

Program: Building Consensus for European Integration

Policy notes from discussion panel on social policy reforms – experiences with social dialogue in Valjevo, Serbia

25th March 2009

Organizers: Belgrade Fund for Political Excellence and Pontis Foundation

The speakers on the roundtable were Vladimir Ateljevic, the advisor of Serbian EU Integration Office director, Martin Hostak from National Union of employers from Slovakia and Zoran Stojiljkovic from the Faculty of political science from Belgrade University. The round table was attended by 32 participants from Valjevo district, most of them from local government, the Municipality of Valjevo and from the Serbian media.

The roundtable was opened by Natasa Petrovic from Belgrade Fund for Political Excellence who was also the facilitator of the discussion. The roundtable was initially planned to be opened by the deputy of Mayor of Valjevo which failed to materialize due to his absence.

The round table was divided in two blocks. In the first one Mr. Ateljevic explained to the participants the current intersection of Serbian EU integration process and gave the prospects for Serbia in this area for 2009. The second panel was more focused on the social policy reforms - experiences with social dialogue from Slovakian perspective and concrete experiences from Slovakia. The second speaker gave a great intersection where the social dialog is today and what can be expected in the near future.

Background:

Valjevo is Serbian city just 100 km far from Capital with 96 761 inhabitants living in the district of Colubara where the unemployment rate in November 2008 was 24 %. In the whole Serbia there is 18 % of unemployment. 50 % of the unemployed are women. The strategy for social care until 2012 in Valjevo has been very clearly prepared. On the other hand, the establishment of economic and social dialogue council is missing and it seems, according to local politicians present on the discussion panel, that there are no plans for establishment of such a body. There were few examples of very bad experiences with certain companies in the district and their relations with the employees; however this was not enough to create the social – economical council.

Mr. Ateljevic was present in the Serbian EU integration process ever since the starting stage, in 2001. He challenged the participants' for discussion. During his presentation he explained the processes of the EU integrations. He divided and explained integrations in two phases and invited participants for discussion. According to him the first phase is the one of joining to the EU and the second phase is the accession to the EU. During his presentation he asked the participants: "When will Serbia enter the EU?". Most of them believe that Serbia will enter the EU in 2015, due to the very slow processes which take a lot of time. Later on he explained who was in charge of those processes and compared them to the other countries that are now

in the EU. He also explained what the term *Western Balkans* meant and how the EU understood this term. All countries accessing the EU went through the process which took at least 10 years. He pointed out that the decision about Kosovo would be very difficult to make and handled by all three parties: Serbia, Kosovo and DG Enlargement.

Examples of the Macedonian issue with the name of the country and the problem between Slovenia and Croatia with the borderline are some of the problems in the Western Balkans towards the EU integrations. When compared to the other countries from WB, Serbia is in the worst position regarding joining the EU integrations.

Serbia has never in its history got the offer from the EU to become a member. In 2001 Serbian government established the body which followed all the reforms done in Serbia related to the EU integration. When the question of Serbia getting the candidacy popped up, discussion about the cooperation with ICTY and Serbian government delivering Serbian "heroes" to the international court of justice started by the present participants at the panel discussion. Vojislav Seselj was mentioned as the hero many times. According to Mr. Ateljevic the cooperation with ICTY will end when the last process of war criminals ends. The same standards should be used with all the countries!, **At this point, according to Ateljevic, Serbia is not able to cooperate with ICTY because of numerous political reasons.**

On the other hand most liberal and democratic participants from Valjevo during the first panel, repeated the ex-Serbian Prime Minister Dindjics words, during his last visit in Valjevo "**In Serbia there is no energy for the EU integrations**". Mr. Ateljevic explained that there are 35 fields in which Serbia should work regarding the reforms before entering the EU. As he pointed out **the moment when Serbia will be ready to enter the EU is of crucial importance and not when it will fulfill all standards.**

According to him, the EU has foreign policy interests in Serbia and the whole Western Balkans and Serbian foreign policy is in compliance with EU. To support different reforms in Serbia and to build institutional capacities Serbia is open to use European pre-accession resources which are unfortunately not being used enough due to the **lack of project management capacity in the local municipalities** to write the comprehensive project proposals and implement them. Serbia is eligible to use pre-accession funds in the amount of 194,8 mil EUR in 2009.

The public polls show that the public has been mostly positive providing stability and support to the integrations since the democratic reforms in 2000. The last poll showed that 62 % of Serbian people support the EU integration. Kosovo independence was one of the reasons why Serbian people started to question Serbian membership in the EU. For the Serbian citizens it is usually very hard to understand the EU decisions. That is the reason why it is important to have consensus of citizens on the EU way for the sake of creation of deeper and more specific knowledge about the EU membership.

The second panel was dedicated to a concrete topic: *Experiences with social dialogue in Slovakia and Serbia*. The second speaker was Mr. Hostak from National Union of employers. His presentation was focused on the experiences from Slovakia from all perspectives when it comes to the social dialogue. Mr. Hostak explained how the social dialogue was established in Slovakia, who were the key players in Slovakia and the EU and how the economic and social council is working in Slovakia and at the EU level. According to him, the social democrats in Slovakia have very intensive cooperation with the trade unions, and the result was that for the very first time pre-election agreement was signed. At the end of his presentation he addressed a few challenges for social dialogue in times of the financial and the economic crises. **One of them is that government should work with employers and employees on signing the memorandums on cooperation and the second is that council on economic crises should be established.**

The last speaker in the second panel was Mr. Zoran Stojiljkovic from Faculty of Political Sciences from Belgrade University. He stressed few times the importance of consensus in the social dialog. According to him, the trade unions in Serbia are very weak due to many political issues. The REAL economy did not really grow in Serbia. Unemployment is currently growing in Serbia and there is possibility to push the government to investigate who is fulfilling "*general agreement with trade unions*". Collective agreements are more than needed in Serbia. The statistic shows that out of 5 million of people living in Serbia, 3,2 million people are able to work, those people are seek job opportunities in Serbia, 1,5 million of which are unemployed, many of them are in gray economy. 2 million people work and out of this number less than 1 million people are employed in business sector. After the next visit of MMF mission Serbia would officially be in recession.

Government is going to cut down the public expenses. The banks in Serbia will always support the big companies rather than SMEs and this is also one of the obstacles for development and employment of people in SMEs sector.

As the first speaker challenged participants to discuss, the questions were asked during his presentation. They were interested in the political factors of the cooperation. Mostly they were discussing the ICTY cooperation and Kosovo issue in Serbian EU integrations. Judging from the discussion in the first panel, there is still politization of all processes in Serbia.

The second important detail is that participants did not believe to Mr. Ateljevic that he was only a clerk and not a member of any political party. Participants were interested in how the trade unions are financed in Serbia and Slovakia as well as what the work of trade unions consists of. According to Mr. Stojiljkovic there are huge problems in Serbia that companies also employ when there is no need for that. Mr. Stojiljkovic stated that SMEs are more responsible than big companies in Serbia.