

**Comments of the Members of the National  
Convention on the European Union  
on the draft Reform Agenda of the Republic  
of Serbia**

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# Introduction

Dear reader,

Before you is a collection of comments submitted by members of the National Convention on the European Union to the Government of Serbia during the preparation of the Reform Agenda for Serbia for 2024, which was adopted at the session of the Government of the Republic of Serbia held on October 3, 2024.<sup>1</sup>

**In the current geopolitical context, where all EU actors are extending not only declarative but also very concrete support for the completion of the enlargement to the Western Balkans through the Growth Plan framework, the Reform Agenda becomes an inseparable segment of the European integration process.** As such, it is one of several new instruments through which the goals of the four pillars of the Growth Plan will be achieved:

- **Strengthening economic integration with the EU single market;**
- **Strengthening economic integration within the Western Balkans through a common regional market;**
- **Accelerating fundamental reforms;**
- **Increasing financial assistance to Western Balkan states.**

As stated in the press release by the Ministry of European Integration on October 3, 2024, *“the further procedure envisages that the IPA Committee, representing all EU member states, adopts the Reform Agenda, after which a European Commission Implementation Decision will be made. Furthermore, by the end of the year, the Republic of Serbia must agree upon and ratify, in the National Assembly, two financial instruments with the European Union that will be integral parts of the Growth Plan, which is a condition for drawing the funds allocated to our country. For Serbia, according to the European Commission’s methodology, the first tranche is expected to amount to approximately 112 million euros out of a total of 1.58 billion euros, which will be available to us by the end of 2027, or over the next three years, provided that all requirements outlined in the Reform Agenda are met.”*

Across four reform areas, 98 measures/steps are foreseen, which, when implemented, will be the conditions for drawing the total of 1.58 billion euros allocated under the fourth pillar of the Growth Plan:

- **Business environment and private sector development (26 steps for payment);**

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<sup>1</sup> See: [MEI - Aktuelnosti - Usvojena Reformska agenda Srbije](#)

- **Green and digital transition (39 steps for payment);**
- **Human capital (12 steps for payment);**
- **Basics, i.e., rule of law measures (21 steps for payment).**

Since the National Convention on the EU has been actively advocating for transparent accession of Serbia to the EU for over a decade, as well as for the prompt fulfillment of necessary obligations on this path, the adoption of the Reform Agenda naturally becomes part of our regular activities, **as a mechanism for monitoring the European integration process across all negotiation chapters, established by the decisions of the Government of the Republic of Serbia and the Committee on European Integration of the National Assembly of the Republic of Serbia in 2014.**

**Bearing in mind that the process of drafting all national reform agendas began in the final year of the mandate of the current European Parliament and European Commission, it was, from the outset, burdened by tight deadlines, their constant extensions, and the fact that a similar instrument had not been used in previous enlargement cycles. The process itself required constant communication and coordination between representatives of national governments and the European Commission, so the final content of these documents is also the result of this inherently negotiative process.**

Acknowledging its role as the largest network of civil society organizations in Serbia, and in line with its mission, the National Convention actively advocated for an open, transparent, and inclusive process in drafting the Reform Agenda. On March 7, 2024, the Minister for European Integration, Tanja Mišćević, along with European Commission representatives led by Michael Miller from the European Commission's Directorate-General for Neighborhood and Enlargement, presented the Growth Plan and plans for drafting the Reform Agenda to the National Convention<sup>2</sup>. Civil society organizations present were introduced to the foundational basis for preparing this document and had the opportunity to present their observations through direct communication. A few days later, on March 12, a representative from the Ministry for European Integration, at the invitation of the National Convention, participated in a regional event in Tirana, along with other representatives from Albanian and North Macedonian institutions<sup>3</sup>. This was an opportunity for representatives of civil society and institutions from these three countries to share their observations and expectations regarding the process of drafting reform agendas. From the civil society perspective, the greatest challenge was the limited access to information due to the insistence on confidentiality, with responsibility for this restriction being mutually attributed by governments and the European Commission.

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<sup>2</sup> See: [Meeting of the Ministry of European Integration and the National Convention on the EU](#)

<sup>3</sup> See: [Growth Plan – Focus on the development of the Entire Region](#)

Outline information on the areas covered by the reform agenda was presented by the Ministry for European Integration and to members of the Working Group for Chapters 2 and 19 at a meeting held on April 17 in Belgrade<sup>4</sup>.

In an effort to ensure greater transparency in the process, the EU Delegation to the Republic of Serbia organized a meeting on March 14 at the EU Info Center in Belgrade for civil society organizations and representatives of the business community, where the Minister for European Integration, Tanja Mišćević, and Michael Miller from the Directorate-General for Neighborhood and Enlargement once again discussed the key areas of the Reform Agenda and the expectations of the process itself. Numerous representatives from the National Convention participated in this gathering and reiterated the need for greater inclusiveness and visibility in the process of drafting Serbia's Reform Agenda<sup>5</sup>.

The Multi-sectoral Working Group of the National Convention for the Economic Reform Program notes in its annual contribution to the National Convention's Book of Recommendations on the European Union the following:

*"The process of communication between the responsible institutions and the National Convention on the EU regarding the preparation of the Reform Agenda **began in the spring of 2024**, when the Republic of Serbia developed a draft of the first set of strategic reforms and possible indicators. At a meeting held on **March 14, 2024**, the Minister for European Integration provided an overview of the areas that would be covered by the Reform Agenda, but the specific document was not shared with the participants. **The first look at a tabular format of the reform measures set** was provided to the National Convention before the session of the Committee for European Integration, held on **July 18, 2024, which was closed to the public.***

*The document that the Convention representatives had the opportunity to review was in tabular form. It should be noted that this document, as provided, lacked elements prescribed by EU regulations. Additionally, the regulations require a consultative process in line with the legislative framework, but no further consultations on the final draft of the document were held, nor was the final draft with all necessary elements made available for public discussion."*

During the session of the Committee for European Integration<sup>6</sup>, representatives of the Government of the Republic of Serbia provided further explanations for prioritizing measures included in the version of the document that had been shared with Committee members and the National Convention seven days earlier, marked as *restrictive*. At the same time, they expressed readiness and willingness for more efficient civil society involvement in implementing measures from the Reform Agenda. Some of the National Convention's written and verbal comments and suggestions

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<sup>4</sup> See: [EU Convention Calls for Accelerated Reforms in Social Policy and Employment](#)

<sup>5</sup> The news about the meeting is not available on the websites of the Ministry for European Integration and the Delegation of the European Union to the Republic of Serbia.

<sup>6</sup> See: [Statement of the Committee for European Integration of the National Assembly of the Republic of Serbia](#)

received responses during the session, while the remaining written comments were forwarded to the Ministry for European Integration seven days later. Written responses to these comments were provided to the National Convention after the adoption of the Reform Agenda, collected and organized by the Ministry from the relevant ministries.

The National Convention's working groups for chapters 23 and 24 also provided their perspective on the process of preparing the Reform Agenda in an accompanying letter submitted alongside their written comments. They highlighted that *"the European Union emphasized that the Reform Agenda should be prepared in close consultation with relevant stakeholders, including parliaments, local and regional representative bodies and authorities, social partners, and civil society organizations, and that their contributions should be reflected in the Reform Agendas. We believe that the process was not conducted according to the prescribed proposal, as the preparation of the Reform Agenda was completed on March 7, 2024, without any special discussion allowing civil society to present its proposals. The presence of National Convention representatives at the session of the Committee of the National Assembly cannot be considered an adequate public debate or consultation, as civil society was only able to comment on an already developed document, with no clear answer as to whether this text could be amended."*

In the text before you, you will find specific observations and recommendations from our members, along with responses received from the Ministry for European Integration in written form. The contributions are grouped by negotiation chapters and areas monitored by the National Convention working groups.

The general comment from the National Convention's members is that the **Reform Agenda is not ambitious enough** in the scope of measures it prescribes, especially given that 2030 is regarded as a potential year for EU enlargement. To truly accelerate the reform process and elevate Serbia's EU integration process, more concrete measures should be established, which, in our view, could lead to necessary changes in the medium term and bring us closer to EU membership. Furthermore, **the visibility of the document itself, communication with stakeholders, and providing room for monitoring the implementation of the prescribed measures should be improved.** In this regard, despite the limitations and challenges of the process so far, the National Convention, valuing the Ministry for European Integration's readiness for more effective civil society involvement in monitoring the Reform Agenda's implementation, is prepared to take on the **role of a consultative mechanism for the Reform Agenda's implementation.** This will enable the National Convention, on the one hand, to conduct independent monitoring of the process, and on the other, to provide analytical support to institutions responsible for fulfilling the obligations of the Reform Agenda, depending on their willingness to accept it.

We thank the members of the National Convention for all their comments, proposals, and suggestions, as well as for their patience throughout the process. We sincerely believe that, in the coming months, we will establish a mechanism together that will efficiently monitor the Reform

Agenda's implementation and inform the public in Serbia about it, considering the financial dimension that will accompany the realization of the measures foreseen by this document.

In Belgrade, 7. November 2024.

Secretariat of the National Convention on the European Union



Bojana Selaković

Coordinator



**Working Groups for Chapters 1, 3, 4, 8, 9, 28  
and Multisectoral Working Group for  
Political Criteria**

# European Policy Center

## 1. Elements of the Reform Agenda

Regulation (EU) 2024/1449 of the European Parliament and the Council on establishing the Instrument for Reform and Growth in the Western Balkans outlines the content of the Reform Agenda (RA) (Article 13 of the Regulation). This article specifies that the RA will include 14 mandatory elements/parts, as well as potential additional information. Among other things, it is expected to describe the measures along with reforms and investments and how they contribute to strengthening the negotiation process foundations, including the rule of law, fundamental rights, and the fight against corruption. It will also include an indicative list of projects and investments for financing under the WBIF (Western Balkans Investment Framework), the contribution of measures to various sectors (such as climate change reduction and environmental improvement, digital transformation, education, employment, etc.), the mechanism for effective oversight, reporting, and evaluation of the RA, with measurable qualitative and quantitative steps and relevant indicators. There will also be a brief description of the consultation process conducted in accordance with the country's legislative framework, involving relevant stakeholders such as the national parliament, local and regional authorities, social partners, and civil society organizations (CSOs), and an explanation of how their comments and suggestions were considered in the RA.

*In the narrative section of the Reform Agenda and Annex 1, all requirements prescribed by Regulation (EU) 2024/1449 of the European Parliament and the Council on establishing the Instrument for Reform and Growth for the Western Balkans have been met. The European Commission assessed the fulfillment of these requirements during the process of harmonizing and adopting the document, and it has this obligation towards the European Parliament and the Council.*

In this context, we make the following observations:

- CSOs, for the first time, had the opportunity to see the proposed content of the RA, albeit in a tabular form, through the qualitative and quantitative steps presented. However, other elements required by the Regulation are missing. Given that the Regulation mandates a consultation process following the legislative framework (Article 13, paragraph 1, point (m)), we expect that the final draft with all elements will be made available for public discussion, in line with the Law on the Planning System of the Republic of Serbia ("Official Gazette RS" No. 30/2018). We note that the Ministry of Finance, during the preparation of different cycles of the Economic Reform Program (ERP), which was also prepared as part of the European integration process of the Republic of Serbia and discussed in the EU Council at the ECOFIN configuration of ministers for economic and financial affairs, regularly followed all steps prescribed by the Law on the Planning System (Articles 32, 34, and 36).

*In the narrative section of the Reform Agenda and Annex 1, all requirements prescribed by Regulation (EU) 2024/1449 of the European Parliament and the Council on establishing the Instrument for Reform and Growth for the Western Balkans have been met. Firstly, the Reform Agenda is not a public policy document in the sense of Article 14 of the Law on the Planning System but represents a planning/program document in accordance with Article 49 of the same Law. In line with Article 49 of the Law on the Planning System of the Republic of Serbia, a public consultation was not conducted; instead, consultations with civil society were held, modeled on the process for adopting negotiation documents in Serbia's EU accession negotiations. The reasons for this consultation process with all interested parties are provided in the mentioned article, but they are also previously known and characteristic of the European integration process, where the adoption of negotiation documents within short deadlines necessitates a more efficient procedure.*

- It is unclear whether consultations with local and regional authorities, as well as social partners, have already been or will be held, in accordance with Article 13, paragraph 1, point (m) of the Regulation.

*As stated in Article 13 of the Regulation, each Instrument beneficiary is responsible for conducting consultations in accordance with its own legal framework. Therefore, in the Republic of Serbia, consultations were carried out following the same procedure used for consultations during the adoption of negotiation documents in the EU accession negotiations of the Republic of Serbia.*

## **2. Methodological Comments on the Proposed Qualitative and Quantitative Steps**

Firstly, in the document submitted for consultation, relevant indicators as prescribed by Article 13, paragraph 1, point (k) of the Regulation were not presented alongside qualitative and quantitative steps. If the qualitative and quantitative steps are assumed to represent relevant indicators, we find that these indicators are defined at a relatively low level, as output indicators, while outcome and impact indicators are missing.

Additionally, the qualitative and quantitative steps are methodologically inconsistently formulated—sometimes presented as activities and sometimes as results. Some have target values, while others do not.

*The Reform Agenda was developed in accordance with the methodology provided by the European Commission, which is identical for all Instrument beneficiaries. It is planned that an Action Plan will be prepared in the upcoming period, based on the narrative section and Annex 1, in which the payment steps will be precisely outlined, along with the sources of verification and the responsible institutions.*

### 3. Comments on RA Content

In the proposed indicative reforms and qualitative and quantitative steps, very few relate to public financial management, even though this area should be among the priorities according to the Regulation.

Moreover, the indicative reform "4.5.1 Improvement of Anti-Corruption Measures and Prevention of Corruption" lacks any quantitative steps and target values (neither at the result level nor, if absent, at the outcome level) to adequately measure and monitor the effects of the steps taken. The timelines for the implementation of the steps foreseen by this reform are also questionable, as they are postponed until 2026 and 2027.

*The strategic approach of the Republic of Serbia regarding the monitoring of the Reform Agenda's implementation includes the development of specific action plans that will outline all necessary steps for carrying out activities, the roles of all relevant institutions, a timeline for the required steps, and a mechanism for tracking the completion of all activities. Additionally, deadlines are defined with consideration of the necessary timeframe.*

We believe that the adoption of laws should not be included as one of the steps, as merely adopting them without consistent and adequate implementation does not mean much. Additionally, it is unclear how it will be determined whether the adoption of these laws has met the expected standard/indicator. Therefore, the indicator should not simply be the adoption of laws. Instead, we propose defining a qualitative goal or achievement, with the adoption of laws being just one of the instruments for achieving the goal.

*The adoption of laws and various strategic documents is, in most reforms, the first step in implementing certain reforms, while the concrete implementation with measurable indicators is left for later phases of the Reform Agenda's execution, usually for the final year of implementation. This methodological approach to defining reform steps was established by the European Commission. Additionally, the planned Action Plan will specify the conditions that each document must meet and whether it aligns with EU law. Each of the planned documents is expected to require alignment with the European Commission before adoption.*

We welcome the inclusion of steps related to state aid rules in the reform agenda, hoping this implies a general prioritization of this area. This is especially significant considering that, ten years after the screening report on Chapter 8 – Competition Policy (June 2014), all criteria for opening this chapter (which concern state aid rules) have still not been met. This is particularly important as Chapter 8 is one of the most challenging for negotiations, as demonstrated by previous enlargement experiences where countries took the longest time to negotiate and close this chapter, along with Chapters 23 and 24.

*The prioritization of areas was conducted in consultation with the European Commission, and we are in agreement regarding the importance and scope of Chapter 8.*

While recognizing the importance of public consultations and discussions (which we emphasize in this comment), we believe that more significant potential qualitative and quantitative steps related to the development of the domestic private sector, particularly SMEs and entrepreneurs, could have been included in the proposed RA, specifically within the indicative reform "1.2.1 Enhancement of Investment and Development Opportunities for Entrepreneurs and the Private Sector." An example of such a step could be the restoration of the right for SMEs to use tax credits for the purchase of fixed assets.

If, for some reason, the steps related to public consultations and the legislative consultation process are to remain in this section (1.2.1), it is unclear how the deadlines for their implementation are defined, especially regarding the amendment of the Government's Rules of Procedure, as this amendment requires only a decision by the Government, and solutions have existed and been prepared for several years, within the framework of various international technical assistance projects.

*The deadlines for fulfilling the reform steps were agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation. Also, see the response on page 115.*

In section "1.2.2 Further Development of the Scientific and Innovation Ecosystem for a Knowledge-Based Economy," we welcome the step defining the increase in private sector expenditures for research and innovation to 50% of total expenditures. However, it is unclear how this quantitatively precise step will be implemented and how the private sector, particularly domestic SMEs, will be incentivized to make such contributions.

*We agree that this goal is quantitatively ambitious and requires careful planning and adequate support measures. In this regard, several mechanisms are planned to encourage the private sector, especially domestic micro, small, and medium-sized enterprises (MSMEs), to increase investment in research and innovation. Some of these measures include tax incentives for investment in research and innovation, aimed at facilitating companies' investments in developing new technologies and services, support programs for science-industry collaboration implemented by the Innovation Fund, with a particular focus on supporting innovative projects and creating a favorable environment for innovation, among others.*

#### **4. Process**

We take this opportunity to once again highlight the lack of transparency in the process of drafting the Reform Agenda in the Republic of Serbia. We note that the Regulation (EU) 2024/1449, which covers the process of drafting the RA in several of its articles, does not prescribe secrecy at any point. On the contrary, Article 11, paragraph 6, of the Regulation explicitly states that "the Reform Agenda shall be prepared in an inclusive and transparent manner, in consultation with social partners and civil society organizations."

We reiterate Article 13, paragraph 1, point (m), which prescribes that the consultation process should be conducted in accordance with national legislation, regulated by the Law on the Planning System of the Republic of Serbia, which was also adhered to during the preparation of ERP documents.

*As stated in Article 13 of the Regulation, each Instrument beneficiary is responsible for conducting consultations in accordance with its own legal framework. Therefore, in the Republic of Serbia, consultations were carried out following the same procedure used for consultations during the adoption of negotiation documents in the EU accession negotiations of the Republic of Serbia.*

*See the response to the second paragraph (in the section Elements of the Reform Agenda).*

It is also illogical to argue that EU institutions, in this case, the European Commission, prohibit the inclusion of the public from the outset and the transparency of the process due to member states. This is especially puzzling given the process of preparing the ERP, whose priorities have been transferred into the RA. The ERP was discussed at the ECOFIN Council, a body in which member states are represented at the highest level. Despite this, the ERP preparation process has been publicly transparent from its inception in 2015, with increasing cooperation over time. There were never any obstacles to the early involvement of civil society in the process or the transparency of state authorities during the preparation of this document, nor did EU member states object to or criticize this. On the contrary, Serbia has always been highlighted as an example of best practices in involving stakeholders. Unfortunately, in the process of drafting the RA, all these achievements in cooperation between public administration and civil society, as well as transparency and public involvement, have been diminished, even though the RA will be reviewed not by an EU Council configuration, but by the European Commission's IPA III management committee).

*The process of developing the Reform Agenda was very intensive and posed a challenge for both all beneficiaries and the European Commission. If you look at all the documentation that the Commission prepared when proposing the Regulation on the Growth Plan, you will see that due to the need for urgent adoption, a consultation process was not planned and that the Regulation is adopted through an expedited procedure. No institutional actor in the EU has requested a review of the legality of such adoption from the Court of Justice of the EU. Thus, the Regulation was adopted in accordance with the EU's founding act. In parallel with the adoption of the Regulation, the European Commission worked with all beneficiaries in the Western Balkans to define the reform steps that would be an integral part of the Reform Agenda.*

*Furthermore, the adoption of the Reform Agenda and the ERP are different processes. This is clearly evident from the Regulation you mentioned. The Reform Agenda is adopted by the Implementation Decision of the Commission, unlike the ERP, which is considered by the Ecofin Council. Therefore, member states are involved in the decision-making process regarding the RA in the final phase, i.e., when approving the Commission's Implementation Decision. In practice, the final proposal of the table with precisely defined steps was officially presented to the member*

*states only after interdepartmental consultations within the Commission, specifically in early October, while their comments are expected in mid-October within the IPA Monitoring Committee.*

## **Working Group for Chapters 2 and 19**



# Center for Democracy Foundation

For 1.2.1. "Repeal all special and other laws/regulations that introduce deviations from public procurement legislation" – the 2027 deadline is too long.

Regarding consultations: social partners (trade unions and employers) and civil society have been omitted.

*Deadlines for fulfilling the reform steps were agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation.*

For 3.1.1. "Improving labor market conditions, including ensuring adequate financial and institutional resources and capacities for activation in the field of employment and social policy," define an indicator that relates to increasing allocations for active labor market policies (as a percentage of GDP).

*Indicators were set in accordance with the European Commission's Guidelines for preparing the Implementation Plan of the Youth Guarantee and Annex 2 of this document: Framework of indicators for monitoring the youth guarantee service delivery system.*

The target value for youth leaving the Youth Guarantee with a positive outcome is set unambitiously (30%), considering that the value of this indicator in the EU in 2020 was 48%.

*We believe that the values of both indicators are realistically planned, considering the European Commission's report on the implementation of the Youth Guarantee in 2022 and the average values of both indicators for the EU, as well as the values of indicators for individual member states. The Council of the EU published data on monitoring the implementation of the Youth Guarantee at the EU level in 2022 on February 23, 2024 (europa.eu).*

*The document states the following:*

- "Just over three out of ten exits from the Youth Guarantee in 2022 (32.2%, aggregate level) were timely and positive (accepting an offer within four months of registration), slightly higher than in 2021 (30.7%)."*
- An additional indicator - coverage of the Youth Guarantee scheme (number of registered in the Youth Guarantee compared to the NEET population in the EU - ARS) shows that only 38.2% of NEET individuals aged 15-29 were covered by the Youth Guarantee in 2022 (aggregate level)."*

*It is planned for the Republic of Serbia to begin implementing the Youth Guarantee throughout the country in January 2027, so the mentioned values for the first year of implementation of the*

*Youth Guarantee are cautious and realistic compared to EU countries, considering that the Youth Guarantee has been implemented in the EU for over ten years. It is also planned for the values of these indicators in the Republic of Serbia to increase in the period following 2027; therefore, the Operational Program plans for 2032 that the share of NEET (15-29) included in the Youth Guarantee in the total number of NEET will be 50%.*

For 3.2.1. "Improving the quality of teaching and learning, fairness, and accessibility at all levels of education," replace the word "teaching" with "instruction".

*The change has been accepted; the final version of the translation uses the term "instruction".*

For the indicator "Participation of at least 38% of children aged between 6 months and 3 years in preschool education," set a more ambitious target value, as data from the Statistical Office of the Republic of Serbia shows that coverage in 2022 was 37%.

*This proposal could be accepted, depending on further negotiations with the European Commission and potential revisions of the document.*

For 3.2.2. "Reducing skill mismatches in the labor market and facilitating the transition from school to work, including improving additional VET, including dual VET, strengthening education, training, and appropriate adult upskilling," add indicators to increase coverage in primary and secondary education, which in 2022 stood at 95.2% and 87.2%, respectively.

*The prioritization of measures and indicators is the result of negotiations with representatives of the European Commission, ensuring complementarity and avoiding overlap with other modalities of support from EU funds.*

# Confederation of Autonomous Trade Unions of Serbia

In the area of Policy 3. Human Capital, we propose that Component 3.1. Labor Market, Column 3.1.1. Improving labor market conditions... be supplemented with relevant European Union directives envisaged by the Action Plan for Negotiation Chapter 19, adopted in May 2020. Following the matrix from the Action Plan for Chapter 19, the supplements are listed below, but this list is not exhaustive.

The Reform Agenda itself should integrate existing action plans, and in the case of the one for Chapter 19, new deadlines and acts that need to be transposed should be foreseen, i.e., legislation that needs to be prepared and adopted in Serbia.

## **AREA 1. LABOR LAW**

### **1.1. Working time:**

Directive 2003/88/EC of the European Parliament and of the Council of November 4, 2003, concerning certain aspects of the organization of working time.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we point out that during the adoption process of the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

### **1.2. On working conditions:**

**Council Directive** 94/33/EC of June 22, 1994, on the protection of young people at work, OJ L216, 20.08.1994, p. 12.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we emphasize that during the adoption process, the Law on Work Practice will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 92/85/EEC** of October 19, 1992, on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers, workers who have recently given birth, or are breastfeeding (tenth individual directive within the meaning of Article 16(1) of Directive 89/391/EEC).

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we emphasize that during the adoption process, the Law on Work Practice will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 2019/1152** on transparent and predictable working conditions.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we point out that during the adoption process, the Law on Work Practice will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 1999/70/EC** of June 28, 1999, concerning the Framework Agreement on Fixed-Term Work concluded by ETUC, UNICE, and CEEP.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we point out that during the adoption process, the Law on Work Practice will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 97/81/EC** of December 15, 1997, concerning the Framework Agreement on Part-Time Work concluded by UNICE, CEEP, and ETUC — Annex: Framework Agreement on Part-Time Work.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we point out that during the adoption process, the Law on Work Practice will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives. Therefore, it is not necessary for the EU Directives in the field of labor mentioned in the letter from the*

*Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 96/71/EC** of the European Parliament and of the Council of December 16, 1996, concerning the posting of workers in the framework of the provision of services, OJ L18, 21.01.1997, p. 111, and Directive (EU) 2018/957 of the European Parliament and of the Council of June 28, 2018, amending Directive 96/71/EC on the posting of workers in the framework of the provision of services.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 2014/67/EU** of the European Parliament and of the Council of May 15, 2014, on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ("IMI Regulation").

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Regulation (EC) No 1111/2005** of June 24, 2005, amending Regulation (EEC) No 1365/75 on the creation of a European Foundation for the Improvement of Living and Working Conditions.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 2008/94/EC** of the European Parliament and of the Council of October 22, 2008, on the protection of employees in the event of the insolvency of their employer (codified version).

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 2010/18/EU** of March 8, 2010, implementing the revised Framework Agreement on Parental Leave concluded by BUSINESSEUROPE, UEAPME, CEEP, and ETUC.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive of the European Parliament and the Council of 2024** on improving working conditions in platform work.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

## **AREA 7. ANTI-DISCRIMINATION IN EMPLOYMENT AND SOCIAL POLICY**

**Directive 2006/54/EC** of the European Parliament and of the Council of July 5, 2006, on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast.)

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the*



*Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 2010/41/EU** of July 7, 2010, on the application of the principle of equal treatment between men and women engaged in self-employment and repealing Council Directive 86/613/EEC.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 92/85/EEC** of October 19, 1992, on the introduction of measures to encourage improvements in the safety and health at work of pregnant workers, workers who have recently given birth, or are breastfeeding (tenth individual directive within the meaning of Article 16(1) of Directive 89/391/EEC).

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Directive 2010/18/EU** of March 8, 2010, implementing the revised Framework Agreement on Parental Leave concluded by BUSINESSEUROPE, UEAPME, CEEP, and ETUC, and repealing Directive 96/34/EC.

*The adoption and entry into force of the Law on Work Practice and its alignment with the quality framework and other relevant EU standards in the field of labor (by December 2027) - we indicate that in the process of adopting the Law on Work Practice, it will be aligned with the Recommendation on a Quality Framework for Traineeships and EU Directives, so it is not necessary for the EU Directives in the field of labor mentioned in the letter from the Confederation of Autonomous Trade Unions of Serbia to be included in the text of the Reform Agenda of the Republic of Serbia as indicators.*

**Council Directive 79/7/EEC** of December 19, 1978, on the progressive implementation of the principle of equal treatment for men and women in matters of social security.

*We thank you for the proposal presented by the Confederation of Autonomous Trade Unions (SSSS) and inform you that the principle of equal treatment of women and men has already been implemented in the Law on Social Protection through the Principle of Prohibition of Discrimination (Article 25), which prohibits discrimination against social protection users based on race, gender, age, nationality, social origin, sexual orientation, religion, political, union or other affiliation, property status, culture, language, disability, nature of social exclusion, or other personal characteristics. This directive has also been implemented in the Law on the Rights of Users of Temporary Accommodation Services in Social Protection, which has been in effect since 2022, and which defines the Principle of Non-Discrimination for users (Article 5), stating that the realization of user rights is ensured without discrimination based on race, skin color, ancestry, nationality or ethnic origin, gender, sex, gender identity, sexual orientation, sex characteristics, language, citizenship, national affiliation, religious, political or other beliefs, education, legal or social status, birth, genetic traits, marital and family status, property status, age, appearance, membership in political, union and other organizations, physical or mental disability, mental disorders, other health conditions, criminal conviction, or any other personal characteristic.*

*The deinstitutionalization of accommodation users, including the prevention of placement in social protection institutions, as well as preparing users for reintegration into their natural environment and independent living, includes, without discrimination, all users, regardless of the type and level of support, age, or other personal characteristics.*



## **Working Group for Chapters 5 and 32**

# Transparency Serbia

## Notes:

Transparency Serbia, within the framework of the National Convention on the European Union (NCEU), coordinates the work of the working group for negotiation chapters 5 and 32. A significant portion of the comments relates to these areas. Part of the comments pertains to issues regarding Chapter 23 – the subchapter "Fight against Corruption," where Transparency Serbia is a member of the NCEU Working Group. Another part of the comments relates to "political criteria" where Transparency Serbia is also a member of the Working Group. Additionally, Transparency Serbia is one of three associations participating in the parliamentary Working Group for the Improvement of the Electoral Process in the Republic of Serbia. This document is not intended for publication before the session of the Committee for European Integration on July 18, 2024, as the draft currently bears a confidentiality label. After that, it will be determined whether conditions exist for publishing the entire document or parts of it.

## GENERAL COMMENTS

Although the areas included in the Reform Agenda are important and, in general, well-chosen, the proposed solutions do not adequately address the scale of the problems in the given areas. This assessment partially relates to the selected measures to be monitored, but to an even greater extent to the set deadlines, which are unambitious – they could be achieved much earlier if there were political will. Furthermore, in some instances, activities are planned that have already been implemented or were supposed to be carried out (based on legal obligations), and new deadlines are set for the distant future.

In some parts, the proposal is unclear due to the use of terms that can be interpreted in different ways, possibly because the document was originally drafted in English.

## COMMENTS ON AREA 1

### DEVELOPMENT OF THE BUSINESS ENVIRONMENT AND THE PRIVATE SECTOR

#### 1.1 BUSINESS ENVIRONMENT

Component:

##### 1.1. Business Environment

Indicative reform changes:

### **Sustainable management of state-owned enterprises**

1.1.1. Improving the sustainable and efficient management of business entities owned by the Republic of Serbia.

*Qualitative or quantitative steps:*

#### **TS Comment: Public policies for managing public investments**

*After consultations with the European Commission, adopt the Policy Document and the accompanying time-bound Action Plan for improving public investment management and start their implementation (December 2026).*

The Public Investment Management Document is classified among the steps concerning the management of business entities owned by the Republic of Serbia. This is incorrect because public investments are realized not only by state-owned enterprises but also by government bodies. Categorizing this activity within this part of the Reform Agenda creates a risk that a portion of public investments will not be adequately monitored.

There is no justified reason to delay the adoption of the public investment management policy until the end of 2026, i.e., for two and a half years. The volume of public investments planned informally, without an appropriate public policy document, for the period until then is very large (the non-existent Program "Leap into the Future – Serbia 2027"). Therefore, it is necessary to ensure much earlier alignment of planning with the Law on the Planning System.

It is also unclear what exactly will be the subject of this public policy document. It can be assumed that the public policy act will foresee some amendments to the Regulation on Capital Projects ("Official Gazette of RS" no. 79/2023) or legislative regulation of issues currently addressed solely by that regulation. Therefore, it would be appropriate to plan amendments to the regulations now rather than waiting until after the adoption of the public policy act.

The term "public investments" is used instead of "public expenditures."

#### **TS Comment: Legal framework for public investment management**

*After consultations with the European Commission and in accordance with the Policy Document and the Action Plan, as well as with the best international standards, adopt an improved legal framework for public investment management that establishes a unified, comprehensive, and transparent mechanism for prioritizing all public investments, regardless of type and source of funding (December 2027).*

As described under the previous point, it is unnecessary to delay the improvement of the legal framework until the end of 2027 (for three and a half years). Although the Regulation on Capital

Projects has deficiencies and does not represent a transparent mechanism for prioritizing public expenditures, a simple intervention in Article 2 of that regulation, which defines its scope of application, would ensure that all investments, regardless of type and funding source, are subject to the same rules. The time required for this change is measured in weeks, not years.

In the longer term, it would be necessary to address the issues regulated by the regulation through a law and in much more detail. However, the real indicator of political will to make changes in this area would be an amendment to the regulation concerning scope (Article 2) and the regulation of public access to data from the Centralized Database of Capital Projects (Public Investment Management Information System: PIMIS) in Article 5.

### **TS Comment: Selection of executives of state-owned enterprises**

*Meeting the same conditions in 100% of state-owned enterprises that apply the Law on Managing Business Entities Owned by the Republic of Serbia in the appointment of management bodies and directors (December 2026).*

The measure is vaguely formulated because the term "same conditions" can be interpreted in different ways. Currently, some executives of state-owned enterprises are selected through public competitions (a small minority), some are appointed through other means, at least partially in accordance with regulations (acting managers within the legal timeframe, decisions made by state representatives in shareholders' assemblies), while some are completely illegally appointed (directors and acting managers whose mandates have expired). It could be interpreted that the obligation will be fulfilled if everyone is appointed in the same way, even if that way contradicts existing regulations or some standards that are being aimed for.

If the goal was to ensure that the members of all management bodies are appointed in accordance with the provisions of the Law on Managing Business Entities Owned by the Republic of Serbia, i.e., that by the set deadline (end of 2026), all public enterprises are transformed into capital companies, and that after that, in accordance with the provisions of that law, representatives of the Republic of Serbia in shareholders' assemblies are appointed, supervisory boards are elected, competitions are held, and directors of enterprises are elected through those competitions, then it should be clearly stated. In this regard, we note that the mentioned law does not sufficiently elaborate on the issues of appointing these executives, and this should be addressed by a government act under Article 24, paragraph 2 of the Law, so it is currently uncertain whether the process will be of sufficient quality.

Moreover, executives of state-owned enterprises, until the Law on the Prevention of Corruption is amended and the harmful consequences of the authentic interpretation of the term "public official" are removed, do not have the status of public officials nor are they subject to the obligations and restrictions that apply to public officials.

### **TS Comment: Internal audit**

*Establish an independent internal audit function in accordance with the Budget System Law in 100% of state-owned enterprises that are required to establish an audit committee under the Law on Managing Business Entities Owned by the Republic of Serbia (December 2026).*

There is no dispute about the planned establishment of an "audit committee" in accordance with the provisions of the new law. In fact, Article 27 uses the term "audit commission."

However, the obligation to establish internal audit (terminology of the Budget System Law) has long existed but has not been fully fulfilled. Therefore, it should be met even before public enterprises are transformed into capital companies.

#### **TS Comment: Publishing data by state-owned enterprises**

*Register all public enterprises established by the Republic of Serbia as joint-stock companies or limited liability companies and publicly disclose legally required information and documents by those enterprises (December 2026).*

Publishing legally required information by state-owned enterprises already exists, although obligations are not identical for public enterprises and for state-owned enterprises that do not apply the Law on Public Enterprises. The obligations from the Law on Public Enterprises are not fully complied with, and there is no reason to wait until December 2026 to ensure the fulfillment of existing obligations for all public enterprises.

Another problem is that the new Law on Managing Business Entities Owned by the Republic of Serbia does not sufficiently regulate the transparency of data on the work of state-owned enterprises. Article 31 prescribes the obligation to publish some documents and information but leaves the possibility (paragraph 2) for the Ministry of Economy to determine "other elements of the operation of capital companies that will be published and consider proposals for the publication of information of particular importance to the public." Although it is positive that there is an opportunity to expand the list of information to be published, as can be seen from the mentioned provision, there is no obligation for the Ministry to inform the public/proposers why a proposal was accepted or rejected, nor are there deadlines for deciding on this issue.

Additionally, the Ministry of Economy will collect a significant amount of information on the operation of state-owned enterprises, and from the existing provisions of Articles 37-40, it is unclear (depending on the provisions of future bylaws) to what extent the public will have access to this information.

#### **TS Comment: Annual goals for state-owned enterprises**

*Define by all state-owned enterprises applying the Law on Managing Business Entities Owned by the Republic of Serbia annual goals set in guidelines, which are periodically assessed based on their achievement (December 2027).*

This involves the implementation of two obligations under the new law (one by enterprises, the other by the Ministry), so the deadlines cannot be the same for fulfilling both obligations.

## **DEVELOPMENT OF THE BUSINESS ENVIRONMENT AND THE PRIVATE SECTOR – 1.2 PRIVATE SECTOR DEVELOPMENT**

Component:

### **1.2. Private Sector Development**

#### **Development opportunities for the private sector**

1.2.1. Improving investment and development opportunities for entrepreneurs and the private sector

Indicative reform changes:

#### **TS Comment: “Final inventory”**

Submit the final inventory in accordance with the comments of the European Commission from March 2024 (December 2024).

An addition is needed because it is unclear what is meant without further elaboration.

#### **"State Aid Schemes" and alignment with the acquis**

Adopt a time-bound action plan for aligning state aid schemes with the EU acquis based on the final inventory and obtain approval from the European Commission (June 2025).

Align all remaining state aid schemes under the Stabilization and Association Agreement (SAA) with the EU acquis (December 2027).

No comment at this time.

#### **TS Comment: Transparency of projects from interstate agreements**

*Increase the transparency of projects contracted under intergovernmental agreements by introducing information on specific projects on the website of the ministry responsible for implementing projects for all completed, ongoing, and new public procurement contracts under intergovernmental agreements. All contracts under intergovernmental agreements will be published starting in December 2024, and this practice will continue in subsequent years for all new contracts, including: project name; basic information about the public procurement contract; public procurer; main contractor; and the public procurement procedure used (June 2025).*

Although increasing transparency of projects contracted in this way is undoubtedly beneficial, the planned measures would only address a small part of the problems in this area. The main problems concern the fact that, in the existing legal system of the Republic of Serbia, there is no restriction on contracting the implementation of projects in this manner (this would require a constitutional amendment or clearer prioritization of the SAA over other international agreements concluded by the Republic of Serbia). Additionally, there is no obligation for negotiators representing the Republic of Serbia to ensure an adequate level of transparency and protection of the Republic of Serbia's interests (and indirectly the EU's interests) in terms of the reasons why the Republic of Serbia accepted to deviate from the rules established by the Public Procurement Law through the provisions of an international agreement (a prior analysis of the benefits that potentially arise from this contracting model compared to the harm caused by the lack of competition), and indirectly from the rules of the EU *acquis* (with which the law is largely aligned).

The measure is insufficient in terms of ensuring transparency. As shown in the recently published report of the Fiscal Council, problems in this area exist not only in terms of contracting but also in terms of project implementation. Therefore, it should be ensured that this information is also made publicly available.

The publication of contracts is unnecessarily delayed until the end of 2024 because there are no obstacles to their immediate publication.

Publishing on ministry websites is useful, but there is no reason why information about projects should not also be published on the Public Procurement Portal in a special section (as was done, for example, for "EXPO 2027" procurements).

The measure does not foresee any way to discontinue the practice of excluding the application of the Public Procurement Law or limiting this practice in the future. On the contrary, it speaks of publishing information about "new contracts" that will continue to be concluded in this way in the future.

The description of activities can be interpreted in different ways:

- The term "intergovernmental agreements" is not in line with the legal system; formally, they are "international agreements."
- The term "public procurements" under the provisions of the Public Procurement Law does not include procurements conducted based on international agreements where the application of that law is excluded. Therefore, it could be interpreted that there is no obligation to publish anything new based on the description of this activity.
- The term "public procurer" refers only to some procurers in the Public Procurement Law, so there is a risk that information about procurements conducted for the needs of "sectoral procurers" will be omitted.

- The term "main contractor" is unclear. It may refer to a foreign company that received a contract without competition under an intergovernmental agreement, and then to procurements conducted by that company for services, goods, and works. In any case, as noted above, such companies do not use the "public procurement" procedure.
- The term "basic information about the public procurement contract" contradicts the previous sentence, where the publication of the contract itself is required.

Part of the confusion arises because, in the case of these procurements, there are several types (levels) of contracts. First, there is the international agreement itself, which creates the possibility of excluding the application of the Public Procurement Law. These agreements (or should be) are published. Further, there are contracts for the implementation and/or financing of projects, which are concluded without competition or through some special procedure, without applying the Public Procurement Law, with the company from the country with which the Republic of Serbia has an international agreement. After that, there are contracts that this company concludes with subcontractors, using its own procedures. Transparency of all these contracts should be ensured. Fulfilling this obligation may require amendments to the international agreements themselves or the contracts concluded with companies.

To ensure consistent practice, amendments to the Law on the Conclusion and Execution of International Agreements (Official Gazette RS, no. 32/2013) should ensure that negotiators on behalf of the Republic of Serbia take this into account when negotiating agreements.

#### **TS Comment: Special laws and regulations that deviate from the Public Procurement Law**

*Repeal all special and other laws/regulations that introduce deviations from public procurement legislation (June 2027).*

The implementation of this measure is necessary and beneficial, but the deadline is unjustifiably long, clearly set to allow the full realization of the harmful consequences brought by the Law on Special Procedures for the Implementation of the International Specialized Exhibition EXPO BELGRADE 2027 ("Official Gazette RS" no. 92 of October 27, 2023). In addition to being harmful, this law, particularly Article 14 concerning public procurement, is unconstitutional, but the Constitutional Court has not yet reviewed the initiative for the assessment of constitutionality related to these issues.

Unlike the previous point, no activity is planned here regarding the potential adoption of new laws (after June 2027 or effective after June 2027), although this is exactly what happened when, due to EU demands, the special law regulating procurement in line infrastructure projects was repealed, only for a new special law to be adopted for the aforementioned project a few months later.

The activity as defined also carries another risk – that it will repeal provisions of some laws that may differ from the Public Procurement Law in a way that increases competition and transparency,



introduces an obligation to conduct public procurement even when it is not required under the Public Procurement Law. For example, according to the Media Strategy, additional rules related to advertising and the procurement of media services by public authorities should be introduced, and such a change in the procurement regime could be achieved through amendments to the Law on Public Information and Media. Therefore, it should be clarified that the "deviations" refer to the "exclusion and restriction" of the application of the Public Procurement Law and some of its provisions.

**TS Comment: The government adopts a decision on public consultation**

*Amend the Rules of Procedure of the Government so that the decision on conducting a public consultation, the public consultation program, and the deadline for its implementation are adopted by the Government instead of the competent committee at the proposal of the proposer (December 2025).*

The purpose of this activity is not sufficiently clear, nor is its connection to the point under which it is formulated. The problem in practice is represented by decisions not to hold public consultations that were not based on the criteria from the Law on State Administration and the Rules of Procedure of the Government. The same problem could occur whether the decision is made by the Government or by a government committee. If this is the problem that should be addressed, then legal remedies should be prescribed, allowing businesses, associations, and interested citizens to challenge the legal basis of the decision not to hold a public consultation.

**TS Comment: Conducting public consultations**

The consultation procedure applies to 100% of the legislation:

- 1. of particular interest to citizens, the expert public, or businesses (interest means the introduction of rights or obligations for citizens and/or businesses or completely new regulation of an area of interest to the expert public);*
- 2. that involves significant changes to the legal regime in a given area;*
- 3. when a new law is adopted or when amendments and/or supplements to the existing law exceed 30% of the text of the law being amended or supplemented (June 2027).*

The activity is not sufficiently precise, as the existing legal system includes the term "public consultation" (from the Law on State Administration and the Government Rules of Procedure), but also the broader term "consultations" (Article 41 of the Law on the Planning System of the Republic of Serbia, Official Gazette RS 30/2018). It could be concluded that the goal is to fulfill all obligations regarding consultations, not just to conduct a public consultation on the draft law.

However, this goal is not clearly stated. It could be interpreted that the obligation will be fulfilled if consultations (of any kind) are conducted for 100% of the laws of a certain type, and not only if

these consultations are conducted in such a way as to fulfill all the elements currently required. For example, a public consultation may be held, but the start of work on the document may not be announced; the composition of the working group that drafted the draft may not be published; the report on the conducted public consultation may not be published or may not contain all the required elements, etc.

The points where the obligation for consultations is foreseen are inconsistent with each other; some of them introduce a great deal of discretion in assessing the fulfillment of the criteria, while others create the possibility of reducing existing obligations.

Considering that this activity largely concerns the fulfillment of obligations that state administration bodies have in some segments for almost two decades, and in others for six years, and which are persistently violated, setting June 2027 as the deadline for implementation is absolutely inappropriate.

The first point ("special interest," "interest for the expert public") is subject to interpretation. This point should be last, not first, in the series. Point 2 is subject to discretionary judgment (whether the change in the legal regime is significant) and partially overlaps with points 1 and 3. Point 3 is more precise (any new law or amendments exceeding 30% of the text), but it could be interpreted to mean that amendments of smaller scope do not imply an obligation to conduct consultations. Namely, consultations could not be avoided if changes are foreseen in 30% of the provisions, but it would be subject to discretionary judgment (of the Government) whether one of the other conditions from points 1 and 2 is met.

To avoid arbitrariness in interpretation, it would be necessary to retain the existing rule on mandatory public consultations for every new law, but also to extend it to amendments to existing laws, regardless of their scope. Until the ministry publishes a proposal for amendments and supplements, it is impossible to know whether those changes are significant for anyone or whether they concern issues where there is special interest from the general or expert public.

Since public consultations are currently not held at all on the draft Budget Law or amendments and supplements to the Budget Law, it should be explicitly stated that such an obligation exists. This would be in line with other regulations since the Law on Local Self-Government provides for the obligation to hold a public consultation on the capital part of the budget, while such an obligation does not exist for the budget of the Republic of Serbia.

Regarding public consultations and consultations, as already mentioned, the main problem is the lack of legal protection or other procedures that would be implemented if they are not conducted in accordance with the rules. This problem can be mitigated if certain rules are prescribed within the Rules of Procedure of the National Assembly of the Republic of Serbia (e.g., that a draft law cannot be placed on the agenda if a public consultation was not held during the procedure that preceded the proposal). In this regard, there is a possibility that the purpose of this activity will be circumvented by having members of the ruling coalition propose laws instead of them being

prepared by state administration bodies and proposed by the Government of Serbia (i.e., that the ministry essentially prepares the text of the amendments, which is then formally proposed by members of parliament instead of the Government).

Finally, there are many other issues related to public consultations that should be regulated in more detail through the Government's Rules of Procedure, so the process of public consultations on the amendments to this act should also be opened. On this issue, there are also relevant recommendations from GRECO's Fifth Evaluation Round that have not been fulfilled, and the (new) deadline given to Serbia for fulfillment is the end of 2026.

## **Development of the Scientific and Innovation Ecosystem**

### **1.2.2. Further Development of the Scientific and Innovation Ecosystem for a Knowledge-Based Economy**

Indicative Reform Changes:

*Increase private sector expenditure on research and innovation to 50% of total research and innovation spending, reported to Eurostat by the Statistical Office of the Republic of Serbia (December 2026).*

*Raise the number of funded researchers / innovative companies within the National Innovation System (supported by the Science Fund and the Innovation Fund) to 3400/600 (June 2025).*

*Achieve full alignment with the European Research Infrastructure Consortium (ERIC) Regulation (December 2025).*

*Advance Serbia's status from "Emerging Innovator" to "Moderate Innovator" on the European Innovation Scoreboard (December 2027).*

No comments at this time.

## **DEVELOPMENT OF THE BUSINESS ENVIRONMENT AND PRIVATE SECTOR – 1.2 COMPETITIVENESS OF THE BUSINESS SECTOR**

### **Component: 1.3. Competitiveness of the Business Sector**

Indicative Reform Changes:

Qualitative or Quantitative Steps

#### **1.3.1. Improvement of Agricultural Sector Competitiveness**

*Enact the Land Consolidation Law (June 2026).*

*Pass and enforce all implementing legal regulations (June 2027).*

*From the national budget, fund at least 10 projects not exceeding 299,999 euros each, contracted through public procurement, aimed at improving rural public infrastructure in water supply and road infrastructure (December 2025).*

*From the national budget, fund at least 10 projects not exceeding 299,999 euros each, contracted through public procurement, aimed at improving rural public infrastructure in water supply and road infrastructure (December 2026).*

*From the national budget, fund at least 10 projects not exceeding 299,999 euros each, contracted through public procurement, aimed at improving rural public infrastructure in water supply and road infrastructure (December 2027).*

*Adoption in Parliament and enforcement of all framework laws aligned with EU acquis in the areas of food safety, veterinary, and phytosanitary policy necessary for opening Chapter 12 (June 2027).*

*Conduct professional oversight in the land consolidation process (December 2026). Initiate pilot projects for land consolidation (December 2027).*

No comments at this time.

## **FUNDAMENTALS – 4.1. DEMOCRACY**

Component:

### **4.1. Democracy**

Indicative reform changes:

#### **Comments by Transparency Serbia: ODIHR and Council of Europe Recommendations**

*4.1.1. Preparation of a roadmap/plan and implementation of ODIHR and Council of Europe bodies' recommendations on the electoral framework*

It is unclear who prepares and who adopts the "roadmap" or the plan for implementing ODIHR and Venice Commission recommendations (as it is not explicitly stated, it is possible that the recommendation also refers to possible recommendations from other Council of Europe bodies, such as GRECO).

Qualitative or quantitative steps:

## **Transparency Serbia Comment: The first set of tasks**

*Implement the first complex step by December 2024 (subject to ODIHR assessment as a verification mechanism).*

- 1. Form a working group in line with the ODIHR recommendation.*
- 2. Conduct a thorough revision of the voter register according to ODIHR recommendations.*
- 3. Re-elect the REM Council (in accordance with the Law on Electronic Media) through a transparent and inclusive process.*

All tasks state that ODIHR would verify their fulfillment. This indicates that this type of cooperation may have already been agreed upon with ODIHR representatives. Such an agreement is necessary because ODIHR generally notes whether there has been progress through its observer mission during each new election cycle.

The first task is formulated as the need to form a "working group in accordance with the ODIHR recommendation." According to the ODIHR report on the December parliamentary elections, suggestions were made regarding the (possible) continuation of the Government of Serbia's Working Group for Improving Election Conditions. In the meantime, a Working Group was formed (on May 2, 2024) by the Parliamentary Committee for Constitutional Affairs and Legislation. Therefore, it is unclear what exactly would be assessed within this point. Generally, to ensure the inclusiveness of the process, it would be necessary to secure the participation of representatives from all relevant political entities in the parliamentary working group (currently, representatives from part of the parliamentary opposition are not participating). Additionally, the experience from May 2024 showed that merely forming a Working Group is not enough; conditions for its successful work must also be created in terms of cooperation from other state bodies (which was not fully present) and the active participation of all members (so far, proposals have been submitted only by members from NGOs and some opposition parties). Furthermore, the success of the Working Group's work ultimately depends on whether the proposals it submits will be included in the procedure and whether the National Assembly will vote on them at the next session (this could potentially be the subject of the "roadmap").

A thorough revision of the voter register is one of the most urgent tasks concerning ODIHR recommendations, and the short deadline is appropriate, although it is questionable whether it can be fully realized by the end of 2024, as part of it depends on the success of international cooperation (regarding checking whether individuals registered in the voter roll based on declared residence actually reside in the Republic of Serbia).

The re-election of REM Council members is only indirectly related to fulfilling ODIHR recommendations (since the current REM Council has not shown a willingness to help fulfill several ODIHR recommendations related to REM's actions).

There are no deadlines for fulfilling other recommendations linked to these, such as launching procedures to investigate possible abuses of the voter register or REM's actions.

### **Transparency Serbia Comment: The second set of tasks**

*Implement the second complex step by December 2025.*

- *Revise and adopt appropriate regulations to implement key ODIHR and Council of Europe recommendations.*
- *Enhance the capacity of the Republic Election Commission (RIK) and establish its secretariat.*

Although the measure is useful and the final deadline is appropriate, it would be far better if steps were defined not only by the final deadline but also by "interim" deadlines (e.g., for amending regulations concerning the misuse of public resources, campaign financing, voter pressure, etc.).

A significant issue with interpreting fulfillment is that the task refers only to "key" recommendations, but that term is not well-defined. It is also unclear which recommendations are included. Therefore, the terminology from the decision on forming the Working Group, point 4, para. 1, should be used, and the reform agenda proposal should be revised (so that all recommendations are covered):

"The task of the Working Group is to determine which legislative and other measures need to be implemented to fulfill all recommendations from the final reports of OSCE/ODIHR election observation missions on elections in the Republic of Serbia, including any recommendations from reports that ODIHR may publish regarding local elections held on June 2, 2024, to prepare amendments to appropriate laws and to propose recommendations for measures that other state bodies should implement."

It is also necessary to keep in mind the deadline set in point 9, para. 2 of the same Decision, and in that sense, correct the Reform Agenda proposal:

"The Working Group should submit proposals of appropriate laws to the Committee for Constitutional Affairs and Legislation according to the dynamics of determining their texts at the Working Group's meetings, ensuring that all amendments to one law are covered by a single bill and that all necessary laws are adopted by July 1, 2025."

Strengthening the capacity of the Republic Election Commission (RIK) is addressed in several ODIHR recommendations. However, the description of activities overlooks that a prerequisite for fulfillment is amending the Law on the Election of Members of Parliament or adopting a new law that regulates RIK's legal status differently. Without this, RIK cannot have a secretariat, as foreseen.

## **BASIC RIGHTS – 4.2. BASIC RIGHTS**

Component:

### **4.2. Basic Rights**

Indicative Reform Changes:

#### **Vulnerable Communities and National Minorities**

*4.2.1. Improving the protection of basic rights for vulnerable individuals and members of national minorities.*

*1. Prepare and adopt regulations provided after the adoption of action plans on gender-based violence, deinstitutionalization, and national minorities (following transparent and inclusive consultations in Serbia and with the Commission, as well as in line with EU legal acquis, European standards, and UN standards) (December 2025).*

*2. Achieve measurable goals for the implementation of the above-mentioned action plans to ensure effective protection for vulnerable individuals (December 2026):*

- Establish central records for all types of violence covered by the Istanbul Convention (note: by the end of 2026, in the draft of the action plan).*
- Form 20 victim support services, systematize support officers through an act of systematization in each high court, and make these services functional in 20 high courts;*

#### *1 - Criminal Code*

- Criminal Procedure Code*
- Law on Prevention of Domestic Violence*
- Juvenile Law*
- Family Law*

*Increase the number of community service users provided by licensed service providers by 18%.*

No comment at this time.

#### **Comments by Transparency Serbia: Freedom of expression**

*4.2.2. Improving freedom of expression through amendments to the Law on Electronic Media and the Law on Public Information and Media to align with the EU acquis and European standards, and adopting a new Law on Public Media Services, and ensuring its implementation.*

*After consultations with the European Commission, the following three laws should be adopted: Amend the Law on Electronic Media and the Law on Public Information and Media to achieve full alignment with the EU acquis and Council of Europe standards; adopt a new Law on Public Media Services in accordance with the Media Strategy, EU acquis, and Council of Europe standards (by December 2024).*

*Ensure full implementation of media legislation (by December 2025), particularly:*

- *Resolve and publish all decisions on external complaints submitted to REM in 2025, including the reasoning for REM's decisions.*
- *Align public co-financing of media content with Article 24 of the Law on Public Information and Media.*

It is unclear why the deadline for the full implementation of media legislation is set for December 2025, and why complaints (likely referring to submissions) submitted to REM in previous years are not being published, but only those from 2025.

Similarly, it is unclear why public co-financing of media content will only be implemented in line with the existing Article 24 of the Law on Public Information and Media in 2025.

Regarding this issue, many other activities from parts of the Media Strategy have not been implemented, nor have the preconditions for implementation been set. This particularly pertains to media financing through advertising and other procurement services. In this regard, refer to the comments on the draft of the new Action Plan for the Media Strategy.

## **FUNDAMENTALS – 4.3. COMBATING ORGANIZED CRIME**

Component:

### **4.3. Combating Organized Crime**

Indicative reform changes:

#### **Comments by Transparency Serbia: Combating organized and serious crime**

##### **4.3.1. Combating organized and serious crime**

*After consultations with the European Commission, adopt a new strategic document and an accompanying Action Plan (2025–2030) for the control of small arms and light weapons (SALW) in accordance with the provisions of the revised Regional Roadmap for SALW for the Western Balkans (by June 2025).*

*Adopt a Law on Internal Affairs that regulates the independence of the police in relation to the Ministry of Internal Affairs during the pre-investigation and investigation phases, and aligns with the recommendations of the Committee for the Prevention of Torture (by June 2025).*

*Adopt an operational plan for financial investigations (by December 2025).*



*Adopt a new legislative framework, namely: A new Law on Combating and Preventing Human Trafficking to be adopted by the National Assembly; Amend the Criminal Code to effectively criminalize arms smuggling, in accordance with the provisions of the Convention on Transnational Organized Crime and the Firearms Protocol; Adopt a new Law on Weapons and Ammunition, in line with EU acquis (by June 2025).*

*Continuously implement the Action Plan for the Control of Small Arms and Light Weapons (SALW) and the*

*Anti-Trafficking Program for the Republic of Serbia for the period 2024-2029 to: (i) increase the number of investigations, indictments, and final convictions in cases of organized crime (results); (ii) increase the number of investigations, indictments, and final convictions for arms smuggling (results); (iii) increase the number and value of seized and confiscated assets in cases of serious and organized crime; (iv) increase the number of cases of finding firearms and investigations into the origin of seized weapons (results); (v) increase the number of human trafficking victims who are granted the status of particularly vulnerable witnesses, in accordance with the Criminal Procedure Code (by June 2026, repeated in June 2027).*

Although this area is titled "Combating Organized and Serious Crime," the description of activities suggests a focus on combating only certain types of crime, while activities related to more effective anti-corruption measures are unjustifiably excluded.

For example, it is planned to adopt a Law on Internal Affairs "which regulates the issue of police independence in relation to the Ministry of Internal Affairs during the pre-investigation and investigation phases, in line with the recommendations of the Committee for the Prevention of Torture (by June 2025)." However, this law should also ensure the fulfillment of recommendations from GRECO's Fifth Evaluation Round.

The adoption of an operational plan for financial investigations (by December 2025) is planned as an activity, which could impact the fight against corruption. However, it is not entirely clear what it relies on. The last attempt to adopt a financial investigation strategy was nearly ten years ago. Any operational plan should be linked to a higher-level planning document.

The improvement of the legal framework is foreseen, including the Criminal Code, but only concerning arms smuggling, even though there is a need for amendments for other reasons, some of which are related to GRECO and ODIHR recommendations.

## **BASIC RIGHTS – 4.4. SECURITY AND MIGRATION**

### *4.4. Security and Migration*

#### *4.4.1. Addressing the challenges related to security and migration*

*In line with EU policies, adopt a new strategic document and accompanying action plan related to the fight against terrorism and all forms of radicalization and violent extremism (regardless of political, religious, or ethnonationalist so-called justification), which includes the prediction of concrete steps to prevent the recruitment and participation of Serbian citizens as foreign fighters, as well as the criminal prosecution of returning foreign fighters coming back to Serbia (June 2025).*

*Adopt documents with the following goals:*

*a) Define the tasks of the multi-sectoral Team for the initial assessment of the risk of radicalization and violent extremism, the modalities of its cooperation with other relevant stakeholders in the field of prevention, as well as the roles and responsibilities of different participants in the Initial Assessment Team;*

*b) Define human capacities, resources, and the action plan/methodology (to be developed by the Government) for responding to a terrorist attack and establish a system for managing the consequences of a terrorist attack;*

*c) Define work plans in different crisis situations and action plans/methodology (to be developed by the Government) to define tasks, human capacities, resources, and procedures to mitigate the consequences of a terrorist attack. (December 2026).*

*4.4.2. Addressing (potential) security risks to the EU related to visa-free travel rights for citizens of countries that would otherwise require a visa*

*Align with the EU visa regime with at least three countries whose citizens require a visa to enter the EU (December 2024).*

No comment at this time.

## **FUNDAMENTALS – 4.5. COMBATING CORRUPTION**

Component:

Combating Corruption

Indicative reform changes:

**Comments by Transparency Serbia: Improving the fight against corruption**

4.5.1. Improving the fight against and prevention of corruption

Qualitative or quantitative steps:

*After consultations with the European Commission, adopt a strategy and action plan for the period 2025–2028 (by December 2024).*

*Fill all vacant positions for prosecutors and judges in the anti-corruption departments in accordance with the Annual Judges' Schedule (issued by the High Judicial Council) and the Decision of the High Council of Prosecutors on the number of public prosecutors (by December 2025).*

*Improve the record of effective and efficient investigations, prosecutions, final convictions, asset seizures, and final asset confiscations, including cases of high-level corruption (by June 2026, repeated in June 2027).*

The description of activities for the adoption of the Strategy and Action Plan only mentions consultations with the European Commission, not with the domestic interested public. This is inconsistent not only with Serbian regulations but also with other parts of the Reform Agenda. The draft Strategy was publicly discussed nearly a year ago, and the report on that public discussion has not been published. It is known that this draft has been significantly modified. Additionally, some key issues were not adequately addressed, including the choice of the body that would adopt the Strategy. Our position is that it can only be the National Assembly so that the Strategy imposes obligations on bodies that are not part of the executive branch.

The activity related to "filling vacant positions" in the prosecution and courts, with the fulfillment planned only by the end of 2025, is absolutely inappropriate. Since this is an existing obligation, the filling of positions according to the existing systematization should be completed much earlier. A more important issue is the fact that the current capacities in the prosecution and courts are planned based on the number of corruption prosecutions, but this number is far below the actual level of corruption in Serbia. To achieve the much-needed increased proactivity of public prosecutors, capacity levels should be planned accordingly

While the second activity does not mention the Special Prosecutor's Office for Organized Crime, the third mentions "high-level corruption cases." The goal of "improving the record" could easily be fulfilled with minimal progress (e.g., increasing the number of convictions from 21 to 23). Therefore, this activity should be reformulated to ensure that the goal is clearly defined and sufficiently ambitious. Generally speaking, it is far more significant that there are no cases of suspected high-level corruption for which publicly presented evidence or substantiated suspicions have not been investigated by the public prosecutor's office.

Regarding this point, see also the findings from the study "Assessment of the Integrity System – Serbia 2023."

## **FUNDAMENTALS – 4.6. JUDICIARY**

Component: 4.6. Judiciary

Qualitative or quantitative steps:

### **Transparency Serbia Comment: Judicial system reform**

#### **4.6.1. Judicial system reform**

*Increase the number of appointed judges and public prosecutors by 10% (by December 2025).*

Some comments on increasing the number of judges and prosecutors are provided in the previous section (combating corruption).

Overall, it is problematic to measure the success of judicial reform solely by the number of judges and prosecutors hired, as this is only a prerequisite for fulfilling the tasks of these institutions.

If there is room to define additional activities, we can submit concrete proposals later.

## **Working Group for Chapter 10**

# Society for Informatics of Serbia

The NCEU Working Group for Chapter 10 (Information Society and Media) has reviewed the Reform Agenda and submits the following report to the National Convention on the EU.

The Reform Agenda includes about ten new activities that could contribute to accelerating the development of the information society in Serbia and the digital transition. However, in our opinion, the Agenda does not cover all activities related to the development of the information society and media, and the planned timeline for certain activities is inadequate, such as:

- 2.2.1. The adoption of the Law on Access to Broadband Internet, scheduled for December 2025, should be moved to June 2025, as there is a delay in adopting this law, which is essential for further internet development and digital transition;

*Considering the complexity of the regulations to be adopted and the wide range of directly interested participants, as well as the fact that December 2025 is set as the deadline for the law's adoption by the National Assembly, which practically implies that the Draft Law must be approved by the Government no later than the summer of 2025, we believe that the proposed deadline is set very ambitiously and should not be shorter.*

- 2.2.1. Accelerate preparations for the introduction of the 5G mobile network, as we are several years behind all European countries. The adoption of secondary legislation should be moved from December 2024 to October 2024, as these have been under preparation for a long time and are likely already prepared;

*This is a very complex act that could impose significant costs on mobile network operators; time is needed for dialogue and consensus regarding the technical and organizational measures to be stipulated, as well as concerning the deadlines for their implementation. Given the timing, December 2024 is an extremely ambitious deadline that cannot be shortened.*

- 2.2.3. The establishment of digital corners for adult education should be moved from June 2026 to June 2025;

*We agree with the comment and the need to start the project implementation as soon as possible. The Ministry is already conducting activities in the area of raising digital literacy through a series of initiatives. Regarding the establishment of digital corners, there are budgetary constraints, and depending on the funding source that will be secured, the Ministry of Information and Telecommunications will begin implementing the project as soon as possible, and will complete it no later than the given deadline.*

- 2.2.4. The adoption of the Law on Information Security in line with the NIS2 Directive should be planned for the end of 2024 instead of the end of 2025, as the law was prepared in 2023 but was not submitted to the National Assembly due to elections.

*We expect that the relevant Law will be adopted by the Government as well as by the National Assembly significantly before the defined deadline agreed upon with the European Commission.*

The establishment of the Office for Information Security should be moved from June 2027 to June 2026.

*We cannot accept a one-year reduction in the deadline. The essential capacities and competencies of the future Office for Information Security will be fully transferred to the Office for Information Technology and Electronic Governance during 2026, where a special organizational unit will be established to cover this topic and will evolve over time into a separate Office for Information Security in 2027.*

The Reform Agenda does not adequately address key activities in the development of the information society, such as:

- The processes of digital business transformation in the economy, public services, and state bodies,
  1. The development of cloud applications, and
- The application of artificial intelligence.

We propose that the Reform Agenda be supplemented with appropriate activities from the mentioned areas.

The Society for Informatics of Serbia supports the initiation of digital corners for adult education and is ready to cooperate, as it has already initiated activities for adult education.

In the electronic communications market, there is a gradual decline in the number of mobile and fixed service users due to demographic changes, so operators should be required to introduce new services more quickly.

We also propose that the final version of the Agenda specifies the responsible bodies and organizations, ensuring their agreement to participate in the implementation of the Reform Agenda. For example, the consent of the National Bank of Serbia for cooperation on the "digital identity wallet" project, among others.

*The activities mentioned represent strategically important areas for the development of the information society, which the Republic of Serbia has confirmed through its planning documents (such as the Strategy for the Development of the Information Society and Information Security for the period 2021 to 2026, the Strategy for Artificial Intelligence, etc.) as well as through its intensive efforts aimed at the comprehensive improvement of the digital society. Additionally, by reviewing the narrative and annex of the Reform Agenda, you will see that issues of artificial intelligence, as well as the provision of services to citizens and the economy, have been adequately addressed through reform measures and steps.*

*We point out that the Reform Agenda has been created in accordance with the priorities and suggestions of the European Commission and that it could not fully encompass all activities in the field of the information society. We note that, despite this, the Republic of Serbia is actively working on all key aspects of digital transformation and has good cooperation with international partners in this regard.*

*Furthermore, we emphasize that the measures in the Reform Agenda also contribute to the realization of activities highlighted in the comments.*

*Regarding the issue of the consent of the authorities, we point out that regulations govern the competencies of the authorities and their cooperation. Concerning the establishment of a "Digital Wallet," we highlight that this is an obligation that the Republic of Serbia must fulfill as a candidate for EU membership, and consultations will be conducted with all relevant authorities regarding the implementation of this activity and its appropriate application in the Republic of Serbia.*



## **Working Groups for Chapters 11, 12, 13, 22 and 33**

# European Movement in Serbia

## GENERAL RECOMMENDATIONS

**Key points and deliverables:** The Agenda must be accompanied by an appropriate preface, as well as information on key points and deliverables.

*The Reform Agenda was created in accordance with the methodology provided by the European Commission and is identical for all users. In addition to the narrative section, which thoroughly elaborates on the main challenges, goals, alignment with the general policy framework, and key policy priorities, it includes a detailed description of the situation in all areas, as well as each reform and steps for its implementation.*

**Responsibility and coordination:** Clearly define the mechanism for managing the Reform Agenda and transparently present the distribution of responsibilities among the relevant institutions.

*Subtitle 14 addresses the issue of monitoring, reporting, control, and evaluation in detail. Also, in order to efficiently monitor implementation and reporting, a specific Action Plan is planned to be adopted, containing baseline parameters, a precise description of steps and sources of verification, as well as the institutions responsible for implementation and reporting.*

**Financial plan within a given timeframe:** Clearly state the budgetary implications of the reforms and sources of funding, as well as the inflow and distribution of funds from the Growth Plan in accordance with the reform implementation timeline.

*Institutions were required to submit standard methodology forms for assessing the financial impact of the act to the Ministry of Finance for the purpose of adopting the Reform Agenda. Regarding funds inflow, indicative funds allocated for fulfilling each step are listed in Annex 1 of the Reform Agenda and will be further specified in the Financial Instrument Agreement and Loan Agreement, which will be adopted subsequently.*

**Monitoring and risk management:** Develop a clear mechanism for monitoring the execution of the planned Agenda and include economic growth indicators to monitor the impact on economic growth; identify risks and risk management measures.

*Subtitle 14 also deals in detail with the issue of monitoring, reporting, and evaluation. Additionally, a special Action Plan is planned to be adopted for efficient implementation monitoring and reporting, which will contain baseline parameters, a precise description of steps, sources of verification, and institutions responsible for implementation and reporting.*

**Alignment with other agendas:** The Reform Agenda should consider references to other reform agendas at the national and regional levels to ensure synergy and avoid duplication of activities.

*During the drafting of the document, special attention was paid to aligning it with all strategic documents. The narrative section of the Reform Agenda includes Subtitle 3, Alignment with the General Policy Framework (including ERP, Joint Policy Guidelines, and Enlargement Policy Framework), which thoroughly presents coherence with other documents. Additionally, there is a subtitle on Complementarity with IPA III.*

**Inclusive approach to implementation and monitoring:** Involve civil society and the business sector, which, besides providing comments and proposals on prioritizing reforms, have a key role in monitoring their effective implementation.

*Considering that the assessment of each step's fulfillment for payments falls exclusively under the jurisdiction of the European Commission, we expect civil society to present its method for monitoring the implementation of the Reform Agenda. In our communication so far, we have ensured adherence to the rules related to the EU accession process, established in the 2013 Resolution of the National Assembly of the Republic of Serbia.*

**Regional development dimension:** The document does not recognize the dimension of regional development—it is necessary to mention, in addition to general economic growth, the focus on balancing regional development disparities in the country, and include the application of EU cohesion policies.

*The document was prepared in accordance with the methodology developed by the European Commission; hence, the dimension of regional development was not recognized.*

## **RECOMMENDATIONS BY POLICY AREAS**

### **POLICY AREA 1: BUSINESS ENVIRONMENT AND PRIVATE SECTOR DEVELOPMENT**

**Alignment of state aid schemes with EU law:** Accelerate the alignment of state aid programs with the EU legal framework, ideally by December 2025, or move deadlines up by at least one year to June 2026.

*Deadlines for fulfilling the reform steps have been agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation.*

**Increasing transparency in intergovernmental agreement projects:** This practice should be maintained but also expanded to all future agreements. Additionally, it is necessary to involve local

governments, civil society, and the business sector in this process to ensure responsible management of public funds.

*The planned step in the RA includes all existing and future agreements.*

**Revoking laws that introduce deviations from public procurement legislation:** Repeal all laws that introduce deviations from public procurement legislation in a shorter timeframe than currently planned, preferably by the end of 2024. Involvement of relevant stakeholders, such as local governments and civil society, is necessary to expedite and enhance the reform process.

*Deadlines for fulfilling the reform steps have been agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation. The implementation of the RA will be inclusive.*

**Enabling electronic payment of public revenues:** Accelerate the implementation of electronic payments for all public revenues to align Serbia with European digitalization standards. We recommend moving this deadline to December 2024, which would enable faster improvement of the efficiency and transparency of the public financial system.

*Deadlines for fulfilling the reform steps have been agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation.*

**Amendment to the Government Rules of Procedure on public consultation decisions:** The proposed amendments to the Government Rules of Procedure, which would allow decisions on conducting public consultations to be made directly by the Government instead of competent bodies, will not contribute to true democratic participation but will maintain centralized decision-making. This reform measure should be revised to truly enhance transparency and accountability in the decision-making process for key decisions.

*A comprehensive answer to this question is contained in the response on page 115.*

**Accelerating the implementation of electronic payments for public revenues:** This should be completed by December 2024.

**Postponing legislation amendments exceeding 30% of a law's text:** Delaying the adoption of new laws or amendments exceeding 30% of a law's text until June 2027 is unjustified and this deadline should be redefined and moved earlier.

*The deadlines for fulfilling the reform steps have been agreed upon with the European Commission and carefully defined, considering all necessary preparatory activities for their implementation.*

**Increasing private sector spending on research and innovation to 50% of total costs:** It is necessary to clearly define how the government will achieve this goal—whether the private sector

will be required to make such investments or if the government will provide incentives to meet this goal.

*These are incentives from the government, not obligations for the private sector.*

**Adopting framework laws in the field of food safety, veterinary, and phytosanitary policy aligned with the EU to open Chapter 12:** The deadline of June 2027 needs to be significantly moved up (to June 2025), and this reform area must include addressing other key obstacles to progress in opening Chapter 12 (such as the Law on Genetically Modified Organisms).

*The legislative framework for PG12 (Benchmark 1 for opening negotiations) has been included in the Reform Agenda at the proposal of the European Commission, with the agreement of the Ministry of Agriculture, Forestry and Water Management (MPŠV), as part of a measure in the area of agriculture, with the European Commission defining the final deadline for the adoption of all laws from the legislative framework. The MPŠV, considering the number of laws in the legislative framework for PG12, which includes the Law on Genetically Modified Organisms as well as numerous other legislative obligations of the MPŠV outside PG12, is already working on preparing draft laws in consultation with the European Commission to ensure that the laws are ready for successive adoption by the end of June 2027. The Law on Genetically Modified Organisms is certainly the most politically sensitive issue and the greatest challenge due to public opinion and its amendment, which exceeds the capacities of the MPŠV and requires a decision and engagement from the entire Government of Serbia.*

**Recommendations for additional priority reforms for MSMEs (Micro, Small, and Medium Enterprises):**

- Develop an early warning system for MSMEs as a measure to prevent insolvency in the healthy MSME ecosystem. The government should provide MSMEs access to an early warning model, similar to that in the EU, so that entrepreneurs can recognize signs of financial trouble and respond in a timely manner.

*Activity titled: Creation, Promotion, and Piloting of an Internet-Based Early Warning Tool for Business Issues (E-tool Early Warning System) is included in the Action Plan for the Implementation of the SME Development Strategy 2023-2027. The Chamber of Commerce is the lead of this activity, and work is underway on the digitalization of the tool.*

- Improve educational-informational programs for MSMEs on business financing opportunities, exports, and external financing. Increasing financial literacy among entrepreneurs and MSMEs should be one of the main priorities of all development-financial institutions. There is a need for greater awareness and understanding of funding opportunities for further MSME development and establishing a dialogue on access to financing (educational campaigns, export consulting services, dialogue on improving access to financing);

*The Ministry of Economy implements the Program for Support to Regional Development and Entrepreneurship, delivered through a standardized set of services provided by accredited regional development agencies. The standardized set of services includes support for SMEs through groups of standardized services, namely:*

- 1. Provision of information to SMEs related to: starting a business, further business development, available support programs, domestic and foreign sources of financing, legal regulations and obligations relevant to business, and other information crucial for SME development.*
- 2. Promotional activities in the form of events: workshops, info days, or other public gatherings that promote entrepreneurship topics.*
- 3. Training for: business beginners, social entrepreneurship aimed at all potential and existing social entrepreneurship entities, business plan preparation and dealings with banks, investment readiness, financial management, export (for first-time exporters), marketing and sales, e-business and information technologies in business, overview of quality standards and environmental protection important for business, innovation, preparation for the Single European Market, SME participation in public procurement, and women entrepreneurs.*
- 4. Advisory services in the form of document verification and submission of applications and accompanying documents for programs implemented by the Ministry of Economy in collaboration with partner institutions, assistance in drafting business plans for self-employment subsidies with the National Employment Service, help with business plan preparation when applying for other loans from the Development Fund and available credit lines of the Guarantee Fund of AP Vojvodina, advisory services for business start-ups (support for registration and establishment of a business entity or cooperative, assistance with business planning – developing business ideas or technical assistance in preparing documentation and applications for available national sources of financing from public, private, and civil sectors), advisory services for development (technical assistance in preparing documentation and applications for available funding from public, private, and civil sectors, donor support, support in business connections and networking).*
- 5. Mentoring in the form of professional assistance provided over an extended period by a qualified mentor to the business entity.*
- 6. Field control.*

Introduce mandatory regular monitoring and evaluation of regulatory impact assessments, especially from a regional perspective, particularly at the NUTS-3 level, municipalities, and cities;

*Thank you for the suggestion. However, this indicator, or area of reform, has not been recognized in negotiations with the European Commission.*

Develop a comprehensive strategy for simplifying tax administration procedures for MSMEs by assessing remaining obstacles and increasing tax literacy for MSMEs.

*The law regulating corporate income taxation and personal income taxation prescribes various types of tax relief, i.e., tax benefits (which SMEs can also utilize), which are not contingent on the amount of investment but rather on the type of activity the company or entrepreneur (i.e., employer) conducts. In this regard, we believe that there is no need to introduce new tax reliefs based on the amount of investment, in addition to the existing ones that encourage activities with the greatest impact on economic development and employment.*

## **POLICY AREA 2: GREEN AND DIGITAL TRANSITION**

**Management of the gas transmission system in Serbia:** The transition of the gas pipeline system to a certified domestic operator must ensure transparent processes.

*The conditions and method of certification for transmission system operators are prescribed by the Energy Law, which is aligned with the requirements of Directive 2009/73/EC on common rules for the internal market in natural gas. In accordance with the Energy Law, the certification process is conducted by the Energy Agency of the Republic of Serbia, which submits the preliminary certification decision along with accompanying documentation to the Energy Community Secretariat for an opinion*

**Third-party access to gas infrastructure:** The deadline of June 2025 seems promising, but equal access and a transparent process must be ensured.

*The Energy Law is aligned with the requirements of Directive 2009/73/EC on common rules for the internal market in natural gas and Regulation (EC) 715/2009 on conditions for access to the natural gas transmission network. Under this law, the transmission system operator is obligated to provide system users with access to the system at regulated prices on the principles of transparency and non-discrimination, in accordance with the provisions of this law, as well as regulations and system operation rules approved by the Energy Agency of the Republic of Serbia (AERS). In October 2022, the Government of the Republic of Serbia adopted five decrees transposing EU regulations related to access to gas networks into Serbian legislation. The adoption of these regulations established the basis for the issuance of new operational rules and enabled access to the system on principles of transparency and non-discrimination.*

**Opening distribution capacities at Horgoš and border interconnections with Bulgaria:** The planned opening of distribution capacities at key border crossings by June 2025 could enhance regional cooperation, but bureaucratic and political obstacles must be preempted to avoid slowing progress.

*The adoption of decrees transposing EU regulations on network codes in the gas sector into Serbian legislation has created the conditions for establishing new operating rules for the*



*transmission system operator in line with EU rules and for opening market access through the Horgoš entry point and the interconnector with Bulgaria.*

**Implementation of the Energy Integration Package by December 2024:** The reconfiguration of Shadow SEE CCRs and procedural steps must include detailed plans for alignment with European norms.

*The harmonization of legislation is an ongoing process that runs in parallel with the CCR reconfiguration process, in accordance with the adapted Regulation (EU) 943/2019. A public consultation has been held on the proposed amendments to the Energy Law, which will transpose the electricity market integration package. Once the amendments to the Energy Law are adopted, a legal basis will be established, allowing SEEPEX to submit the Market Coupling Operation Integration Plan with other NEMOs.*

*Additionally, items 5 and 6 of reform 7.1.1. require prior compliance with obligations prescribed by the electricity market integration regulatory package.*

### **POLICY AREA 3: HUMAN CAPITAL**

**Defining indicators for this area:** The set goals must be accompanied by clear explanations and analyses, as well as the methodology by which the percentages were determined or references to existing analytics.

*The comment is certainly meaningful, but we believe it is not realistic to implement, considering that the targeted values are the result of negotiations with the European Commission, whose views are not based on an in-depth analysis of statistical and qualitative data.*

**Inclusion of horizontal policies:** The plans must also include reforms in horizontal policies relevant to labor market policies (e.g., social and health protection).

*The European Commission has not recognized the areas of social protection and healthcare as sectors that the instrument should support.*

#### **Recommendations for additional priority reforms:**

**Encourage regional growth and employment in 23 municipalities that have been constantly underdeveloped for over 50 years, through the realization of:** (a) special programs for attracting investments in the private sector, entrepreneurial programs in the fields of agriculture, organic production, and tourism, and (b) educational-training programs, retraining, social entrepreneurship, etc.

*We agree on the importance of further investments in underdeveloped municipalities; however, the mentioned reforms/activities primarily belong to other areas of support or are part of the*



*implementation of the Youth Guarantee or are part of projects that have already been programmed (e.g., social entrepreneurship is part of the IPA multiannual program 2024-2027).*

**Strengthening institutional capacities at the local and regional levels for greater absorption of EU funds.** This is a critical indicative reform change that directly affects all other reform changes at the regional level. Activities for its implementation: establishing and strengthening management structures in local self-government units (formation of management teams, their training, establishment of business procedures), capacity development for programming and planning (training of employees, etc.), strengthening monitoring and evaluation capacities (establishment and training of monitoring bodies), and strengthening the financial control and management system.

*Strengthening institutional capacities is undoubtedly crucial for implementing reforms, but it cannot be presented as a separate, standalone reform. This is partly because the instrument is consciously focused on setting results and outcomes of public policies as indicators for tranches; thus, we consider administrative capacities in this context more as "input parameters" that should generate results and outcomes rather than being results or outcomes in themselves. Additionally, all the mentioned activities are project activities that we are already implementing or have already programmed using funds from the European Union and other donors, and we must not designate reforms in this instrument that would imply the use of double funding.*

#### **POLICY AREA 4: FOUNDATIONS**

**Preparation and implementation of ODIHR and Council of Europe recommendations:** It is critical to urgently undertake actions to implement ODIHR recommendations to demonstrate a genuine commitment to improving the electoral and media environment and to avoid repeated references to the recommendations without effective steps toward their implementation.

*This is precisely how the step/reform is defined in the Reform Agenda to address the most urgent and significant recommendations of ODIHR. Although the Reform Agenda has not yet been formally adopted, it will be after the ratification of international agreements in the National Assembly of the Republic of Serbia, measures have already been taken to fulfill the ODIHR recommendations, which are an integral part of the Reform Agenda.*

*The first step in this regard was the establishment of a Working Group for the Improvement of the Electoral Process under the auspices of the National Assembly of the Republic of Serbia, including representatives from the parliamentary majority and opposition, as well as representatives of civil society. The Working Group is chaired by a representative of civil society. All members and deputy members, according to the founding act of the Working Group, are authorized to monitor the implementation of Article 2 of the Law on Amendments to the Unified Voter Register.*

**Improving freedom of expression through amendments to the laws on electronic media and public information and media to align with EU law and European standards, and adopting laws on public media services:** In addition to aligning media legislation with European standards, it is necessary to implement measures guaranteeing the full application of the law and sanctions in cases of violations or non-compliance.

*The Ministry has carefully considered the comment and points out that the relevant laws include provisions related to sanctions in the case of violations or non-compliance with the law. Additionally, we note that the indicator has been formed according to the priorities of the European Commission, with which it has been aligned, and is not subject to change.*

**Operational plan for financial investigations:** Reduce the timeframe for adopting the operational plan for financial investigations and include measurable indicators of success and a clear plan to increase the efficiency and number of convictions, so that these steps do not merely fulfill formal requirements but address long-term issues in Serbia's judiciary and rule of law.

*The deadline set in the Reform Agenda represents the ultimate deadline by which the specified document must be adopted. The Ministry of Justice, as the formal proposer of this strategic document, will make every effort to achieve its adoption even earlier. In this regard, it is planned to establish a working group in October 2024 that will be tasked with developing the Proposal for the Operational Plan for Financial Investigations, in which all relevant institutions will be represented. Special attention will be paid to defining clear and measurable indicators, also considering the provisions of the Law on the Planning System.*

**Addressing challenges related to security and migration (June 2025):** Clear success indicators and a transparent monitoring process must be included, particularly due to concerns about the duration and effectiveness of court proceedings involving returnees who participated in armed conflicts abroad. There is a noticeable inconsistency in court rulings, where conditional sentences are often dominant instead of appropriate sentences reflecting the seriousness of the crimes. This shows that while laws may be adequate, their implementation remains problematic and prone to political influence.

*It is not possible to make changes to the names of the indicators and payment steps that have been agreed upon with the European Commission. Furthermore, when developing the accompanying Action Plan, the starting parameters, precise descriptions of the steps, sources of verification, and the institutions responsible for implementation and reporting will be specified.*

**Adopting documents with goals for different crisis situations (December 2026):** The deadline must be moved earlier due to the urgency of security issues, and steps in combating terrorism cannot be delayed.

*Deadlines have been agreed upon with the European Commission and the competent institutions and have been aligned with other indicators within the Reform Agenda.*

## **Working Group for Chapter 15**

# Belgrade Fund for Political Excellence

## GENERAL COMMENTS AND SUGGESTIONS

The document should include steps, measures, and activities addressing many urgent environmental issues that are not mentioned. Furthermore, the topic of adaptation to changing climate conditions is not covered at all, despite the damage since 2000 amounting to almost 8 billion euros. It is essential for the document to incorporate measures and steps in this area, particularly concerning the local level in the Republic of Serbia.

Chapters 27 and 15 are among the costliest to successfully implement, requiring intensified efforts with the help of the EU. However, Chapter 27 has been neglected. Including these measures and activities in the Reform Agenda would prioritize their resolution, securing additional EU financial incentives for this costly area.

*In the area of "Green and Digital Transition," the focus is on measures agreed upon with the European Commission, the majority of which in the subfield of "Energy" belong to Chapter 15. Some measures also belong to Chapter 27, such as Measure 2.1.6. Implementation of the MRVA package (Approval of monitoring plans [in accordance with national legislation transposing Commission Implementing Regulation (EU) 2018/2066 (MMRR)] by the competent authority [for implementing the rules of the ETS Directive]). Furthermore, the Reform Agenda cannot serve as a substitute for the accession negotiations, which address all the issues you mentioned. Moreover, it is intended that through a package of demanding and significant reforms, it represents, in addition to financial support, an incentive for the negotiation process.*

## COMMENTS AND SUGGESTIONS FOR SPECIFIC SECTIONS

### **1.1.1: Improving the sustainable and efficient management of enterprises owned by the Republic of Serbia**

**Suggested modification or amendment:** In the Action Plan for improving public investment management, define more clearly what "improvement" entails.

*The government adopted the Regulation on Capital Projects in 2023 ("Official Gazette of the RS," no. 79/2023), followed by the adoption of four bylaws, thereby further enhancing the legal framework for the implementation of this reform. The agreed indicator pertains to the adoption of the Policy Document and a time-bound Action Plan for improving public investment management, which will further enhance this area in line with examples of good international practice. Managing capital investments is one of the main priorities of the Republic of Serbia.*

*The improvement of public investment management is taking place in the context of Serbia's European integration, in a process that entails alignment with European and international standards, as well as best comparative practices. Additionally, the enhancement of this area is continuously monitored and supported by the European Union and other international development partners, and accordingly, includes ongoing dialogue as well as consideration of comparative experiences. With the agreed indicator, Serbia committed to adopting the Policy Document with an accompanying, time-bound Action Plan in consultation with the European Commission, which will further specify and define the next steps.*

When transitioning public enterprises into joint-stock companies, it is important to address whether this change leads to a real shift in ownership structure (and how), or not.

*When changing the legal form of public enterprises to joint-stock companies, there is no change in the ownership structure.*

**1.2.1. Improving investment and development opportunities for entrepreneurs and the private sector. Why is the deadline for this step set to June 2027? This is not a particularly demanding measure and should be implemented much earlier, by 2025.**

*The deadlines for fulfilling the reform steps have been agreed upon with the European Commission and carefully defined, taking into account all necessary preparatory activities for their implementation.*

**1.2.2: Further development of the scientific and innovation ecosystem for a knowledge-based economy.**

Suggested modification or amendment: Clarify the statement "50% of total expenditure on research and innovation in the Republic of Serbia."

Explanation: It is unclear whether the private sector is expected to contribute 50% of the total research and innovation budget.

*The name of the measure has been aligned with the European Commission and carefully defined, taking into account all necessary preparatory activities for its successful implementation. At this stage, it is not possible to change the name of the measure. It concerns increasing the participation of the private sector in the total investments of the Republic of Serbia in research and innovation to 50% of total expenditures for research and innovation.*

**2.1.1. Implementation of the Third Energy Package for gas and the integration package for electricity**

*Proposals for additional steps:* A serious study and analysis of the profitability of expanding and installing a new gas network are necessary. Based on this study, it is necessary to reconsider the organization of the gas transmission and distribution system in the Republic of Serbia.

*Explanation of proposed additional steps:* The study must take into account climate change, the imperative of the decarbonization process in the Republic of Serbia, new technologies in the heating and cooling sector, and the financial capability of the population to connect to the gas network and district heating systems. In short, it is necessary to examine whether investments in gas are profitable and necessary, or whether they involve investing in assets with a very limited lifespan (stranded assets). Based on the study, the proposed organization of the gas transmission and distribution system in the Republic of Serbia should be reviewed. For example, in the case of using other energy sources and technologies for heating and cooling, a system with certified municipal distributors may be more appropriate.

*The Energy Law stipulates that the Energy Development Strategy of the Republic of Serbia, adopted by the National Assembly, is the fundamental act that determines energy policy and plans development in the energy sector. The Strategy establishes long-term goals for the development of production capacities that are essential for supply security, taking into account technological, economic, and environmental protection criteria; projections for energy development and long-term energy balances; directions for the development of the transmission and distribution systems of electricity; directions for the development of the transport and distribution systems of natural gas and underground natural gas storage; directions for the development of electricity and natural gas markets; directions for the development of district heating systems; sources and methods of securing necessary quantities of energy and energy sources; directions for the development of energy use from renewable and new sources and improving energy efficiency; directions for the development of untapped electricity potential; effective management of electricity systems that can be achieved by introducing distributed storage and production capacities of electricity, implementing demand management in line with electricity market trends, and introducing the concept of smart grids, optimally managing power flows in the transmission and distribution systems, as well as other elements significant for achieving the objectives of energy policy.*

*The process of adopting the Energy Development Strategy of the Republic of Serbia until 2040, with projections up to 2050, is in its final phase. This strategy will determine further directions for the development of transmission and distribution systems and underground storage, as well as the directions for the development of the natural gas market and the future development of the gas pipeline system.*

*Proposals for additional steps:* Develop a study and analysis of the profitability of merging the electricity market with the EU market.

*Explanation of proposed additional steps:* This study is necessary given cross-border exchange and trade with the EU, and considering that many EU countries have access to the Modernization Fund and free allocations of CO<sub>2</sub> emission permits. In this context, it is necessary to analyze the impact of such competition on the operation of EPS.

*EPS AD actively participates in all processes related to the development of strategic documents, the Integrated National Energy and Climate Plan adopted in July 2024, the Energy Development Strategy until 2040 with projections up to 2050, the Study of Just Transition with an action plan, and the current process of amending the Energy Law. The adopted NEKP establishes specific objectives related to enhancing regional connectivity and ensuring supply security, as well as liberalizing and increasing the competitiveness of the electricity market. EPS AD, which is owned by the Republic of Serbia, is a partner in the implementation of the adopted measures.*

### **2.2.1.2: Gradual adjustment of tariffs to cost recovery levels with measures to address energy poverty if and when necessary**

*Suggested modification or amendment:* Instead of "ensure," it should say "enable."

*Explanation:* It is difficult to ensure something of this nature. Price control is a dangerous practice.

*Proposals for additional steps:* A study is needed to determine what price level should be reached and how to achieve it.

*Explanation of proposed additional steps:* Neither the methodology nor the criteria are clear; this step needs to be carefully considered.

*The amendments to the Energy Law are currently being drafted, aiming to achieve alignment with the adapted EU Regulation 944/2019 and ensure a transition period towards the deregulation of electricity prices for guaranteed supply.*

### **Indicative reform change 2.1.2**

*Suggested modification or amendment:* Change the text of the indicative reform change from: "Gradual adjustment of tariffs to cost recovery levels with measures to address energy poverty if and when necessary" to: "Gradual adjustment of tariffs to cost recovery levels with measures to mitigate energy poverty if and when necessary."

*Explanation:* Explain what measures to address energy poverty are. The text suggests that these measures involve controlling and reducing electricity prices. However, such measures only alleviate the consequences but do not address one of the main causes of energy poverty—the poor energy condition of residential buildings.

*Proposals for additional steps:* A new step should be added, directly aimed at addressing one of the causes of energy poverty. Programs or improvements to existing ones that focus on energy renovation of residential buildings for socially vulnerable citizens, with increased subsidies of at least 90% for end-users (citizens), are necessary.

*Explanation of proposed additional steps:* A similar program exists within the Public Call JP 1/24 of the Ministry of Mining and Energy. However, more funds are needed, as this will contribute to solving energy poverty while successfully improving energy efficiency.



*The adopted Integrated National Energy and Climate Plan has introduced a balanced combination of policies and measures for improved mitigation of energy poverty. More about the proposed measures can be found in the INEKP, and the reform itself entails the implementation of a set of measures from the INEKP.*

### **Indicative reform change 2.1.2**

*Proposals for additional steps:* Develop an Action Plan for combating energy poverty.

*Explanation of proposed additional steps:* It is necessary to create and adopt a public policy document with coherent measures and activities to tackle energy poverty in order to adequately address this problem. The measures and activities should be defined until 2030, with the target value being a 75% reduction in energy poverty by 2030, as stated in the current draft of the INEKP.

*The adoption of the Action Plan for Combating Energy Poverty is a measure that has already been stipulated in the adopted Integrated National Energy and Climate Plan for Serbia (NEKP).*

### **2.1.3. Implementation of the Action plan for just transition**

*Proposals for additional steps:* Develop an Action Plan for combating energy poverty.

*Explanation of proposed additional steps:* It is necessary to create and adopt a public policy document with coherent measures and activities to tackle energy poverty in order to adequately address this problem. The measures and activities should be defined until 2030, with the target value being a 75% reduction in energy poverty by 2030, as stated in the current draft of the INEKP.

*The application of the EU ETS Directive is complex, requiring analysis and preparation. This Directive falls under Negotiating Chapter 27, and thus cannot be defined as one of the additional activities for the Reform Agenda that is to be implemented by 2027.*

### **2.1.4. Ensuring transparent and competitive procedures for the introduction of renewable energy**

*Proposed amendment and/or addition:* Instead of “Install at least,” it should read “Ensure conditions for installing at least.”

*Explanation:* Ensuring conditions, such as financing and takeovers by operators, is the domain of the government, while the rest is not. Even if the government ensures this, the question remains whether 750 megawatts per year is achievable at the current pace, even with acceleration. According to the NEKP, it is necessary to introduce 3.4 gigawatts of renewable energy sources (approximately 50:50 solar) into production by 2030, meaning there are still 4 years to achieve 1.9, or less than 500 per year, which does not logically support slowing down.

*It is understood that it is necessary to ensure conditions for installing renewable energy capacities in accordance with the adopted NEKP.*



### **3.1.1. Register 30% of NEET (of which at least 50% are women) in the Youth Guarantee (by December 2027).**

30% of youth (of which at least 50% are women and at least 3% are Roma) exiting the Youth Guarantee with positive outcomes (defined as “entering employment, continuing education/training, internship, or work practice”) within 4 months after registration (by December 2027).

*Proposed amendment and/or addition:* It is necessary to increase the target value for both registration and exit of youth from the Guarantees with positive outcomes from 30% to 40%.

*Explanation:* A coverage of 30% is too low, especially considering the deadline for this step is December 2027. It is essential to intensify this activity and the work of the National Employment Service so that the Youth Guarantees encompass at least 40% of NEET.

The same justification applies to the success of the program, namely the exit of youth from the Guarantees with positive outcomes. Increasing the target value and successfully achieving it would significantly contribute to enhancing the employability of youth and their retention in the Republic of Serbia, which should be one of the Government's priorities.

*We believe that the values of both indicators are realistically planned, considering the European Commission's report on the implementation of the Youth Guarantee in 2022 and the average values of both indicators for the EU, as well as the values of the indicators of individual member states. The EU Council published data on monitoring the implementation of the Youth Guarantee at the EU level in 2022 on February 23, 2024 (europa.eu).*

*The document states the following:*

- "Just over three out of ten exits from the Youth Guarantee in 2022 (32.2%, aggregate level) were timely and positive (accepting an offer within 4 months of registration), slightly higher than in 2021 (30.7%)."*
- An additional indicator - coverage of the Youth Guarantee scheme (number registered in the Youth Guarantee relative to the NEET population in the EU – ARS) shows that only 38.2% of NEET aged 15-29 were covered by the Youth Guarantee in 2022 (aggregate level)."*

*It is planned that the Republic of Serbia will start implementing the Youth Guarantee across the entire country in January 2027, so the stated values for the first year of implementation of the Youth Guarantee are cautious and realistic in relation to EU countries, considering that the Youth Guarantee has been implemented in the EU for over ten years. It is also planned that the values of these indicators in the Republic of Serbia will increase in the period after 2027; thus, in the Operational Program, it is planned that by 2032, the share of NEET (15-29) included in the Youth Guarantee in the total number of NEET will be 50%.*

#### **4.4.3.1. Fighting organized and serious crime**

Proposed amendment and/or addition: Does the proposed Law on Internal Affairs change the way the Director of the Police is elected?

*The Director of the Police will be elected in the same way as appointed government officials.*

#### **4.4.1. Adopt documents with the following objectives:**

- a) Define the tasks of the multi-sectoral Team for the initial risk assessment of radicalization and violent extremism, the modalities of its cooperation with other relevant stakeholders in the field of prevention, as well as the roles and obligations of different participants in the Team for initial assessment;
- b) Define human capacities, resources, and an action plan/methodology (provided by the Government) for responding to a terrorist attack and establish a system for managing the consequences of a terrorist attack;
- c) Define work plans for various crisis situations and an action plan/methodology (provided by the Government) to define tasks, human capacities, resources, and procedures to mitigate the consequences of a terrorist attack (by December 2026).

Proposed amendment and/or addition: Add under d) the adoption of remaining by-laws based on the Law on Critical Infrastructure.

Justification: It is necessary to adopt the remaining legal acts to operationalize and adequately apply the Law.

The normative framework in the area of critical infrastructure protection and the protection of public spaces is not part of the Reform Agenda.

*The normative framework in the area of critical infrastructure protection and the protection of public spaces is not part of the Reform Agenda.*

## **Working Group for Chapter 17**

## Center for Advanced Economic Studies (CEVES)

We are deeply concerned that the Proposed Reform Agenda, instead of contributing to improvement, opens the door to further deterioration of the economic development model that discriminates against small and medium-sized enterprises (SMEs) in general, while strengthening a political economy prone to state capture. Until the desired and far-reaching reforms are implemented:

I - We propose the following measures, which would make a valuable contribution to strengthening healthy competitive forces and the position of SMEs within the existing framework and can be easily integrated into the current Proposal of the Agenda:

1. Increase domestic investments and significantly contribute to at least equalizing market conditions for SMEs by:
  - a) Redesigning tax incentives for investments to be relevant to SMEs, i.e., applicable to investments exceeding a certain symbolic amount (e.g., 10,000 euros);
  - b) Adopting regulatory reforms and ensuring financial and organizational conditions that will provide SMEs in Serbia with at least a minimal level of financial support for exports (loans, guarantees, and insurance) that are available to SMEs in all EU member states, in accordance with the OECD agreement on government-supported export credits, July 2021 (OECD Arrangement on Officially Supported Export Credits).<sup>7</sup>

*The law regulating the taxation of corporate profits and the taxation of personal income prescribes various types of tax incentives, i.e., tax benefits (which can also be utilized by SMEs), that are not conditioned by the amount of investment but by the type of activity carried out by the company or entrepreneur (i.e., employer). In this regard, we believe that new tax incentives conditioned by the amount of investment should not be introduced, in addition to the existing ones that encourage activities that most significantly impact economic development and employment.*

2. Establishing a consultative and participatory oversight mechanism for procurement related to the EXPO 2027 exhibition with the aim of increasing its transparency and openness to competitive involvement of SMEs. This mechanism should be consulted in the process of preparing and implementing public procurements and should provide ex-post opinions

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<sup>7</sup> Currently, the following export support arrangements are not available to SMEs in Serbia: 1. credit insurance from a domestic or foreign bank for the buyer of the exported product, which would allow for a longer repayment period; 2. short-term insurance against the risk of buyers of Serbian micro, small, and medium enterprises whose annual export turnover does not exceed EUR 2 million; 3. export preparation credit insurance; 4. production damage insurance; 5. supplier credit insurance; 6. issuance and insurance of various types of export guarantees and counter-guarantees for business banks that support Serbian exporters..

accessible to the public on their implementation, including opinions on complaints regarding procurement conditions. The mechanism should include representatives from the civil sector and business associations. The method of ensuring the representativeness of participants and the structure of the mechanism should be agreed upon with the European Commission. The establishment of the mechanism should be incorporated into the Regulation on the rules of procedure for procuring goods, services, or works necessary for the realization of the international specialized exhibition EXPO BELGRADE 2027.

*The Regulation on the Implementation of Procurement Procedures for Goods, Services, or Works Necessary for the Realization of the International Specialized Exhibition EXPO BELGRADE 2027 (hereinafter referred to as the Regulation) governs the procurement of goods, services, or works in companies established in accordance with the Law on Special Procedures for the realization of the International Specialized Exhibition EXPO BELGRADE 2027 (hereinafter referred to as the contracting authority) for the needs of the realization of the International Specialized Exhibition EXPO 2027, as well as the planning of procurements, conditions, methods, and procedures for procurement, and other issues of significance for procurement within the company. The Regulation stipulates mechanisms that ensure a high level of transparency in the procurement process, as all procurement procedures under the Regulation are conducted through a special module within the Public Procurement Portal (hereinafter referred to as the Portal). The Regulation requires the contracting authority to adopt an annual procurement plan, which, along with all subsequent amendments or modifications, is published on the Portal. Information about concluded contracts, purchase orders, and framework agreements is recorded on the Portal, allowing any interested party to be informed about their content. In the implementation of the Regulation, the contracting authority is obliged to act in an economical and efficient manner; to ensure competition, equal treatment of all economic entities without discrimination, and to act in a transparent and proportional manner. Both domestic and foreign economic entities can participate in the procurement process under the Regulation, which includes any individual or group of individuals offering goods, services, or works in the market.*

3. When announcing public procurement, the procuring entity should make a special effort to divide the procurement into several lots, allowing participation by those who can offer only one of several related products

*The Law on Public Procurement regulates the rules of public procurement procedures conducted by contracting authorities or other entities in cases specified by this law. In this phase of implementing the Reform Agenda, the agreed indicators related to the area of public procurement exclusively focus on increasing transparency and abolishing special laws.*

4. Develop a plan that will, as part of the design and development of the EXPO 2027 content, ensure the greatest possible participation/visibility of SMEs, as well as their involvement in its organization and implementation.

*The participation of small and medium-sized enterprises in connection with the EXPO exhibition is not part of the reform steps agreed upon with the European Commission. In addition to the extensive infrastructure works currently underway, it is expected that the preparation of the exhibition itself, as well as support for exhibitors, will significantly mobilize the sector of small and medium-sized enterprises from various fields.*

II – We propose an amendment to the text of the first step within the indicative reform 1.1.1. (Preparation of the Policy Document and accompanying Action Plan for improving public investment management) to read: After consultations with the European Commission, adopt the Policy Document and accompanying time-bound Action Plan for improving public investment management, which would include the identification of regulatory and other contextual issues and specificities that have made the performance of public investment management particularly weak in former Yugoslav states, based on a comparative study on the efficiency and effectiveness of public investment management in Western Balkan countries, selected Central and Eastern European countries, and Western European EU member states, and begin their implementation.

*The government adopted the Regulation on Capital Projects in 2023 ("Official Gazette of the Republic of Serbia," No. 79/2023), followed by the adoption of four bylaws, thereby further enhancing the legal basis for implementing this reform. In this phase of implementing the Reform Agenda, the agreed indicator pertains to the adoption of a Policy Document and an accompanying time-bound Action Plan for improving public investment management. Given that the Reform Agenda relates to individual participants in the process, the activities are solely focused on the Republic of Serbia.*

*Improving public investment management occurs in the context of the European integrations of the Republic of Serbia, a process that generally involves alignment with European and international standards, as well as best comparative practices. Furthermore, the enhancement of this area is continuously monitored and supported by both the European Union and other international development partners, thus encompassing ongoing dialogue and consideration of comparative experience. By the agreed indicator, the Republic of Serbia committed to adopting a Policy Document with an accompanying time-bound Action Plan in consultation with the European Commission, which will further specify and define the next steps.*

## **Working Groups for Chapters 23 and 24**

## General remark from Working groups for Chapters 23 and 24

We would like to highlight that the European Union has emphasized that the Reform Agenda should be prepared in close consultation with relevant stakeholders, including parliaments, local and regional representative bodies and authorities, social partners, and civil society organizations, and their contributions should be reflected in the Reform Agendas. We believe that this process has not been conducted in accordance with the prescribed proposal, as the preparation process for the Reform Agenda was announced on March 7, 2024, without any special discussion where civil society could present its proposals. The presence of representatives from the National Convention on the EU at the Committee meeting of the National Assembly cannot be considered adequate public consultation, as civil society only had the opportunity to comment on an already drafted document without a clear response on whether the drafted text could be amended. We maintain the objections presented at the Committee meeting and provide additional written comments.

Regulation (EU) 2024/1449 of the European Parliament and the Council of May 14, 2024, establishing the Instrument for Reform and Growth for the Western Balkans, has once again confirmed the firm commitment to the "Fundamentals First" approach, which requires a strong focus on the rule of law, fundamental rights, the functioning of democratic institutions, and public administration reform, as well as economic criteria. As stated, the Instrument is intended to help accelerate reforms related to the fundamentals of the enlargement process, including the rule of law and fundamental rights. The primary specific goal of the Instrument is to further strengthen the basis of the enlargement process, including the rule of law and fundamental rights, the functioning of democratic institutions at regional and local levels, including depolarization, public administration, and meeting economic criteria; this includes promoting an independent judiciary, enhancing security and stability in the region, strengthening the fight against fraud and all forms of corruption, including high-level corruption and nepotism, organized crime, transnational crime and money laundering, as well as terrorism financing, tax evasion, and tax fraud; increasing compliance with international law; strengthening media freedom and independence and academic freedom; combating hate speech; creating an environment for civil society, encouraging social dialogue; promoting gender equality, integrating gender equality and empowering women and girls, non-discrimination and tolerance, to ensure and enhance respect for the rights of minority members, including national minorities and Roma, as well as the rights of lesbians, gays, bisexuals, transgender, and intersex individuals.

Below, we highlight general comments regarding the submitted Draft Reform Agenda:

- The document is least dedicated to the Fundamentals, i.e., the rule of law, although this is a specific goal of the Instrument, as well as a basis for withholding funds if sufficient progress is not demonstrated;



- The choice of measures in the Draft Reform Agenda indicates a selection of activities from already existing strategic documents, the fulfillment of which is already an obligation of the RS, which are already underway and are mostly delayed;
- There is no systematic approach to the measures, nor clear indicators of fulfillment; qualitative and quantitative benchmarks are not presented in a clear indicator form and do not necessarily lead to qualitative progress;
- The proposed indicative reform changes serve to extend existing deadlines, as most activities are already covered by the Action Plan for Chapter 23 and the Action Plan for Chapter 24, mostly until the end of 2022 (e.g., 4.2.1. part related to the preparation and adoption of regulations);
- Many important areas are not included at all, or are inadequately included, whereas the EU Regulation clearly highlights them (e.g., promoting an independent judiciary, integrating gender equality and empowering women and girls, non-discrimination and tolerance, respect for the rights of minority members, including national minorities and Roma, as well as the rights of lesbians, gays, bisexuals, transgender, and intersex individuals);
- Civil society participation is not part of the Reform Agenda at all; there are no measures to create a supportive environment for civil society or to encourage social dialogue, nor through concrete contributions in various measures (unlike the Draft Reform Agenda of Montenegro, which clearly reflects submissions and analyses from the civil sector).

*The answers to these questions have already been provided through the responses to the previous questions.*

Despite the information that the draft Reform Agenda is marked as "restrictive" and is not available to the general public, we appeal for greater transparency in this process and thus present these general remarks.

## **Working Group for Chapter 23**

# Autonomous Women's Center

## **General comments:**

- It is unjustified that the Draft Reform Agenda of the Republic of Serbia carries a restrictive label, which is not in line with the EU's position that the document should be prepared in close consultation with relevant stakeholders.
- The invitation from the Committee for European Integration of the National Assembly of the Republic of Serbia to the representatives of the NCEU (National Convention on the European Union) cannot be considered the inclusion of stakeholders in the process of creating the Draft Reform Agenda, even after the call for written comments (because the process of public discussion with stakeholders on the Draft document, which should have been organized by the Ministry of European Integration, was omitted).

## **Comments regarding Policy Area 4: Foundations**

### **4.2. Fundamental Rights**

Indicative Reform Changes:

#### **4.2.1. Improving the protection of fundamental rights for vulnerable individuals and members of national minorities**

*Qualitative and Quantitative Steps:*

- Prepare and adopt regulations (Criminal Code, Code of Criminal Procedure, Law on the Prevention of Domestic Violence, Juvenile Law, Family Law) as foreseen after the adoption of the Action Plans on gender-based violence (following transparent and inclusive consultations in Serbia and with the Commission, as well as in line with EU legal standards and UN standards) (December 2025).

## **Comments (regarding the AP on gender-based violence):**

- The Action Plan for the implementation of the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025 has not been adopted, nor is there any information about whether a working group has been formed to draft that document, and if it has, how far it has progressed with the drafting of the AP (only two organizations responded to the public call for civil organizations to join the working group

for drafting the AP, and they were selected, but there is no further information on the work of the working group).

- The Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025 was made based on the standards set by the Council of Europe Convention on preventing and combating violence against women and domestic violence (ratified in 2013) – this international treaty should be explicitly mentioned when referring to standards that the laws are aligned with. Also, the harmonization of regulations and policies in this area should align with the recommendations of GREVIO (Group of Experts on Action against Violence against Women and Domestic Violence) from 2020, as well as with the conclusions on the implementation of the recommendations issued by the Committee of Parties of the Council of Europe Convention.
- The proposed steps are already contained in the revised Action Plan for Chapter 23. All activities should have been completed by 2022, which means that deadlines for unfinished activities are only being postponed. For example, the development of the Action Plan for the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025 (activity 3.4.2.6.) should have been completed by the end of 2020, but as of 2024, it has not been finished; Monitoring the implementation of the new Strategy and Action Plan should have been continuously carried out from the beginning of 2021 (activity 3.4.2.7.), but there is no report on the effects; Monitoring the application of the Law on the Prevention of Domestic Violence (activity 3.4.2.9.) was supposed to be conducted continuously, but there are no publicly available reports on the effects (except for data on the number of victims, the number of urgent measures issued, and the number of individual protection and support plans developed); Training of judges and prosecutors on handling cases of violence against women and domestic violence was supposed to be conducted continuously (3.4.2.10.), and the report states that two training sessions were held with 38 participants.
- The Draft Reform Agenda sets lower standards compared to the Strategy and its Specific Goal 3 – all forms of violence against women and domestic violence are criminalized in line with international standards, conditions for adequate prosecution and punishment of perpetrators are ensured, and the position of victims and witnesses is improved, including their right to compensation.
- Given the lost time, short deadlines for amending planned laws, lack of data (analysis and research) on the effects of previous implementation of laws, and the absence of data-based proposals, lack of transparent public consultations, and discussions involving relevant explanations for both adopted and rejected proposals from stakeholders, including civil society organizations, adopted solutions may lack quality. Therefore, the adoption of amendments and laws does not necessarily mean that quality solutions have been adopted or that they will be implemented appropriately. Therefore, the indicators must be specifically set.

*Thank you for the comments provided, and we would like to inform you of the following: The Draft Action Plan 2024/2025 for implementing the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025 has been prepared but has not yet entered the public discussion procedure. Regarding the working group, it was formed by the Minister's Decision on October 26, 2023. A public call was previously conducted for civil society organizations to submit their candidacies for participation in the development of the Action Plan (on August 25, 2023), with a deadline for applications until September 11, 2023. As you mentioned, only two civil society organizations applied, and the one with the higher score was selected as a member of the Working Group. The members of the Working Group included representatives from the Ministry of Human and Minority Rights and Social Dialogue, the Ministry of Finance, the Ministry of Justice, the Ministry for Family Care and Demography, the Ministry of Education, the Ministry of Tourism and Youth, the Ministry of Interior, the Ministry of Labor, Employment, Veteran and Social Affairs, the Statistical Office of the Republic of Serbia, the Provincial Secretariat for Social Policy, Demography and Gender Equality, the Commissioner for Protection of Equality, the Office for Cooperation with Civil Society, the Ministry of Health, the Ministry of Education and Science, and the Center for Missing and Abused Children (selected civil society organization through the competition). The preparation of the Action Plan was supported by the Office of the United Nations Agency for Gender Equality and the Empowerment of Women in Serbia (UN Women).*

*The Working Group completed its work in May 2024. Concurrently with the preparation of the Action Plan, a Decision to amend the Strategy was also being prepared, which would implement certain changes to the Strategy itself. Namely, to enable more consistent and precise monitoring of effects at the level of specific goals and measures, the indicators established by the Strategy were further clarified and specified through the Action Plan. Additionally, some indicators at the level of goals and measures were amended or removed because new data and better solutions for indicators emerged, which will adequately present results in certain areas, or because some data stated in the indicators were not available. When formulating the proposed Action Plan, special emphasis was placed on aligning the legal framework of the system for the prevention and protection against gender-based violence against women and domestic violence with international standards established by international treaties, primarily the Council of Europe Convention on Preventing and Combating Violence Against Women and Domestic Violence (Istanbul Convention) and the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), as well as enhancing the actions of responsible institutions in this area, including monitoring achieved effects and quality reporting on outcomes.*

*In formulating certain activities in the Action Plan, care was taken to respect and align with the relevant provisions of Chapter VI "Prevention and Suppression of Gender-Based Violence" of the Law on Gender Equality, which was adopted after the adoption of the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence. A new provision introduced into the legal system by the Law on Gender Equality pertains to the recognition of the*

*significance and definition of two more types of violence in Article 6, Paragraph 1, alongside domestic violence: in point 10) gender-based violence is defined as "any form of physical, sexual, psychological, economic, and social violence directed against a person or groups of persons due to their belonging to a particular gender, as well as threats of such acts, regardless of whether they occur in public or private life, as well as any form of violence that disproportionately affects individuals belonging to a certain gender," and in point 11) violence against women, which signifies "a violation of human rights and a form of discrimination against women and all acts of gender-based violence that result in or may result in: physical, sexual, psychological, or financial harm or suffering to women, including threats of such acts, coercion, or arbitrary deprivation of liberty, whether in public or private life." Furthermore, regarding the title and content of Chapter VI of this Law, Article 51 emphasizes the prohibition of violence based on gender, gender characteristics, or sex and violence against women, which is further elaborated in Articles 52-58 of the mentioned law, through specific measures and programs to prevent this form of violence, support programs for victims of violence, programs for working with perpetrators of violence, and so forth.*

#### *Qualitative and Quantitative Steps:*

1. Achieve measurable goals for the implementation of the above-mentioned action plans to ensure effective protection for vulnerable individuals (December 2026):
  - Establish central records for all forms of violence covered by the Istanbul Convention (note: by the end of 2026 in the draft action plan);
  - Form 20 victim support services, systematize support officers through an act on systematization in every higher court, and make these services functional in 20 higher courts;
  - Increase the number of users of community services provided by licensed service providers by 18%.

#### **Comments (concerning the AP on gender-based violence):**

- No appropriate and measurable goals have been set for the implementation of the AP for the prevention of gender-based violence against women and domestic violence - the listed qualitative and quantitative steps are not based on the measures from the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025.
- The Special Goal 2 from the Strategy – Ensuring effective and efficient protection for victims and establishing accessible and adequate general and specialized support services for victims of violence (with indicators of outcomes, starting and target values) – was not taken into account. This primarily refers to the outcome indicators: 3. Adequate general services available

to all victims of violence throughout the territory of the Republic of Serbia without discrimination (target value: 2025: All general services available to all victims of violence without discrimination); 4. Adequate specialized services available to all victims of violence throughout the Republic of Serbia and financed from the annual budget (2025: Specialized services available to victims of violence without discrimination and established in accordance with international norms and financed from the budget at all levels of government); 5. Establishment of a control mechanism for monitoring cases of femicide in the Republic of Serbia (2025: Yes). The Draft Reform Agenda sets significantly lower goals compared to the valid strategic document in this area.

- The Draft Reform Agenda sets lower standards also in relation to the Specific Goal 3 in the section - [...] improving the position of victims and witnesses and realizing the victims' right to compensation, as well as in relation to Measure 3.2. Ensuring full protection of women victims of gender-based violence and domestic violence from perpetrators during the criminal procedure and after the execution of criminal sanctions.
- All activities related to specialized support are connected to the new Law on Gender Equality (3.4.2.1.), and the Constitutional Court has initiated proceedings to determine the unconstitutionality of this Law and suspended the execution of individual acts or actions taken based on the provisions of the Law (case IUz-85/2021).
- The Draft Reform Agenda does not take into account the recommendations of the GREVIO expert group that Serbia received in 2020 concerning Article 18 - General obligations (recommendations in paragraph 105); Article 19 - Information (paragraph 109); Article 20 - General support services (paragraphs 117 and 122); Article 22 - Specialized support services (paragraph 125); Article 23 - Shelters (paragraphs 131 and 132); Article 24 - SOS helpline (paragraph 139); Article 25 - Support services for victims of sexual violence (paragraph 143); Article 26 - Protection and support for child witnesses (paragraph 147).
- There is no publicly available report on the implementation of the Action Plan for the implementation of the National Strategy for the Exercise of the Rights of Victims and Witnesses of Criminal Acts in the Republic of Serbia for the period 2023-2025, which was adopted in July 2023. It is not possible to determine which activities are already being implemented or which will be implemented. In addition, monitoring the fulfillment of activities from the Action Plan is hindered by the fact that this information cannot be found on the websites of EU-funded projects. The planned steps repeat activities that should have already been carried out, and it should be noted that the majority of victims of domestic violence are in basic prosecutor's offices and courts, where such services and trained staff do not exist.
- The planned qualitative and quantitative steps do not recognize (highlight or acknowledge) the role of specialized organizations that provide support to victims of criminal acts with elements of violence, including victims of gender-based violence and domestic violence

*Thank you for your expressed opinion, and we would like to inform you that the Draft Action Plan for implementing the Strategy contains the stated goals and indicators on which it will be possible to express opinions during the public discussion.*

## PROPOSAL

**Instead of the proposed qualitative and quantitative steps in the Draft Reform Agenda of the Republic of Serbia, it is suggested to propose steps that align with the Strategy for the Prevention and Combating of Gender-Based Violence Against Women and Domestic Violence for the period 2021-2025 (with Specific Goals 2 and 3); to propose steps in line with the recommendations from the GREVIO report on the (basic) procedure for assessing the legislative and other measures implementing the provisions of the Council of Europe Convention on preventing and combating violence against women and domestic violence (Istanbul Convention) for Serbia.<sup>8</sup>**

*Thank you for your expressed opinion, and we would like to inform you that the Draft Action Plan for implementing the Strategy contains the stated goals and indicators on which it will be possible to express opinions during the public discussion.*

General comments regarding policy areas, reform change indicators, and qualitative and quantitative steps for:

- 1. Development of the business environment and the private sector** (1.2. Development of the private sector; 1.2.2. Further development of the scientific and innovation ecosystem for a knowledge-based economy);

*We emphasize that there are significant results regarding the inclusion of women in research activities. Specifically, within the programs implemented by the Science Fund of the Republic of Serbia, women constitute as much as 58% of researchers, while 54% of project coordinators are also female. These data clearly demonstrate that women occupy key roles in scientific activities, placing them in leading positions in this field.*

*Regarding the support provided by the Innovation Activity Fund, the data show that 14.4% of funded enterprises are majority-owned by women, while in 31.4% of the enterprises that received funding, at least one woman is present in the ownership structure. These results further demonstrate our commitment to gender equality and encouraging women in entrepreneurship, innovation, and scientific activities, confirming continuous inclusion and providing equal opportunities for all vulnerable and marginalized groups.*

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<sup>8</sup> See: [https://www.rodnaravnopravnost.gov.rs/sites/default/files/2021-01/GREVIO\\_Izvestaj%20o%20bazicnom%20postupku%20procene%20stanja\\_Srbija.pdf](https://www.rodnaravnopravnost.gov.rs/sites/default/files/2021-01/GREVIO_Izvestaj%20o%20bazicnom%20postupku%20procene%20stanja_Srbija.pdf)



- 2. Green and digital transition** (2.2. Digitalization; 2.2.2. Further digitalization of public services and administrative procedures for businesses and citizens; 2.2.3. Strengthening adult education, training, and relevant opportunities for developing digital skills and literacy);

*We indicate that the Reform Agenda has been formulated in accordance with the priorities and suggestions of the European Commission, and that the indicators could not fully encompass all elements. We note that despite this, the Republic of Serbia is intensively working on all key aspects of digital transformation and is dedicating due and significant attention to issues of gender equality, as recognized in legal solutions and strategic documents that contain a higher level of detail than the Reform Agenda.*

- 3. Human capital** (3.1. Labor market; 3.1.1. Improvement of labor market conditions, including ensuring appropriate financial and institutional resources and capacities for activation in employment and social policy; 3.1.2. Implementation of training and skill development programs in critical sectors, such as teacher education, to proactively address key factors affecting expertise and retention of the workforce in these areas; 3.2.1. Improving the quality of teaching and learning, fairness, and accessibility at all levels of education; 3.2. Education and skills).

*Both of the mentioned indicators are gender-sensitive, as they include a planned participation of at least 50% women. The first indicator also includes a target for Roma of 3%, considering that young people from this target group are often in NEET status. For the second indicator, the proportion of Roma is not specified, as this data is not available in the Labor Force Survey, which is the data source for this indicator.*

**It is essential that the indicated indicators and steps are gender-sensitive and sensitive to other marginalized/minority groups, including affirmative measures for women and other vulnerable/marginalized social groups.**

*We agree, and such an approach was used during the work on the documents, with the proposed formulations of measures and indicators being the result of negotiations with representatives of the European Commission.*

# Bureau for Social Research (BIRODI)

## Policy Area 4: Foundations

### 4.5. Fight Against Corruption

#### 4.5.1. Improving the Fight Against Corruption and Corruption Prevention

*After consultations with the Commission, adopt a strategy and action plan for the period 2025–2028 (December 2024).*

*Fill all vacant positions for prosecutors and judges in anti-corruption departments in accordance with the Annual Judges' Schedule (adopted by the High Judicial Council) and the Decision of the High Prosecutorial Council regarding the number of public prosecutors (December 2025).*

*Improve the balance of results in effective and efficient investigations, prosecutions, final judgments, confiscation of assets, and final confiscation of assets, including cases of high-level corruption (June 2026), repeated (June 2027).*

#### **Comment:**

Include and fulfill measure 2.2.10.31, which stipulates that 145 local governments in Serbia adopt and implement local anti-corruption plans based on the Model prescribed by the Anti-Corruption Agency ([https://www.acas.rs/cyr/page\\_with\\_sidebar/lap](https://www.acas.rs/cyr/page_with_sidebar/lap)) and form independent anti-corruption bodies at the local level to oversee the implementation of local anti-corruption plans, whose members are citizens selected through public competitions in a transparent procedure and based on clear criteria from candidates who are not members of political parties and are not employed in local government bodies and institutions.

*This issue will be addressed by adopting the Action Plan for the Implementation of the National Strategy for the Fight Against Corruption, which will include a schedule for the implementation of activities, responsible institutions, and deadlines for the execution of activities.*

# Center for Judicial Research (CEPRIS)

## Policy Area 4: Foundations

### 4.1. Democracy

- The general remark is that the goals, measures, and activities mentioned are already obligations of the Republic of Serbia, or they pertain to activities that boil down to the implementation of laws.
- Given the scope of the work, the deadline to form a Working Group and revise the electoral register by the end of 2024 is unrealistic. Additionally, although this is an obligation that has already been undertaken, one step is missing—the adoption of amendments to the Law on the Unified Electoral Register, which would create the legal basis for the revision, in line with ODIHR recommendations (a revision that would include opposition parties and civil society).

*The European Commission insisted on the mentioned deadline. Government representatives accepted the deadline due to the significance of the reforms, which is both substantive and symbolic. Substantively, because the key recommendations are addressed significantly before the upcoming elections, and symbolically, due to the credibility of the entire electoral process. The agreed-upon Methodology for the preparation of the Reform Agenda (RA) also stipulates that the formation of working groups and the adoption of legislative acts, as well as public policy documents, should be planned in the early stages of RA implementation. The Working Group for the Improvement of the Electoral Process was established on April 29, 2024. The Law on Amendments to the Unified Voter Registry was adopted to address recommendations regarding voting in local elections and preceded the holding of local elections.*

- Prepare and adopt regulations that are foreseen after the adoption of action plans on gender-based violence, deinstitutionalization, and national minorities (following transparent and inclusive consultations in Serbia and with the Commission, as well as in line with EU legal standards, European standards, and UN standards) (December 2025) – it is unclear what kind of deinstitutionalization is being referred to, and it should be defined more clearly.

*Thank you for the question, and we would like to inform you that this refers to the 2024/2025 Action Plan for the Implementation of the De-institutionalization Strategy and Development of Community Social Protection Services for the period 2021-2026, which is clearly indicated in the goals of the Reform Agenda.*

- Form 20 victim support services, systematize support officers through an act on systematization in every higher court, and make these services functional in 20 higher courts – does "higher court" refer to the High Court? This is likely a translation error, as "high court" has no equivalent meaning in Serbian.
- Criminal Code, Code of Criminal Procedure, Juvenile Law – use the correct names for these laws

*The document presented to civil society was in draft form and was a technical error. The names of the laws are as follows:*

- *Criminal Code;*
- *Criminal Procedure Code;*
- *Law on Juvenile Offenders and Protection of Juveniles in Criminal Proceedings.*
- Adopt the Law on Internal Affairs, which regulates the issue of police independence in relation to the Ministry of Internal Affairs during the pre-investigation and investigative phases, and implement the recommendations of the Committee for the Prevention of Torture (June 2025):
  1. The issue of the police's status and the implementation of the Committee's recommendations should be separated.
  2. The word "implement" is missing before the word "recommendations," i.e., a verb is missing.
  3. The independence/autonomy of the police cannot be achieved only by amending the Police Law (or adopting a new Law on Internal Affairs); the Criminal Procedure Code, the Public Prosecution Law, and two special laws (on fighting organized crime and corruption) must also be amended. If the criminal police are detached from the Ministry of Internal Affairs, they cannot function autonomously in criminal proceedings, but they must answer only to the prosecution, as the body that directs the pre-investigation and investigative proceedings. Therefore, all the mentioned laws must be amended, not just the one listed in the draft Reform Agenda.

*It is not possible to add new indicators or make changes to the names of the indicators and payment steps that have been agreed upon with the European Commission. Additionally, when drafting the accompanying Action Plan, the starting parameters, precise description of steps, and verification sources, as well as the institutions responsible for implementation and reporting, will be specified.*

- Fill all vacant positions for prosecutors and judges in anti-corruption departments in accordance with the Annual Judges' Schedule (adopted by the High Judicial Council) and the Decision of the High Prosecutorial Council on the number of public prosecutors (December 2025) – this is ongoing work and cannot be considered a reform measure, even in the broadest interpretation.

*Since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda.*

- Increase the number of appointed judges and public prosecutors by 10% (December 2025) – it is unclear whether this refers to increasing the number of systematized positions or filling existing positions. This needs clarification. When it comes to the judiciary, as mentioned during consultations, problems in the judiciary's functioning, even when viewed from the perspective of economic growth, do not stem from the number of unfilled judicial and prosecutorial positions, but from other circumstances, particularly insufficient independence/autonomy and poor organization of work. If this activity aims to contribute to faster dispute resolution (efficiency), the key problem does not lie in the number of judges and prosecutors, but in the fact that the system of alternative dispute resolution is completely ineffective, with only about 1% of disputes being resolved this way in Serbia, while in EU countries, that percentage is around 50%. Therefore, to improve system efficiency and, consequently, economic growth (which cannot exist without legal certainty), the alternative dispute resolution system should be strengthened, rather than focusing on expanding systematization. For more on this topic, see the publication of the Center for Judicial Research – Comparative Analysis of Court Organization.

*This concerns filling existing positions for judges and public prosecutors. We note that since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda.*

- Correct the name of the High Prosecutorial Council (it currently reads as "High Council of Prosecutors").

*This is a technical error. The correct name is the High Judicial Council.*

## Association of Judges of Serbia

In the framework of component 4.6 Judiciary, the indicative reform change 4.6.1. is planned: Reform of the judiciary system and, as a quantitative step, an increase in the number of appointed judges and public prosecutors by 10% by December 2025.

- 1) **First, the agenda does not explain how this reform step was reached or why this percentage was chosen.**

It is assumed that this is a consequence of the overload of the judicial system in Serbia. For example, judges in Serbia are among the most burdened in Europe in terms of cases per 100 citizens, ranking 4th in civil and commercial cases and 1st in criminal cases, according to the 2020 CEPEJ report. The same report also noted the following: "Except for administrative cases, first-instance case clearance rates in Serbia in 2018 exceeded the clearance rates in courts of European Union countries."

The Association of Judges of Serbia also conducted an **analysis comparing the total workload of judges for the period 2002/2022 and obtained the following data:**

1. **The number of judges has decreased by 17%** - although the number of judges appears similar: 2,425 in 2002 and 2,503 in 2022, without including 495 misdemeanor judges who were not part of the court system in 2002 but became part of it in 2010. The comparison is as follows: 2,425 judges in 2002, and 2,008 in 2022.

The trend of decreasing judges per 100,000 citizens is as follows:

- A reduction from 40.4 judges in 2012 to 37 judges in 2018. The decrease is even more significant given that the population has also decreased—from 7,407,000 in 2002, through 7,199,077 in 2012, to 6,963,764 in 2018, and 6,664,000 in 2022.
  - There is a constant shortage of around 15% (about 500) judges in relation to the systematized number.
2. **The number of cases increased by 23%**, from 1,551,789 in 2002 to 2,015,656 in 2022 (excluding misdemeanor cases for comparison purposes).
  3. **The workload of judges increased by 57%**, with the average number of cases per judge rising from 640 in 2002 to 1,004 in 2022.
  4. **There is significant uneven distribution of workload across courts in Serbia**, especially in civil matters. This is illustrated by data on unresolved cases at the end of 2022:
    - a. **Basic Courts** (66 courts in total):

- Civil judges in 66 basic courts handled:
  - 258,769 cases, distributed among 681 civil judges
  - 380 cases per judge.
- In three basic Belgrade courts:
  - 110,435 unresolved cases across three courts (47,369 in the 1st, 6,810 in the 2nd, and 56,256 in the 3rd court).
  - These cases were handled by 109 judges (67 in the 1st court, 18 in the 2nd, and 24 in the 3rd)
  - 1,013 cases per judge.

Therefore, 16% of civil judges in the three Belgrade courts handled 43% of the total number of civil cases from all 66 basic courts in Serbia, while 84% of judges in all remaining basic courts handled 57% of the civil cases.

**b. Higher Courts (25 in total):**

- Civil judges in 25 higher courts handled:
  - 139,061 cases at the end of 2022, divided among 250 judges, with
  - 77,597 cases handled by 44 civil judges in the Higher Court in Belgrade.

Less than 18% of civil judges in the Belgrade Higher Court handled 56% of the total number of civil cases in all higher courts in Serbia (65.4% in first-instance cases and 55.27% in appeal cases), while 82.4% of civil judges in the remaining 24 higher courts handled 44.20% of the cases.

Given the above, although it is unclear whether the planned increase is in relation to the number of systematized judge positions (3,102) or the number of filled positions (2,636), the Association of Judges considers the plan to increase the number of judges to be a positive step.

- 2) The proposed reform measure lacks a prior analysis that should start from the Human Resources Strategy in the Judiciary for the period 2022-2026, the judges' work reports, and the number of cases, as well as the age structure of judges, the timeline when the majority will retire, the number and timing of vacant judge positions over the next decade, and the need for selecting new judges. It should investigate the quality steps needed to ensure that the most qualified and expert lawyers are selected as judges, and the uneven workload of judges is reduced to a reasonable level.

In this regard, it is crucial to consider:

- **A significant generational shift** in the judiciary is expected in the coming years.
- **There is no adequate qualitative basis for selecting competent and high-integrity judges**, as the current number of lawyers with sufficient experience and passing the bar exam is insufficient, and it is clear that there is no rule of law without independent judges who must be competent and have integrity to resist influence and remain independent and impartial.

- **The best law students do not want to become judges.**
- **There is a significant imbalance in the workload of courts across Serbia.**

The facts are as follows:

- Over the next decade, a total of 1,540 judges, or 62% of the total judicial staff in Serbia, will retire. Of the 2,503 judges who were actively serving in 2022, 571 were over 60 years old, and 969 were aged between 55 and 60.
- Over the next five years, 770 judges (31%) will retire.
- Judges are mostly selected from the ranks of judicial assistants, and since 2013, from the graduates of the Judicial Academy.
- Currently, there is a shortage of at least 828 (33%) judicial trainees and assistants.
- There is a lack of interest in working in the judiciary due to poor working conditions, which do not provide solutions for basic existential needs (especially housing), and an uncertain future:
  - One-third of judiciary employees earn close to the minimum wage—around 460 euros.
  - A significant number of employees work either for free—volunteers (even those with law degrees and bar exams) and/or on temporary contracts.
  - Judges' salaries are inadequate and do not attract young professionals, as the salary is the judge's only source of income since a judge cannot engage in any other paid work:
    - Judges' salaries in Serbia (11,410 euros annually) are among the lowest in Europe (the average annual salary in Serbia in 2020 was 8,471 euros). In real terms, only judges in three European countries earn slightly less than judges in Serbia: North Macedonia (10,981 euros), Moldova (10,041 euros), and Georgia (9,540 euros).
    - The salary of most judges (1,777 judges, or 71% of all 2,510 judges—basic and misdemeanor judges) is 1,300 euros, while the average salary in Serbia at the end of 2023 was 720 euros.
    - Judges' pensions, which are significantly reduced (by up to 40-50%) compared to their already inadequate salaries, cannot guarantee their independence and financial security, nor do they correspond to the dignity of the judicial function and the responsibility of the job.

The clear conclusion from the above is that if the material position of judges and judiciary employees (especially young lawyers), and their employment status, are not drastically improved, there will not be quality candidates interested in the judicial function. This means the judicial role must be made more attractive. This is also supported by the document from the European Union's body, the European Network of Councils for the Judiciary, "Attractiveness of the Judicial Career," which includes Serbia's responses aligned with this conclusion.

- 3) We, therefore, propose that the indicative reform change in point 4.6.1. Reform of the judiciary system and further strengthening of the independence and effectiveness of the judiciary be elaborated and that successive steps and measures for its implementation be determined:



- Politicians and the media should refrain from attacks, malicious commentary, and belittling judges and court decisions.
- Ensuring material guarantees for independence through the following measures:
  - Increase judges' salaries so that the basic salary for judges is not less than the average net salary of employees in the Republic of Serbia, based on the latest data from the statistical office before the adoption of the next year's budget proposal.
  - A 20% salary increase for judges who have served in the same court for at least ten years.
  - Increase pensions so that a judge who has served for 20 consecutive years in a judicial position at the time of retirement has a pension equal to their last basic salary, with the condition that it cannot exceed the highest pension in the Republic of Serbia, as determined by special law.
  - Allow judges who lose the ability to perform judicial functions to qualify for disability pensions.
  - Increase the salaries of judicial associates, trainees, and administrative staff.
  - Regulate the employment status of judicial associates, trainees, and administrative staff with a separate law, removing them from the Law on Civil Servants.
- Strengthening the effectiveness of the judiciary by reducing caseload and ensuring a more even distribution of cases through the following measures:
  - Increasing the number of judges, judicial assistants, interns, and administrative staff;
  - Amending the Law on the Organization of Courts and the Law on Civil Procedure

*Since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda.*

## Civic Initiatives and NUNS

1. The qualitative and quantitative steps for the indicative reform change 4.2.2 are modified by adding:

Achieve 80% of the result indicators in relation to the total number of result indicators set in the Action Plan for Monitoring the Implementation of the Strategy for the Development of the Public Information System in the Republic of Serbia for the period 2020-2025, during the period 2024-2025 (December 2025).

Narrative: By achieving the set results in the Action Plan for Monitoring the Implementation of the Strategy for the Development of the Public Information System in the Republic of Serbia for the period 2020-2025, during the period 2024-2025, the indicative reform change from point 4.2.2 will be achieved, i.e., freedom of expression in the Republic of Serbia will be enhanced. The vision of the Strategy for the Development of the Public Information System in the Republic of Serbia for the period 2020-2025 is to ensure a free environment for the freedom of information, the flow of ideas and opinions, and the realization of public interest, leading to a well-regulated and rich media market.

2. The qualitative and quantitative steps for the indicative reform change 4.2.2 are modified by adding:

Adoption of the Strategy for the Development of the Public Information System for the period 2026-2030 and the Action Plan for Monitoring the Implementation of the Strategy for the Development of the Public Information System for the period 2026-2030, during the period 2026-2028 (December 2025).

Justification: By adopting the Strategy for the Development of the Public Information System for the period 2025-2030 and the accompanying Action Plan, the Republic of Serbia will demonstrate full commitment to enhancing freedom of expression and thus show its intention for further progress within the framework of the indicative reform change 4.2.2.

3. The text of the indicative reform change 4.2.2 is changed to read:

4.2.2. Enhancing freedom of expression through interventions in legislation and the implementation of legislation in the field of public information and the implementation of planning documents in the area of developing the public information system.

Justification: Alignment of the text of the indicative reform change with the added steps.

*The Ministry has carefully considered the comments and points out that the indicator was formed according to the priorities of the European Commission with which it has been aligned, and that it is not possible to change the qualitative and quantitative steps for the indicative reform change.*

# Mental Disability Rights Initiative (MDRI-S)

## Policy Area 3. Human Capital

### 3.1. Labor Market

#### 3.1.1. Improving labor market conditions, including securing appropriate financial and institutional resources and capacities for employment activation and social policy

*Exit of 30% of young people (of which at least 50% are women and at least 3% are Roma) from the Youth Guarantee with a positive outcome (defined as "entering into employment, continuing education/training, internship, or work practice") within 4 months of registration (December 2027).*

#### Comment:

There is a missing indicator related to persons with disabilities. Specifically, amendments to the Law on Professional Rehabilitation and Employment of Persons with Disabilities are needed.

*Amendments to the Law on Professional Rehabilitation and Employment of Persons with Disabilities are not planned in this document, and therefore there are no indicators related to this. Within the Action Plan for Chapter 19, one of the activities includes the development of an analysis of the Law on Professional Rehabilitation and Employment of Persons with Disabilities in order to analyze the effects of the Law in practice and establish further guidelines for regulating this area.*

## Policy Area 4. Fundamentals

### 4.2. Fundamental Rights

#### 4.2.1. Improving the protection of fundamental rights for vulnerable individuals and members of national minorities

*1. Prepare and adopt regulations (Criminal Code, Law on Criminal Procedure, Law on Prevention of Domestic Violence, Law on Juveniles, Family Law) anticipated after the adoption of action plans on gender-based violence, deinstitutionalization, and national minorities (following transparent and inclusive consultations in Serbia and with the Commission, and in accordance with EU legal standards, European standards, and UN standards) (December 2025).*

*2. Achieve measurable objectives for the implementation of the aforementioned action plans to ensure effective protection of vulnerable individuals (December 2026):*

**Comment:**

The list of regulations to be amended/created should also include the Law on Social Protection, the Social Protection Strategy, and the Strategy for the Advancement of the Rights of Persons with Disabilities.

Additionally, the action plan for the deinstitutionalization strategy covering the period 2022-2026 was never adopted, so it is unclear which action plans are being referred to in point 2.

*Thank you for the suggestion, and we would like to inform you that the list of regulations to be adopted after the approval of the mentioned action plans was proposed by the EU, and during the negotiations, our side agreed to this proposal. The mentioned list did not include the Law on Social Protection or the two specified strategies.*

*3. Establish measurable objectives for implementing the aforementioned action plans to ensure the effective protection of vulnerable individuals (December 2026):*

- Increase the number of community service users provided by licensed service providers by 18%.*

**Comment:**

Relative to the number of licensed service providers and the number of users of these services in the community, this is a minimal increase. Many municipalities have only one developed service, and some have none. Therefore, amendments to the Law on Social Protection are necessary to require local self-governments to allocate part of their budgets for the development of community services, particularly services for independent living for persons with *disabilities*, as these are in line with the *Convention on the Rights of Persons with Disabilities*.

*Thank you for the comments and suggestions, and we would like to inform you that the Ex ante analysis of the Law on Social Protection is currently being prepared, and several focus groups and interviews with stakeholders have already been conducted. In those consultations, the identical position you propose to be implemented in the new law regarding the obligation of local governments to allocate a portion of their budget for the development of community services has been expressed multiple times, and we will certainly keep this in mind during the drafting of the new law. The completion of the Ex ante analysis of the effects of the new law is planned by the end of 2024, after which we will enter the phase of forming a working group to draft the new Law on Social Protection.*

# Committee of Lawyers for Human Rights

## Policy Area 4. Fundamentals

### 4.2. Fundamental Rights

#### 4.2.1. Improving the protection of fundamental rights for vulnerable individuals and members of national minorities

*1. Prepare and adopt regulations anticipated after the adoption of action plans on gender-based violence, deinstitutionalization, and national minorities (following transparent and inclusive consultations in Serbia and with the Commission, and in accordance with EU legal standards, European standards, and UN standards) (December 2025).*

#### **Change step/indicator as follows:**

1. Prepare and adopt regulations anticipated after the adoption of action plans on combating discrimination, gender-based violence, deinstitutionalization, and national minorities, and commence their implementation (following transparent and inclusive consultations in Serbia and with the Commission, and in accordance with EU legal standards, European standards, and UN standards) (December 2025).

Include in the list of regulations the Law on Same-Sex Partnerships, as well as full implementation of the Law on Gender Equality and the Law on Free Legal Aid.

*Thank you for the suggestion. The adoption of the regulations provided for in the mentioned action plans is certainly preceded by consultations in Serbia, with the UN, and with the European Commission, and must comply with the *acquis communautaire* of the EU, European standards, and UN standards. Every regulation that is adopted in Serbia (primarily laws) is first sent to the European Commission for opinion and only then enters the adoption procedure.*

- *Achieve measurable objectives for the implementation of the aforementioned action plans and the application of the legal framework to ensure effective protection of vulnerable individuals (December 2026):*

#### **Change step/indicator as follows:**

2. Achieve measurable objectives for the implementation of the aforementioned action plans and the application of the legal framework to ensure effective protection of vulnerable individuals (December 2026):

- Establish central records for all forms of violence covered by the Istanbul Convention (note: in the draft action plan by the end of 2026);

- Form 20 victim support services, systematize support staff through an act of systematization in each high court, and make these services functional in 20 high courts;
- Increase the number of community service users provided by licensed service providers by 18%.

*Thank you for the suggestion. We believe that regarding deinstitutionalization, the increase in the number of service users in the community provided by licensed providers by 18% is a very measurable goal (defined in the Reform Agenda). Additionally, the proposals of both action plans (for deinstitutionalization and for gender-based violence) also contain measurable goals and indicators.*

#### **Add step:**

- Initiate a continuous informational campaign on the implementation of the Law on Free Legal Aid (BPP), align it with procedural laws, and adopt standards and a sustainable financing model for free legal aid services in local self-governments, including a sufficient number of employees (relative to assessed needs) and accessible premises for persons with disabilities (by the end of 2026).

*The Law on Free Legal Aid is not part of the Reform Agenda, in terms of amendments to this law or monitoring its implementation, and for that reason, there are no specific details regarding the information campaign. The process of developing and implementing the information campaign has already begun and is supported by an EU project, which provides sufficient guarantees that this process will be continuously and successfully carried out in the coming period.*

## **4.6. Judiciary**

### **4.6.1. Judicial Reform**

Increase the number of elected judges and public prosecutors by 10% (December 2025).

The step is not clearly defined, as it is not clear in relation to what the number of elected judges is being increased, it does not mention judicial and prosecutorial staff, nor is it clear how it qualitatively affects the implementation of the reform and the change in legal culture.

The goal of the reform is to establish an independent judiciary and an autonomous prosecution, so after constitutional amendments, a significant portion of judicial laws, and subordinate regulations, the next step, in addition to adopting the remaining legal and subordinate acts, should be full protection from inappropriate internal and external influences, as well as changes in legal culture. Since the activities from AP23 already relate to legal framework alignments, the Reform Agenda in this sense should offer measurable indicators for the implementation of the new legal framework, tools for protection from undue influence, and measurable effects on changes in legal culture.

Example step:

The High Judicial Council and the High Prosecutorial Council conduct an informational campaign promoting new legal tools for protection from inappropriate internal and external influences from representatives of other branches of government.

An increased number of reports/complaints about inappropriate influence, as well as official statements from judicial councils indicating inappropriate influences, not only through annual reports of the competent bodies.

*1. The nature of the specific indicative reform relates to filling exclusively judicial and public prosecutor positions. Since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda. The baseline value has been established in relation to the existing number of judges and public prosecutors, and an increase of 10% is measured against that number.*

*2. Since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda.*

## Association of Prosecutors of Serbia

At the outset, we wish to highlight our agreement with the accompanying letter from the working group for Chapter 23 of the EU Negotiating Framework, which primarily emphasizes comments regarding activities related to "Fundamentals," i.e., the rule of law.

We also note that the comments from the Association of Prosecutors of Serbia will address components falling under both the activities of the working group for Chapter 23 of the EU Negotiating Framework and the working group for Chapter 24. We would like to immediately point out the first comment concerning the methodology for determining components for point 4 of the Reform Agenda. It is evident that all components are in the so-called cluster 1; however, the competencies of various state authorities overlap. For example, the Ministry of Justice and the Ministry of Internal Affairs. It is not specified how the work of different state bodies will be coordinated and who will oversee all activities.

*The strategic approach of the Republic of Serbia regarding the monitoring of the implementation of the Reform Agenda involves the development of specific action plans that will outline all the necessary steps for carrying out activities, the roles of all relevant institutions, as well as a calendar for implementing the required steps and a mechanism for monitoring the fulfillment of all activities.*

Component 4.3, Combatting Organized Crime, is vaguely defined, especially considering that there have been **no activities related to the security sector** from Chapter 24 for almost 18 months. This particularly pertains to the adoption of the Law on Internal Affairs. The last working meeting of the working group on the law with members of the EU Negotiating Framework Working Group for Chapter 24 was in February 2023. The adoption of the Law on Internal Affairs is not only related to combating organized crime but also to improving the fight against corruption from point 4.5.

The adoption of the Law on Internal Affairs is directly related to amending the Criminal Procedure Code, the timing and extent of which are unknown. To achieve results in the fight against organized crime and corruption, it is necessary to establish a prosecutorial police force to address the issue of police independence from the Ministry of Internal Affairs.

*The areas, sub-areas, and indicators within the Reform Agenda have been agreed upon with the European Commission and their methodology. Additionally, the "prosecutorial police" is not the subject of the Law on Internal Affairs; rather, the European Commission's requirement is for the police to be independent from the Ministry.*

Regarding point **4.6 and component 4.6.1**, judicial system reform, it is entirely unclear why the primary issue identified for judicial reform is the number of judges and public prosecutors. It is



undisputed that the number of judges and public prosecutors in certain cities is insufficient, but there is also an undeniable uneven burden on public prosecutors across Serbia. At present, the High Council of Prosecutors has not filled the existing job systematization. The material status of public prosecutors does not meet the proclaimed standards of the Law on Public Prosecution.

It is not enough to increase the number of public prosecutors without considering the resolution of the number of administrative staff and prosecutorial assistants, as well as spatial conditions. There is a noticeable trend of public prosecutors and prosecutorial assistants leaving the public prosecution organization due to salaries. Additionally, young lawyers' interest in working in courts and prosecutions is at its lowest due to the material conditions of employment.

The complexity of the situation faced by the entire judiciary has not been fully assessed, and the problem cannot be resolved by imprecisely set goals of increasing the number of public prosecutors and judges. The High Council of Prosecutors and the High Judicial Council will not have anyone to appoint. The trend of a large number of judges and prosecutors meeting retirement conditions is an additional complicating factor. The Judicial Academy does not meet the conditions for quality training of prosecutorial assistants, judges, and public prosecutors. Statistical data from CEPEJ show that Serbia ranks third from the bottom in terms of annual earnings for judges and prosecutors among all Council of Europe countries.

Given all the above, we believe that the component 4.6.1, as currently defined, does not fit within the judicial system reform process.

*Since the European Commission insists on the implementation of the updated regulatory framework that followed the adoption of the Constitutional amendments, and since the elections of judges and public prosecutors are now taking place in accordance with the amended legal framework, this represents a fundamental reason for including such an activity in the Reform Agenda.*

## **Working Group for Chapter 24**

# ASTRA – Action against Human Trafficking

Given that the draft document regarding which we are submitting comments does not reflect all the areas where there is a need for special effort (in terms of public policies, legislative, operational, and functional frameworks), it is not possible to include all the proposals that the civil society organization ASTRA – Action against Human Trafficking considers should be addressed.

Considering the available draft document, we are **first** submitting a portion of our proposals following the structure of the Reform Agenda.

Below, we also provide the **second** part of the document with additional proposals for measures and activities that we believe must be the focus of the Government of the Republic of Serbia.

## I Komentari u odnosu na dostupan dokument

### I. Comments on the Available Document

#### 1. Development of the Business Environment and the Private Sector

##### 1.1.1. Improving the Sustainable and Efficient Management of State-Owned Enterprises

Enhancing the management of public investments can contribute to reducing corruption and better use of resources, which can diminish opportunities for organized crime and human trafficking, especially in the form of labor exploitation.

*Managing capital investments is one of the main priorities of the Republic of Serbia and an important area for reforming public financial management. Strengthening the framework for public investment management enhances the quality of existing infrastructure and catalyzes the implementation of new infrastructure projects. The measure aims to develop the economy as a whole and raise living standards, taking into account the significance of capital projects and their impact on the development of various areas such as infrastructure, industry, the service sector, and tourism, as well as the integrative effect of these projects in terms of their influence on all domains of the economy and society.*

##### 1.2.1. Enhancing Investment and Development Opportunities for Entrepreneurs and the Private Sector

Increasing transparency in public procurement projects can reduce opportunities for corruption and illegal activities that may involve human trafficking, raise awareness about the importance of due diligence regarding human rights in supply chains, and more.

*We agree with the comment.*

## **2. Green and Digital Transition**

### **2.2.2. Further Digitalization of Public Services and Administrative Procedures for Businesses and Citizens**

Digitalizing public services can enable better oversight and monitoring of activities that may be related to human trafficking. For example, improved access to electronic records can help identify victims and perpetrators, methods of recruitment, control, exploitation, and more.

*We agree with the comment.*

### **2.2.4. Establishing a Comprehensive Framework for Cyber Resilience (Implementing Requirements from NIS2 Directive and Strengthening Relevant Institutions)**

Strengthening cyber resilience and security can aid in combating online aspects of human trafficking, such as illegal activities on the internet and abuse of digital platforms for trafficking purposes.

*We agree with the comment.*

## **II. Comments on ASTRA's Observations and Findings from Practice and Research**

In almost all system organizations (bodies, institutions, etc.), ASTRA recognizes individuals who stand out for their expertise, proactivity, sensitivity, and willingness to identify problems, take steps to address them, and improve the respect for the rights of at-risk individuals and victims of human trafficking, particularly women and children, as well as the services available to them. However, ASTRA assesses that in most institutions and organizations, the level of awareness and knowledge about the complexity of human trafficking (causes, consequences, risks) is relatively low. Additionally, we record concrete examples of misunderstanding, prejudice, and intolerance among system representatives who form the “first line” with which potential and identified victims come into contact, to protect their rights and provide services.

The systemic response cannot rely on individual (and relatively rare) qualified and sensitive individuals, even though their work and contribution are invaluable.

Further, the failure to recognize the complexity, seriousness, and severity of the consequences of human trafficking for victims, especially women and children, spills over into insufficiently developed and established intersectoral cooperation among state bodies, institutions, and organizations. This challenge is primarily reflected in insufficiently systematized and non-harmonized databases regarding human trafficking crimes, victims (both formally identified and

preliminary identification), and numerous other parameters. Multiple institutions collect various types of data, but there is no unified database, nor is it possible to track the recovery of victims and their “path through the system,” which can last for years.

As a direct consequence of the above, inadequate management of public budget funds occurs. Overall, allocations for activities in the area of prevention, combating human trafficking, and protecting and realizing the rights of victims at the national level are significant but uneven, inconsistent, unsustainable, and there are instances of non-transparent allocation of funds.

ASTRA’s systematized observations on the system’s response to human trafficking, prevention, and protection of victims are available in semi-annual reports published [here](#), which provide an overview of findings, starting from monitoring the implementation of Action Plans for Chapters 23 and 24, activities within the broader institutional framework for combating human trafficking (Anti-Trafficking Council, Office for Coordination of Anti-Trafficking Activities, police, prosecution, judiciary, social protection system institutions, etc.), as well as specific findings from practice.

Specific themes and issues are addressed in analyses, research, and proposals for improving public policies and legislation in this area, available [here](#).

### **Protection of Migrant Workers' Rights and Prevention of Human Trafficking for Labor Exploitation:**

- Enhancement of the Application of the Law on Employment of Foreigners and the Law on Foreigners: The state must make significant efforts to fully implement and operationalize the Law on Employment of Foreigners and the Law on Foreigners, as well as to protect the human and labor rights of migrant workers, thus preventing the creation of an environment conducive to labor exploitation and human trafficking for labor exploitation.
- Protection of Human and Labor Rights of Migrant Workers: The state must significantly improve the response of all competent authorities and institutions in cases of potential human trafficking for labor exploitation where the victims are migrant workers, and provide support to domestic workers working in Serbia and abroad.
- Enhancement of Support for Victims of Human Trafficking: The Role of Civil Society Organizations:
- Role of Specialized Civil Society Organizations: The state must create a positive and supportive environment for NGOs providing services to individuals at risk of human trafficking and victims of this crime, as these NGOs fill the gap in services and support that falls under the state’s and social protection system's responsibilities.

### **Response to Potential Human Trafficking:**

- **Ensure Appropriate Protection and Access to Justice for Potential and Identified Victims:** When potential labor exploitation is discovered, the state must ensure appropriate protection and access to justice for potential and identified victims, in accordance with national legislative frameworks and ratified international protocols and conventions.

### **Institutional Framework and Cooperation:**

- **Revision of the Operational Framework for Combating Human Trafficking:** The state must revise the operational framework for combating human trafficking in Serbia. This involves rethinking and repositioning the functions and roles of the Anti-Trafficking Council as a body consisting of the highest public officials. The Council's composition is subject to frequent changes (due to elections and political reasons), is not operational, and its dysfunction blocks the work of the entire system. Consider the possibility of the Council consisting of strategic and operational parts, with the operational part meeting more frequently and working more efficiently.

### **Harmonization with International Standards and EU Practices:**

- **Monitoring and Adoption of Broadly Defined EU Approaches and Solutions:** It is necessary to continue monitoring relevant strategic and operational frameworks of the European Union, adopting broadly defined approaches and solutions applicable in Serbia, as well as increasing opportunities for engagement and connectivity with non-EU countries.
- **Increasing Opportunities for Engagement and Connectivity with Non-EU Countries:** It is necessary for all relevant institutions (ministries) to be involved in existing procedures and work in accordance with them to continue the process of amending and supplementing the legislative framework and aligning it with EU legal standards in the field of prevention and combating human trafficking.

### **Legal Support and Victim Rights:**

- **Enhancement of the Principle of Non-Punishment for Victims:** The principle of non-punishment should be improved by providing legal assistance and ensuring that victims are not prosecuted for crimes committed under duress.
- **Better Access to Compensation for Victims of Human Trafficking:** It is essential to provide better access to compensation for all victims of human trafficking in criminal proceedings, avoiding referral to civil litigation.

### **Victim Safety and Prevention of Secondary Victimization:**

- **Ensuring Comprehensive Safety Measures for Victims and Regular Risk Assessment:** It is necessary to provide comprehensive safety and security measures for victims, regularly assess the level of risk, and adjust measures accordingly. Secondary victimization should be

prevented by: (1) organizing training for employees in state institutions to provide empathetic support; (2) revising institutional practices to empower and respect victims; and (3) improving access to psychological support.

### **Formal Identification of Victims:**

- **Enhancement of Standards and Procedures for Formal Identification of Victims of Human Trafficking:** It is necessary to improve the formal identification of victims by standardizing trafficking indicators and maintaining cooperation with international organizations.

## **Prevention – Human and Labor Rights of Foreign Workers**

### **Strengthening the Regulatory Framework**

- **Legislative Amendments:** Update and enforce labor laws to ensure comprehensive coverage of migrant workers' rights, including safe working conditions, fair wages, and access to healthcare.
- **Regulating Employment Agencies:** Implement stricter regulations and oversight mechanisms for employment agencies to prevent exploitation and ensure transparency in hiring processes. Establish an accreditation system for certifying ethical agencies.

### **Improving Oversight and Enforcement**

- **Labor Inspections:** Increase the frequency and scope of labor inspections in sectors with a high concentration of migrant workers. Ensure inspectors are trained to recognize signs of exploitation and abuse.
- **Cooperation with Police:** Enhance cooperation between labor inspectors, police, and immigration authorities to effectively combat human trafficking and forced labor.

### **Support Services for Migrant Workers**

- **Legal Assistance and Support:** Establish specialized support centers providing legal aid, translation services, and counseling for migrant workers. Ensure migrant workers have access to information about their rights in their native languages.
- **Victim Protection Programs:** Develop programs for the protection and rehabilitation of victims of human trafficking and exploitation, including safe accommodation and medical care.

### **Data Collection and Availability**

- **Public Data Disclosure:** Collect and publicly disclose data categorized by types of work permits and worker nationality. Track and analyze the correlation between the number of long-term employment visas issued and the number of temporary work permits issued.

- **Improvement of Reporting:** Include data on the types of jobs for which various work permits have been issued, as well as regional diversity in the issuance of permits, in the reports of the National Employment Service (NES). The structure of NES annual reports should cover data on the types of jobs performed by nationals of each country.

### **Raising Public Awareness and Advocacy**

- **Awareness Campaigns:** Launch campaigns to raise public awareness to inform employers and migrant workers about legal rights and responsibilities, aiming to reduce exploitation and encourage fair practices.
- **Engaging Multiple Stakeholders:** Involve civil society organizations, trade unions, and the private sector in dialogue and joint efforts to enhance the protection of migrant workers.
- **Qualitative Research:** Implement qualitative research on worker motivations, working conditions, and integration into local communities through focus groups and interviews.

### **Utilizing EU Support and Best Practices**

- **Using EU Resources:** Utilize EU funds and technical assistance programs aimed at improving migration management and worker protection. Participate in EU training and capacity-building programs.
- **Adopting Best Practices:** Learn from the best practices of EU member states in regulating labor migration and protecting migrant workers, and incorporate them into Serbian policies and frameworks.

### **Conclusion**

The increase in the influx of migrant workers into Serbia presents both opportunities and challenges. Effective policies and practices are key to ensuring their protection and preventing exploitation. By strengthening regulatory frameworks, improving oversight and enforcement, and utilizing EU support, Serbian institutions can create a safer and fairer environment for migrant workers. The recommended actions will not only protect migrant workers' rights but also contribute to Serbia's social and economic development.

## **III Proposals for Additional Indicators**

### **2. Green and Digital Transition**

#### **2.2.4. Establishing a Comprehensive Framework for Cyber Resilience (Implementing NIS2 Directive Requirements and Strengthening Relevant Institutions)**

We propose the following indicators:



- Number of training sessions aimed at enhancing the capacity of representatives from the Ministry of Internal Affairs, judiciary, social protection, and education sectors on human trafficking risks, particularly in the context of the misuse of digital technologies for recruiting, controlling, and exploiting victims.

*We fundamentally agree with the proposal but point out that the Reform Agenda has been created in accordance with the priorities and suggestions of the European Commission, and that the indicators could not fully encompass all elements. We note that despite this, the Republic of Serbia is intensively working on all key aspects of information security and is giving due and significant attention to training, which is also recognized in the legal solutions and planning documents that contain a higher level of detail than the Reform Agenda.*

### **3. Human Capital**

#### **3.1.1. Improving Labor Market Conditions, Including Providing Adequate Financial and Institutional Resources and Capacities for Employment and Social Policy Activation**

We propose the following indicators:

- Number of successfully resolved complaints or grievances submitted to relevant authorities by foreign workers and/or civil society organizations supporting them regarding working conditions/work environment.
- Number of cases identified as human trafficking among the migrant workforce.

*The measures that affect the status of foreign workers are not planned in the document, and for this reason, the proposed indicators cannot be accepted.*

### **4. Basic Rights**

#### **4.2.1. Enhancing Protection of Basic Rights for Vulnerable Individuals and Members of National Minorities**

We propose the following indicators:

1. Number of trained representatives from the Ministry of Internal Affairs, labor inspectorates, and social workers on identifying victims of human trafficking among Roma, particularly women and children, members of other national minorities, and other vulnerable groups.
2. Number of human trafficking victims who received specialized assistance, support, and accommodation on an annual basis, including data on the type of service provider.
3. Number of complaints regarding the failure to provide social and other forms of protection to Roma and members of other national minorities, refugees and asylum seekers, internally displaced persons, and migrants.

4. Number of training programs conducted for professionals involved in identifying human trafficking victims, on an annual basis, including the number of trained officials, categorized by institution, type, and level of training.

*The proposal from Astra cannot be accepted due to inconsistencies with the document's text. We note that the Center for Victims of Human Trafficking will keep records based on the requested indicators, and we will be able to provide all collected data, including:*

- 1. The number of trained representatives from the Ministry of Internal Affairs, labor inspectors, and social workers on identifying victims of human trafficking among Roma, especially women and children, members of other national minorities, as well as other vulnerable groups for the trainings conducted by our institution.*
- 2. The number of victims of human trafficking who have received specialized assistance, support, and accommodation, on an annual basis, including data on the type of service provider.*
- 3. The number of complaints regarding the non-provision of social services and other forms of protection for Roma and members of other national minorities, refugees and asylum seekers, internally displaced persons, and migrants, related to the work of the Center.*
- 4. The number of implemented training programs for professionals involved in identifying victims of human trafficking, on an annual basis, including the number of trained officials, categorized by institution, type, and level of training conducted by the Center.*

*We will provide this information to the aforementioned civil society organization and all other interested organizations and institutions*

### **4.3. Combatting Organized Crime**

#### **4.3.1. Combating Organized and Serious Crime**

We propose the following indicators:

- Number of prosecuted human trafficking cases before the Higher Court in Belgrade, organized crime department.
- Number of convictions in human trafficking cases before the Higher Court in Belgrade, organized crime department.
- Number of decisions on interim measures for securing property claims in accordance with Article 257 of the Criminal Procedure Code due to the commission of the criminal offense of human trafficking under Article 388 of the Criminal Code.

- Number of female victims who received witness status in criminal proceedings in cases before the Higher Court in Belgrade, organized crime department for the crime of human trafficking under Article 388 of the Criminal Code.
- Adoption of a new legislative framework, specifically: a new Law in the field of combatting human trafficking, passed in the National Assembly.

*It is not possible to add new indicators or make changes to the names of indicators and payment steps that have been agreed upon with the European Commission. Additionally, when developing the accompanying Action Plan, starting parameters will be specified, along with a precise description of the steps and verification sources, as well as the institutions responsible for implementation and reporting.*

#### **4.6. Judiciary**

We propose the following indicators:

- Number of prosecuted cases and convictions related to the criminal offense of human trafficking under Article 388 of the Criminal Code.
- Amendment to the Criminal Code to remove paragraph 2 of Article 184 in accordance with the UN Convention on the Rights of the Child and the Optional Protocol to the Convention on the Rights of the Child on the sale of children, child prostitution, and child pornography, as well as recommendations from the UN Committee on the Rights of the Child.
- Number of judges and prosecutors who have successfully completed specialized training for handling human trafficking cases.
- Number of defense attorneys on the list of court-appointed defenders who have completed basic training for working with human trafficking victims.

*Given that the Program for Combating Human Trafficking in the Republic of Serbia for the period 2024-2029 has been adopted, along with the accompanying action plan, the proposed indicators will be monitored through this strategic document.*

## Belgrade Center for Security Policy

Adopt the Law on Internal Affairs that regulates the issue of police independence in relation to the Ministry of Internal Affairs during the pre-investigation and investigation phases (WHAT?) and fulfills the recommendations of the Committee for the Prevention of Torture (June 2025).

First of all, we want to commend the highlighting of this topic in the Reform Agenda, in accordance with the priorities outlined in Chapter 24 of the latest Annual Report of the European Commission on Serbia. Ensuring the operational independence of the police from political and organized crime influences is a prerequisite for the effective implementation of all other activities outlined in the Action Plan for Chapter 24. However, the Serbian Government has largely ignored this measure thus far. The two drafts of the Law on Internal Affairs that the Ministry of Internal Affairs of the Republic of Serbia publicly presented for discussion in 2021 and 2022 contained contentious provisions, among other things, regarding the role of the Minister of Internal Affairs in relation to the operational work of the police. Therefore, we welcome the encouragement from the European Commission for this matter to be appropriately regulated.

However, we believe that the proposed measure from the draft Reform Agenda is vague and imprecise. Part of this conclusion likely arises from a poor translation, so we reserve the right to state that some technical comments (marked in red above) may not be applicable to the original English text.

Regarding substantive objections, we find this formulation of the measure imprecise and leaving room for pro forma normative changes without a real shift towards the presented goal. It is not enough to merely "regulate the issue of police independence in relation to the Ministry of Internal Affairs." A similar provision is already contained in the existing Law on Police and in both versions of the Draft Law on Internal Affairs. Merely stating operational independence or autonomy of the police is insufficient. It is necessary to anticipate protective mechanisms and eliminate contentious provisions that allow the Minister of Internal Affairs to influence police operations.

**Proposed minimally corrected measure:** *Adopt the Law on Internal Affairs that will ensure the legal prerequisites for ensuring the operational independence of the police from the Ministry of Internal Affairs in practice and that will fulfill the recommendations of the Committee for the Prevention of Torture (June 2025).*

Additionally, we draw attention to related measures that need to be considered in order to achieve a more effective fight against organized crime while guaranteeing the operational independence of the police. Specifically, it is essential to remove the involvement of intelligence and security agencies from criminal investigations, particularly in light of the recent practice of appointing an active official of the ruling party or coalition at the head of the Security Information Agency. Also,

considering that the police director is a professional who should protect the police from political influence, and that this position has been vacant for two and a half years in Serbia, one of the first measures that the Government should implement to strengthen the operational independence of the police should be to announce a public competition for this position as soon as possible. The Government must not wait for the adoption of the Law on Internal Affairs to conduct this competition, especially if the deadline is set for June 2025. It is particularly concerning that the last draft of this law expanded the criteria for selecting the director, allowing a person with work experience in leadership positions in "security affairs," that is, from security services whose operational independence is practically compromised, to be appointed. We believe that such a provision would not contribute to strengthening the operational independence of the police.

In addition to the vacant position of police director, all sectors within the Ministry of Internal Affairs, including the Internal Control Sector, are led by acting officials, often illegally appointed. The Reform Agenda should set a clear deadline for the abolition of illegal acting positions and the appointment of individuals to positions following a conducted competition, not only in the Ministry of Internal Affairs but at the level of the entire state administration, as a measure within the entire Foundations framework. This is a measure that the Government of Serbia directly implements and should set the closest deadline—December 2024.

As one of the problems in carrying out criminal investigations in Serbia is the insufficient subordination of police officers to the prosecutor and the inability of the prosecutor to sanction or influence the sanctioning of police officers who do not comply with their orders, it should also be considered to amend other laws that regulate this matter (Law on Criminal Procedure, Law on Public Prosecution, etc.).

## Group 484

### Area of Policy 4: Fundamentals

#### 4.3. Fight against Organized Crime

##### 4.3.1. Fight against Organized and Serious Crime

*Adopt a new legislative framework, namely: pass a new Law on the Suppression and Prevention of Human Trafficking in the Assembly; amend the Criminal Code to effectively criminalize arms trafficking in accordance with the provisions of the Convention against Transnational Organized Crime and the Firearms Protocol; adopt a new Law on Weapons and Ammunition in line with EU legal standards (June 2025).*

#### **Comment:**

Considering the content of the below-mentioned Program for the Fight Against Human Trafficking, it is assumed that there is a mistake and that it refers to the Law on Human Trafficking.

*That's right, it is a translation error; it concerns the Law on Suppression and Prevention of Human Trafficking and the Program for Combating Human Trafficking.*

*Continuously implement the Action Plan for the Control of Small Arms and Light Weapons (SALW) and the Program for the Fight Against Human Trafficking in the Republic of Serbia for the period 2024-2029, in order to (i) increase the number of investigations, indictments, and final convictions in cases of organized crime (performance results), (ii) increase the number of investigations, indictments, and final convictions for arms trafficking (performance results), (iii) increase the number and value of seized and confiscated property in cases of serious and organized crime, (iv) increase the number of cases involving the discovery of firearms and investigations into the origin of seized weapons (performance results), (v) increase the number of human trafficking victims granted special vulnerable witness status in accordance with the Criminal Procedure Code (June 2026) and repeated in (June 2027).*

#### **Comment:**

Propose reformulation to specify the number of investigations, indictments, and final convictions in cases of human trafficking, especially cases involving organized criminal groups. Given that two public policy documents are being discussed and the next point specifies cases of arms trafficking, it is important to focus on increasing the overall number of prosecuted cases, not just those involving organized crime elements.

*It is not possible to make changes to the names of indicators and payment steps that have been agreed upon with the European Commission. Additionally, when developing the accompanying*

*Action Plan, the starting parameters, precise description of steps, and verification sources will be specified, as well as the institutions responsible for implementation and reporting.*

#### **4.4. Security and Migration**

##### **4.4.1. Addressing Security and Migration Challenges**

**Comment:**

Consider the possibility of revising the indicator title “Addressing Security and Migration Challenges,” as the EU policy dealing with issues defined in the qualitative and quantitative steps column is called “Counter Terrorism and Radicalisation” and falls under internal security policy, not migration and asylum policy. Proposed revision: “Addressing Internal Security Challenges and Certain Aspects of Migration.”.

*It is not possible to make changes to the names of indicators and payment steps that have been agreed upon with the European Commission. Additionally, when developing the accompanying Action Plan, the starting parameters, precise description of steps, and verification sources will be specified, as well as the institutions responsible for implementation and reporting.*

## **Working Group for Chapter 27**



# Center for Ecology and Sustainable Development (CEKOR)

**General remarks:** The document is in the form of a table, written in Serbian, with a total of 19 pages. It contains no explanations nor provides context or an introduction to the nature of the document. Moreover, the document does not mention public participation in its creation, nor the method by which it will be adopted, implemented, or monitored.

*The document presented to civil society during the drafting phase represented a summary of the planned reforms, while the adopted document, in the narrative part and accompanying table, provides a detailed explanation of the context, objectives, alignment with other documents, as well as the areas and all proposed steps.*

Although this is a strategic national document that also addresses the issue of the green transition, environmental protection is not mentioned anywhere, although it should be a necessary horizontal topic in all measures. Additionally, this document should be accompanied by a strategic environmental assessment of the impact of implementing the reform program. There can be no sustainable or green growth, nor green transition, if the third pillar of sustainability, environmental protection, is neglected.

*In the narrative section of the Reform Agenda, in Part 1 titled Objectives and Coherence of the Reform Agenda, environmental protection is a horizontal theme, and a special subsection (4.4) pertains to the principle of "Do No Significant Harm."*

## **Specific comments on the document**

### **Policy area: 1. Development of the business environment and private sector**

**Within component 1.2.** Development of the private sector, an indicative reform change is listed: 1.2.1. Improving investment and development opportunities for entrepreneurs and the private sector, which includes three problematic measures.

**The first measure is:** Increase the level of transparency of projects contracted under intergovernmental agreements by introducing information on specific projects on the website of the ministry responsible for implementing the projects for all completed, ongoing, and new public procurement contracts under intergovernmental agreements. All contracts under intergovernmental agreements will be published starting in December 2024, and this practice will continue in the coming years for all new contracts, including: project name; basic information about the public procurement contract; the public procurer; the main contractor and the public procurement procedure used (June 2025).

**Comment:** What happens to intergovernmental agreements made before December 2024? Why will those contracts not be published? This is unacceptable, considering there must be a track record of these agreements, and the contracts made in the last decade are the most problematic.

*All these agreements will be published, as defined by the steps of the Reform Agenda.*

**The second measure is:** Repeal all special and other laws/regulations that introduce deviations from public procurement legislation (June 2027).

**Comment:** How is it possible that we have laws/regulations that introduce deviations from public procurement legislation? How has the EU tolerated this so far, and if there are collisions and deviations from public procurement laws, those provisions should be urgently removed, not waiting until June 2027, which leaves room for non-compliance with public procurement for another two years.

*The deadlines for fulfilling the reform steps have been agreed upon with the European Commission and are carefully defined, taking into account all necessary preparatory activities for their implementation. Deviations in the area of public procurement are allowed by EU legal acquis and domestic legislation.*

**The third measure is:** Amend the Government's Rules of Procedure so that the decision on conducting public consultations, the program of public consultations, and the deadline for their implementation are made by the Government, instead of the competent committee, at the proposal of the initiator (December 2025).

The consultation process applies to 100% of the legislation:

1. Which is of special interest to citizens, the professional public, or business entities (interest means introducing rights or obligations for citizens and/or the economy, or a completely new regulation of an area that will be of interest to the professional public);
2. Which involves a significant change in the legal regime in some area;
3. When a new law is passed, or when amendments to an existing law exceed 30% of the text of the law being amended or supplemented (June 2027).

**Comment:** This measure and everything proposed by it is illegal and unconstitutional, as it does not respect the established legal order in Serbia. It is unclear how this measure ended up in the Development of the Private Sector section, perhaps because public consultations are currently seen as some kind of problem and a hindrance to private sector development?

Also, who will decide, and by what methodology, which legislation is of special interest to citizens, the professional public, or business entities? Who will determine what constitutes a significant change in the legal regime? How will it be measured whether the amendments to a law are 29%, 30%, or 31% when a public consultation is mandatory (does this refer to the number of characters

in the text or what? Since even a single sentence change in a law can completely alter the entire law)?

We will fight against this with all legally available means, and we will also inform the EU Delegation in Serbia.

*The General Secretariat stands by this measure. We believe that the remark is unfounded, as the stated goal of the Reform does not concern consultations in the sense of the Planning System Law, but rather public discussions, that is, public participation in the preparation of draft laws in accordance with the Public Administration Law, which clearly stipulates in Article 77 that government bodies are required to provide conditions for public participation during the preparation of draft laws, other regulations, and acts. In accordance with this law, ministries and special organizations are obliged to inform the public through their websites and the e-Government portal about the commencement of the drafting of the law, while also publishing basic information about the planned solutions that will be proposed.*

*When initiating the preparation of a draft law that significantly alters the legal regime in a particular area or addresses issues of particular public interest, ministries and special organizations publish, via their websites and the e-Government portal, a starting document that includes an overview of the problems in a specific area and their causes, the goals, and the expected effects of the law's enactment, as well as the basic principles for regulating social relations in that area, including the rights and obligations of the entities to which the law applies (starting bases). Ministries and special organizations conduct consultations with all relevant entities during the preparation of the draft law, including other state bodies, relevant associations, experts, and other interested parties, in a manner that ensures transparency and effective public participation in that process. Ministries and special organizations are required to conduct a public discussion in the preparation of the draft law referred to in paragraph 3 of this article. The conduct of the public discussion in the preparation of the draft law is further regulated by the Government's Rules of Procedure. The ministry responsible for public administration, in cooperation with the government body responsible for public policies, prepares and adopts a regulation that governs the guidelines for good practices for achieving public participation in the preparation of draft laws, other acts, and regulations.*

## **Policy area: 2. Green and digital transition**

**2.1.2. Gradual adjustment of tariffs** to cost-recovery levels with measures to address energy poverty if and when necessary.

This “if and when necessary” is extremely problematic. Measures to address energy poverty are undoubtedly necessary and should be provided in every case, not if and when necessary, which leaves room for corrupt and non-transparent practices. We do not know who will decide and how, when addressing energy poverty is necessary and when it is not, etc. Energy poverty deserves due attention, considering that more than 60% of the population is energy poor.

*The adoption of the Action Plan for Combating Energy Poverty is a measure that has already been prescribed by the adopted Integrated National Energy and Climate Plan for the Republic of Serbia (NEKP). It is likely that this is due to an inadequate translation, considering that it has already been assessed that such a plan needs to be adopted. The regulation on energy-vulnerable customers is already being implemented in the Republic of Serbia, and efforts are also being made to ensure special benefits for the implementation of energy efficiency measures in these households through the SURCE project.*

#### **2.1.4. Ensuring transparent and competitive procedures** for introducing renewable energy.

Install at least 1.5 GW of renewable energy capacity (the total energy mix for solar and wind energy), in line with the adopted NECP (December 2026).

Comment: It is not possible to foresee the installation of 1.5 GW of renewable energy sources until a New Spatial Plan of the Republic of Serbia and its accompanying Strategic Environmental Impact Assessment are developed and adopted.

*It is possible to anticipate the installation of 1.5 gigawatts of renewable energy sources in accordance with the valid Spatial Plan of the Republic of Serbia.*

#### **2.1.7. Implementation of the Energy Efficiency Directive**, the Energy Performance of Buildings Directive, eco-design, and energy labeling regulations.

Increase the annual building renovation rate in line with the NECP, for residential buildings (1%). Instead of 1%, we believe it should be 3-4% (about 100,000 buildings per year). Prioritize citizens by poverty level—starting with the poorest.

*Two main MRE projects related to building renovations in households are "Clean Energy and Energy Efficiency for Citizens" (SURCE) and "Public ESCO." The SURCE project provides co-financing for about 50,000 households, while the "Public ESCO" project will secure financing for approximately 23,000 additional households in residential communities. The Ministry is making efforts to secure additional funds both through the World Bank and other financial institutions, as well as from the budget, to achieve the goals proposed in the NEKP. Any significant increase in the target not only requires substantial additional financial resources but also the provision of additional human and technical capacities for implementing renovation measures, which we currently consider unachievable. Prioritizing the implementation of measures based on poverty is socially the most desirable, but in terms of implementing energy efficiency policies, it may not yield the most effective energy savings. The Ministry, through SURCE, also conducts calls aimed at energy-vulnerable customers, as well as other activities related to the status of energy-vulnerable customers. An energy-vulnerable customer is entitled to a reduction in their monthly obligation for certain quantities of electricity, natural gas, or thermal energy.*

**2.2.3. Strengthening adult education, training, and relevant opportunities** for improving digital skills and literacy.

Establish digital corners (Centers for Adult Training in Digital Skills) operating in more than 50 municipalities (June 2026).

and

**3.2.1. Improving the quality of teaching and learning**, equity, and accessibility at all levels of education.

We believe it is much more important to strengthen subjects such as philosophy and sociology at all vocational schools and high schools, and to reintroduce those that have been abolished, including basic law, constitutional order, and civil defense. This measure is important because it will help guide students and enable the employment of staff from the faculties of philosophy, law, and security.

Education for wire handlers and button pushers will not create quality and promising citizens, either economically or socially.

*Ministry of Information and Telecommunications: We understand the submitted comment and believe that it concerns an important topic for our society that is not in contradiction with the digital skills development program we are implementing through the mentioned activity.*

*The prioritization of measures and indicators is the result of negotiations with representatives of the European Commission, taking care to ensure complementarity and avoid overlaps with other support modalities from EU funds.*

In the section where transportation is mentioned, the priority measure should be the development of a national transportation strategy, which we have been waiting for years.

*The indicator does not relate to the development of a national traffic strategy (which is in the final stages of preparation) but to reforms within the development of Intelligent Transport Systems (ITS), which involves the creation of a strategy or plan for the introduction of ITS through alignment with EU law in this area.*

## **Multisectoral Working Group for Economic Reform Program (ERP)**

**Suggestions and comments on the Proposal for the Reform Agenda of Serbia (submitted for review by the MRG in July 2024)**

## **AREA 1: DEVELOPMENT OF THE BUSINESS ENVIRONMENT AND THE PRIVATE SECTOR**

### **1.1.1. Improvement of sustainable and efficient management of enterprises owned by the Republic of Serbia**

We propose an indicator that tracks the increase in the scope of the Regulation on Capital Projects regarding (Article 2) and the introduction of indicators related to the public availability of data from the Centralized Database of Capital Projects (PIMIS) in Article 5.

**The registration of all public enterprises established by the Republic of Serbia as joint-stock companies or limited liability companies and the public disclosure of legally required information and documents by these enterprises.**

The publication of legally required information by state-owned enterprises exists now, although the obligations are not identical for public enterprises and state-owned enterprises that do not apply the Law on Public Enterprises.

Another issue is that the new Law on the Management of Economic Entities insufficiently regulates the transparency of data regarding the operations of state-owned enterprises. Article 31 stipulates the obligation to publish certain documents and information but leaves the option (Paragraph 2) for the Ministry of Economy to determine “other elements of the operations of capital companies that will be published and to consider proposals for the publication of information that is of particular importance to the public.” While it is positive that there is a possibility to expand the list of information to be published, as can be seen from the aforementioned provision, there is no obligation for the Ministry to inform the public/proposers about why a particular proposal was accepted or rejected, nor are there deadlines for deciding on this matter. Furthermore, the Ministry of Economy will collect a significant amount of information about the operations of state-owned enterprises, and from the existing provisions of Articles 37 – 40, it is unclear (depending on the provisions of the future by-law) to what extent the public will have access to this information

### **1.2.1. Improvement of investment and development opportunities for entrepreneurs and the private sector**

**Alignment of state aid schemes with EU legal standards:** Accelerate the alignment of state aid programs with the EU legal framework ideally by December 2025, or move the deadlines forward by a minimum of one year to June 2026.

**Increasing the transparency of projects under intergovernmental agreements:**

Increase the level of transparency of projects contracted under intergovernmental agreements by introducing information about specific projects on the website of the ministry responsible for project implementation for all completed, ongoing, and new public procurement contracts under intergovernmental agreements. All contracts under intergovernmental agreements will be published starting from December 2024, and this practice will continue in the following years for all new contracts, including: the name of the project; basic information about the public procurement contract; public contracting authority; main contractor; and the public procurement procedure used (June 2025).

This practice should be maintained and expanded to include all new contracts in the future. As demonstrated by the recently published report from the Fiscal Council, problems in this area exist not only regarding contracting but also in the implementation of projects, so it should be ensured that this information is also publicly available. Publication on the websites of ministries is useful, but there is no reason why project information should not also be published on the Public Procurement Portal, within a special section (as was done, for example, for “EXPO 2027” procurements).

**Revoke all special and other laws/regulations that introduce deviations from public procurement legislation:**

The activity, as defined, implies the potential revocation of those provisions of certain laws that would differ from the rules in the Public Procurement Law in a manner that is beneficial (increases competition and transparency, introduces an obligation to conduct public procurement even when not prescribed by the PPL). For example, based on the Media Strategy, additional rules should be introduced regarding advertising and the procurement of media services by government authorities, and such a change in the contracting regime could be achieved through amendments to the Law on Public Information and Media. Therefore, it should be specified that "deviations" refer to the "exclusion and limitation" of the application of the PPL and certain of its provisions.

**Amendment of the Rules of Procedure of the Government** and adoption of decisions on public discussions: The proposed amendments to the Rules of Procedure of the Government, which would allow decisions on the implementation of public discussions to be made directly by the Government instead of the competent bodies, will not contribute to genuine democratic participation but will instead maintain the centralization of decision-making. It is necessary to amend this reform measure to genuinely enhance transparency and accountability in the process of making key decisions.

**The consultation procedure applies to 100% of legislation: 1. that is of special interest to citizens, the professional public, or business entities (interest means the introduction of rights or obligations for citizens and/or the economy, or a completely new regulation in a field that will be of interest to the professional public); 2. that involves a significant change in the legal regime in a certain area; 3. when a new law is adopted or when amendments and/or**



**supplements to the existing law exceed 30% of the text of the law being amended or supplemented.**

Considering that this activity largely relates to fulfilling obligations that state administration bodies have in certain segments for almost two decades, and in others for six years, and which have been persistently violated, setting June 2027 as the deadline for implementation is absolutely inappropriate.

The first point (“special interest,” “interest for the professional public”) is subject to interpretations. This point should actually be the last, not the first in the series. Point 2 is subject to discretionary assessment (whether the change in the legal regime is significant), and partially overlaps with points 1 and 3. Point 3 is more precise (any new law, amendments and supplements exceeding 30% of the text), but it could be interpreted such that smaller amendments and supplements do not require the obligation of conducting consultations. Namely, consultations could not be avoided if changes are provided for in 30% of the provisions, but it would be at the discretion of the Government to determine whether any of the other conditions from points 1 and 2 have been met.

To avoid arbitrariness in interpretation, the existing rule on mandatory public discussions for every new law should be maintained, but it should also be expanded to include amendments and supplements to existing laws, regardless of their scope. As long as the ministry does not publish the proposal for amendments and supplements, it cannot be known whether those changes are significant for anyone, nor whether they concern issues where there is a special interest from the general or professional public.

Since there are currently no public discussions being organized regarding the draft Law on the Budget or amendments to the Law on the Budget, this obligation should be explicitly stated. It would also be in line with other regulations, as the Law on Local Self-Government mandates the organization of a public discussion on the capital portion of the budget, whereas such an obligation does not exist for the budget of the Republic of Serbia.

Regarding this issue, there are also relevant recommendations from the Fifth Round of GRECO Evaluation that have not been fulfilled, and the (new) deadline given to Serbia for compliance is the end of 2026.

The Report on the State of the Regulatory Environment in Serbia – RIS 2023/2024 highlights the problem of organizing the consultative process due to the insufficiently precise formulation in the law stating that public discussions are necessary "for laws that significantly change the regulation of a certain issue or when they are of special interest to the public." Such a formulation has led to numerous amendments, although substantive, not being classified as "significantly changing a certain issue" regulated by the law, resulting in public discussions being skipped. Another problem highlighted by the Report is the possibility of genuinely influencing the content of the document during the public discussion, which represents one of the final steps in the adoption of the law.

The latest report shows that the transparent process of drafting laws, when there is a possibility for substantive changes, is very low. Specifically, only one-third of the laws relevant to the economy adequately began the process of preparing regulations. None of the 51 observed laws relevant to the economy that were adopted in 2023 met all four established criteria: a) the public announcement of the start of drafting the law, b) the public availability of the draft law, c) the publication of the composition of the working group for drafting the law, d) the public availability of information about the contact person representing the working group.

Therefore, we propose that the criteria for which it is necessary to organize a public discussion be formulated more precisely, as well as that indicators be defined within the reform agenda that will make the process of drafting laws more inclusive, such as mandating that:

- the start of drafting the law be announced on the eKonsultacije portal;
- the draft law be published;
- the composition of the working group and the contact persons representing the working group responsible for drafting the law be published.

We propose redefining the deadline for implementing this activity, given that the current deadline is unjustifiably set for the end of 2027.

## **Sub-area 2 - Development of the Private Sector**

### **1.2.1. Improvement of Investment and Development Opportunities for Entrepreneurs and the Private Sector**

We propose considering the addition of a new indicator, "Introduction of Unified Tax and Contribution Collection for Entrepreneurs." Currently, flat-rate entrepreneurs and those using self-assessment pay their tax obligations through four different payment slips, increasing the risk of incorrectly paid funds and potential future reallocations. To enable unified tax and contribution collection and later automatic reallocations in accordance with the liabilities, it is necessary to amend the Regulation on the Conditions and Methods for Managing Accounts for Public Revenue Payments and the Distribution of Funds from those Accounts by modifying Appendix 1 of the Regulation and allowing unified payment of taxes and contributions made by flat-rate taxpayers and regular taxpayers. The number of annual payments would be reduced by 4.6 million transactions, tax payers would achieve significant time savings as well as savings on bank service fees, and problems with payments to incorrect accounts and the need for reallocating those funds from one account to another would be preempted.

We propose redesigning tax incentives for investments to make them relevant for SMEs, i.e., applicable to investments above a certain symbolic amount (e.g., €10,000).

We propose defining reform measures aimed at ensuring financial and organizational conditions that will provide SMEs in Serbia with at least a minimal level of financial support for exports (loans, guarantees, and insurance) that are available to SMEs in all EU member states, in accordance with the OECD agreement on government-supported export credits from July 2021 (OECD Agreement on Government-Supported Export Credits). Currently, the following export support arrangements are not available to SMEs in Serbia: 1. Credit insurance from domestic or foreign banks for the buyer of the exported product that would allow for a longer repayment period; 2. Short-term insurance against buyer risks for Serbian micro, small, and medium-sized enterprises with an annual export turnover not exceeding €2 million; 3. Insurance for export preparation loans; 4. Insurance against damages during production; 5. Supplier credit insurance; 6. Issuance and insurance of various types of export guarantees and counter-guarantees to commercial banks supporting Serbian exporters.

### **1.2.2. Further development of the scientific and innovation ecosystem for a knowledge-based economy**

We welcome the definition of steps related to increasing private sector spending on research and innovation to 50% of total research and innovation expenditures. We propose that the narrative part of the Reform Agenda more precisely define how this quantitatively very specific step will be implemented, specifically how the private sector, particularly domestic small and medium-sized enterprises, will be encouraged to allocate these funds.

We suggest considering the addition of new indicators such as:

1. Adoption of Guidelines for implementing joint research between science and industry within doctoral studies. Joint research between science and industry within doctoral studies represents collaboration between higher education institutions and specific economic entities, where doctoral students conduct part or all of their research for their doctoral thesis in cooperation with legal entities. During their studies, doctoral candidates can carry out scientific research for their thesis in collaboration with multiple different legal entities. This concept represents a good mechanism for strengthening cooperation between science and industry—the industry can offer doctoral students access to modern research equipment and laboratories, instrument and/or data sets, samples, funding for research within the doctoral thesis and/or financing for the entire doctoral thesis, employment opportunities, and networking with the business community. On the other hand, doctoral candidates and the scientific community can provide the industry with innovative solutions and advancements in technology that can contribute to increased operational efficiency and competitiveness, as well as access to the latest research and knowledge that can be applied in practice, and access to specific expertise that the industry may need within a limited time frame.
2. Regulate the protection of intellectual property through general acts of scientific-research organizations and innovative entities, which would more closely address issues related to:

- the subject of intellectual property protection that arises as a result of research and other activities within and outside the organization;
- the conditions and rules under which legal protection of intellectual property is implemented within the organization;
- the procedure in the case of an innovation occurring within the organization for the purpose of achieving intellectual property protection (identification, internal application, review of the application and evaluation;
- providing opinions by the commission, making decisions, deadlines for actions, conclusions and content of contracts, registration, etc.);
- methods of commercial exploitation of intellectual property (establishment of spin-off or start-up companies, provision of services based on intellectual property, licensing agreements, sale contracts for intellectual property rights, etc.) and the rights and obligations of the organization and employees in this regard;
- protection of data confidentiality—business secrets;

**1.3.1. Improving the competitiveness of the agricultural sector: Finance at least 10 projects from the national budget, with each project not exceeding €299,999, contracted through public procurement, aimed at improving rural public infrastructure in the areas of water supply and road infrastructure (2025, 2026, 2027).**

We propose considering an increase in the allocated amounts per individual project and expanding the types of investments that would be supported. Due to rising prices of materials, raw materials, energy, services, and labor, these amounts are insufficient to realize any serious projects aimed at improving rural public infrastructure. It is necessary to increase the projected funding amount for each individual project. We also believe that the support should not be limited exclusively to the two types of proposed investments (water supply and road infrastructure). Support should also be designated for the construction and equipping of waste treatment and wastewater facilities, sewage networks, and energy supply from renewable sources. Furthermore, in the area of developing rural public infrastructure, support should be provided for the construction and equipping of facilities with a social component (community centers, rural health clinics, libraries, kindergartens, etc.) to enhance the social aspect of life in rural areas and enable people to live, work, and create.

## **AREA 2: GREEN AND DIGITAL TRANSITION**

### **Component 2.1. Transformation of the Energy Sector**

Of the five pillars of the green agenda (1. decarbonization, 2. circular economy, 3. pollution reduction, 4. biodiversity, 5. sustainable agriculture), only the area of decarbonization is essentially covered in the reform agenda through activities planned for the transformation of the energy sector.

**We propose considering the addition of new indicators, primarily in the area of the circular economy, such as:**

- Introducing a deposit system for the return of beverage packaging;
- Introducing incentives for the reuse of waste portable batteries and expanding the collection network;
- Regulating the handling of biodegradable kitchen waste;
- Introducing the extended producer responsibility principle in managing specific waste streams.

We also propose conducting a study and analysis of the feasibility of merging the electricity market with the EU market.

#### **2.1.2. Gradual adjustment of tariffs to cost recovery levels with measures to address energy poverty if and when necessary.**

Measures to address energy poverty are certainly necessary and should be provided for in all cases, not just if and when necessary, as this leaves room for corrupt and non-transparent practices regarding who will decide when addressing energy poverty is necessary and when it is not, and so on. Energy poverty deserves due attention, given that the percentage of the population experiencing energy poverty exceeds 60%. It is essential to create and adopt a public policy document with coherent measures and activities to combat energy poverty, in order to adequately address this issue. Measures and activities should be defined by 2030, with a target value of reducing energy poverty by 75% by 2030, as stated in the current draft of the INEKP.

#### **2.1.4. Ensuring transparent and competitive procedures for introducing renewable energy.**

Install at least 1.5 GW of renewable energy capacity (total energy mix for solar energy and wind energy), in accordance with the adopted NEKP (by December 2026). To implement this measure, it is necessary to develop and adopt a new Spatial Plan for the Republic of Serbia and its accompanying Strategic Environmental Impact Assessment.

#### **2.1.7. Implementation of the Energy Efficiency Directive, the Directive on the Energy Performance of Buildings, eco-design, and regulations on energy labeling.**

Increase the annual renovation rate of buildings in accordance with NEKP for residential buildings (1%), and instead of 1%, we believe it should be set to 3-4% (around 100,000 buildings per year). Prioritize citizens by poverty—start with the poorest first.

#### **2.2.1. Safe and sustainable digital infrastructure including the introduction of broadband access and 5G networks.**

We propose considering the addition of indicators that would imply changes to regulations in the area of environmental protection. First and foremost, changes to the Law on Environmental Impact Assessment and the Law on Non-Ionizing Radiation, along with accompanying bylaws. This activity is already planned in the Draft Strategy for Electronic Communications until 2030. Currently, this deficiency is being addressed by an Instruction issued by the Ministry of Environmental Protection for local government units, whereby electronic communications operators are not required to prepare an Environmental Impact Assessment Study for each mobile phone radio base station. The preparation of these studies significantly extends the time for approving the construction or upgrade of base station networks, which hinders the faster development of next-generation networks that require much denser networks. Additionally, such a practice is not known in EU countries.

We also propose considering the addition of indicators that would imply changes to regulations in the area of planning and construction. Namely, an additional problem in the procedure for setting up mobile phone base stations is created by the Law on Planning and Construction, which stipulates that additional restrictions cannot be imposed in the planning documents of local government units for the construction and upgrading of mobile phone base stations, but does not stipulate that there is also retroactive application or at least the need to amend existing planning documents, causing local government units to often retain old solutions and impose additional restrictions (minimum distances from schools, hospitals, etc.). This problem has been partially addressed by the Instruction of the relevant minister for local government units.

### **2.2.2. Further digitization of public services and administrative procedures for enterprises and citizens.**

In the area of digitization of public services, we propose considering the addition of indicators such as:

- Providing remote electronic identification, all in the spirit of simpler and easier identification with the state. Remote identification has proven to be a significant need when it comes to foreigners and our citizens abroad who are obtaining qualified electronic certificates for signing.
- Furthermore, in the area of information security, it is important to insist on strengthening the capacities of existing personnel in public administration to effectively adopt all accompanying bylaws of the new Law on Information Security. Additionally, it is necessary to establish guidelines for small and medium enterprises and local government units, as well as allocate greater resources for human and infrastructural resources in this area, particularly at the level of local government units.
- We also propose that the Office for Information Security be established in the form of an Agency, which would allow for greater independence and better remuneration for officials,

thereby ensuring continuity in supporting public administration for the implementation of digitization in Serbia.

Amend the Law on e-Government with the aim of regulating smart cities, which would help establish and encourage integrated management of smart cities.

We also propose considering the deadlines set within the following indicative reform changes:

**2.2.3. The establishment of digital corners for adult training should be moved from June 2026 to June 2025;**

**2.2.4. The adoption of the Law on Information Security in accordance with the NIS2 directive should be planned for implementation by the end of 2024, instead of by the end of 2025, as the law was prepared in 2023, but due to elections, it was not submitted to the procedure in the National Assembly.**

The establishment of the Office for Information Security should be moved from June 2027 to June 2026.

### **AREA 3: HUMAN CAPITAL**

**3.1.1. “Improving conditions in the labor market, including ensuring adequate financial and institutional resources and capacities for activation in the fields of employment and social policy” – define an indicator relating to the increase in allocations for active labor market policy (as a % of GDP).**

The target value for young people's exit from the youth guarantee with a positive outcome is set unambitiously (30%), considering that the value of this indicator in the EU in 2020 was 48%.

**3.2.1. “Improving the quality of teaching and learning, equity, and accessibility at all levels of education” – replace the word “teaching” with “instruction.”**

For the indicator “Participation of at least 38% of children aged between 6 months and 3 years in preschool education,” set a more ambitious target value, as according to RZS data, coverage in 2022 was 37%.

**3.2.2. “Reducing the mismatch of skills in the labor market and facilitating the transition from school to work, including improving additional vocational education, including dual vocational education, strengthening education, training, and appropriate adult retraining” – we propose indicators to increase coverage in primary and secondary education, which was 95.2% and 87.2% respectively in 2022.**