not correspond to the needs of the specific job. The employer has the obligation of establishing labour relations for a duration of at least 6 months after the expiry of financing with at least 50% of the persons that successfully complete the training.</p> <p><b>A total of 530 unemployed persons are planned to be covered in 2020, with 30 of them persons with disabilities.</b></p>
3.7.	<p><b>Training for the needs of the employer for an employee</b> - an employer in the private sector may submit a request to NES for participation in the financing of the costs of training an employee lacking additional knowledge and skills to for performing their work and job duties with the aim of maintaining employment with that employer. The costs of participation in the financing of training for the employee may be borne by NES in accordance with available funds and regulations for awarding state aid.</p>
3.8.	<p><b>Functional elementary education for adults</b> - acquiring primary education in accordance with the law, with the option of gaining competences for performing simple jobs. The programme is intended for unemployed persons without primary education. The NES finances the costs of transport for programme attendees or school educational institutions.</p> <p><b>A total of 1,500 unemployed persons are planned to be covered in 2020.</b></p>

## **4. Employment subsidies**

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

Subsidies for employing unemployed persons from the category of hard-to-employ persons in newly opened jobs involves a one-off financial incentive for employers in the private sector for opening new jobs that will employ unemployed persons from the category of hard-to-employ persons, namely:

1. Youth up to 30 years of age - without qualifications/with low qualifications, youth in institutional care, foster families and guardian families;
2. Persons older than 50 years of age;
3. Redundant workers;
4. Roma;
5. Persons with disabilities;
6. Work-capable beneficiaries of financial social assistance;
7. Long-term unemployed;
8. Victims of domestic violence.

The amount of subsidies for employing unemployed persons from the category of hard-to-employ persons in 2020, in accordance with the development level of local self-government units established in accordance with a special Government regulation, is:

1) For the first group (above the national average) and second group (ranging from 80% to 100% of the national average) - RSD 200,000.00 per beneficiary;

2) For the third group (ranging from 60% to 80% of the national average), - RSD 225,000.00 per beneficiary;

3) For the fourth group (level of development under 60% of the national average) and devastated areas (level of development under 50% of the national average) - RSD 250,000.00 per beneficiary.

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

1. Persons with disabilities;
2. Work-capable 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. For the first group (above the national average) and second group (ranging from 80% to 100% of the national average) - RSD 240,000.00 per beneficiary;
2. For the third group (ranging from 60% to 80% of the national average), - RSD 270,000.00 per beneficiary;
3. For the fourth group (level of development under 60% of the national average) and devastated areas (level of development under 50% of the national average) - RSD 300,000.00 per beneficiary.

Programme implementation is monitored for 12 months.

**A total of 2,730 unemployed persons are planned to be employed in 2020, with 230 of them persons with disabilities.**

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

Self-employment support covers professional assistance and funds in the form of self-employment subsidies.

The professional assistance available to an unemployed person becoming self-employed consists of information and counselling services, training for entrepreneurship development, and support during the first year of business implemented through a mentoring programme and specialist trainings at the NES, regional development agencies, etc.

Self-employment funds are to be approved in 2020 to unemployed persons in the form of a subsidy as a one-off amount of RSD 250,000.00 per beneficiary to establish a shop, cooperative or other form of entrepreneurship, or for establishing a company if the founder will be employed therein.

Priority in approving self-employment subsidies is given to:

1. Youth up to 30 years of age,
2. Redundant workers,
3. Roma,
4. Persons with disabilities,
5. Women.

In case of the self-employment of persons with disabilities a one-off subsidy is approved to the amount of RSD 270,000.00 per beneficiary to establish a shop, cooperative or other form of entrepreneurship, or for establishing a company if the founder will be employed therein.

Programme implementation is monitored for 12 months.

**A total of 3,100 unemployed persons are planned to be employed in 2020, with 100 of them persons with disabilities.**

A beneficiary of reimbursements in case of unemployment may be paid a one-off financial reimbursement for self-employment without contributions for mandatory social insurance.

**A total of 100 beneficiaries of financial reimbursement in case of unemployment are planned in 2020.**

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

An employer hiring a person with disabilities without work experience based on an open-ended contract has the right to subsidies on the earnings for that person for a duration of 12 months as of the date of establishing labour relations. Earnings subsidies are approved based on a request submitted by the employer, to an amount up to 75% of the total costs of earnings with the relevant contributions for mandatory social insurance, but no more than the amount of minimum wages determined in accordance with labour regulations.

**A total of 360 persons with disabilities are planned to be covered in 2020.**

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

An unemployed person who is a beneficiary of financial reimbursements in case of unemployment for at least three months as of the moment of approving the right and becomes employed with an open-ended contract is to be paid a one-off sum of 30% of the total amount of financial reimbursement (without contributions for mandatory social insurance) that would be paid for the remaining time up to the expiry of the right to financial reimbursement.

**A total of 15 beneficiaries of financial reimbursement in case of unemployment are planned to be employed in 2020.**

## **6. Public works**

Public works are organized with the aim of employing primarily hard-to-employ unemployed persons and unemployed persons in a state of social need, to preserve and improve the working capacities of the unemployed, and to achieve a certain social goal.



Public works are organized within the territory of local self-government units that, according to the level of development established in accordance with a specific Government regulation, belong to the following:

- 1) Third group (ranging from 60% to 80% of the national average), and
- 2) Fourth group (level of development under 60% of the national average) and devastated areas (level of development under 50% of the national average).

At least 70% of unemployed persons within the total number of unemployed persons covered by the public works programme, except for persons with disabilities whose number is determined separately, should belong to the following categories that have been on the unemployed record for at least 6 months:

1. Work-capable beneficiaries of financial social assistance;
2. Roma;
3. Persons with no qualifications/with low qualifications;
4. Persons seeking a job for more than 18 months and not belonging to the categories from items 1, 2 or 3.

The established percentage of the share of the above categories of unemployed persons relates to public works, implemented independently through regular public competitions by NES.

Public works engage at least 5 (three) unemployed persons from the above categories of unemployed persons.

An employer implementing public works concludes a labour agreement with the unemployed person in accordance with labour regulations and the public competition. Funds intended for organizing public works are used for the following:

1) Payment of reimbursements for work completed by persons hired for public works (based on an agreement on temporary and occasional work to the amount of up to RSD 22,000.00 monthly for a full fund of working hours, i.e. in proportion to the time of work at the monthly level, increased by the relevant taxes and contributions for mandatory social insurance, and covering the costs of travel to and from work);

2) Reimbursement of the costs of implementing the public works for the employer (a maximum of RSD 2,000 per person, one-off, depending on the duration of the public work);

3) Reimbursement for the costs of training (one-off amount of RSD 1,000.00 per engaged person completing training) that may be organized, based on the type and complexity of work in accordance with the internal programme of the employer - public works contractor or programme of an educational

institution. Upon completing training the person is issued a certificate on the acquired competences.

Public works will be organized in 2020 in the field of social welfare and humanitarian work, maintenance and renewal of public infrastructure and maintenance and protection of the environment and nature.

Public works for persons with disabilities may be organized in all local self-government units, regardless of the level of development, in the field of social welfare and humanitarian work, maintenance and renewal of public infrastructure, preservation and protection of the environment and nature, and culture.

Public works shall engage at least 3 (three) unemployed persons with disabilities, regardless of the duration of their status of unemployment in the NES records.

The right of participation in the procedure for organizing public works shall be held by bodies of the autonomous province and bodies of local self-government units, public institutions and public enterprises, companies, entrepreneurs, cooperatives and associations.

**A total of 4,000 unemployed persons are planned to be covered in 2020, with 1,000 of them persons with disabilities.**

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

*Support for persons with disabilities being employed under special conditions with:*

- **Adaptation of the workplace** (through technical and technological equipment for the workplace, work tools, premises and equipment in accordance with the capabilities and needs of the employed person with disabilities) through a refund of temporary expenses of adapting the workplace for the employer to a maximum amount of RSD 400,000.00 of actual costs of adapting the workplace per person with disabilities.

**A total of 20 workplaces are planned to be adapted for persons with disabilities in 2020.**

- **Providing professional support to a newly employed person with disabilities** (work assistance during the introduction to work or in the workplace) through a refund to the employer of the costs of earnings for a person engaged in providing professional support to a maximum amount of RSD 50,000.00 per month for a full fund of working hours, i.e. in proportion to the number of working hours of provided professional support to the person with disabilities at the monthly level, increased by the relevant taxes and contributions for mandatory social insurance, for a maximum duration of 12 months.

**Professional support is planned for 20 persons with disabilities in 2020.**

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

Active labour market policy financing is provided from contributions for mandatory unemployment insurance, the budget of the Republic of Serbia, the budget of the autonomous province and budget of local self-government unit, donation funds, loans, and other sources.

A total of RSD 3,700,000,000.00 has been secured for the implementation of the planned active labour market policy programmes and measures from contributions for mandatory unemployment insurance under the NES Financial Plan for 2020, while RSD 550,000,000.00 has been secured for the implementation of measures for the professional rehabilitation and promotion of the employment of persons with disabilities from the Budget Fund for the Professional Rehabilitation and Promotion of Employment of Persons with Disabilities.

An amount of RSD 150,000,000.00 has been secured under the section for the Ministry of Labour, Employment, Veteran and Social Affairs (grants to international organizations) under Support for Re-qualification.

Furthermore, an amount of RSD 23,600,000.00 was secured from a direct NES grant (directly awarded funds) from the IPA 2013 programme cycle for the implementation of active labour market policy measures under the NES Financial Plan for 2020.

Funds to the amount of RSD 900,000,000.00 were planned in the NES Financial Plan for 2020 for the implementation of active labour market policy measures envisaged by local employment action plans provided from the budget of the autonomous province or local self-government unit.

The column Source of Funding in Chapter IX Goal, objectives, measures and activities for achieving them shows the donors directly financing the trainings, seminars and other activities through their funds.

## **VIII PRINCIPAL BODIES FOR THE IMPLEMENTATION OF THE NEAP**

Active labour market policy measures and activities planned under the NEAP are being implemented by the ministry competent for employment affairs, NES and other bodies, institutions and social partners.

The efficiency and effectiveness of active labour market policy measures established by the NEAP and implemented by NES are being monitored based on the Performance Agreement of the National Employment Service concluded in accordance with the Law on Employment and Unemployment Insurance between the ministry competent for employment affairs and NES. This agreement further regulates the duties, obligations, goals and results for 2020, deadlines for the implementation of individual programmes and measures, responsibilities, reporting, etc.

A key role in the process of implementation and reporting is held by NES, while the central role in the monitoring, coordination, management over the implementation of the NEAP and reporting is held by the ministry competent for employment affairs. Depending on the type and level of activity implementation, the ministry competent for employment affairs directly monitors the activities implemented at the national level that it has competence over.

## IX GOAL, OBJECTIVES, MEASURES AND ACTIVITIES FOR ACHIEVING THEM

PP document:	<b>National Employment Action Plan for 2020</b>
Action plan:	/
Coordination and reporting	Ministry of Labour, Employment, Veteran and Social Affairs
Umbrella PP document:	National Employment Strategy for 2011-2020

<b>Goal: INCREASING EMPLOYMENT</b>						
Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs						
Indicators at the level of the goal (effect indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020 <sup>28</sup>	Year of AP validity
Employment rate by category: - Age group 15 + - Age group 15-64	Rate (%)	LFS, SORS	47.6% 58.8%	2018	48.8% 61.1%	2020
Share of funds for ALMP measures in the GDP	Rate (%)	MoF data	0.08%	2018	0.5% <sup>29</sup>	2020

<sup>28</sup> Projections of the labour market by 2020, Assessment of the success of the National Employment Strategy 2011-2020 during the first five years of its implementation (2011-2015)

<sup>29</sup> National Employment Strategy 2011-2020

<b>Objective 1. REDUCE DUALITIES IN THE LABOUR MARKET THROUGH IMPROVEMENTS OF THE CONDITIONS AND IMPROVEMENT OF LABOUR MARKET INSTITUTIONS</b>					
Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs					
Indicators at the level of objective (outcome indicators)	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Informal employment rate	Rate (%)	LFS, SORS	19.5%	2018	17.5% <sup>30</sup>
Unemployment rate by category: - Age group 15 + - Age group 15-64	Rate (%)	LFS, SORS	12.7% 13.3%	2018	10.2% <sup>31</sup> 10.7%
<b>Measure 1.1. Improve the normative and analytical framework for labour market needs</b>					
Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs					
Implementation period: 2020			Type of measure: regulatory		
Indicators at the level of measure (result indicators)	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Improvement of the normative framework	Number of adopted regulations	Official Gazette of RS	4	2018	2
Planning based on the findings of analyses and studies	Number of drafted studies/analyses	Report on the implementation of the NEAP Project reports	4	2018	7

<sup>30</sup> National Programme for Combating the Grey Economy with the Action Plan for implementing the National Programme for Combating the Grey Economy for 2019-2020

<sup>31</sup> Projections of the labour market by 2020. Assessment of the success of the National Employment Strategy 2011-2020 during the first five years of its implementation (2011-2015)

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0802	No additional funds needed (implemented by staff as part of their regular activities)
SDC, UNDP, GIZ donation	/	Negotiations with the donor are under way, the exact amount is not allocated at this time

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
1.1.1. Adoption of regulation: Law on Social Entrepreneurship Amendments to the Law on Employment and Unemployment Insurance	MoLEVSA	Institutions within the reference working groups	Q4 2020	Adopted regulations	Budget of RS	Programme 0802



<p>1.1.2. Drafting of studies and analyses:</p> <p>Traineeship model - normative solutions</p> <p>Feasibility study for introducing the Youth Guarantee</p> <p>Ex-post assessment of the National Employment Strategy for 2011-2020, and ex-ante assessment of the Employment Strategy for 2021-2026</p> <p>Ex-ante assessment with the aim of drafting the Strategy on Economic Migrations for 2021-2027</p> <p>Impact assessment of the Law on the Professional Rehabilitation and Employment of Persons with Disabilities (ex-post and ex-ante assessment)</p> <p>Assessment of the implementation of traineeship programmes in the public and private sector</p> <p>Assessment of the difficulties faced by categories of hard-to-employ persons in accessing the labour market and active labour market policy measures</p>	<p>MoLEVSA</p>	<p>NES MoESTD MoYS BOS</p>	<p>Q4 2020</p>	<p>MoLEVSA report/ Project report (drafted study)</p>	<p>Donor funds</p>	<p>/</p>
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1.1.3. Adoption of the Employment Strategy for 2021-2026 with the National Employment Action Plan for 2021-2023, for the implementation of the strategy	MoLEVSA	WG for drafting the Strategy	Q4 2020	Adopted public policy documents	Budget of RS Donor funds	Programme 0802 /
1.1.4. Adoption of the Strategy on Economic Migrations for 2021-2027, with an action plan	Government of RS MoLEVSA	Institutions within the Coordination Body	Q1 2020	Adopted public policy documents	Budget of RS Donor funds	Programme 0802 /
1.1.5. Implementation of activities from the National Plan for Combating the Grey Economy with the relevant Action Plan for 2019-2020	Coordination body MoF	Institutions within the Coordination Body	Q4 2020	MoF and Coordination Body reports	Budget of RS Donor funds	Programme 0802 /

<b>Measure 1.2. Raising the capacities of labour market stakeholders</b>					
Body responsible for the implementation (coordination of the implementation) of the measure: Ministry of Labour, Employment, Veteran and Social Affairs					
Implementation period: 2020			Type of measure: informational-educational		
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of trained NES staff providing services to clients	Number	Report on the work of NES	624	2018	576

Number of trained employment counsellors and officers for the methodology of career planning and career information	Number	Report on the work of NES	/	2018	300
Number of civil servants trained in the field of labour and employment	Number	Report on the implementation of the NEAP	10	2018	20
Number of trained representatives of enterprises for professional rehabilitation and employment of persons with disabilities	Number	Извештај о реализацији НАПЗ Извештај пројекта	0	2018	50
Number of representatives of employment agencies trained to provide career guidance and counselling services in accordance with adopted standards	Number	Report on the implementation of the NEAP	0	2018	30

Source of funding for the measure:	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
NES financial plan	/	The exact amount is not allocated at this time
UNDP, GIZ, SDC donation	/	Negotiations with the donor are under way, the exact amount is not allocated at this time

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
1.2.1. Implementation of training sessions for NES staff providing services to clients	NES	/	Q4 2020	Training participant registration sheet	NES Financial Plan Donor funds	/
1.2.2. Implementation of training for employment counsellors and officers for the methodology of career planning and career information for providing career guidance and counselling services in accordance with adopted standards	NES	BOS	Q4 2020	Training participant registration sheet	NES Financial Plan Donor funds	/

1.2.3. Implementation of training sessions for civil servants in the field of labour and employment	MoLEVSA	/	Q4 2020	Training participant registration sheet	Donor funds	/
1.2.4. Implementation of training sessions for representatives of enterprises for professional rehabilitation and employment of persons with disabilities	MoLEVSA	UIPS	Q4 2020	Training participant registration sheet	Donor funds	/
1.2.5. Implementation of training sessions for representatives of employment agencies to provide career guidance and counselling services in accordance with adopted standards	MoLEVSA	NES	Q1 2020	Training participant registration sheet	Donor funds	/

**Objective 2. PROMOTE EMPLOYMENT AND THE INCLUSION OF HARD-TO-EMPLOY PERSONS IN THE LABOUR MARKET THROUGH THE IMPLEMENTATION OF ACTIVE LABOUR MARKET POLICY MEASURES**

Institution responsible for implementation monitoring and control: National Employment Service

Indicators at the level of objective (outcome indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Share of employed person from NES records in total employment	Percentage (%)	Report on the implementation of the NES Performance Agreement CRMSI	33.62%	2018	35%
Share of unemployed persons covered by ALMP measures compared to the average number of persons in the NES records	Percentage (%)	Report on the implementation of the NES Performance Agreement	26.55%	2018	25%

<b>Measure 2.1. Mediation in employing job-seekers and professional guidance and counselling on career planning</b>					
Body responsible for the implementation (coordination of the implementation) of the measure: National Employment Service					
Implementation period: 2020				Type of measure: informational-educational	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Activity rate by category: - Age group 15 + - Age group 15-64	Rate (%)	LFS, SORS	54.5% 67.9%	2018	54.3% <sup>32</sup> 68.4%
Implementation of job mediation based on the employer's request - reports on employment needs to the NES branch office	Number of required workers	Report on the work of NES	88,752	2018	89,000
Efficiency of job mediation - satisfaction of expressed employer needs	Percentage (%)	Report on the work of NES	44.58%	2018	50%

Source of funding for the measure:	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
NES financial plan	/	1,500

<sup>32</sup> Projections of the labour market by 2020, Assessment of the success of the National Employment Strategy 2011-2020 during the first five years of its implementation (2011-2015)

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
2.1.1. Information on career development options - in centres for information and professional counselling and on the NES website	NES	/	Q4 2020	Number of informed persons 63,000	NES financial plan	/
2.1.2. Employment counselling - advisory interviews with jobseekers	NES	/	Q4 2020	Number of individual advisory interviews 880,000	NES financial plan	/
2.1.3. Establishing individual employment plans with jobseekers, including reviews	NES	/	Q4 2020	Number of established individual employment plans 750,000	NES financial plan	/
2.1.4. Counselling on career development opportunities	NES	/	Q4 2020	Number of persons using the service once or several times 10,000	NES financial plan	/
2.1.5. Organization and implementation of employment fairs	NES	TA SCC LSU	Q4 2020	Number of organized employment fairs 60	NES financial plan	/



2.1.6. Acquisition of knowledge and skills for active job-seeking by organizing training for active job-seeking, self-efficacy training, job-seeking clubs, workshops for overcoming stress due to job loss and workshops for psychological support to career planning	NES	/	Q4 2020	Number of jobseekers covered by active job-seeking measures 40,000	NES financial plan	/
2.1.7. Information on NES services and measures for persons not on the unemployment records by organizing employment caravans	NES	/	Q4 2020	Number of informed persons 2,000	NES financial plan	/
2.1.8. Informing employers about NES services and measures	NES	TA SCC etc.	Q4 2020	Number of informed employers 15,000	NES financial plan	/

<b>Measure 2.2. Employment support through subsidized employment and self-employment</b>					
Institution responsible for implementation monitoring and control: National Employment Service					
Implementation period: 2020				Type of measure: incentive	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
The coverage of unemployed persons with measures of subsidized employment and self-employment (self-employment subsidies, subsidies for the employment of unemployed persons from the categories of hard-to-employ)	Number of persons	Report on the implementation of the NEAP	7,945	2018	5,830
The effect of the measure on employment and self-employment (6 months/on day 180 after completing the contractual obligation)	Percentage (%)	Report on the work of NES	60%	2017	70%

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	30.5 – Budget Fund for Professional Rehabilitation and Promotion of Employment of PwD Programme 0803 Programme activity 0005	84,500
NES financial plan		1,154,250
IPA 2013 donation	/	23,600

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
2.2.1. Informing jobseekers about opportunities to start their own business	NES	DAS	Q4 2020	Number of service beneficiaries 18,000	/	/
2.2.2. Implementation of subsidies for employing unemployed persons from the category of hard-to-employ persons	NES	LSU	Q4 2020	Number of unemployed persons from the category of hard-to-employ persons covered by the measure 2,730	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
2.2.3. Professional assistance for unemployed persons becoming self-employed - training for entrepreneurship development	NES	DAS	Q4 2020	Number of unemployed persons covered by the training 10,310	/	/
2.2.4. Approving self-employment subsidies	NES	LSU	Q4 2020	Number of unemployed beneficiaries of self-employment subsidies 3,100	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
2.2.5. Professional assistance to newly founded companies, beneficiaries of self-employment subsidies, through mentoring and specialist training	NES	DAS	Q4 2020	Number of newly established companies provided with the service 1,000	/	/

2.2.6. One-off payment of financial reimbursement in case of unemployment to beneficiaries for self-employment	NES	/	Q4 2020	Number of beneficiaries 100	NES financial plan	/
2.2.7. Incentive for the employment of beneficiaries of financial reimbursements in case of unemployment	NES	/	Q4 2020	Number of beneficiaries 15	NES financial plan	/

<b>Measure 2.3. Support for social inclusion</b>					
Body responsible for the implementation (coordination of the implementation) of the measure: National Employment Service					
Implementation period: 2020				Type of measure: incentive	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Share of FSA beneficiaries employed from the NES records in the average number of unemployed FSA beneficiaries	Percentage (%)	NES report	16.55%	2018	18%
Share of Roma employed from the NES records in the average number of unemployed Roma	Percentage (%)	NES report	20.25%	2018	22%
Share of FSA beneficiaries covered by ALMP measures in the total number of persons in ALMP measures	Percentage (%)	Report on the implementation of the NEAP	8%	2018	10%
Share of Roma covered by ALMP measures in the total number of persons in ALMP measures	Percentage (%)	Report on the implementation of the NEAP	4%	2018	5%

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	30.5 – Budget Fund for Professional Rehabilitation and Promotion of Employment of PwD Programme 0803 Programme activity 0005	150,000
NES financial plan	/	380,000

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
2.3.1. Inclusion of FSA beneficiaries in ALMP measures	NES	LSU	Q4 2020	Number of persons covered 12,300	NES financial plan	/
2.3.2. Inclusion of FSA beneficiaries referred from CSW based on the Regulation on social inclusion measures covered by ALMP measures	NES	LSU	Q4 2020	Number of persons covered 700	NES financial plan	/
2.3.3. Inclusion of Roma in ALMP measures	NES	LSU	Q4 2020	Number of persons covered 6,100	NES financial plan	/
2.3.4. Inclusion of unemployed persons in public works to preserve and improve their working capabilities	NES	LSU	Q4 2020	Number of persons covered 4,000	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005

<b>Measure 2.4. Support for the employment of persons with disabilities</b>					
Body responsible for the implementation (coordination of the implementation) of the measure: National Employment Service					
Implementation period: 2020				Type of measure: incentive	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of persons with disabilities employed from the NES records	No.	NES report	6,573	2018	7,000
Effect of ALMP measures on employment ( <i>further education and training, subsidized employment and self-employment and support measures</i> ) (6 months/on day 180 after exiting the measure/completing the contractual obligation)	Percentage (%)	NES report	47.2%	2017	50%

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	30.5 – Budget Fund for Professional Rehabilitation and Promotion of Employment of PwD Programme 0803 Programme activity 0005	253,000
NES financial plan	/	27,000

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
2.4.1. Implementation of the procedure for disability assessment	NES	RF PDI	Q4 2020	Number of adopted decision on disability assessments 5,500	NES financial plan	/
2.4.2. Earnings subsidy for PwD without work experience	NES	/	Q4 2020	Number of PwD without work experience covered by the measure 360	Budget fund	Programme 0803 Programme activity 0005
2.4.3. Support for PwD being employed under special conditions - workplace adaptation	NES	/	Q4 2020	Number of PwD employed under special conditions with support measures 20	Budget fund	Programme 0803 Programme activity 0005
2.4.5. Support for PwD being employed under special conditions - providing professional support to the newly employed PwD	NES	/	Q4 2020	Number of PwD employed under special conditions with support measures 20	Budget fund	Programme 0803 Programme activity 0005

2.4.6. Inclusion of PwD in other ALMP measures	NES	/	Q4 2020	Number of included PwD 7,000	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
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### Objective 3. SUPPORT REGIONAL AND LOCAL EMPLOYMENT POLICIES

Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs

Indicator at the level of objective (outcome indicator):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of LSUs implementing employment action plans	No.	Report on the implementation of the NEAP	121	2018	125

### Measure 3.1. Development and improvement of the capacities of local self-governments to develop local employment policies

Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs

Implementation period: 2020

Type of measure: informational-educational

Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of LSUs taking part in regional meetings	No.	Report on the implementation of the NEAP	85	2019	95
Number of LSUs/members of local employment councils covered by trainings	No.	Report on the implementation of the NEAP Project report	0	2019	50



Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0802	No additional funds needed (implemented by staff as part of their regular activities)
SDC, UNDP, GIZ donation	/	Negotiations with the donor are under way, the exact amount is not allocated at this time

Name of activity:	Name of activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
3.1.1. Organization and implementation of regional meetings	MoLEVSA	NES LSU SCTM SDC UNDP	Q1 2020 Q4 2020	Number of organized meetings 4 (2+2)	Donor funds	/
3.1.2. Organization of meetings with LSUs that have not drafted local employment action plans	MoLEVSA	SCTM	Q3 2020.	Number of organized meetings 2	Donor funds	/
3.1.3. Implementation of training for members of local employment councils	MoLEVSA	SCTM	Q4 2020	Number of training sessions 2	Donor funds	/

<b>Measure 3.2. Support for the drafting and implementation of local employment action plans</b>					
Body responsible for the implementation (coordination of the implementation) of the measure: Ministry of Labour, Employment, Veteran and Social Affairs					
Implementation period: 2020				Type of measure: incentive	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of adopted LEAPs	Number of LEAPs	Report on the implementation of the NEAP	121	2018	130
Number of persons covered by ALMP measures through the implementation of LEAPs	No.	Report on the implementation of the NEAP	7,943	2018	8,000
Удео финансијских средстава из буџета ЈЛС у укупној вредности ЛАПЗ	Percentage (%)	Report on the work of NES	67%	2018	до 70%

Source of funding for the measure:	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
NES financial plan	/	900,000 <sup>33</sup>

<sup>33</sup> Current transfer from other levels of authority towards NES - local self-governments

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
3.2.1. Conclusion of an agreement between the NES and LSU about the implementation of EAP measures envisaged by the LEAP	NES LSU	/	Q2 2020	Number of concluded agreements 161	/	/
3.2.2. LEAP implementation with co-financing	NES	MoLEVSA LSU	Q4 2020	Number of implemented LEAPs 110	NES financial plan	/
3.2.3. LEAP implementation with technical support	NES	LSU	Q4 2020	Number of implemented LEAPs 51	NES financial plan	/

<b>Objective 4. IMPROVE THE QUALITY OF THE LABOUR FORCE AND INVESTMENT INTO HUMAN CAPITAL</b>						
Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs						
Indicators at the level of objective (outcome indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020	
Share of unemployed persons in further education and training programmes compared to the share in other EAP financial measures	Percentage (%)	NES report	43%	2018	47%	
Developed qualifications standards and sectoral profiles	No.	NQFS Register NQFS website	95 qualification standards, 7 sectoral profiles	2019	155 qualification standards 10 sectoral profiles	

Measure 4.1. Promotion and further development of career guidance and counselling					
Institution responsible for implementation monitoring and control: Ministry of Education, Science and Technological Development					
Implementation period: 2020				Type of measure: regulatory	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of accredited providers for career guidance and counselling services in accordance with adopted standards	No.	PROA Register	0	2018	3

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000
		2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0001	No additional funds needed (implemented by staff as part of their regular activities)
Donation	/	Negotiations with the donor are under way, the exact amount is not allocated at this time

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
4.1.1. Implementation of the Plan for the application of the Rulebook on standards of career guidance and counselling standards	MoESTD MoLEVSA MoYS NES Qualifications Agency BOS	Youth offices Educational institutions Employment agencies	Q4 2020	Drafted Report on the implementation of the Plan for the application of the Rulebook	Budget of RS Donor funds	Programme 0001 /

4.1.2. Organization of professional orientation fairs, workshops, debates and lectures for youth regarding career guidance and counselling and career management skills	NES Schools CSO	MoESTD MoYS CGC teams in educational institutions	Q4 2020	Number of organized fairs, workshops, debates, lectures 50	Budget of RS Donor funds	Programme 0001 /
4.1.3. Organization of teacher training for applying career guidance and counselling standards	Educational institutions PROA	MoESTD BOS IIE Qualifications Agency	Q4 2020	Training participant registration sheet 50	Budget of RS Donor funds	Programme 0001 /
4.1.4. Training of persons for creating career guidance and counselling programmes in accordance with adopted standards	PROA Educational institutions	MoESTD BOS IIE Qualifications Agency	Q4 2020	Training participant registration sheet 20	Budget of RS Donor funds	Programme 0001 /
Organization of media campaigns for promoting career guidance and counselling	MoYS	Civil society organizations	Q4 2020	Number of implemented campaigns	Donor funds	/

#### Measure 4.2. Implementation of further education and training programmes

Measure 4.2. Implementation of further education and training programmes

Implementation period: 2020

Type of measure: informational-educational and incentive

Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of persons covered by further education and training programmes	Number of persons	NES report	11,154	2017	9,200
Effect of further education and training programme on employment (6 months/on day 180 after exiting the measure/completing the contractual obligation)	Percentage (%)	NES report	30.1%	2017	35%

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	30.5 – Budget Fund for Professional Rehabilitation and Promotion of Employment of PwD Programme 0803 Programme activity 0005	62,500
	Programme 0803 Programme activity 0007	150,000
NES financial plan		2,184,750

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
4.2.1. Implementation of training for the needs of the labour market	NES	Training providers	Q4 2020	Number of training attendees 1,200	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
4.2.2. Implementation of specialist computer training	UNDP	MoLEVSA NES	2020	Number of training attendees 1,000	Budget of RS	Programme 0803 Programme activity 0007
4.2.3. Implementation of training at the employer's request for the unemployed	NES	/	Q4 2020	Number of training attendees 530	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005

4.2.4. Implementation of training at the employer's request for the employed	NES	/	Q4 2020	According to employer requirements	NES financial plan	/
4.2.5. Implementation of traineeship programme	NES	/	Q4 2020	Number of persons covered 4,030	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
4.2.6. Implementation of internship programme for unemployed persons with a secondary level of qualifications	NES	/	Q4 2020	Number of persons covered 590	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
4.2.7. Implementation of internship programme for unemployed persons with a secondary level of qualifications	NES	/	Q4 2020	Number of persons covered 530	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
4.2.8. Support for acquiring practical knowledge (non-qualified persons, redundant workers and long-term unemployed persons)	NES	/	Q4 2020	Number of persons covered 820	NES financial plan Budget fund	/ Programme 0803 Programme activity 0005
4.2.9. Functional elementary education for adults	NES	Educational institutions	Q4 2020	Number of persons covered 1,500	NES financial plan	/
4.2.10. Piloting the procedure for recognizing prior learning	MoLEVSA MoESTD Qualifications Agency NES	Educational institutions	Q4 2020	20	Средства донатора	/

Measure 4.3. Further development of the National Qualifications Framework					
Institution responsible for implementation monitoring and control: Ministry of Education, Science and Technological Development					
Implementation period: 2020				Type of measure: regulatory	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Adopted by-laws	No.	Official Gazette of RS	1	2019	8
Developed software for the NQFS Register	Software	MoESTD report	Existence of a database of qualifications	2019	Establishment of the NQFS Register
National Qualifications Framework of RS connected to the European Qualifications Framework	NQFS connected to the EQF	Website of the EC Advisory Group and NQFS website	/	2019	NQFS connected to the EQF

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0001	No additional funds needed (implemented by staff as part of their regular activities)
	Programme 2001 Programme activity 4010	3,000
IPA 2014 donation (MoESTD) <sup>34</sup>		/

<sup>34</sup> Project "Development of an integrated national qualifications system in the Republic of Serbia" (2019-2021) - the total allocated funds for implementing all project activities are EUR 1,379,150



Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
4.3.1. Establishing a legislative framework for NQFS implementation	MoESTD	Qualifications Agency	Q4 2020	Adopted by-laws in accordance with the Law on the NQFS	Donor funds	/
4.3.2. Establishing an institutional framework for NQFS implementation	MoESTD	NQFS Council Qualifications Agency Sectoral councils	Q4 2020	The established institutions and bodies are fully operational and functional	Donor funds	/
4.3.3. Development of qualifications standards and sectoral profiles	MoESTD Qualifications Agency	NQFS Council Sectoral councils	Q4 2020	60 qualification standards and 10 sectoral profiles developed	Donor funds	/
4.3.4. Establishment of the NQFS Register	MoESTD	Qualifications Agency	Q4 2020	Software developed for the NQFS Register	Budget of RS	Programme 2001 Programme activity 4010
4.3.5. Connecting the NQFS to the EQF	MoESTD	Qualifications Agency	Q4 2020	NQFS connected to the EQF	Budget of RS	Programme 2001 Programme activity 4010

<b>Measure 4.4. Continuation of vocational education reform</b>					
Institution responsible for implementation monitoring and control: Ministry of Education, Science and Technological Development					
Implementation period: 2020				Type of measure: regulatory	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Number of developed programmes of teaching and learning in accordance with qualification standards and the needs of the labour market	No.	Official Gazette of RS, Educational Gazette	10	2019/20 school year	7
Number of institutions implementing the newly developed teaching and learning programmes	No.	Call for enrolment of students in secondary schools	140	2019/20 school year	40
Number of developed training programmes in accordance with qualification standards and the needs of the labour market	No.	Programme Register at the Qualifications Agency	200	2019.	30

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0001	No additional funds needed (implemented by staff as part of their regular activities)

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
4.4.1 Development and implementation of the procedure for the adoption of the education and training programmes	IIE MoESTD	CVAE Qualifications Agency	Q4 2020	Number of adopted programmes 7	/	/
4.4.2. Holding meetings with social partners for planning and developing enrolment policy and applying new curricula for teaching and learning	MoESTD	SCC NES Association of Employers Educational institutions	Q4 2020	Number of meetings held 17	/	/
4.4.3. Implementation of the PROA accreditation procedure for training programmes	MoESTD Qualifications Agency	CVAE PROA Schools	Q4 2020	Number of PROA 10	/	/

Measure 4.5. Further development of the National Standard Classification of Occupations (NSCO)					
Institution responsible for implementation monitoring and control: Ministry of Labour, Employment, Veteran and Social Affairs					
Implementation period: 2020				Type of measure: regulatory	
Indicators at the level of measure (result indicators):	Unit of measure	Source of verification	Baseline value	Baseline year	Target value for 2020
Established institutional and methodological framework for the NSCO	Number of adopted regulations/acts	Official Gazette of RS	1	2018	2

Source of financing for the measure	Link to the programme budget	Total estimated funds in RSD 000 2020
		Total from all sources and programme activities or projects
Budget of the Republic of Serbia	Programme 0802	No additional funds needed (implemented by staff as part of their regular activities)
SDC donation	/	Negotiations with the donor are under way, the exact amount is not allocated at this time

Name of activity:	Body implementing the activity:	Partner bodies in implementing the activity	Deadline for completing the activity	Performance indicators and target value	Source of funding	Link to the programme budget
4.5.1. Analysis of new occupations in the labour market and identifying the same in the Codebook of Occupations through amendments to the Decision on the Unified Codebook for registering and coding data in labour records	MoLEVSA	MoESTD SORS Employers SCC	Q4 2020	Adopted Decision on amendments	/	/
4.5.2. Forming the Working group for the development of the NSCO	MoLEVSA	Recognized institutions	Q4 2020	Working group formed Decision on forming the WG	/	/
4.5.3. Drafting the methodology for developing occupation standards and defining the institutional framework and competences for establishing, maintaining and improving the NSCO	MoLEVSA	Recognized institutions within the Working group for the development of NSCO	Q3 2020	Methodology adopted Amended Law on Employment and Unemployment Insurance (Official Gazette of RS)	Donor funds	/
4.5.4. Drafting the list of the most frequent occupations in RS based on CRMSI data	MoLEVSA	CRMSI	Q4 2020	Drafted list of selected occupations	Donor funds	/

## ABBREVIATIONS

<b>ALMP</b>	Active labour market policy
<b>BOS</b>	Belgrade Open School
<b>CRMSI</b>	Central Register of Mandatory Social Insurance
<b>CVAE</b>	Council for Vocational and Adult Education
<b>DAS</b>	Development Agency of Serbia
<b>EC</b>	European Commission
<b>EU</b>	European Union
<b>FEEA</b>	Functional elementary education for adults
<b>FSA</b>	Financial social assistance
<b>GDP</b>	Gross domestic product
<b>GIZ</b>	German organization for international cooperation
<b>IIE</b>	Institute for the Improvement of Education
<b>ILO</b>	International Labour Organization
<b>IPA</b>	Instrument for pre-accession assistance
<b>LSU</b>	Local self-government unit
<b>LEAP</b>	Local employment action plan
<b>LFS</b>	Labour Force Survey
<b>MoESTD</b>	Ministry of Education, Science and Technological Development
<b>MoF</b>	Ministry of Finance
<b>MoLEVSA</b>	The Ministry of Labour, Employment, Veteran and Social Affairs
<b>MoYS</b>	Ministry of Youth and Sports
<b>NEAP</b>	National Employment Action Plan
<b>NEET</b>	Persons not in education, employment or training
<b>NES</b>	National Employment Service
<b>NQFS</b>	National Qualifications Framework of Serbia
<b>NSCO</b>	National Standard Classification of Occupations

<b>PROA</b>	Publicly recognized organizers of the activity of adult education
<b>PWD</b>	Person(s) with disabilities
<b>RS</b>	Republic of Serbia
<b>SAE</b>	Serbian Association of Employers
<b>SCC</b>	Serbian Chamber of Commerce and Industry
<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
<b>UIPS</b>	Association of Enterprises for the Professional Rehabilitation and Employment of PwD
<b>UNDP</b>	United Nations Development Programme

