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ANNEX VI

of the Commission Implementing Decision on the financing of the annual action plan in favour of the Republic of Serbia for 2022

Action Document for EU for Inclusive Growth through Improved Social Service Provision and Quality Systems for Labour and Education

ANNUAL ACTION PLAN

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and annual and multiannual action plans and measures in the sense of Article 9 of IPA III Regulation and Article 23 of NDICI - Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

Title	EU for Inclusive Growth through Improved Social Service Provision and Quality Systems for Labour and Education Annual Action Plan in favour of the Republic of Serbia for 2022			
OPSYS	ACT-60877			
Basic Act	Financed under the Instrument for Pre-accession Assistance (IPA III)			
Team Europe Initiative	No			
Zone benefiting from the action	The action shall be carried out in the Republic of Serbia			
Programming document	IPA III Programming Framework			
PRIORITY AREAS AND SECTOR INFORMATION				
Window and thematic priority	Window 4: Competitiveness and Inclusive Growth Thematic priority 1: Education, employment, social protection and inclusion policies, and health (100% of the envelope)			
Sustainable Development Goals (SDGs)	Main SDG: 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.			
DAC code(s)	Main DAC code – 25010			
Main Delivery Channel @	Central Government -12001			
Markers (from DAC form)	General policy objective @	Not targeted	Significant objective	Principal objective

	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Trade development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers @	Not targeted	Significant objective	Principal objective
	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Internal markers	Policy objectives	Not targeted	Significant objective	Principal objective
	Connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Migration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	COVID-19	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
BUDGET INFORMATION				
Amounts concerned	Budget line: 15.020201 JAD.998125 Total estimated cost: EUR 8 500 000 Total amount of EU budget contribution EUR 8 500 000 of which: EUR 2 000 000 for indirect management with IPA III beneficiary.			
MANAGEMENT AND IMPLEMENTATION				
Implementation modalities (type of financing and management mode)	Project Modality Direct management through Procurement Indirect management with entrusted entity for outputs 2.1. and 2.2. Indirect management with the Republic of Serbia.			
Relevant priorities and flagships from	Priority: Human Capital Development			

Economic and Investment Plan for the Western Balkans	
Final Date for conclusion of Financing Agreement	At the latest by 31 December 2023
Final date for concluding contribution / delegation agreements, procurement and grant contracts	3 years following the date of conclusion of the Financing Agreement, with the exception of cases listed under Article 114(2) of the Financial Regulation.
Indicative operational implementation period	72 months following the conclusion of the Financing Agreement
Final date for implementing the Financing Agreement	12 years following the conclusion of the Financing Agreement

1.2. Summary of the Action

The Action will enable further social cohesion and development through supporting essential systems underpinning well-being and economic growth for citizens in the Republic of Serbia. Support will bolster the social protection system primarily through assisting the de-institutionalisation process in developing the necessary legal and institutional framework at the national and local level to provide community-based care for people in need. The labour system will be enhanced through further alignment of legislation and practical capacities for enforcement with European Union standards across a number of important areas, while the education system will increase capacities to successfully implement a new Sector Budget Support programme through timely implementation of complementary measures. The stated support will primarily contribute to achieving objectives of Sustainable Development Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all through ensuring that both men and women in the Republic of Serbia are protected by community-based social protection institutions and services that ensure that no one is left behind, thus enabling inclusion into a modernised labour environment and provided with the necessary skills and knowledge to be employable in a more developed, digital and European economy.

2. RATIONALE

2.1. Context

This Action is founded in **IPA III Programming Framework**, Window 4, Thematic Priority 1: Education, employment, social protection and inclusion policies, and health. This action is in line with the overall objective of Thematic Priority 1 to strengthen social development, through education and employment/labour policies, taking into account gender equality, reduction of inequalities and enhancing of social cohesion. Window 4 contains key sector priorities for structural reforms, improvement of sectoral administrative and institutional capacities and through this action capacities of education and labour market institutions, will be strengthened to fulfil requirement of accession process and standards contained in the EU acquis.

This intervention is congruent with key objectives of the IPA III Programming Framework, other EU and international strategic documents and relevant national strategies. It comes at a vital time for Serbia's ongoing

recovery from the socio-economic impact of COVID-19 as systems of social protection, labour and education are to continue solving essential issues. Although measures introduced by the Government helped preserve jobs, reduce poverty and stimulate economic activity, further reforms are needed to ensure the stability and development of the associated systems. The at-risk of poverty rate or social exclusion (AROPE) was 21.7% in 2020 (EU 27 16.6%) which is 1.5% less compared to last year. Persons under 18 years of age were most at risk of poverty – 30.6%, as well as the 18 to 24 age group - 23.6%. Households consisting of two adults with three or more dependent children were at the highest at-risk-of-poverty rate followed by single-member households with a person under 65. The unemployed faced highest risk of poverty while the lowest at-risk-of-poverty rate for persons employed by the employer. In recent years, the share of public expenditures for social assistance and transfers from the budget has been gradually decreasing, being at 14.5% of GDP in 2019 (a decrease of 2 percentage points compared to 2015). This is a consequence of pensions and unemployment benefit reduction. Expenditures for social assistance amount to 3.1% of GDP, which is in line with the current level of development, but not sufficient to ensure more systemic focus on beneficiaries who are in the most need of assistance.¹ In order to remedy this situation the Government has passed the Law on Social Cards which will enable better targeting. In 2020 the number of employed persons decreased compared to 2019 (by 0.2%) reaching 2.894.800. The unemployment rate was 11.1% in 2021 (9.8% in 2020), which is an increase of 1.3 percentage points compared to 2020 year, while the employment rate was 66.7% in 2021 (64.3% in 2020) which is an increase of 2.4p. p. A slight increase of unemployment rate of 11.1% of the population aged 15 and over was noted in the second quarter of 2021. Young people (15-24) remain a vulnerable category with higher unemployment rates than the general population (26.4% in 2021) and with a worryingly high inactivity rate that reached 66.6% in 2021 as well as women and long-term unemployed².

The Action is in line with the **Economic and Investment Plan for the Western Balkans**³, that policy and structural reform priorities identified confirm the need for strengthening administrative capacity for the planning and improving labour market policies, and that well-trained and productive workforce is crucial for the resilient economy and better functioning of labour market. Through this intervention, support will be given to capacity building of social partners and the development of social dialogue and collective bargaining. This action is in line with the EU objectives to support evidence-based policies and reforms to address the main challenges of education in terms of governance, quality, equality and relevance, with a focus on adapting education to digital transformation and to knowledge-based economies. The proposed intervention will contribute to Serbia implementing recommendations made in the **European Commission Serbia 2021 Report**⁴. Regarding to Chapter 19 – Social policy and employment, it is recommended that Serbia significantly strengthens bipartite and tripartite social dialogue at all levels, ensure timely implementation of the action plan for chapter 19, in particular on adopting a new labour law and a new law on health and safety at work, take steps to establish and implement the Youth Guarantee along with ensuring consistent implementation of labour and social welfare legislation throughout the country, and ensure adequate financial and institutional resources for employment and social policies to more systematically target the young, women and long-term unemployed. Related to the Chapter 2 – “Freedom of movement for workers”, it is assessed that Serbia is moderately prepared in the area of freedom of movement for workers, with some progress made regarding the carrying out preparations for joining the European cooperation network of employment services (EURES). Related to the Chapter 26 – Education and culture, the Report notes reform of general secondary education curriculum continued and that teachers should be supported in implementing ongoing outcome-based curricular changes, with emphasis on developing students’ key competencies. Remarks and recommendations made with regards to social protection will also be addressed, in particular the need for consistent implementation of the labour and social welfare legislation throughout the country to improve the quality and coverage of (local) social services and advance the deinstitutionalisation process.

The Intervention is in line with the European Pillar of Social Rights⁵ and some of the key principles laid within - Chapter 1, Equal opportunities and access to the labour market that among other rights include access to education, training and life-long learning, right to equal treatment and opportunities regarding employment,

¹ Economic Reform Programme for the period 2021-2023

² <https://www.stat.gov.rs/en-US/oblasti/trziste-rada/anketa-o-radnoj-snazi>

³ https://ec.europa.eu/neighbourhood-enlargement/sites/default/files/communication_on_wb_economic_and_investment_plan_october_2020_en.pdf

⁴ https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/serbia_report_2021.pdf

⁵ https://ec.europa.eu/info/strategy/priorities-2019-2024/economy-works-people/jobs-growth-and-investment/european-pillar-social-rights_en

social protection, education, and access to goods and services; Chapter 2, Fair Working conditions that include right of workers to fair and equal treatment regarding working conditions, information about employment conditions and protection in case of dismissals, access to social protection and training, fair wages, participation in social dialogue, healthy, safe and well-adapted work environment and data protection; Chapter 3, Social protection and inclusion, that includes the right to adequate social protection, access to affordable long-term care services of good quality, in particular home-care and community-based services, housing and assistance for the homeless, access to essential services of good quality, including water, sanitation, energy, transport, financial services and digital communications.

The Action is in line with **EU strategic framework on health and safety at work 2021—2027**⁶ - Occupational safety and health in a changing world of work and its three crosscutting key objectives: change, prevention and preparedness and will be underpinned by: social dialogue; strengthening of the evidence base, strengthening of enforcement; awareness raising; and funding.

The **EU-Serbia Sub-Committee on Research and Innovation, Information Society and Social Policy** meeting held on June 2019 has imparted important guidance for the proposed intervention. Initiatives on preparing for joining the EURES were discussed, with a consensus that a new information system for data exchange is to be introduced, that quality standards for services are to be fully aligned with ISO standards, and that the process of developing competencies of employment counsellors of the National Employment Service has started and is to continue. Republic of Serbia authorities reiterated their commitment to becoming fully integrated into the EURES in the future.

The intervention in the field of labour and employment will contribute to targets of the **2030 Sustainable Development Agenda**⁷ including: Goal 8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The intervention will contribute to the following targets: 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors; 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young; 8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training; 8.8 (Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment) as an aspect of Decent Work and Economic Growth. In addition, this intervention substantially aids progress towards the fulfilment of Goals 10.4 (Adopt policies especially fiscal, wage, and social protection policies and progressively achieve greater equality), 16.6 (Develop effective, accountable and transparent institutions at all levels), and 16.7 (Ensure responsive, inclusive, participatory and representative decision-making at all levels). Regarding education this Action is corresponding to SDG 4. Quality Education - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all, supporting quality of teaching and learning (4.1, 4.7). Overall, the interventions will contribute to the SDGs 1, 2, 4, 5, 8, 10 and 16.

The Action is directly linked to progress in Chapters 18 - Statistics, 19- Social policy and employment, 23- Judiciary and fundamental rights, and 26- Education and culture as per the National Programme for Adoption of EU *Acquis* 2018-2021 (NPAA). Approximately 30 legal acts in the field of labour law, equal opportunities, working conditions, work-life balance, and social dialogue need to be adopted or amended. The Action Plan for Chapter 19 adopted by the GoS in 2020, provides an overview of the status of labour legislation and plans for further and full harmonization with the *acquis* under the Chapter 19. Negotiating Position for Chapter 2 was adopted by the GoS in 2018 and envisages further and full harmonization of labour legislation with the *acquis*. The Action Plan for Chapter 23 reinforces the principle of non-discrimination of vulnerable groups (3.4.). Continuous capacity development of social protection service providers in accordance with the processes of deinstitutionalization and decentralization, through organisation of trainings for employees and provision of psycho-social support for social integration, are among activities envisaged to enable implementation of this principle.

All Outputs of the Action have a strong basis in the **national strategic framework**.

This Action contributes to addressing one of the key structural challenges identified by Serbia in the **Economic Reform Programme 2022-2024**: “Increasing employment, particularly of young people, and alignment of the qualification with the labour market need” and the related structural reforms “Qualifications oriented to

⁶ <https://osha.europa.eu/en/safety-and-health-legislation/eu-strategic-framework-health-and-safety-work-2021-2027>

⁷ <https://www.un.org/sustainabledevelopment/development-agenda/>

the needs of the labour market”, by supporting further harmonization with EU standards and continued reforms in higher education aimed at improving the quality and matching skills with labour market needs.

The strategic goals of the Republic of Serbia listed in the draft **Social Protection Strategy** are social exclusion and poverty reduction, meeting the basic needs and minimum security of citizens, promotion of active participation in society, with an emphasis on providing support to families at risk and promoting gender and intergenerational solidarity and the overall improvement of governance in the system of social protection. Development of institutional mechanisms, services and programmes of cooperation and integrated support with other systems, further decentralisation and deinstitutionalization as well as development of social care services are listed as main strategic directions.

The main goal of **Strategy of deinstitutionalization and development of community based social protection services** for the period from 2021-2026, is to enable life in the community of social protection beneficiaries through the processes of deinstitutionalization and social inclusion. Strategy envisages the transformation of residential institutions through the gradual reduction of their capacity and the development of community-based services and alternative forms of protection such as family accommodation (either as permanent, specialised or occasional family accommodation). By implementing set of measures and instruments further institutionalization should be prevented and the number of citizens using home care services/accommodation increased. The strategy should enable development of social protection services in the community, which will create conditions for beneficiaries who require more intensive support have their needs met in the natural environment. It is primarily aimed at people with intellectual and mental disabilities who are at the highest risk of institutionalization and social exclusion. Development of institutional mechanisms, services and programmes of cooperation and integrated support with other systems, further decentralisation and deinstitutionalization as well as development of social care services are listed as main strategic directions. The Action Plan, that will accompany the new Strategy, will be the basis for the planning of detailed activities in this IPA Action.

The **Strategy for Improving the Position of Persons with Disabilities** for the period 2020 to 2024 lists as one of its specific goals the establishment of an institutional framework for the operationalization of inter-ministerial and multi-sectoral cooperation, as well as making available social and health care services, and other services based on rights and need of beneficiaries in line with internationally recognized concept of user needs assessment. Accompanying Action Plan will be the basis for the planning of detailed activities in this IPA Action.

The need for the availability of services in the community, and thus the basis for inter-municipal connections, is recognized in the **Strategy for Prevention and Protection of Children from Violence** for the period from 2020 to 2023 and accompanying Action Plan. The **Strategy for the Prevention and Combating of Gender-Based Violence against Women and Domestic Violence** for the period 2021-2025 (along with the Action Plan to be adopted), that is based on the recommendation of the Committee of Ministers of the Council of Europe on social issues, in addition to information, prevention and early detection, recognizes the need for provision of assistance and support through services such as SOS telephones, counselling and therapeutic services, shelters for victims of violence, etc. The second specific goal refers to the establishment of available general and specialized support services for victims of domestic violence on the entire territory of the Republic of Serbia, in accordance with the Istanbul Convention (Measure 2.4). The Action is also in line with recommendations provided by the Group of Experts on Action against Violence against Women and Domestic Violence (GREVIO) in their 2020 Baseline Evaluation Report for Serbia.

Reduction of unpaid work and increased access to social care services is a priority and objective in the National **Strategy on Gender Equality 2021 - 2030**. In the National strategy, objective of Measure 1.1. is the activation of women in the labour market. The Action Plan, still to be adopted, will also be the basis for planning of detailed activities in this IPA Action.

Mental Health Protection Development Strategy and Mental Health Protection Programme in the Republic of Serbia for the period 2019-2026 as one of its principles emphasizes health care in the community. The **Strategy of Employment in the Republic of Serbia for the period 2021-2026, with AP for 2021-2023**, as one of the specific goals recognises the need for enhancement of institutional framework, amendment of the existing, and adoption of new legislation in the area of employment and labour. In that regard, changes of the laws are envisaged to reflect and address needs of the changing labour market and to align with applicable standards and recommendations. Further capacity building of the line ministry and the NES is envisaged for

preparing to access EURES. Another specific goal is to improve the position of hard-to-employ persons on the labour market and related to that introduction of the Youth Guarantee in Serbia.

The **Occupation Safety and Health Strategy** for the period 2018-2022's overall goal is to improve safety at work and maintain the health of the working population, i.e., to improve working conditions in order to prevent injuries at work, to reduce occupational and work-related diseases to a minimum, i.e., eliminate or reduce occupational risks. As a means to improve OSH, the Strategy recognises social dialogue, e-tools, education and training, promotion and awareness raising as key areas of intervention/measures.

The **Strategy for Education Development in Serbia until 2030** has two overall objectives linked to specific level of education: Increased quality of teaching and learning, equality and accessibility of pre-university education and strengthened educational function of educational institutions and Improved accessibility, quality, relevance and equity of higher education. Its relevant specific objectives (Improved teaching and learning in pre-university education and Improved quality assurance system in pre-university education) state that pre-university education should be realized on the basis of quality teaching and learning programs based on outcomes that lead to the development of students' competencies, and that it is necessary to provide conditions and support to educational institutions in improving quality of teaching, learning and assessment through the development of human resources. The AP foresees that until 2023 35% of secondary general education teachers are trained to implement new programmes.

2.2. Problem Analysis

AREA OF SUPPORT #1: Improved social service provision

- Description of and justification of problem

Availability of social care services at the local level remains uneven, presenting one of the key obstacles for further deinstitutionalisation. Mapping carried out in 2018⁸ shows great diversity among Local self-governments (LSGs) as services within the mandate of LSGs were provided in 137 out of the 145 LSGs, which is a slight increase compared to 2015 when services were provided in 133 LSGs. Social services are not provided at all in 8 LSGs⁹ and are not available in continuity throughout the year, for 12 months,¹⁰ in a large number of LSGs. Insufficiently developed services in terms of number, content, user coverage and territory, are the main reason for the constantly high number of people with disabilities in institutional accommodation (especially people with intellectual and mental disabilities) and the elderly.

Day-care services - home care for adults and the elderly (available in 85% of LSGs), child personal attendants, and day care for children with disabilities are the most commonly provided services. Supportive housing for youth is provided in 14 LSGs, and for adults with disabilities in 6, while the respite service exists in 6 LSGs. In 2020, 269 community service providers were licensed with 65 for provision of day-care, 8 for supported housing, 33 as personal attendants/assistants, 15 as shelters, and 16 for provision of home care assistance.

Thanks to the development of so-called "standard foster care" the number of beneficiaries in institutions for children and youth without parental care has been significantly reduced. However, this specialized foster care, although normatively recognized, is not widely established, which results in children and young people with disabilities still being at high risk of institutionalization.¹¹ Family accommodation of adults and the elderly is not normatively recognized, although existing in practice. Lack of normative regulation of family accommodation and insufficiently developed specialized foster care, reduces the range of services provided in the natural environment and increases the risk of institutionalization. The public sector remains a dominant provider. 57% of community-based services beneficiaries receive services from public providers, 35% from non-profit providers while 8% are beneficiaries of for-profit care providers. Similarly for providers of

⁸ Matković, G. i Stranjaković, M. (2018), Mapiranje usluga socijalne zaštite u nadležnosti jedinica lokalnih samouprava u Republici Srbiji. Beograd: Tim za socijalno uključivanje i smanjenje siromaštva Vlade Republike Srbije.

⁹ These local governments are located in Pčinja, Braničevo, Kolubara, Zlatibor, Nišava and Toplica districts and are mostly less developed municipalities.

¹⁰ Matković, G. i Stranjaković, M. (2018), Mapiranje usluga socijalne zaštite u nadležnosti jedinica lokalnih samouprava u Republici Srbiji. Beograd: Tim za socijalno uključivanje i smanjenje siromaštva Vlade Republike Srbije.

¹¹ According to available data for 2020, this form of accommodation was used by 347 children under 18 and 126 young people aged 18-26.

independent living support services, 59% of beneficiaries are covered by services provided by public providers while 49% receive services from the non-profit sector. Accommodation services are dominantly provided by the state (88.5%). Funding of services, which is closely linked to availability, is one of the challenges that needs to be systematically addressed. Local government revenue has been drastically reduced in recent years in order to contribute to the stabilisation of the Serbian economy but the functions have remained the same, so local authorities lack adequate resources for carrying them out¹². In 2018, 8 LSGs (5.5% of all LSGs) did not allocate any funds.

In 2018 the share of funding for local social care was 76.5% allocated from the budgets of LSGs, 17.7% allocated from the national budget (of which earmarked transfers represent 17.1%), and donations accounting for 2.8% of total funds, while the share of users in the price of the service is 2.2%, and other sources amount to 0.8% of the total funds.

Financing of social care services through earmarked transfers from the national level suffers from several weaknesses. Analysis of the needs of the population for specific services that are financed is largely missing, as well as control mechanisms with the Ministry of Labour, Employment, Veteran and Social Affairs (MoLEVSA) for systemic monitoring of transfers. There is a need for redefining the way in which earmarked transfers are currently made, their greater connection with the needs of the local population, but also the establishment of control mechanisms with the MoLEVSA.

Further progress in deinstitutionalisation depends on the creation of conditions for the return of beneficiaries from accommodation in institutions to their regular environment, which is to be achieved through development of missing community-based services, sustainable financing and respect for users' rights to choose and participate in decision-making processes.

- *Description of stakeholders*

The MoLEVSA is responsible for policy development, implementation and monitoring in the areas of labour, employment, health and safety at work, social protection, pension and disability insurance, protection of persons with disabilities and veterans. Within the MoLEVSA the Sector for Social Protection prepares draft laws, regulations and strategic documents in the field of social protection, monitors implementation and proposes measures to improve the effects. It appoints a governing body of social protection institutions founded by the Government, provides approval of the appointment of the director of the CSW, supervises work of institutions, other legal and natural persons performing the activity of social protection and gives proposals for the introduction of new forms and methods of work and education of associates in social protection institutions. The Sector issues, suspends, and revokes the license of social protection organizations.

Republic and Provincial Institutes of Social Protection perform several important functions: monitoring social protection system to obtain information on the achievement of goals and level of application of social policies, enabling continuous professional development of staff in the field of social protection, assessing the quality of professional work and compliance of the practice of service providers with national standards and providing support to professionals in accordance with the needs of service providers and the entire social protection system, informing the professional and general public about social protection system, developing various databases and provides support to actors in the social protection system.

Centres for Social Work (CSWs) are the backbone of the social protection system. The network of CSWs are organised in such a way that there is one in almost every LSG, while for a few smaller LSGs Centres are established jointly, on an intermunicipal level. The Law on Social Protection and the Rulebook on Organization, Norms and Standards of Work in Centers for Social Work, have delegated broad competencies to the Centres, that include delegated functions (javna ovlašćenja) within which CSW perform assessment of user needs, plan, decide on rights, on financial assistance, allowance for the right to assistance and care of another person, the right to training for work, the right to placement in a social welfare institution and placement in another family. Centres also decide on foster care, adoption, guardianship, determination and change of the child's personal name, supervision over the exercise of parental rights. In addition, CSW initiate and develop preventive and other programmes in the field of social protection that contribute to meeting the needs of citizens from a particular LSG, initiate and develop preventive and other programmes that contribute to prevention and mitigation of social problems and performs other assigned tasks.

¹² Council of Europe Congress of Local and Regional Communities, Local and Regional Democracy in Serbia, 2017

Local self-governments ensure the performance of activities in the field of social protection within the framework of their rights and duties determined by the Constitution and in accordance with the Law on Social Protection and other relevant laws by establishing institutions or entrusting the performance of these activities to other legal and natural persons. In accordance with the Law on Social Protection, LSGs provide social protection services for which there is a need, and which cannot be provided to the required extent by a social protection institution established by the Republic of Serbia, autonomous province or local self-government. Social protection services, whose provision is under the responsibility of LSG include daily services in the community, support services for everyday life, counselling-therapeutic and socio-educational services, accommodation services in shelters and drop-in centres. Social protection services are procured from licensed social protection service providers.

AREA OF SUPPORT #2: Quality Labour Environment and Working Life through Improvement of Labour Conditions

- Description and justification of problem

The labour market in Serbia continues to improve with the employment rate reaching 49.1%¹³ and the unemployment rate achieved the value of 9% despite reduced economic activity in 2020. However, challenges still remain including low allocations for active labour market policies, impeded integration of hard-to-employ groups into labour market, high rates of informal employment, wage disparities and in-work poverty, discrimination in the labour market, precarious employment. The informal employment rate remains high at 16.4% in 2020¹⁴ with the highest rates recorded in agriculture and construction. Together with innovative/new forms of work comes expansion of atypical working patterns including casual work, part-time employment and on call work leading to decreased job security and high risk of inadequate employment. In-work poverty rate among Serbian workers was 9.2 % in 2019¹⁵. Data analysis in the period 2015-2019 shows that there has been a deterioration in the employment in the direction of greater job insecurity, so that almost every fourth employee (about 23%¹⁶) in Serbia has occasional employment, which is about 10% more than the EU-28 average. It is the result of the dynamic changes at labour market which are not adequately addressed in legislation. The legal framework in the fields of employment relations, gender equality and prohibition of discrimination, volunteering, prevention of mobbing (abuse at work), securing equal conditions for service provision to workers posted temporarily abroad and employees in agencies for temporary employment, social dialogue, collective bargaining and strikes is not completely aligned with international and European standards, as stated in the Council of Europe 2021 opinions on the draft Law on Gender Equality of Serbia¹⁷ and on the proposed amendments to the Law on the Prohibition of Discrimination of Serbia¹⁸. The Law governing the seasonal work in agriculture, in application as of 2019, is a significant step forward in regulating flexible patterns of employment and transition from undeclared to declared work accompanied with the provision of social security and equal protection afforded to all workers. The extension of its application is underway to other sectors such as tourism, hospitality sector, construction and domestic work.

Collective agreements are mainly concluded in the public sector, although at a slow pace, while a substantial problem lies in the real sector with only 2 collective agreements concluded. Bargaining at enterprise level is more common in the private sector but no data are available. The national Social and Economic Council (SEC) has limited role in social and economic policy development, and at the same time it is often bypassed in relevant legislative consultations. Only in 2017, 89 laws within the mandate of the national SEC were adopted without its consultations and recommendations.¹⁹ The network of local SECs is poorly developed, there are only 23 local SECs registered²⁰ and the number of those active is even lesser. This is a consequence of the inability of social partners to meet the representativeness conditions prescribed by law, low awareness on the

¹³ Statistical Office of the Republic of Serbia, Labour Force Survey, 2020, annual average

¹⁴ Statistical Office of the Republic of Serbia, Labour Force Survey in the Republic of Serbia, 2020

¹⁵ Statistical Office of the Republic of Serbia, Poverty and Social Inequality, 2019, <https://www.stat.gov.rs/en-us/oblasti/potrosnja-prihodi-i-uslovi-zivota/prihodi-i-uslovi-zivota/>

¹⁶ Ex post analyses of the National Employment Strategy 2011 – 2020.

¹⁷ <https://rm.coe.int/0900001680a2b5b2>

¹⁸ <https://rm.coe.int/0900001680a2b5b1>

¹⁹ The Third National Report on Social Inclusion and Poverty Reduction in the Republic of Serbia 2014-2017 (2018), Social Inclusion and Poverty Reduction Unit of the Government of the Republic of Serbia.

²⁰ There are 174 local-self-government units – including towns, municipalities and Belgrade according to the Law on Territorial organisation of the Republic of Serbia. Only 1 new local SEC is established in 2019.

importance of the SEC and insufficient support by the local self-governments. Local SECs function rather as a parallel structure without systemic management and leadership by the national SEC. The long-standing issue of representativeness of social partners in the SEC undermines its independence and public relevance, and the perception that it represents a place for genuine, creative and constructive dialogue by the social partners whose decisions are relevant in the legislative process.²¹ Tripartite and bipartite social dialogue at all levels in its quality and effectiveness is underdeveloped in Serbia.

Accession to the European Union means that the National Employment Service (NES) will become a member of the European network of employment services (EURES), allowing Serbian citizens to have available employment brokerage services in other EU member states. This will enable the implementation of Regulation (EU) 2016/589 on EURES and adhere to required EURES standards and strategies. A Roadmap outlining the organisation of the work, specific activities, milestones and targets to be achieved including framework for mobilising resources is missing. Existing capacities are insufficient to assess the context fully and identify legal, institutional, administrative, infrastructural and technical gaps. Depending on the assessment of the situation a new software/technical solution will be developed or adjusted for effective access to the EURES and NES platform. Preparatory activities are necessary to adapt the NES business processes to EURES requirements and to strengthen the capacity of the MoLEVSA and NES (as EURES National Coordination Office) employees to implement business processes and promote activities related to the EURES.

According to the Annual Health and Safety at Work Directorate Report in 2020 in Serbia there have been 10,295 work related injuries, out of which 11 resulted in death (fatal accidents) and 1,226 have been classified as serious injuries. Occupational Safety and Health (OSH) is a fundamental employee right verified by the International Conventions and the EU Directives. Since the field of occupational safety and health is of multidisciplinary character, the legal basis is contained in several laws²², implementation of regulations is also multidisciplinary and requires intensive communication of many state authorities. Although Serbia provides comprehensive social security benefits, elements of direct employer liability still remain weak in the case of work-related injuries and occupational diseases. In addition, the employers' financial responsibility for employment injury benefits is not clear under the equal sharing of the total contributions for pensions and health insurance so the work on improving the text of the Draft Law on Insurance against Occupational Injuries and Compensation in the Case of Occupational Diseases need to be continued. Given the challenges to the introduction of new employment injury insurance system, it is necessary to continue working on this activity primarily in the area of economic indicators and benefits for employers and employees, which includes development of models. Moreover, more data is needed to improve the reporting system to implement effective employment injury protection and prevention policies. OSH Register currently consists of 4 sub-registers, but it is necessary to be further develop by creating new sub-registers (e-register of occupational diseases) and links to the relevant sub-registers of Labour Inspectorate (IRIS software). This will enable keeping all data in electronic form, linking all relevant sub-registers and will give access to comprehensive data relevant for decision making and policy development. Further development of the AW Register (AW) and for occupational diseases (OD) is to be in line with the EU standards and requirements and be in compliance with the ESAW²³ as well as EODS²⁴ methodology and reporting. It is expected that with the new Law on Safety and Health at Work, OSH Directorate and the Labour Inspectorate will be tasked with additional licensing of about 10,000 OSH professionals, which in return will require a change in the existing registers and extensive capacity building activities. At the moment OSH Directorate lack adequate space and didactic tools to undertake such extensive training activities. There is a need to provide continuous training on the OSH monitoring and implementation measures and the need to establish a specialized classroom with specific didactic tools and a clearly defined training plan and program, as well as developed modules in specialized areas of occupational safety and health. Furthermore, the general public is not acquainted with OSH and its importance, so there is a need to raise awareness and knowledge as part of prevention policy.

In 2020, Labour inspectors performed a total of 62,475 inspections out of which 31,243 related to occupational safety and health. Although the Labour Inspectorate (LI) has introduced an integrated work method, where one inspector conducts high-quality, unified and professional oversight of all key issues in the areas of

²¹ Nemeč, M., Masar, B. (2015), *Analitički izveštaj o funkcionisanju Socijalno-ekonomskog saveta Republike Srbije, Promoting social dialogue in Serbia IPA 2012*, Beograd.

²² Labour Law, Health Care Law, Health Insurance Law, Pension and Disability Insurance Law and many other laws and by-laws.

²³ ESAW – European statistics on accidents at work

²⁴ EODS – European occupational diseases statistics

occupational safety and health during one single inspection visit, still there are challenges in the fields of administrative and technical capacities and resources. To improve LI efficiency and secure implementation of occupational safety and health regulations, the existing information system (IRIS software) needs to be upgraded and connected to other databases and registries, notably to the OSH Register. The labour inspection information system, need to be upgraded to include all case files, data and documentation on performed inspections, measures taken, as well as provide access to records kept by other bodies. The LI information system need to generate data for reporting on performed inspections and measures taken as well as provide inputs for evidence-based policy making. In past years increased number of fatal injuries at work were recorded in the field of forestry, construction and agriculture, stressing the need for LI increased mobility and technical equipment. In 2020 there were 43 and in 2019 49 inspections conducted as a consequence of fatal occupational injuries, including serious occupational injuries with a fatal outcome. In a number of prominent sectors with high risks of workplace injury and death forestry sector, the LI cannot currently carry out the inspections to the fullest necessary extent due to technical reasons and the inability to get to remote workplaces. After the formation of the Pilot Classroom in the field of safety and health at work, further steps are needed towards the implementation of the system of education of labour inspectors from the basic inceptive training to lifelong education and development of the future Education Centre of the Labour Inspectorate. The LI Training Centre need to be further equipped and enlarged to have similar standard as centres in other EU MSs, with annual education plan, further development of training modules, financial planning to sustain and further develop capacity of the institutions and bodies in all aspects covered by the OSH area.

- *Description of main stakeholders*

The Ministry of Labour, Employment, Veteran and Social Affairs of the Republic of Serbia (MoLEVSA) is responsible for policy development, implementation and monitoring in the areas of labour, employment, health and safety at work, social protection, pension and disability insurance, protection of persons with disabilities and veterans. The MoLEVSA manages the work of negotiation groups for Chapter 2 and Chapter 19, established by the Government to coordinate and monitor gradual transposition of the EU *acquis* into national legislation and ensure necessary capacities for its implementation and enforcement. The ministry is a lead institution responsible for the implementation of the Employment Strategy in Serbia for the period 2021-2026. **The National Social and Economic Council (SEC)** is a tripartite body established to consider development and improvement of collective bargaining, impact of economic policy on social development and stability, employment policy, wage and price policy, and other issues of structural adjustment, labour and environmental protection, education and vocational training, health and social protection and security, through social dialogue. The **local SEC** should reflect the functioning of social dialogue at the local level and the cooperation of all social partners at the local level, and so far, 23 local SEC have been established. The **Health and Safety at Work Directorate and the Labour Inspectorate** are authorities under the MoLEVSA. The legislative and oversight affairs within the Ministry's mandate are divided as follows: the Health and Safety at Work Directorate prepares regulations in the area of occupational safety and health as part of its core activities, while the Labour Inspectorate oversees the application, i.e. the implementation of occupational safety and health measures.

Regulation on a European network of employment services (EURES) and Regulation on establishing a European Labour Authority envisage a broad network of stakeholders and the participation of other relevant ministries, other national organizations, social partners, and LSGs. The MoLEVSA will thus, going beyond collaboration with just the **NES**, engage the relevant line ministries in charge of education and youth, the ministry in charge of family protection and other national institutions. The beneficiary will equally engage registered employment agencies in Serbia for the purpose of timely exchange of information and for guidance on optimal EURES integration.

The **Ministry of Health - Institute of Occupational Health of Serbia “dr Dragomir Karajović”** plans, organizes, implements and evaluates measures, activities and procedures in the field of occupational health. Also, the Institute collects data and performs monitoring in the field of occupational diseases, work-related illnesses and injuries at work and proposes measures for their prevention and reduction.

AREA OF SUPPORT #3: Complementary Support to Education future Sector Budget Support / Sector Reform Contract

- *Description and justification of problem*

The Republic of Serbia is conducting a second cycle of comprehensive education system reforms. In the beginning of 2019, the Ministry of Education and Technological Development (MoESTD) started work on development of the Strategy for Education Development in Serbia 2030 and the Action Plan (2021 – 2023). Work on the development of strategy was performed in line with the Law on planning system, with ex-post analyses conducted, involvement of different stakeholders and public consultation. The strategy and pertaining AP were adopted in June 2021.

A key for achieving the expected objectives of the Serbian Education Development Strategy by 2030 is sufficient institutional and human capacity to implement, manage and coordinate the education reform work throughout this decade as well as regularly monitor and report on the implementation. Further work is needed in securing valid education statistic, data collection and building comprehensive education information system, hence there is a need for strengthening capacity on how to use relevant data in evidence-based policy making, monitoring, and reporting. Reform requires a holistic approach and full inclusion of all key education institutions and relevant stakeholders outside the education sector. Therefore, there is a need to support capacity building of key institutions within and outside the education sector to apply a sector-wide approach. Education reforms affect wide groups of the population, so it is of importance to make education reforms transparent, that objectives and the effect are clearly communicated in different ways and through various channels to raise the awareness and visibility and to reach a general support and understanding of the reform. Improving quality is the overarching objective of education reform, relevant for each level of education but also is reflected on the education system as whole through improving quality assurance mechanisms across the education system. Quality of secondary general education (gymnasiums) and pertaining reform is lagging behind as demonstrated through PISA testing results. According to the 2018 results, 40% students in Serbia are below the level of functional literacy in mathematics, and 38% for scientific literacy, meaning that over one third of 15-year-olds are considered functionally illiterate in reading, mathematics and science. Serbia is more than 40 points behind the OECD countries, which means that students from Serbia need a year and a half more schooling to make up for the difference. External evaluation²⁵ of pre-university institutions elaborates that close to 30% of all primary and secondary schools in Serbia do not meet sufficient quality standards. Regarding secondary education, the first cycle of external evaluation covered gymnasiums and secondary vocational schools. Both types have slightly over 40% schools that were assessed/graded at level 3 (quality criteria that have a four-point scale, 1 being the lowest grade and 4 highest), but what is different is that about 45% of gymnasiums were assessed at the level 2 compared to 25% of Vocational Education and training (VET) schools. Also, gymnasiums have a higher percentage of schools assessed at the level 1 – 9,7%, while only 5% of VET schools were assessed as level 1. Gymnasiums require extensive and pressing support to follow reform pacing to maintain a distinct and valuable role towards preparing students for university education.

Reform of gymnasiums remains a priority in a new education reform cycle. Ex-post analyses of the Education Strategy 2020 show that “most of the set goals regarding the quality of general education have only been partially achieved, and that general secondary education is facing great challenges related to ensuring the established quality, but also challenges related to continuous development”. Main reform activities so far have included a change of teaching and learning paradigm in these schools, reflected in the development of new outcome-based programmes, stressed importance of competencies’ development, introduction of more elective subjects, and an interdisciplinary approach. However, teachers in secondary schools are not sufficiently prepared for pedagogical work with students and for applying modern concepts of learning/teaching, where a more integrative and interdisciplinary approach is required.

- *Description of main stakeholders*

The **Ministry of Education Science and Technological Development** is the lead institution maintaining overall responsibility for the development and implementation of education policy in Serbia. Its functions and activities include researching, planning, developing, supervising and managing of the preschool, primary,

²⁵ The first cycle of external evaluation was completed in 2018 and the second cycle started in 2019.

secondary, HE, and adult education systems. Two institutes²⁶ take active participation in the implementation of reform activities and provide advisory and expert support. In addition to the two institutes, the GoS established Qualification Agency and National Body for Accreditation and Quality Assurance. As a bodies for policy deliberation and consultation, cooperation and coordination, four education Councils were established: National Education Council, Council for Vocational and Adult Education, National Council for HE and NQF Council.

3. DESCRIPTION OF THE ACTION

3.1. Intervention Logic

The underlying intervention logic for this action is that

The Overall Objective (Impact) of this action is to support Serbia in achieving social development and inclusive growth.

The Specific Objective (Outcome) of this action is:

1. Created conditions for improved social care services, functioning of the labour market, quality of the working environment and educational outcomes

The Outputs to be delivered by this action contributing to the corresponding Specific Objective (Outcome) are:

Output 1: Improved policy framework, financing mechanisms and capacities for improved social care services provision

Output 2: Improved legislative framework and institutional capacities for a more efficient and inclusive labour system

Output 3: Strengthened institutional and human capacities in education and employment sector to manage and coordinate a timely, efficient and effective implementation of sector policies (Education reform)

1.1. If legal and policy framework, along with financing mechanisms and capacities of different providers for social care service provision is improved and MoLEVSA is committed to deinstitutionalisation and decentralisation of social care services and local-self-governments interested in establishment and advancement of social care services, then the conditions will be created for improved social care services, functioning of the labour market, quality of the working environment and educational outcomes

2.1. If legislative framework and institutional capacities for more efficient and inclusive labour system are improved and social partners remain committed to promoting bipartite and tripartite social dialogue at all levels and MoLEVSA is committed to strengthening institutional and human capacities to achieve strategic objectives, then the conditions will be created for improved social care services, functioning of the labour market, quality of the working environment and educational outcomes

3.1. If institutional and human capacities in education sector are strengthened to manage and coordinate a timely, efficient and effective implementation of sector policies (Education reform) and there is an adequate staffing in key education institutions, then the conditions will be created for improved functioning of the labour market, quality of the working environment and educational outcomes

If the conditions are created for improved social care services, functioning of the labour market, quality of the working environment and educational outcomes and national authorities remain committed to sector policy strategic objectives, then Serbia will achieve social development and inclusive growth.

3.2. Indicative Activities

Activities related to Output 1

²⁶ The Institute for Improvement of Education (IIE), and the Institute for Evaluation of Quality of Education (IEQE) - The IIE aims to monitor, ensure, and improve the quality of the national education system in Serbia (preschool, primary and secondary education). The IEQE is a professional institution in charge of monitoring and evaluation of the implementation of general principles and goals of education as well as the implementation of standards of achievements.

1.1 Improved social care services (including de-institutionalisation support)

- Identification of missing and underdeveloped social services in LSGs;
- Development of a methodology for assessing the current and expected needs for social protection services in the three years period;
- Preparation of three years Plan for the development of community-based social services, with emphasis on services intended to support independent living, for the territory of the Republic of Serbia;
- Strengthening capacities of LSGs to plan, establish, implement and monitor sustainable social services;
- Strengthening capacity of LSGs, CSWs, Institute for Social Protection, the Provincial Secretariat for Social Policy, Demography and Gender Equality and the MoLEVSA for drafting basic preconditions for health, justice and other systems to ensure the sustainability of service delivery;
- Strengthening capacities of informal care providers (family members caring for family members) to provide home care assistance;
- Promoting diversification of service providers and licencing of additional number of providers;
- Development of standards for urgent and occasional family accommodation;
- Training of social protection professionals to establish service of occasional family accommodation;
- Promoting family accommodation service for adults, occasional and urgent family accommodation.
- Analysis of the existing system of long-term care provision and financing models with recommendations for integrated, gender-sensitive, more efficient model of service provision and justification for the introduction of long-term care insurance Preparation of amendments to the Law on Compulsory Insurance.
- Development of a regulatory framework for more efficient and transparent implementation and monitoring of earmarked transfers
- Strengthening capacities of MoLEVSA staff to monitor the implementation of earmarked transfers;
- Strengthening capacities LSGs to use earmarked transfers (assess the needs of the local population, implement services, monitor service provision, plan sustainability and report to MoLEVSA).

Activities related to Output 2:

2.1. Social dialogue enhancement

- Analyses of practice and legal framework required for the drafting of the new laws and public policy documents on social dialogue, including tripartite and bipartite social dialogue mechanisms assessment with the recommendations for improvement,
- Analyses of the regulations governing social dialogue assessing the level of harmonization with EU and ILO regulations and standards and producing the tables of concordance with relevant EU Directives/other EU regulations (tables of compliance with relevant directives / other EU regulations),
- Ex-post and ex-ante analyses of the social dialogue laws and public policies as per the Law on Planning System and drafting of the Law in line with EU regulations and ILO standards,
- Institutional and technical capacities strengthening of the public administration and the members of local SECs for bipartite and tripartite social dialogue at all levels, including organization of workshops, roundtables and study visits on the relevance of collective bargaining and collective agreements, and GE.
- Awareness raising and dissemination of publications on the relevance of collective bargaining;
- Improvement of existing registers related to social dialogue and collective bargaining.

2.2 Occupation Health and Safety and Labour Inspectorate

- Further work on improving the draft “Law on insurance against accidents at work and occupational diseases”,
- Improving existing OSH Register and linking and upgrading LI information system, to include data and acts on all performed inspections, measures taken, all case files and to provide access to the related records kept by other bodies, including data processing for reporting,
- Establishment and equipping of a pilot classroom for training of OSH professionals, in the Directorate for Safety and Health at Work including a virtual training unit to simulate risk assessment and e-learning platform and establishment of a Training Centre for labour inspectors and other stakeholders.
- Raising public awareness through occupational safety and health campaigns (radio jingles, video clips for TV and social networks, announcements in print and electronic media, guest appearances in two TV shows, round tables with a focus on specific OSH topics, trainings for approx. 200 representatives of social

partners, occupational safety and health experts and other stakeholders, the final conference, brochures and flyers and promotional materials).

- Procurement of equipment to the benefit of the LI: exact list of items to be confirmed based on the results of the needs' assessment exercise to be conducted by ILO.

2.3. Harmonization of labour legislation with the EU *acquis*

- Analyses of the status and harmonization of the national labour law with the EU law and produce tables of concordance for approximately 30 EU Directives and other regulations, standards, including gender equality,
- Ex post and ex ante analyses of labour laws, as per the Law on Planning System and drafting of laws harmonized with EU regulations, including GE tests,
- Organise workshops, round tables and study visits to improve alignment of the national labour law with the EU *acquis* with the involvement of all the stakeholders,
- The improvement of the application, linking and setting up of the new labour-related registers.
- Awareness raising and dissemination of publications on the developments in labour legislation and its application and enforcement for general public.

2.4. Participation in EURES

- Assessing and analysing gaps, needs and situations related to legal, institutional, administrative, infrastructural, and technical capacities of MoLEVSA, National Employment Service and employment agencies and
- Adjustment and development of an appropriate software/technical solution for the access of the NES and employment agencies to the EURES, and
- Mapping criteria and conditions to participate in EURES network and development of the methodology and related procedures, with accurate steps and requirements for the access to the EURES, and
- Building capacities of MoLEVSA, NES and the employment agencies to participate in EURES, trainings related to standard procedures in EU countries as well as trainings related to administrative and technical preparation for social security systems coordination in the field of unemployment insurance,

Activities related to Output 3:

3.1. Support to Education policy

- Institutional and human capacity building of key institutions to apply a sector-wide approach in the education sector.
- Support for improving evidence-based policy making, monitoring and reporting in education.
- Support for improving quality assurance mechanisms across the education system.
- Support to the process of improving the quality of secondary general education, focusing on learning outcomes in Natural Sciences.
- Support for raising awareness and visibility of education reforms and their benefits for Serbian citizens.
- Support to the implementation of the planned Sector Reform Performance Contract in Education and maintaining a continued policy dialogue.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

The action and the activities deriving from the action will not have any negative impact on the environment nor jeopardise environment, health and security.

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1. The Republic of Serbia has adopted a new Gender Equality Strategy that is to be implemented until 2030 as the main strategic document for promotion of gender equality in the Republic of Serbia, in line with EU standards and following the evaluation of the implementation of all relevant policies and practices. The institutions are committed to

system-wide gender mainstreaming in the policy adoption, implementation and monitoring processes and are actively engaged in this process through EU-funded projects and have taken into account the three minimum standards the EU Gender Equality Strategy²⁷ and the EU Gender Action Plan III²⁸ the design of all external EU-funded programmes. Gender mainstreaming was ensured through the implementation of the Gender Equality Facility II in cooperation with UN Women, within the IPA 2019 Action Programme. The project provided expert advice and enabled the organising of workshops specifically on the topic of gender mainstreaming in IPA programming.

Human Rights

Equal opportunity is integrated in the Constitution provisions. The Action will strengthen capacities of national and local level government institutions, as well as civil society organisations, to provide essential services more efficiently. The Action engages the most basic rights accorded by the Constitution, the EU *acquis*, and international law in areas of social protection, labour, and education, both in terms of providing material conditions for the fulfilment of these rights as well as upgrading the ability of key institutions to recognise, assess, and engage rights holders. Outputs 1.1, 2.1, and 3.1 emphasise the capacities of local level institutions to enable a stronger, most direct relationship between rights holders and duty bearers to resolve issues as quickly as possible.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D2. Taking into account the needs and potential contributions of persons with disabilities has been a key factor in determining activities for Output 1.1 of this Action. Given that persons with disabilities are central to the process and targeted goals of deinstitutionalisation, their perspectives were thoroughly consulted during the drafting process of the Strategy for Deinstitutionalisation and the corresponding Action Plan which are the basis for the Action's activities.

3.4. Risks and Lessons Learned

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
1- to people and organisations	Risk 1 Low capacity and interest of among actors from public, private and civil society to implement social protection interventions	L	M	Inclusion of awareness raising and capacity building activities to raise the interest and motivation of different stakeholders to participate and contribute to planned interventions.
1-external environment	Risk 3 Low interest and limited capacities of employers and business sector to participate in social dialogue	L	M	To enhance employers representatives capacities to provide more and better services to their members, hence raising their interest to participate in social dialogue.

²⁷ https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/gender-equality-strategy_en

²⁸ [Gender Action Plan III: towards a gender-equal world | EEAS Website \(europa.eu\)](#)

1-external environment	Risk 4 Difficult to reconcile opinions of the social partners regarding the necessary changes in labour legislation and alignment with the EU <i>acquis</i> .	M	M	Intensified cooperation through the work of established working groups and informing the general public about innovations in labour legislation and their application.
3-to people and the organisation	Risk 5 Omission to establish and implement adequate legal framework that would create the conditions for a meaningful social dialogue	M	M	Dedication of the tripartite beneficiaries to the objectives proclaimed by this project and the functioning of the rule of law

Lessons Learned:

The Strategic, country-level evaluation of the European Union's cooperation with Serbia over the period 2012-2018 noted that better efficiency is achieved with increased ownership by the GoS and that political commitment comes out as the leading contextual factor contributing to, and constraining, the achievement of goals in EU-supported actions. Where there is broad agreement on the reforms to be taken, such as in education or public administration, political support makes a positive contribution. It is recommended that the EU ensures that interventions designed to build institutional capacities place the locus of control in managing reforms firmly with government institutions and agencies so that they lead their own reforms.

Based on the experiences from IPA 2016 Sector Budget, together with complementary support (EU support to Reform of Education in Serbia – REdiS 2030) and from other Sector Reform Contracts, this intervention has implemented a joint conclusion that it is better to program complementary assistance to Sector Reform Contracts one year in advance to ensure contracting is timely.

3.5. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines (2021, unless stated otherwise)	Target (2026)	Sources of data	Assumptions
Impact	To support Serbia in achieving social development and inclusive growth	1 Readiness of candidate countries and potential candidates on economic criteria	TBD	TBD ²⁹	European Commission - KPI 4 of IPA III Proposal	<i>Not applicable</i>
Outcome 1	Created conditions for improved social care services, functioning of the labour market, quality of the working environment and educational outcomes	1.1 Number of new by-laws and policies related to social service provision developed through project assistance laws and bylaws in line with the EU <i>acquis</i> 1.2 Number of existing concluded collective agreements 1.3 Number of prepared draft labour related laws and bylaws in line with the EU <i>acquis</i> 1.4 Fulfilled conditions to participate in EURES 1.5 Percentage of high schools assessed on external evaluation at the level 4 for General Quality	1.1 0 1.2 20 (2020) 1.3 0 1.4 No (2017) 1.5 17	1.1 3 1.2 8 1.3 4 1.4 Yes 1.5 20	1.1 MoLEVSA reports 1.2 MoLEVSA reports 1.3 MoLEVSA reports 1.4 NES Annual report 1.5 IEQE external evaluation Report	- National authorities remain committed to sector policy strategic objectives
Output 1	1.1 Improved policy framework, financing mechanisms and capacities for social care services provision	1.1.1 Three-year Plan for the development of community-based social services prepared 1.1.2 Number of individuals trained on topics related to social services provision (reported by topic of training, type of service provider, gender) 1.1.3 Standards for urgent and occasional family accommodation prepared and adopted	1.1.1 No 1.1.2 0 1.1.3 No	1.1.1 Yes 1.1.2 350 1.1.3 Yes	1.1.1 Three-year Plan 1.1.2 Project reports 1.1.3 Rulebook on standards	- MoLEVSA remains committed to deinstitutionalisation and decentralisation of social care services - Local self-governments are interested in establishment and

²⁹ To be completed in coordination with pending EU level targets of the same indicators.

		1.1.4 Number of licensed community-based social service providers	1.1.4 269	1.1.4 600	1.1.4 MoLEVSA report	advancement of social care services
		1.1.5 Amendments to the Law on Compulsory Insurance prepared	1.1.5 No	1.1.5 Yes	1.1.5 MoLEVSA reports	
		1.1.6 Rulebook on the use of earmarked transfers	1.1.6 No	1.1.6 Yes	1.1.6 Rulebook	
Output 2	2.1 Improved legislative framework and institutional capacities for a more efficient and inclusive labour system	2.1.1 Number of prepared draft laws and bylaws regulating the area of social dialogue	2.1.1 0 (2020)	2.1.1 4	2.1.1 Project report	- Social partners remain committed to promoting bipartite and tripartite social dialogue at all levels - MoLEVSA committed to strengthening institutional and human capacities to achieve strategic objectives
		2.1.2 Number of new laws with socio-economic impact that have taken into account the recommendations of the National and local socio-economic councils	2.1.2 0 (2020)	2.1.2 20	2.1.2 SEC reports	
		2.1.3 Number of local socio-economic councils established (structure of the councils, representation of women and men)	2.1.3 21 (2020)	2.1.3 26	2.1.3 MoLEVSA progress reports	
		2.1.4 OSH Register and LI information system upgraded, harmonised and linked, supporting evidence-based policy making	2.1.4 No	2.1.4 Yes	2.1.4 Labour Inspectorate reports	
		2.1.5 Number of EU directives and regulations integrated/incorporated into national legislation.	2.1.5 5 (2020)	2.1.5 20	2.1.5 Official Gazette of the Republic of Serbia	
		2.1.6 Developed methodology with accompanying procedures and roadmap for access to the EURES network.	2.1.6 No	2.1.6 Yes	2.1.6 Project report	
Output 3	3.1 Strengthened institutional and human capacities in education sector to manage and coordinate a timely, efficient and effective implementation of sector policies (Education reform)	3.1.1 Annual Evaluation Reports on implementation of Strategy 2030 relying on the internal monitoring and reporting structure are realised	3.1.1 No	3.1.1 Yes	3.1.1 Project Reports/EIS	- Adequate staffing of key education and employment institutions
		3.1.2 Conducted survey for improving quality assurance mechanisms across the education system with recommendation and actions to be taken (programme)	3.1.2 No	3.1.2 Yes	3.1.2 Project Reports	
		3.1.3 Number of science teachers (biology, chemistry, physic) trained to	3.1.3 0	3.1.3 1600	3.1.3 Project Reports	

		deliver new outcome-based curriculum in innovative way (disaggregated by sex) 3.1.4 % of general population very satisfied with progress of education reform 3.1.5. % of general population aware of EU support to the education reform	3.1.4 13% 3.1.5 47% (CeSID 2021)	3.1.4 20% 3.1.5 55%	3.1.4 Survey / Project report 3.1.5 Survey / Project report	
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4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is envisaged to conclude a financing agreement with the Republic of Serbia.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 72 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this Financing Decision and the relevant contracts and agreements.

4.3. Implementation of the Budget Support Component

N.A.

4.4. Methods of implementation

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures.

4.4.1. Direct Management (Grants)

N.A.

4.4.2. Direct Management (Prize(s))

N.A.

4.4.3. Direct Management (Procurement)

The procurement will contribute to achieving Outputs 1 and 3 in section 3. It will be implemented by the EU Delegation to Serbia.

4.4.4. Indirect Management with an international organisation

A part of this action (activities 2.1 and 2.2.) may be implemented in indirect management with the International Labour Organization (ILO). This implementation entails activities which will improve legislative framework and institutional capacities for a more efficient and inclusive labour system (activity 2.1) through enhancement of social dialogue and improvement of occupation health and safety and Labour Inspectorate (indicators 2.1.1. to 2.1.4.). The implementation shall entail the improvement of legal framework, processes and capacity of participants in collective bargaining, enabling the conclusion of collective agreements particularly in the private sector, as well as of the effectiveness of the economic and social councils at national and local levels. Achievement of the above will require active participation of representative organizations of workers and employers, and the political will of the three parties to engage into genuine social dialogue Output 2., - and activity 2.1 activities leading to indicators 2.1.1. to 2.1.3). The implementation shall entail the improvement of legal framework and organisation capacities for implementation, monitoring and evaluation in the area of occupational safety and health. The organisational effectiveness will be improved by improving existing OSH Register and linking and upgrading LI information system and procurement of relevant equipment. Comprehensive capacity building activities will be carried out together with establishment of

training system. Also, raising public awareness through occupational safety and health campaigns (activity 2.1, activities leading to the indicator 2.1.4)

The envisaged entity has been selected using the following criteria:

a) financial and operational capacity.

b) technical capacity such as the unique expertise of an organization of tripartite nature - involving all participants in the social dialogue and have a globally and regionally recognized institutional, normative and technical capacity of policy consensus building; a world and European - wide knowledge base of comparative legal and practical solutions for aligning labour and social dialogue related law and practice to international labour standards and EU *acquis*; operational capacity to conduct successful tripartite activities with the state administration, national and local SECs and social partners; history of collaboration with the national institutions in defining the employment policy through multi sectoral and evidence-based approach; extensive experience in the implementation of similar projects in the region, including some of the EU member states; sustainability and cost-effectiveness.

c) relevance, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

Taking into account the criteria set forth in the above section, the necessity of a tripartite approach to the activities leading to the completion of Output 2 related to Outcome 1 and activity 2.1, and its particular added value to provide technical assistance in the areas of social dialogue and occupational safety and health, the Ministry of Labour, Employment, Veteran and Social Policy has decided to implement these activities in indirect management/grant contract with the International Labour Organization (ILO).

If negotiations with the above-mentioned entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.4.3.

4.4.5. Indirect Management with an IPA III beneficiary

A part of this action, namely part of Output 2, activities 2.3. and 2.4. (indicators 2.1.5 and 2.1.6) will be implemented under indirect management by the Republic of Serbia.

The managing authority responsible for the execution of the action is the NIPAC Office. The managing authority shall be responsible for legality and regularity of expenditure, sound financial management, programming, implementation, monitoring, evaluation, information, visibility and reporting of IPA III activities.

The managing authority shall rely on sectoral expertise and technical competence of the following intermediate body for policy management: the Ministry for European Integration. It shall ensure sound financial management of the action.

Budget implementation tasks such as calls for tenders, calls for proposals, contracting, contract management, payments and revenue operations, shall be entrusted to the following intermediate body for financial management: Ministry of Finance, Central Finance and Contracting Unit. It shall ensure legality and regularity of expenditure.

A part of this action, namely Output 2, activities 2.3. and 2.4. will be implemented through Twinning.

4.4.6. Contribution to Regional Investment Platform

N.A.

4.4.7. EFSD+ operations covered by budgetary guarantees

N.A.

4.4.8. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances (one alternative second option)

If negotiations with the entity described under the section 4.4.4. fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.4.3.

4.5. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.6. Indicative Budget

Indicative Budget components	EU contribution (amount in EUR)
Output 1 - Improved policy framework, financing mechanisms and capacities for social care services provision, composed of	2 000 000
Procurement (direct management) – cf. section 4.4.3	N.A.
Output 2.1 - Social dialogue enhancement and Output 2.2. Occupational Health and Safety and Labour Inspectorate support, composed of	2 500 000
Indirect management with entrusted entity - cf. section 4.4.4	2 500 000
Output 2.3. Harmonisation of labour legislation with the <i>Acquis</i> and Output 2.4. Participation in EURES, composed of	2 000 000
Indirect management with the Republic of Serbia – cf. section 4.4.5	2 000 000
Output 3 - Support to education policy, composed of	2 000 000
Procurement (direct management) – cf. section 4.4.3	N.A.
Indirect management with entrusted entity – total cf section 4.4.4.	2 500 000
Indirect management with IPA III beneficiary – total cf. section 4.4.5.	2 000 000
Procurement – total envelope under section 4.4.3	4 000 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	to be financed from another decision
Communication and visibility – cf. section 6	to be financed from another decision
Contingencies	N.A.
Totals	8 500 000

4.7. Organisational Set-up and Responsibilities

The institutional arrangements for implementation of activities which will contribute to the achievement of Action Outputs are:

Output 1. - final beneficiary and main coordinator is the Ministry of Labour, Employment, Veterans and Social Affairs (MoLEVSA). The MoLEVSA will coordinate all end recipients of the Output 1.1. A Steering Committees will be established' for the intervention and will guide the implementation. It will include representatives from the MoLEVSA, Republic and Provincial Institutes of Social Protection, Ministry for European Integration and EUD. In addition, the composition of the Steering Committees' may also include relevant representatives of other stakeholders and will be based on equal representation of the interest of all institutions while bearing in mind effectiveness and efficiency of such body. Additionally, stakeholders at national and sub-national level, as identified under Section 2.2. of this document, will benefit from the activities.

Output 2.1 and 2.2. - activities leading to indicators 2.1.1. to 2.1.4 final beneficiary is the Ministry of Labour, Employment, Veterans and Social Affairs (MoLEVSA). End recipients are the MoLEVSA, Health and Safety at Work Directorate, Labour Inspectorate, Ministry of Health - Institute of Occupational Health of Serbia "dr Dragomir Karajović and the National Social and Economic Council (SEC). Additionally, stakeholders at national and sub-national level, as identified under Section 2.2. of this document, will benefit from the activities. The International Labour Organisation will be the main implementing party of the Intervention and will provide strong support in terms of project management, infrastructure and procurement procedures.

A Steering Committee responsible for steering and monitoring the process of implementation of all contracts and activities envisaged under the proposed intervention will be established. Members of the SC will include, but will not be limited to, representatives of the MoLEVSA, SEC and Ministry for European Integration. The EU Delegation will act as an observer to the SC reserving the right to object to SC decisions with strong justification. Other relevant public administration bodies and partners, as per section 2.2 will be included as observers. Furthermore, social partners and civil society organisations may also be invited to the Steering Committee meetings as observers, as and when required. The Steering Committee meets at least twice a year and on ad hoc bases, when necessary. The Programme Management Unit from the ILO Office in Serbia (PMU) will serve as Secretariat to the Steering Committee. In special cases the Steering Committee can make decisions based on the electronic communication, facilitated by the PMU.

Output 2.3 and 2.4. - activities leading to indicators 2.1.5 and 2.1.6 final beneficiary is the Ministry of Labour, Employment, Veterans and Social Affairs (MoLEVSA). End recipients are the MoLEVSA and National Employment Service.

Project Steering Committee (PSC) will be established for the direct control and supervision of the project implementation. The PSC will be responsible for the overall quality of project implementation, provide strategic direction and ensure that the project outputs and goals are met in time, approve work plans and reports, offer guidance and advise on project activities.

The composition of the PSC will be defined by the Twinning Contract. Nevertheless, the PSC will be composed of following members: MS Project Leader, the junior MS PL(s) (in case of consortium), BC Project Leader, RTA, RTA BC counterpart, representatives of the Ministry of Finance, Department for Contracting and Financing of EU Funded Programs (CFCU), representatives of the MoLEVSA/IPA Unit, representatives of the Ministry of European Integration (MEI) and the representatives of other key institutions involved in the project. Representatives of the EUD will be invited as observer(s). If deemed necessary, representatives of other institutions with relevant expertise or key experts who can enhance the quality of the project should be invited to join the Steering Committee Meetings as observers.

Output 3. - final beneficiary is the Ministry of Education, Science and Technological Development (MoESTD). Main coordinator is the Ministry of Education, Science and Technological Development (MoESTD).

End recipients is the MoESTD. Additionally, stakeholders at national and sub-national level, as identified under Section 2.2. of this document, will benefit from the activities.

Steering Committees will be established' for the intervention and will guide the implementation. It will include representatives from the MoESTD (chair/co-chair the SC), MoLEVSA, Ministry of Youth and Sport and

Ministry for European Integration and EUD. The tasks of the SC will be: to review the progress and endorse Action implementation reports; discuss any open issues related to the implementation of the Action; approve requests for funding and review and make decisions regarding the overall structure and content of the Action, jointly discuss any critical points, risks or bottle-necks of project implementation and to propose and discuss remedies in case of problems. The SC will meet at regular intervals, at least quarterly to oversee the implementation of the project plan and, when necessary, on ad-hoc basis.

As part of its prerogative of budget implementation and to safeguard the financial interests of the Union, the Commission may participate in the above governance structures set up for governing the implementation of the action.

4.8. Pre-conditions

N/A.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (Outputs and direct Outcomes) as measured by corresponding indicators, using as reference the logframe matrix (for project modality) and the partner's strategy, policy or reform action plan list (for budget support). The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

In case the arrangements remain the same as during the IPA II period, the overall progress will be monitored through participation of various stakeholders, such as European Commission/EU Delegation, NIPAC, NIPAC TS/ BCPME, NAO, NAO SO, NF, Contracting Authority - CFCU, Final Beneficiaries, AA, and other institutions and civil society organisations. More precisely, monitoring will be done through:

- **Result Orientated Monitoring (ROM) system (led by DG NEAR):** This will provide, as necessary and required, an independent assessment of the on-going or ex-post performance of the Action.
- **IPA Beneficiary's own monitoring:** IPA monitoring process is organised and led by the NIPAC, supported by the NIPAC TS/ BCPME. NIPAC is the main interlocutor between the Serbian government and the European Commission regarding strategic planning, co-ordination of programming, monitoring of implementation, evaluation and reporting on the overall IPA assistance. NIPAC monitors the process of programming, preparation and implementation, as well as the sustainability and effects of programmes, aiming to improve these processes, ensure timely identification, remedying and alleviation of potential issues in the process of programming and implementation of Actions. Through the support of the NIPAC TS/ BCPME, the NIPAC prepares regular monitoring reports for the Government and the European Commission based on the reports drawn up by the institutions responsible for implementation. It reports on the formulation of Action, the fulfilment of preconditions for the initiation of public procurement procedures, the implementation of Action, its sustainability and effects, and organises the process of evaluation.
- **Self-monitoring performed by the EU Delegation:** This is part of the annual assurance strategy process and is done based on the ex-ante risk assessment of actions/contracts that are considered riskier.

Joint monitoring by DG NEAR and the IPA Beneficiary: the compliance, coherence, effectiveness, efficiency and coordination in implementation of financial assistance will be regularly (at least once a year)

monitored by the IPA Monitoring Committee. It will be supported by Sectoral Monitoring Committees which will ensure monitoring process at sector level. The results of monitoring will be used in the policy-making process to propose programme adjustments and corrective actions.

The Ministry of Labour, Employment, Veteran and Social Policy and the Ministry of Education, as the beneficiaries and key stakeholders of the project/activities leading to the completion of Output 2.1 related to Outcome 1, will delegate their technical staff that will maintain operational contacts with the implementing partner (the ILO), the Ministry of EU Integration and the donor (the EU Delegation).

The responsible technical staff will be tasked to ensure that the implementing partner produces the project logframe matrix in line with the activities leading to the completion of Output 2.1 related to Outcome 1 of this Action Document. The implementing partner will also have to design adequate monitoring and reporting procedures under the guidance of the responsible technical staff of the beneficiary institutions, taking into account the internal reporting division of roles and responsibilities and the indicators foreseen by the Performance Assessment Framework (PAF).

The performance and results-based financing of activities leading to the completion of Output 2.1 related to Outcome 1 will be based on the project logframe matrix, which will be developed at the inception phase of the project implementation by the implementing partner (the ILO) and agreed upon by the beneficiaries and the donor of project funds.

The performance and result monitoring will primarily be done through a tripartite Project Supervisory Committee (PSC), which will meet on regular basis once in 3-6 months. All stakeholders involved (the Ministry of Labour, Employment, Veteran and Social Policy, the Ministry of Education, the Economic and Social Council, representative trade unions and employers, etc.) will be invited at the start of the project to nominate their representatives at the PSC. The PSC will be chaired by the project manager appointed by the implementing partner (the ILO), who will work under the guidance of the ILO National Coordinator for Serbia and the ILO technical specialists, and be responsible to convene and chair the PSC meetings, produce the PSC meeting minutes and validate them with all the PSC members and reflect the PSC findings into the logframe matrix of the project.

5.2. Evaluation

Having regard to the importance of the action, a final, mid-term or ex-post evaluation(s) for this Action, or its components may be carried out via independent consultants, through joint missions, contracted by the Commission or via an implementing partner.

The mid-term evaluation will be carried out for learning purposes, in particular with respect that it includes numerous components concerning the accession process.

The final or ex-post evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that it includes numerous components concerning the accession process.

In case an evaluation is not foreseen, the Commission may, during implementation, decide to undertake such an evaluation for duly justified reasons either on its own decision or on the initiative of the partner.

The Commission shall inform the implementing partner at least 6 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Finally, the evaluations envelope will generate systemic recommendations and inputs relevant for future programming. Evaluation services may be contracted under a framework contract.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. COMMUNICATION AND VISIBILITY

Visibility of EU funding and communication about objectives and impact of Actions are a legal obligation for all Actions funded by the EU, as set out in the EU communication and visibility requirements in force.

In particular, the recipients of EU funding shall acknowledge the origin of the EU funding and ensure its proper visibility by:

- providing a statement highlighting the support received from the EU in a visible manner on all documents and communication material relating to the implementation of the funds, including on an official website and social media accounts, where these exist; and
- promoting the actions and their results by providing coherent, effective and proportionate targeted information to multiple audiences, including the media.

Visibility and communication measures shall be implemented, as relevant, by the national administrations (for instance, concerning the reforms linked to EU budget support), entrusted entities, contractors and grant beneficiaries. Appropriate contractual obligations shall be included, respectively, in financing agreements, delegation agreements, and procurement and grant contracts.

The measures shall be based on a specific Communication and Visibility Plan, established and implemented in line with the EU communication and visibility requirements in force. The plan shall include, inter alia, a communication narrative and master messages for the Action, customised for the various target audiences (stakeholders, civil society, general public, etc.)

Visibility and communication measures specific to this Action shall be complementary to the broader communication activities implemented directly by the European Commission services and/or the EU Delegations and Offices. The European Commission and the EU Delegations and Offices should be fully informed of the planning and implementation of the specific visibility and communication activities, notably with respect to the communication narrative and master messages. It is the responsibility of the implementing partner(s) to keep the EU Delegations/Office and the European Commission fully informed of the planning and implementation of the specific visibility and communication activities.

The engagement of the selected international organisation as an implementing partner for part of Output 2.1 will allow for increased synergy related to making the Action more visible, given the capacities of the partner to effectively communicate its presence and activities to various segments of the Serbian population in the past. Also, part of the action is raising public awareness through occupational safety and health campaigns. In addition, Output 3.1, given its scope and intended results, will make contact with a wide circle of institutions within the national system, providing ground for effective and widespread communication of EU support in this matter. Likewise, the immense reach of Output 3.1, especially given that it targets assistance benefiting high schools students and youth, a crucial demographic for visibility efforts, will contribute greatly to overall visibility effects. Also, part of the action is promotion of education and employment policies within complementary assistance for a future Sector Reform Contract, which envisages a detailed communications and visibility plan and related activities.

7. SUSTAINABILITY

In view of sustainability, the end recipients shall ensure the use of the outputs, resulting from the action, for the purpose they are procured for, in line with the action document, the contract or equivalent. The end recipients shall allocate enough budget for the functioning and maintenance of the assets and cover the costs of their operation and maintenance. The end recipients shall recover the assets to their initial condition in case

of their damage or replace the assets with those of minimum equal quality and functionality in case of their destruction.

For Output 1, all envisaged activities are directly identified in the strategic framework for social protection and supported by a large number of related activities set out in Action Plans to ensure sustainability,

For Output 2(activities 2.1, 2.2., 2.3. and 2.4.), assistance in developing a comprehensive set of new labour laws, together with social dialogue, Occupation safety and health and EURES will enable significant alignment with the EU *acquis* and help bring the alignment process to a finalisation phase and ensure that structural conditions are set to have functional a labour system in accordance with EU practices.

For Output 3 lessons imparted from implementing the complementary measures from the IPA 2016 Sector Budget Support for education reform, such as enhanced sector-wide cooperation, improved quality assurance mechanisms and evidence – based policy making, monitoring and reporting, were imbedded into Education Strategy 2030 objectives and AP 2021 – 2023, ensuring that actual results of the new SBS programme are more efficient, impactful and sustainable.