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# THEMATIC REPORT "ECONOMIC EMPOWERMENT OF RETURNEES TO SERBIA"

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### **ABBREVIATIONS**

CSO Civil Society Organisat	ions
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- GIZ German Company for International Joint Work
- IDP Internally Displaced Persons
- LSG Local Self-governance Unit
- NES National Employment Service
- SIDA Swedish International Development Cooperation Agency
- TIN Tax Identification Number

## **1 INTRODUCTION**

This document relates to persons which are effected by the "Agreement on readmission of persons residing without authorisation", which was signed between the Republic of Serbia and EU on 18<sup>th</sup> September 2007. With this agreement Serbia has agreed to "readmit, upon application by a Member State and without further formalities other than those provided for in this agreement, any person who does not, or who no longer, fulfils the conditions in force for entry to, presence in, or residence on, the territory of the Requesting Member State provided that it is proved, or may be validly assumed on the basis of prima facie evidence furnished, that such a person is a national of Serbia". Since 2006 more than 22,800 persons were returned to Serbia on the basis of this agreement. Approximately 80% of returnees were Roma nationality, though this figure is somewhat questionable, since nationality is determined on the basis of voluntary statement of a person concerned. Taking into account the predominance of Roma in returnee population, some of the figures provided within this study relate to general Roma population (particularly in cases where specific returnee statistics are not available).

Whilst some of the basic services and rights from the domain of housing, social and health protection are available to returnees immediately after their return to Serbia (with temporary "Travel paper") other benefits are only available after obtaining necessary personal documentation. All aspects of economic inclusion, including registration with the National Employment Service (NES) and use of their services, are subject to availability of full personal documentation.

This analysis does not deal with procedures and practices for obtaining of personal documents, since another Concept Paper provided by the Legal Aid project was dealing with this issue. The subject of this document is application of further possibilities related to different aspects of economic empowerment.

## **2 RATIONALE**

### 2.1 Economic position of Roma and returnees

From principal perspective employment and economic status are considered as one of the five segments (others being housing, health, education and social welfare) related to life and integration of Roma population. In practical sense however it can be claimed that the economic aspect represents the key element for full integration. Only by economic empowerment the members of Roma minority and specifically returnee population can escape the vicious circle of poverty and inequality. Engagement in employment and economic activation represent an important factor in psychological sense and has positive impact on all other segments of one's socio-economic life. For example education of children and youth is closely related to economic status of the parents, as poverty-effected children often face stigmatisation in school and lack motivation and support from their family to continue education.





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The statistics confirm the unfavourable position of general Roma population and the returnees as an integral part. According to the 2011 Census (Statistical Office of RS), only 28% of Roma belonged into the group of economically active, in comparison to 41% at the level of general population. From the group of active population, only 41% of Roma were implementing business activities, considerably lower percentage than for the general Page | 5 population (78%).

The estimate unemployment rate for Roma is 36% (45% for Roma women) compared with 16% for non-Roma population (Source: EU Progress report 2019).

34.4% of Roma does not have finished primary school, 33% have finished primary grade, 11.5% have finished secondary education and only 0.7% higher education (Source: Census 2011). Needless to say that the figures for general population are considerably higher.

In a recent survey which analysed the status of returnees (Source: The Survey on Status and needs of returnees based on the Readmission Agreement in Serbia, GIZ 2019) it was established that the large majority of interviewees (72%) indicated employment as their preferred support, 17% indicated housing, 6% humanitarian aid and 4% financial social assistance.

11% of interviewed returnees from that survey indicated that their family at least one member formally employed, whilst 54% indicated that they have one member informally employed. One fifth of these have 2 or more informally employed and it is clear that the waste collection dominates.

The survey of returnees also indicated the need for additional education and vocational training of individuals which don't poses required skills to be actively involved in the labour market. The general overview shows lower educational and vocational levels as other individuals registered with the NES.

## 2.2 Institutional and strategic framework

#### Institutional framework

The basic institutional framework for promotion of employment is defined in the "Law on Employment and Insurance for the case of Unemployment" (OJ of RS 36/2009, 88/2010, 38/2015, 113/2017 and 113/2017).

The key institution in this context is the National Employment Service (NES) which covers the activities related to employment, insurance for unemployment cases, support and maintenance of unemployment registries. The seat of NES is in Kragujevac and there are 23 branch offices covering the whole territory of Serbia. Additional local offices assemble these regional offices. Through regional and local offices the services of NES are indeed brought close to the final beneficiaries. The effectiveness of specific branch and local offices somewhat depends on individual initiative and capacities. The wide range of responsibilities and activities of the NES and its offices sometimes effects quality and final impact of interventions. The segment which is often mentioned/identified as critical is match-making between employers and potential employees. Though contacts with employers are one of the key legal responsibilities of the NES, their over-engagement with unemployed sometimes prevents them from coordinating with employers more efficiently.

**Employment agencies** are established by natural or legal persons for the purpose of employment activities. They are active in informing related to potential employment,



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intermediation for employment, professional advice and orientation. They can even get involved in implementation of active employment measures, based on contracting relation with the NES. The employment agencies are based on private initiative, following business and profit logic. Due to this fact it is not clear whether they can efficiently implement public mission and purpose, in particularly in employment of vulnerable groups.

**Employment councils** are established at the national, provincial or local level (connecting one or more municipalities). The Republic Council is an advisory body providing the founder with advice related to employment plans, active employment measures, legislation and other employment related issues. The Council's member comprise of representatives of vulnerable groups, including minorities. Representative of Roma minority have long lobbied for membership of Roma representative in the Republic Council but no progress has been done in this respect. Likewise, currently none of the local councils involve a representative of Roma minority or Roma coordinator.

The **Ministry of Labour, Employment, Veteran and Social Affairs (MLEVSA)** is the main coordinator in the area of Roma inclusion and is directly involed with the issues of employment and social protection. At the global level the Ministry was the proposing party in preparation of the Strategy for Roma inclusion. It is also coordinating preparation of Action Plans related to the Strategy. In the segment of employment, the MLEVSA acts as coordinator of activities, whilst the operational measures are mainly implemented throught the NES.

#### **Strategic Framework**

Strategic documents related to readmission were adopted at the national and local level. At the national level in 2009 the **Strategy for reintegration of returnees according to readmission agreement** was adopted. Related to employment and economic status the strategy proposes recognition of returnees as a specific vulnerable group (which was later indeed achieved). The strategy also defines the legal and institutional framework for economic empowerment but somewhat lacks concrete and targeted support measures. One mechanism which is broadly mentioned is vocational education measures.

At the local level a number of strategic documents were adopted related to refugees, internally displaced persons and returnees (some remain valid while other have expired). The plans have as a general rule defined economic empowerment as one of strategic objectives. It however seems that the measures were somewhat poorly realised. In some cases (see below under analysis) the part related to returnees and Roma was later covered (and more efficiently implemented) in specific Action Plans for Roma Inclusion.

The **National Employment Strategy for period 2011-2020** indicates as one of the strategic objectives "*Employment of Roma*". The indicators related to this objective include "*Number of Roma involved in active employment policy measures*" and the "*Number of employed Roma*".

The **Strategy for Roma Inclusion for the period 2016-2025** indicates as the strategic objective No. 3 *''Fostering inclusion of work-capable representatives of Roma minority to formal labour market, increasing employability, employment and economic empowerment, in particularly for Roma which belong to the categories of harder to employ''.* 

Taken into account the above quotations it is clear that economic empowerment of returnees and Roma in general is well and coherently covered in all relevant strategic

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documents. Nevertheless the question remains about application of strategic objectives in practice, what is also described in continuation of this analysis.

## **2 METHODOLOGY**

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## 2.1 Objectives of the study

The **overall objective** of this study is:

• To ensure economic empowerment of returnees to Serbia with positive impact on all other areas of their socio-economic life and existence. Economic status represents a basis for normalisation of all other segments of life, which include housing, education and health. In addition to that the economic empowerment provides for positive effect in a sense of full integration of returnees into society and their functioning/perception as active contributors in socio-economic context in Serbia.

Specific objectives of the study are:

- To identify segments which are the most critical in providing returnees with positive economic perspectives. The aim of the project is to identify the key segments which are important in the process of economic empowerment of returnees. These areas include coherent and efficient self-employment and employment.
- To review each of these segments and propose a set of recommendations to be followed by different actors. The analysis is providing review of the critical segments with identification of mitigation measures. Specific attention is dedicated to recommendations for future. The analysis points out the areas and approaches where progress can be expected through work of the project's experts.

### 2.3 Methodological approach

This analysis explores relation between actual needs of the target group (at the micro level) and the methods in principles which are currently used to overcome these challenges. The study to the extent possible assesses appropriateness of the existing measures and provides recommendations for corrective measures.

The identified gaps and discrepancies, as well as proposed mitigation measures are based on previous extensive experiences of the author and the feedback from interviewees which are involved with the returnees and Roma in general on daily basis. The structure of the analysis as well as recommendations aim to propose solutions at the national as well as the local level.

In line with the objectives of the Legal-Aid project this analysis focuses somewhat more on formal and legal aspects. Nevertheless the practical implications and significance are kept in

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mind through the document. The analysis in a way searches for efficient mechanism and principles by which procedural, legal and institutional aspects can align with concrete and practical issues of the final beneficiaries.

2.4 Data collection

The analysis is based on collection of data and information which illustrate the extent and the typology of the challenges and also indicate key areas of required intervention and directions for mitigation measures. The scope of information collected corresponds to the extent of this study, available resources and time for the analysis. In most of the cases the analytical information might not be statistically representative due to small sample. Nevertheless it is believed that particularly through implementation of interviews with key stakeholders, the scope of information and proposed solutions correspond closely to the current needs on the field.

#### **Secondary information**

The review of secondary information represented the first step in the implementation of the analysis. The description of institutional, strategic framework as well as project rationale are based on analysis of secondary data. The second segment of use of secondary data are documentation from project initiatives and previous analyses which often already provide some recommendations. With additional use of primary interviews these secondary information sources were critically reviewed and elaborated.

Secondary information that was analysed included:

- Information available on-line or in documentary form which include: statistical information, publications, strategies and promotional articles;
- Documentation which was obtained specifically for this analysis from other initiatives or from stakeholders which included: previous analyses, project reports and promotional publications.

#### Primary information

The collection process of the primary information followed logically the analysis of secondary information. The primary analysis complemented the secondary sources and enabled:

- Good insight into current needs and expectations;
- Review of policy and legal aspects which cannot be necessarily seen in the secondary data;
- Development of mitigation measures, following direct recommendations of interviewees.

The methodology used in the primary research were personal interviews with the relevant experts and stakeholders (in the current extraordinary situation due to Covid Virus, the interviews were either implemented on-line or by phone). Taking into account the diverse group of interviewees, the author did not use a standardised questionnaire nor was statistical analysis of these interviews implemented. Rather than that the author was aiming

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to review with each interviewee the key areas of her/his competence, knowledge and recommendations for improvement.

The selection of interviewees was following the main objectives of the analysis and the structure set-out in the methodology. Roughly three groups of experts and stakeholders were interviewed:

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- Representatives of the local level (LSGs or Roma coordinators) which are on the daily basis dealing with the issues which are the subject of this analysis and thus know the current and actual situation;
- Stakeholders at the national level which have better general overview of the situation and were able to provide broader and more standardised outline;
- Experts which have dealt with these issues in the past and are able to recognise the extent of the challenges and propose potential solutions.

The list of all interviews is presented in the below table.

Tur	Table. List of interviews implemented in the analysis		
No	Name	Function	Timing of interview
1	Brankica Jeremić	Expert; Social and legal expert, focusing on vulnerable groups, Roma Housing expert;	12.05., 09.30 am
2	Božidar Jovanović	Expert; Expert in Roma issues; Expert in the GIZ project 14.05., 10.00 am initiatives aimed at support to returnees	
3	Darko Marjanović	Advisor; National Employment Service of RS, International 18.05., 14.00 pm cooperation department;	
4	Dejan Živković	NGO sector representative; President of the association of 18.05., 16.00 pm Roma Prokuplje	
5	Stevan Nikolić	Local level; Roma coordinator Subotica 19.05., 16.30 pm	
8	Milka Djurjević	Help; Project manager 26.05., 10.30 am	
6	Dragan Gračanin	Expert; Head of Association of Coordinators for Roma 26.05., 15.00 pm Inclusion Serbia	

#### Table: List of interviews implemented in the analysis

## **4 ANALYSIS**

### 4.1 Overall challenges and issues

The following section presents some of the key issues which are relevant when access to labour market and economic empowerment of returnees is considered. The challenges presented under this point can be in a way considered as horizontal, since they are influencing all the specific areas of intervention presented in the continuation.

### **Registration of returnees with the National Employment Service**

The segment of economic empowerment is somewhat different from the access to basic rights and documents (presented by the author Stevan Nikolić in a separate study). While the returnees see direct benefit from obtaining of personal documents to access the basic

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rights (health, education, social welfare), they are clearly far more reluctant when registration the NES is considered. The fact is that out of 22.000 returnees only few (between 50 and 100) are actually registered with the NES as active job seekers. The real figure is surely somewhat higher, since not all returnees are confirming their status when registering. Nevertheless a number of reasons exist why the registration rate is still Page | 10 proportionally very low:

- Lack of information and awareness. Some individuals don't have sufficient information about the role of NES and potential benefits which can be gained by registration.
- Perception of NES programmes and interventions. Some individuals clearly don't consider the programmes and interventions by NES as beneficial for them. There are cases where Roma individuals don't gain access to support programmes despite positive discrimination by NES (returnees are considered by NES as a vulnerable group, what anticipates favourable position in accessing NES services). Some individuals are realistically not interested for obtaining full-time job for various different reasons.
- **Registration procedure.** Once the returnees obtain personal documentation as a precondition for registration, they would appreciate clarification and assistance with the registration procedure (34% according to GIZ 2019 study).
- Lack of interest to enter formal economy. A significant percentage of Roma citizens and also returnees are working in informal part of economy without being registered or paying taxes and social benefits. This goes for both, self-employment type and employment with existing employers. Negative aspects from the perspective of individuals are above all absence of any insurance at work and poor long-term pension perspectives.
- Reluctance towards possibility to "become visible". Some of the individuals are not in-favour of presenting themselves to the formal system. The reason for this seem to be fear of formal/legal consequences or hidden interest to go abroad again at one point. Such individuals see the formal registration as a potential obstacle in their intentions.

The above reasons represent a significant challenge. Namely for all the NES interventions and support prior registration is necessary. With some of the mitigation measures presented in continuation of this document, the registration with NES will still be considered as pre-condition. There seem to be significant potential and need for better awareness raising and motivation of returnees in this respect.

#### Coherence and application of the strategic framework

Between 2010 and 2015 there were significant efforts on both, national and local level, to define support measures for refugees, IDPs and returnees. The process was also accompanied by preparation of strategies (most of whom have already expired). Labour market access and economic empowerment was as a general rule covered in each of these documents. It nevertheless seems that the measures were occasionally defined at too general level and did not take into account actual needs and position of individuals (returnees). Other reasons for discrepancies include lack of monitoring of implementation

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and absence of definition of responsibilities. It seems that this trend continued also with the few strategic documents were updated/newly prepared and are currently valid. Some of the LSGs have recognised that efficient measures in support to economic activities of returnees do not necessarily ask for specific strategic document but can be well covered in general Local Action Plans for Roma Integration. The key to success of the measures is Page | 11 identification of actual needs, recognition of specific status and needs of returnees, definition of targeted practical interventions and follow-up monitoring of implementation phase.

#### **EXAMPLE:** Performance on the basis of strategic documents

The reasons preventing strategic objectives to be fully delivered can be observed at several levels:

- Institutional responsibilities and coordination. Though theoretically the responsibilities for Roma inclusion and employment are clearly defined in practice the activities are distributed between several entities (MOLVSE, Ministry of Construction, Transport and Infrastructure, Coordination body, Governmental office for Human Rights etc.). Involvement of these different institutions is not formally and clearly recognized, therefore some discrepancies in coordination of activities exist. In order to improve the current situation, all involved entities should clearly define responsibilities and ensure regular coordination and communication flow.
- Operational performance in delivery of the objectives. Operational performance does not always meet high expectations of the strategies. The reason for such a situation (assuming that for specific segments responsibilities are clearly defined) the most often are limited institutional capacities. Methodological discrepancies. A partial reason for underperformance are methodological discrepancies. It seems to be a general approach that the objectives are set quite ambitiously without realistic review of performance set-up ("wishlists" vs. realistic objectives). Even with significant efforts by involved institutions, these objectives cannot be fully achieved. Performance indicators definition does not describe well performance quality, efficiency and impact (marginal and insignificant indicators vs. objective oriented indicators). This also prevents involved institutions from regular results oriented monitoring and review of activities.
- Reasons attributed to the target public. It needs to be also admitted that partial reason for discrepancies is limited interest by target groups. In order for situation to improve better and stronger contacts with the micro level need to be established in preparation and implementation of strategies.

#### Informal economy

Informal economy and employment represents a general threat to coherent economic development in Serbia. The information from recent studies (Source: NALED) shows that the informal economy still represents approximately 17% of GDP and accounts for 17% of all employments. Roma citizens, including the returnees are represented in informal economy in disproportionally high share. The reasons for this are the following:

- **Typology of economic activities** which the Roma and returnees are implementing. Significant percentage of Roma are involved in collection of recycling materials or in different forms of service activities. These areas by definition provide better possibilities for informal work.
- Vulnerability of individuals. Significant number of returnees are faced with low economic standard which makes them vulnerable to employers which are prepared

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to exploit their status. For example with construction companies significant number of Roma and returnees are working in illegal form, without any insurance or social security.

Limited interest to move to formal economy. Roma and returnees are generally reluctant to move from informal to formal economy as they are afraid that they will Page | 12 lose the benefits of social-welfare system. They are on the other hand not aware that on long-term they are losing possibility of acquiring pension and other potential benefits provided by active work. The dependence on the social-welfare system creates the vicious circle of poverty and dependence not only for concerned individuals but also for their families and in particularly children.

#### Discrimination

Although all legal documents and provisions, including the Constitution of the Republic of Serbia, strictly prohibit any forms of discrimination such cases in practice still exist, including in relation to labour market and employment. In a recent research (Source: Research "Discrimination at labour market", Equality Commissioner 2019) it was indicated that 92% of employers, 86% of unemployed and 84% employed perceive some aspect of discrimination. One third of interviewees have personally experienced some form of discrimination. The opinion that "Roma are not invited to job interviews as the employers would not like to employ them" was indicated by 75% of interviewed employers, 71% of employees and 76% of unemployed. Common stereotype related to Roma is that "they do not like to work".

All forms of such discrimination are not only totally unacceptable as a principle but also prevent returnees and Roma from equal access to work.

#### 4.2 Specific areas and methods of intervention

#### **Registration process**

The procedure and all other aspects of the registration of unemployed are regulated by the Law on Employment and Insurance for the case of Unemployment (OJ of RS 36/2009, 88/2010, 38/2015, 113/2017 and 113/2017).

Registration with the NES is implemented for unemployed looking for work, employed interested in changing job and other job seekers (students etc.). The main benefit of the registration with the NES is access to all information and active support from NES side in seeking the job. Participation in all active employment measures (which includes all types of benefits for employment and self-employment) is conditioned by NES registration.

The documentation which is required in the registration process includes:

- Personal documentation ID, with photography which contains information about residence of the concerned person;
- Proof on professional or vocational education; -
- Declaration on termination of work agreement (if the person was employed);
- Other proof and statements in line with the law.

Registration with the NES draws obligations for the applicants, including the requirements:

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- To actively search for job also in direct contact with potential employers;
- To prepare individual employment plan with the NES and respect the obligations deriving from this plan;
- Not to reject work in case that appropriate employment solutions are identified;
- Attends interviews with employers at own initiative or by intermediation from the NES.

EXAMPLE: Centre for readmission for South Serbia

Roma activists from Prokuplje have identified the need permanent provision of information and support to returnees at one place ("one stop shop"). The solution will be provided through a readmission centre where education, vocational education, advice and other activities will be organised. The centre will be 270 m2 and its renovation was enabled through a donation from the Embassy of Japan.

#### Vocational training

The matters related to vocational training and verification of professional documentation are covered by the Law on national framework of qualifications of Republic of Serbia (Official Gazette of RS no. 27/18).

In different previous analyses and in contact with stakeholders and representatives of Roma minority, the low educational level and absence of adequate working skills is often mentioned as one of the key limitation for better access to work. In particularly the returnees are in unfavourable situation as they are entering new (economic) environment where previously obtained skills abroad don't necessarily correspond to the needs on Serbian labour market.

In Serbia it is typical in recent years that employers (including FDIs which engage a large number of newly employed workers) look for specific technical or manual skills which correspond closely to their narrow needs. In some cases the employers provide for initial training of employees but in general they prefer persons with specific experiences and skills.

There are also cases of returnees which have in-fact obtained vocational training abroad but are unable to verify their diplomas in Serbia. There were cases of lost documentation and also the verification process seems complex and costly.

It needs to be also noted that the past "vocational" training programmes implemented for returnees and Roma did not necessarily take into account the current needs on the labour market. A partial reason for such a situation is the absence of efficient communication between employers and training providers. A partial reason is simply the fact that the training providers occasionally follow their own interest and not the (real) interest of final beneficiaries.

#### Self-employment

Subsidies for self-employment are provided by NES as well as some donors'/NGO initiatives. The general scepticism of the returnees to enter formal economy represents significant obstacle when self-employment possibilities are considered. In practice the majority of self-employed continue their activities previously implemented in informal sector in registered companies/entrepreneurs.

The NES support is based on one-time grant which ranges between 250,000.00 and 270,000.00 RSD and it requires registration of a company, cooperative or as entrepreneur.

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NES generally requires guarantee (provided by the person under question or other entities) what represents significant challenge for potential beneficiaries.

The conditions for acquiring support include: person needs to be registered with NES, the applicant has finished a training on entrepreneurship organised by NES or partners. The documentation which is required includes a full range of personal documentation and proof Page | 14 of the NES training, business plan and state-aid confirmations.

After the receipt of funding the beneficiary is required to pay required contributions from business for at least 12 months. It also needs to inform NES on implementation of the business and allows access to all documentation. Currently the beneficiaries are exempt from paying social contributions from their businesses. The NES scheme does not anticipate active support to the beneficiaries while implementing their business. In practice the majority of businesses supported by NES fail to demonstrate sustainability and long-term perspective.

In addition to the NES support, some donors are also active in providing assistance and finances to promote self-employment of Roma and other vulnerable groups. These programmes are depending on donors' funding and in some cases (see the box) provide for better results than the NES funding.

#### **EXAMPLE: HELP Programme for self-employment**

International organisation HELP has been implementing support to self-employment of Roma and other vulnerable groups since 2002. Currently the programme is financed by GIZ. The beneficiaries of the programme are entitled to support of approximately 2,000.00 EUR which is provided in equipment (or renovation of business premises). Activities which are typically supported by the programme include: different types of repair (plumbing, auto service), construction activities or personal services (for example hair-dresser). HELP reports that more than 80% of the businesses demonstrate success and long-term sustainability.

The reasons for above-average success rate can be sought in particular in two segments typical for the HELP programme. In the beginning a careful two-stage selection process is implemented, where the applicants are carefully reviewed. In addition to that the programme also provides assistance to the beneficiaries in initial stages of their businesses.

#### **Employment with existing employers**

Employment with existing employers is based on the Law on Employment and Insurance for the case of Unemployment (OJ of RS 36/2009, 88/2010, 38/2015, 113/2017 and 113/2017). According to the law the NES acts as key support institution in a sense of information, intermediation and direct support. As mentioned earlier the employment is not necessarily attractive to returnees for a number of reasons. In addition to that the potential employees from Roma community often face prejudices or even discrimination.

The key element in the employment process seems to be coherent and efficient matching between both parties. The employers are realistically always facing a challenge of obtaining guality work force, but also have tendency to minimise risks. Any prejudice or potentially negative information can immediately raise the alarm. For the returnees on the other hand, the only realistic solution for employment seems to be alignment of such position with their personal preferences and needs. Once appropriate opportunities are identified and properly presented, the reluctant individuals more easily decide to activate at work.

A significant progress can be noted with adoption of the Law on simplified employment on season based activities in specific sectors (Official Gazette of the RS, no. 50/18). The Law

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which started to be applied from 7<sup>th</sup> January 2019 allows individuals to get engaged in the sectors of agriculture, forestry and fishing in specific season periods (planting, harvesting, plant and land protection etc.). The provisions allow engagement of workers up-to 100 days in calendar year. The employer is obliged to pay for social and pension protection of workers. The key benefits of this mechanism are the following:

- The returnees and Roma in general remain work-active whilst not losing any of the benefits deriving from the social-welfare system;
- The involved individuals can through this measure significantly improve their financial and material status;
- Significant part of activities can be moved from grey/black economy to formal and registered employment;
- Employers can obtain workers on season-basis; at the same time the workers are insured and registered, thus the risk for employers is lowered.

The procedure of registration is relatively straightforward. The employers which already have the Tax Identification Number (TIN) are not obliged to register the employees separately. Employers without the TIN are obliged to register with the Tax Service.

The registration procedure as such does not represent obstacle in engagement of employees under this mechanism. The area which requires further attention is match-making between employers and employees (see more details in Recommendations).

#### EXAMPLE: HELP Programme for paid praxis

International organisation HELP has been implementing a pilot project "Paid praxis" which is supported by Swedish International Development Cooperation Agency (SIDA). The programme facilitates paid praxis of students of final years of vocational schools in existing companies. The trainees are paid for 6 months from the programme (minimum wages) and after that period the employers have the opportunity to employ them. As with self-employment programme also the praxis demonstrated above-average results.

## **5 RECOMMENDATION AND FOLLOW-UP**

### 5.1 General recommendations

#### **Policy recommendations**

Though economic empowerment of returnees and Roma is (theoretically) well covered in legislation and strategic documents at the national and local level, practical applications are somewhat poorer. It happens regularly that at the time of monitoring or evaluation of strategies and action plans the strategic objectives related to Roma employment are not fulfilled. Though the legislation and policies anticipate full and equal integration of Roma in the labour market, cases of discrimination still occur. Roma are in principle recognised as a vulnerable group with theoretically preference treatment in the active employment measures, nevertheless due to a combination of implementing discrepancies it seems that the actual needs and practical aspects are not fulfilled completely.

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## Recommendation No. 1

Involvement of representatives of Roma community in national and local employment councils

#### Responsibility

- ✓ LSGs
- ✓ Ministry of Labour, Veteran and social Affairs
- ✓ NGO sector
  - National employment council

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The legal basis for involvement of representative of minorities and vulnerable groups in employment councils at the national and local level is clear. Having in mind that for Roma minority employment and work activation represents significantly bigger challenge than for other minorities it would be logical to involve their representative in councils at both levels. Their participation would bring much valuable insight into specific needs and challenges of the Roma community in relation to economic activities and employment.

Recommendation No. 2	Responsibility
Measuring of impact of the support	✓ LSGs
interventions at all levels	<ul> <li>Ministry of Labour, Employment Veteran and</li> </ul>
	Social Affairs
	✓ NGO sector
	✓ NES

Some of the relevant strategies are theoretically monitored and assessed through reports on implementation of (annual) action plans. In majority of cases these reports measure progress with output indicators which are not always ideally defined from the beginning. Such an approach prevents better assessment of actual quality and impact of interventions. It also does not give sufficient insight into potential discrepancies nor does it define mitigation measures.

The monitoring and evaluation of strategies and action plans should focus more on real impact of the measures at the micro level. The key relation for assessment is not theoretical fulfilment of set indicators but confirmation that by results the initial challenges were resolved or at least reduced. To start with, the strategies and action plans should include the indicators which more clearly define this relation. During the implementation phase the progress should be monitored also in a sense of quality of measures and real impact. The strategic documents should also be amended to current needs if significant changes at the micro level are noted.

### Supporting registration and relation with the NES

As indicated in the analysis, the registration process with NES apparently means significant challenge and in the Survey (GIZ) the returnees have mentioned that assistance would be appreciated. Support to registration should be observed in a wider context. In complementarity with some of the measures presented below, returnees should be systematically motivated to register and also provided with assistance in continuation of their relations with NES.

Recommendation No. 3	Responsibility
Support in the registration process with NES and further contacts	<ul> <li>✓ LSGs</li> <li>✓ NGO sector</li> <li>✓ NFS</li> </ul>











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Legal-aid project

Relevant support entities (possibly LGS or NGOs) would approach returnees with presentation of positive aspects of registration with NES. Assistance would ideally be accompanied by representatives of Roma community which now exact needs and also Page | 17 individual position of returnees. Following the initial identification and motivation the individuals would be accompanied with their relations with NES. The latter would be kept in loop from the beginning of the process and would provide advice to involved organisations if necessary.

Recommendation No. 4	Responsibility
Support in verification of the documents which	✓ LSGs
are necessary for registration	✓ NGO sector
	✓ KIRS
	✓ Legal-aid project

As the present analysis does not touch upon the basic personal document (ID, health) this recommendation above all concerns professional documentation and diplomas related to work and access to labour market. The process of verification of diplomas and certificates acquired abroad currently costs 100 EUR what represents significant burden for returnees. In this sense the relevant authorising institution (Agency for qualifications) could waive or reduce financial fees for this specific group.

The procedure of verification is implemented with the Agency's ENIC/NARIC centre. Application is done electronically what already represents a challenge for returnees. Personal assistance in this segment would be surely appreciated.

The second important challenge is completeness of documentation. A number of returnees claim to have lost documentation during their re-allocation process. The necessary documentation needs to be obtained from the origin country and again assistance would be welcome. The assisting organisation could establish efficient relations with relevant institutions in the country of origin, thus lowering the returnees' administrative burden in this process.

Improved coordination at the local level	
Recommendation No. 5	Responsibility
Strengthening the focus on employment issues	✓ LSGs (mobile teams)
within mobile teams for Roma Inclusion	<ul> <li>NES (local and regional branches)</li> </ul>
	✓ NGO sector

The mobile teams for Roma inclusion have proved (in the LSGs where they are indeed functional) as the best available mechanism for Roma inclusion. The mobile teams normally connect key representatives at the local level dealing with Roma inclusion – representatives of LSG (Social care department, Roma coordinator), educational institutions (Roma pedagogical assistants), health sector (Roma health mediators), centre for social work and NES. Coordination of all these key stakeholders under the general supervision from LSG enables efficient and holistic approach towards Roma inclusion.









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In the recently completed EU project Roma Housing I preparation of operational plans of 20 mobile teams was supported. The plans were to propose annual operational support measures. Out of 115 operational goals defined for 2019 only 25 were for employment (45 education, 23 housing, 12 social protection, 10 health protection). This share is disproportional with the interests of target groups mentioned earlier where employment Page | 18 was put high on the agenda.

The partial reason for the low proportion of employment objectives is relative complexity of these intervention but also the fact that in some cases representatives of the NES were not so active in the mobile teams.

The significance of employment issues needs to be further strengthened also at the level of Roma inclusion mobile teams. With strengthened role of NES representatives the mobile teams should further explore possibilities for promotion of employment among returnees and Roma. Additional push to this issue could be given by inclusion of additional (economic or employment) sector services from LSG in the mobile teams.

Recommendation No. 6	Responsibility
Increasing awareness and responsiveness of local NES services in relation to returnees' and	
Roma needs	

Related to the previous recommendation, the regional and local NES offices could further strengthen their sensitivity and awareness about the real and actual needs of returnees and Roma in general. It is clear that these groups need somewhat different approach as general groups of unemployed. For the reasons mentioned in this study – fear, reluctance to enter formal economy, cases of discrimination, limited skills and education etc. - the regional/local offices should develop specialised approaches to reach this target group. The communication with other relevant actors in Roma inclusion at the local level, mentioned in the previous point would significantly help local NES offices understand better and answer more efficiently the needs.

The regional and local NES branches should be further motivated for involvement in mobile teams. The members from NES should be recognised this participation as a part of their work responsibilities.

Awareness raising and information for returnees		
Recommendation No. 7	Responsibility	
Introduction of system of Roma employment	✓ LSGs	
mediators	✓ NES	
	<ul> <li>Ministry of Labour, Employment Veteran</li> </ul>	
	and Social Affairs	

It seems like an important obstacle for better involvement of returnees into NES activities and labour market in general is the absence of personalised and targeted approach. It needs to be recognised that the returnees are a specific group which requires specific approach. Real identification of the actual needs and expectation as well as positive motivation can best be achieved by participation of representatives of Roma community or persons

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knowing closely the challenges. Such individuals can approach the returnees more easily and effectively.

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A long-time idea is introduction of Roma employment mediators which would function under similar logic as existing educational assistants or health mediators. Their responsibility would be daily contact with member of Roma community related to issues of employment Page | 19 and economic activities. The mediators would represent a connecting link between NES and Roma community. In a way they would help NES with specific advice and insight knowledge about needs and challenges of Roma.

Recommendation No. 8	Responsibility
Provision of permanent information and	✓ LSGs
support to returnees with concerned	✓ NGO sector
procedures	✓ Donors
	✓ Legal-aid project

This recommendation is deriving from the best practice example of the Municipality of Prokuplje where an information and support centre for returnees is being set up. The colleagues from Prokuplje have recognised close connection between all the issues which are being discussed within this analysis. Establishing of such support centre would de-facto mean setting-up a "one stop shop" where all relevant information and support is available. In ideal case such a centre would work on permanent basis, what would allow the returnees to receive advice and support at any time needed.

### 5.2 Recommendations for employment with existing employers

Legal and factual support in employment		
Recommendation No. 9	Responsibility	
Strengthening contacts between potential	✓ LSGs	
employers and returnees/Roma	✓ NGO sector	
	<ul> <li>NES (regional and local branches)</li> </ul>	

Employment of Roma with existing employers is in significant part hampered by prejudices about Roma community in relation to work. The results deriving from analyses and studies such as "Roma don't like to work" are not only discriminatory and offending for the community but also prevent better results and benefits for both sides. In practice it was shown on numerous occasions that Roma are competitive or even better workers than members of the general population once appropriate chances are given to them.

In order to eliminate prejudices and to satisfy expectations of both sides in targeted and efficient manor, contacts between employers and potential workers should be strengthened. By targeted match-making and coordination employers would gain better insight into specifics of the Roma and would also get confirmation that employees can satisfy their specific needs and expectations. Returnees and Roma on the other hand would get previous insight into type of business, expectations from them and would thus enter the work with less risk and uncertainty.











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#### Recommendation No. 10

Provision of support and advice to employees

#### Responsibility

- LSGs (mobile teams)
  - NGO sector

It was also noted, in exception to several different initiatives, that returnees and Roma in general receive limited support once they enter employment. In most of the cases they are left to their own and no systematic system of monitoring and support is provided.

Introduction of practice of monitoring and advice while at work would increase efficiency of actual work (bringing benefit to employer) and would also increase security and certainty for Roma workers. All extraordinary practices and discrepancies such as potential discrimination or mistreatment would be identified and answered at an early stage.

#### Support in engagement in season work

As described previously the "Law on simplified employment on season based activities in specific sectors" represents significant advancement and opportunity for employment of returnees and Roma in general. The Law provides good formal basis and in practical application some possibilities for improvement clearly exist.

Recommendation No. 11	Responsibility
Setting up intermediary system between	✓ LSGs
employers and employees related to season	✓ NGO sector
work	✓ Legal-aid project

Significant proportion of the season work is currently implemented through specialised intermediary agencies. There were only limited direct contacts between potential employers and employees. An ideal solution would be intermediary role from public sector (LSGs through mobile teams) or NGO sector to avoid potential exploitation of this mechanism and to ensure full security for employees. It is therefore recommended to establish a mechanism of information exchange, where potential employers would be informed on availability and interest of potential employees from returnee and general Roma community. Vice versa the Roma individuals would be regularly informed on this opportunity in general, as well about concrete vacancies.

Recommendation No. 12	Responsibility
Expansion of sector coverage of the "Law on	<ul> <li>Policy level</li> </ul>
simplified employment"	

The Law currently limits the possibilities for season work on agricultural, forestry and fishing sector. Though being important in providing for employment for returnees, these sectors can still not be considered as high-value added sector. The one weakness of the Law is the fact that it does not provide enough opportunities for professional development of workers. Expansion to other (season based?) sectors like for example construction or catering would not only expand the range of opportunities (and thus potential beneficiaries) but would also provide for some more possibilities for professional advancement.





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## 5.3 Recommendations related to self-employment

#### Legal and factual support in self-employment

It has been recognised in this analysis that a significant challenges in provision of support to self-employment of returnees (and other Roma) occur when assistance is only provided in Page | 21 the initial stage of setting-up own business (as in existing NES schemes). The application and registering procedure is relatively complex already and at this stage some assistance was provided from NES, NGO sector or LSGs. However in the continuation of development of their business the applicants are left on their own.

**Recommendation No. 13** Responsibility Provision of support and advice to self-✓ LSGs employed during the initial stages of  $\checkmark$ NGO sector development of their business Legal-aid project

It is the fact that the beneficiaries of the self-employment initiatives are in the majority of cases well competent in their core (technical) business activities and are on the other hand lacking business experiences and skills. A mitigation measure to this risk (which causes the failure of the majority of new businesses) would be establishment and provision of support mechanism which would provide advice to self-employed returnees in maintenance and development of their business. This assistance would be provided on the basis of targeted workshops (with several participants) and one-to-one advice (based on maximum number of available consultation sessions). Assistance would be provided in the period of 12 months since starting own-business / obtaining support.

Recommendation No. 14	Responsibility
Strengthening and individualization of the	✓ LSGs
application process	✓ NGO sector
	✓ NES (regional and local branches)

Generalist approach where all applicants are kept at the same level regardless of their motivation, activity sector, personal and business competencies/perspectives did not prove as very efficient. In order for new businesses to be successful more in-depth initial analysis of the applicants needs to be implemented. With the applicants which are already implementing business activities in informal sector, the aspects of the existing business can be reviewed. With applicants which are starting a new activity, the business aspects and personal motivation needs to be reviewed. The analysis would ideally be implemented in person or through workshops in small groups. Representatives of Roma community (Roma coordinators?) could be involved in the process.

### 5.2 Recommendations related to provision of skills

Vocational training			
<b>Recommendation No. 15</b> Alignment of vocational tr with actual needs on the labo		<ul><li>✓ LSGs</li><li>✓ Training providers</li></ul>	
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> Ministry of Labour, Employment Veteran and Social Affairs

Vocational training activities have occasionally been implemented without proper focus and objective. One could even claim that some trainings served solely to the (financial) purpose Page | 22 of training providers. On the other hand employers cannot get quality work force and members of vulnerable groups remain unemployed due to lack of skills.

In order for the system of vocational training to be efficient and successful, close match-up with concrete and present needs at the labour market needs to be regularly implemented. For this reason the system needs to be flexible enough to adopt to eventual new trends. It needs to be widely recognised (in particularly on the policy making level) that the only reasonable vocational training measure is the one which can have immediate effect in a sense of work activation or employment.

For this to be achieved, more systematic and in-depth monitoring and forecasting of economic and labour trend needs to be ensured. Communication with potential employers needs to be strengthened. In addition to large companies (where some coordination surely exists) the perspective of smaller employers (SMEs) needs to be taken into account.

Recommendation No. 16	Responsibility
A broader system of work praxis providing	✓ LSGs
practical skills in real-work environment	<ul> <li>Private sector companies</li> </ul>
	✓ NGO sector
	<ul> <li>NES (regional and local branches)</li> </ul>

Employers are always entering into risk when they are employing new employees. For this reason they are careful in this process and advantage is given to candidates which have previously demonstrated their expertise, competencies and personal character with other employers. This automatically means that the candidates with limited working experiences are in unfavourable position even if they could on long-term contribute more than others.

For this reason the initiative initiated by HELP and SIDA (see box under the previous point) can serve as best practice example. Introduction of a system which would enable employers to test their potential employees without too much risk (or attachment) and would provide trainees with realworking environment experiences, would be beneficial for both sides. In order for such a system to be set up, careful selection and training of employers needs to be ensured. On the other side the preferences and interest of potential employees should be regularly measured and observed. Both sides would be monitored and supported also during the implementation process.

The system of practice would ideally be expanded to a broader target groups (in addition to students as with the HELP project). Surely older and less qualified returnees would also be interested to join such an initiative which would allow them to test (without significant risk) their functioning in working environment.

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