

Serbia Noncommunicable Diseases
Prevention and Control Project (P180619)

LABOR MANAGEMENT PROCEDURES (LMP)

Final Document

September 2023

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ABBREVIATIONS

CC	Criminal Code
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESSs	Environmental and Social Standards
GIIP	Good International and Industry Practices
GBV	Gender-Based Violence
GIIP	Good International and Industry Practices
GM	Grievance Mechanism
GoS	Government of Serbia
ILO	International Labor Organization
HIL	Health Insurance Law
LATP	Law on Asylum and Temporary Protection
LCS	Law on Civil Servants
LEUI	Law on Employment and Unemployment Insurance
LGE	Law on Gender Equality
LHSW	Law on Health and Safety at Work
LL	Labor Law
LMP	Labor Management Procedures
LMSSIC	Law on Mandatory Social Security Insurance Contributions
LPD	Law on Prevention of Discrimination
LPDPD	Law on Prohibition of Discrimination against Persons with Disabilities
LPHW	Law on Prevention of Harassment at Work
LSA	Law on State Administration
MoH	Ministry of Health
MoF	Ministry of Finance
NCDs	Noncommunicable Diseases
NGO	Non-Governmental organization
OG	Official Gazette
OHS	Occupational Health and Safety
PCU	Project Coordination Unit
PHC	Primary Health Center
PPE	Personal Protective Equipment
RIAWWER	Rulebook on Identification and Assessment of Workplace and Work Environment Risks
RPM	Rulebook on Preventive Measures for Healthy and Safe Work
RS	Republic of Serbia
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan

SH	Sexual Harassment
TA	Technical Assistance
UN	United Nations
WB	World Bank
WHO	World Health Organization

1. INTRODUCTION

1.1 Project Background

The Government of the Republic of Serbia (GoS) has requested financial assistance through a Loan from the World Bank (Hereinafter: The Bank) for improving the health system's effectiveness in addressing non-communicable diseases (NCDs) in Serbia. The Project seeks to tackle the major risk factors of NCDs and improve prevention, early detection, and effective management of chronic diseases. This will require interventions to: (i) improve competence and accountability of health care providers; (ii) increase access to and availability of health services; and (iii) strengthen the quality of clinical services and public health measures to improve population's awareness. Digital solutions will be enablers of such transformation and will be integrated into all components of the Project to facilitate effective delivery of intended outcomes.

The Project is structured around 5 Components. Component 1: Improving Provider's Competence and Accountability, Component 2: Increasing Availability of Services, Component 3: Strengthening Quality of Public Health and Clinical Services, Component 4: Project Management, Monitoring and Evaluation, and Component 5: Contingency Emergency Response.

The ultimate leadership of the Project lies with the Ministry of Health (MoH), and oversight of the project will be in the hands of the MoH, while the governance of the Project is also expected to include a Project Coordination Unit (PCU) housed under the MoH.

1.2 LMP Background and Outline

The Environmental and Social Framework (ESF) for Investment Project Financing (IPF), which was approved by the WB Board in August 2016, became effective on October 1, 2018. All World Bank IPF, with Concept Note meetings on or after this date, are applying the ESF.

The ESF sets out the mandatory requirements of the Bank in relation to the projects it supports through Investment Project Financing. To this end, the Bank has defined specific Environmental and Social Standards (ESSs), which are designed to avoid, minimize, reduce, or mitigate the adverse environmental and social risks and impacts of projects. The Policy and the ESSs apply to all projects supported by the Bank through Investment Project Financing. Projects supported by the Bank through Investment Project Financing are required to meet, inter alia, Environmental and Social Standard 2 (ESS2): Labor and Working Conditions.

In response to the requirements for the Project to comply with the ESF, The Ministry of Health of the Republic of Serbia (MoH) has adopted these Labor Management Procedures (LMP), laying out the approach to meeting the objectives of ESS 2: Labor and Working Conditions (ESS2) on the Project.

Key aspects of this LMP will be integrated into bidding documents and contractual obligations of contractors, suppliers, and sub-contractors. It is the commitment of MoH to ensure the requirements are enforced and performance monitored.

LMP instrument identifies categories of workers who are expected to be hired/engaged under the Project, sets out the terms and conditions for employment or engagement of workers on the Project, specifies the requirements and standards to be met and the policies and procedures to be followed, assesses risks and proposes the mechanisms for compliance measures implementation. The LMP is developed to help avoid, mitigate, and manage risks and impacts in relation to project workers and set out the way in which project workers will be managed, in accordance with the requirements of the national law supplemented by measures to close any gaps in meeting the requirements of ESS2.

This LMP is organized around 13 chapters. Chapter 1 serves as an introduction and provides background on the origin of the procedures. Chapter 2 defines the scope of application of this LMP. An overview of labor used in the project is presented in Chapter 3. Key potential labor risks are listed in Chapter 4. The national labor regulatory framework governing employment relationships in Serbia is discussed in Chapter 5. Occupational health and safety in-country legal requirements are dealt with in Chapter 6. Working conditions, management of employee relationships, and protection of the workforce are addressed in Chapters 7,8, 9, and 10, the grievance mechanism in Chapter 11, and third parties' management and primary supply workers in the last two chapters.

The World Health Organization (WHO) confirmed that Covid-19 is no longer a global health emergency. Despite this, COVID-19 pandemic impact considerations are still included as a crosscutting element among the majority of labor issues and are addressed in the LMP under each relevant chapter as a cautionary norm to be brought to implementation should the situation in Serbia and globally change during the life of the Project.

The LMP is a living document. Any substantive changes and/or amendments of the Serbian legal norms following the date of this LMP in the course of the implementation of the Project will be accounted for. Should these changes impact the commitments made under this LMP and in general towards the World Bank's requirements such gaps shall be immediately addressed through gap-bridging measures and information shall be shared with the WB.

2. SCOPE OF APPLICATION

This LMP applies to all Project workers hired under the Project as defined by ESS2. The focus of the LMP is workers engaged directly by the Ministry of Health (MoH) to specifically perform Project related tasks. These workers are defined as direct workers. The LMP also addresses labor risks of Workers engaged or employed by third parties i.e., contractors, sub-contractors and service and good providers are defined as Contracted workers to which these procedures apply.

Details on labor use is provided in chapter 3.

The LMP applies to project workers including full-time, part-time, temporary, and migrant workers.

For any civil servants who may be engaged in carrying out project activities, the terms and conditions of their public sector employment will continue to apply. Notwithstanding, ESS2 provisions on Protecting the workforce and OHS will apply to civil servants alike.

The category of primary suppliers is not relevant within the scope of this Project.

Community workers will not be engaged as the nature of the project does not require the engagement of the community labor.

Republic of Serbia is a signatory to the International Labor Organization (ILO) and United Nations (UN) Conventions informing the ESS2.¹ Serbia has ratified more than 70 ILO Conventions including the 8 Core Conventions. The Serbian legal framework guiding Labor and Working Conditions, including OHS, is, except for a few minor gaps fully aligned with the standards set out in ESS2. Where the national legal framework falls short in compliance, measures to bridge the gaps will be implemented as outlined below.

3. OVERVIEW OF LABOR USE ON THE PROJECT

The following categories of Project workers, are expected to be engaged

Direct workers. Direct worker in the context of this Project is a worker with whom the Ministry of Health has a directly contracted employment relationship and specific control over the work, working conditions, and treatment of the project worker. The worker is employed or engaged by the MoH, paid directly by, and subject to the MoH day-to-day instruction and control. These will be employed or engaged directly by the MoH to work specifically in relation to the project.

¹ These include: ILO Convention 87 on Freedom of Association and Protection of the Right to Organize, ILO Convention 98 on the Right to Organize and Collective Bargaining, ILO Convention 29 on Forced Labor, ILO Convention 105 on the Abolition of Forced Labor 2 Guidance Note – ESS2: Labor and Working Conditions, ILO Convention 138 on Minimum Age (of Employment), ILO Convention 182 on the Worst Forms of Child Labor, ILO Convention 100 on Equal Remuneration, ILO Convention 111 on Discrimination (Employment and Occupation).

Direct workers are expected to be staff of the Project Coordination Unit (PCU) in charge of implementation of the Project and individual consultants.

This will comprise independent external consultants hired specifically to work in relation to the project and will be integrated into the PCU who will provide specific technical support to implementation of components pertinent to their field of operation. These workers will be engaged through the standard form of Contracts for Consultancy services provided by The Bank. The MoH has already in place a PCU to manage several World Bank supported Projects (Serbia Emergency COVID 19 Response Project, Second Serbia Health Project), and additional capacity will be built upon by identifying new positions to cover the specific needs of this Project and the extended scope of the environmental and social Requirements brought by the Environmental and Social Framework (ESF) of the World Bank.

Where civil servants are working in connection with the project they remain subject to the national legislation regulating the status, rights and duties of employees in the public sector and their employment relationship will remain subject to the terms and conditions of their existing public sector employment agreements or arrangements with the exception of requirements in the area of protecting the workforce and Occupational Health and Safety (OHS) and prohibition of child and forced labor shall apply to civil servants engaged in the project. Until and unless a legal transfer (conducted in accordance with all legal requirements) of their employment or engagement is made such that they are direct project workers, during the life of the Project, their status remains unchanged as civil servants. The number of direct workers is estimated between 15-20, to be engaged for management, technical, social, environmental, financial, procurement, and administrative functions within the PCU. Direct workers will be experienced, national, and internationally recruited professionals in their respective fields, with high education prevalently and various educational backgrounds (e.g., lawyers, environmental and social science, and similar). They will be hired under individual contracts, with different time inputs (full-time or part-time), and will be assigned specific tasks and responsibilities as their services process is essential for the core functions of the project.

Contracted workers: Contracted workers will be engaged or employed by third parties, i.e. contractors, subcontractors, (to the extent that such sub-contracting is permitted under the parent contracts) and service providers/consultants to perform Project activities. These imply professionals and support staff assigned by the Contractor or Consultants, or by any Sub-Contractor or Sub-Consultants, to perform the Works, Services or any part thereof. Timing and sequencing of engagement of Third parties who will engage /employ Contracted workers will be in number and timing as identified in the Project's Procurement Plan.

In its contractual and legal relationship with any third party, the MoH will have the role of the employer as assigned under the respective contracts. Contract awards will follow World Bank standard procurement procedures (incorporating standards wording for labor and working conditions requirements to which these LMP shall be appended to). Third party engagement shall

be subject to a competitive open tendering procedure both for works and supervision services. Given the scope of Contracts, the number of locations where project work is to be carried out and the qualifications required for performance of design, supply and construction activities, it is expected that Contracts will be awarded to well-known reputable national or international companies that have already established their operations in Serbia or have satisfactory track records and are complying with and operate under the Serbian regulatory framework, including Labor and Occupational Health and Safety (OHS) Laws. Should Contracts be awarded to multiple entities forming a Joint Venture or a business association, each company shall be bound by this LMP as well as labor provisions of other Environmental and Social instruments (SEP, ESMP, ESMP Checklist) The subcontractors' workforce will be also considered as contracted workers The number of contracted workers is not yet firm, but based on industry practice and recent experience, it is estimated that the total number of workers working on refurbishment/reconstruction of Health Care Facilities could range between 100 -200 workers involved in civil engineering / construction works/equipment installation works (depending on the sub-project activities) and additional 5 persons involved in the supervision of works. The most labor intense activity is the works on expanding the existing capacities of the Bukovička Banja Specialized Hospital through reconstruction, extension and equipping of the hospital premises with the aim of increasing the availability and quality of managing children with diabetes. The total number of contracted workers during implementation of this specific activity could range from 100 and 200 workers.

Primary supply workers: Given the nature of the project, primary supply workers, as defined in EES2, shall not be engaged in the project.

Community workers: Given the nature of the project, community workers, as defined in EES2, shall not be engaged in the project.

The table below provides the overview of expected direct workers to be engaged to fill the positions in the PCU housed by MoH.

Table 1: Timing and sequencing of engagement of direct workers in terms of numbers and types of jobs

MoH PCU	Timing	Expected Number of workers
PCU coordinator (Full-time)	Q1 2024	1
Coordinator of the Component 1 (Full-time)	Q1 2024	1
Coordinator of the Component 2 (Full-time)	Q1 2024	1

Coordinator of the Component 3 (Full-time)	Q1 2024	1
Finance Specialist (Full-time)	Q1 2024	1
Finance Officer (Full-time)	Q1 2024	1
Procurement Specialist (Full-time)	Q1 2024	1
Environmental Specialist (Part-time)	Q1 2024	1
Social Specialist (Part-time)	Q1 2024	1
Monitoring and Evaluation Specialist (Full-time)	Q1 2024	1
Citizen Engagement and Roma Mediation Consultant (Full-time)	Q1 2024	1
Public Relation Officer (Part-time)	Q1 2024	1
Administrative Assistants (Full-time)	Q1 2024	3
FM Specialist – Fixed Assets Registration (Full-time)	Q1 2024	1
Translators	Q1 2024	3

4. ASSESMENT OF POTENTIAL LABOR RISKS

Key Labor Risks can be divided into two categories per activities to be carried out: (i) those carrying **higher labor and OHS risks** and (ii) those carrying **lesser labor and OHS risk**.

Activities associated with **higher labor and OHS risks** are mainly associated with the activities to be implemented under **Component 2** (2.1 strengthening the health care institutions infrastructure) which include larger civil works, including site clearance, waste management, machinery operation material transport etc. The most prominent occupational health and safety hazards, including but not limited to:

- Land-clearing and construction of foundation;
- Work with electrical installation;
- Mechanical and electrical equipment;
- Soil stabilization;
- Trip and fall hazard;
- Equipment falling on workers;
- Hazards related to materials handling;

- Scaffolding risk ;
- Cutting of trees and high vegetation;
- Transport of materials to temporary landfills;
- Craft and installation work;
- Chain saws and tree fall during timber cutting;
- Traffic accidents;
- Excavations hazards;
- Lifting of heavy structures;
- Use of rotating and moving equipment
- Accidents with exposed rebar;
- Exposure to construction airborne agents
- Ergonomic hazards during construction;
- Exposure to chemicals (asphalt fumes, pulverized silica,)
- Working at heights;
- Lack of workers' awareness on occupational health and safety requirements such as the use of personal protective equipment (PPE) and safe workplace practices;
- long hours and work at various climate conditions (heat, cold, rain, etc).

Activities associated with **lesser labor and OHS risks** are mainly associated with the activities to be implemented under **Component 1 and 3** and entail office based work, small-scale civil works (retrofitting of existing healthcare facilities) and supply and installation of equipment.

At risk from key labor risks from office based work are both direct workers (PCU staff and external consultants) and Contracted workers implementing activities with most of their work done indoors. These educated knowledge workers will have desktop jobs, although they may carry out minor off-site travel, and be exposed to traffic incidents Thus, labor risks both in terms of working conditions and occupational health and safety are considered low to moderate and can be expected to be as below:

- excessive duration in a seated position and glare;
- potential work overload and long work hours,
- indoor air stuffiness and pollution,
- insufficient active breaks during long hours of seated position work,
- off-site travel might expose them to travel and site-related risks and requires some caution, but in terms of occupational health and safety these risks are minimal. Due preparations will have to be made for each visit or event focusing on traffic safety and the provision of adequate gear or equipment.

The office work-related risks can be mitigated or reduced through improved organization of work processes and regular HR policies.

Key Labor Risks for small-scale civil works (retrofitting of existing healthcare facilities) and supply and installation of equipment are also considered moderate and can be expected to be as below:

- Traffic risks during transport of equipment from and to the facilities
- Trip and fall risk during installation of equipment, software and not basic infrastructure and medical equipment
- Risk from electric shocks
- Working at heights during installation of equipment
- Exposure to paint, solvents.

Given the nature of the project work and the expected profile of project workers, the risk of child or forced labor tends to be nil. None of the identified project workers are considered vulnerable

In mitigation all of the above labor risk the national legislation requires each employer to assess labor risks specific to each job/position. The recognized risks have to be addressed in compliance with the OHS legislation (in case of construction work, in addition to umbrella legislations, rulebooks for example, specifically addressing assessment of work-related risks, work on construction sites and protection at work during construction works are applicable). OHS officers with each employer and work execution coordinators at construction sites are responsible to ensure that adequate prevention and protection measures are in place and that safety regulations are obeyed. With the use of protection equipment, proper training and organization of site, the risk of work-related injuries and occupational health can be significantly reduced. The ISO standards set additional requirements in terms of quality management, environment and OHS (i.e., SRPS ISO 9001, 14001, 45001) or impose clear and string technical conditions for different activities. The PCU should work on adoption of these standards, and encourage the contractors to meet these requirements and conditions in everyday practice in order to assess, mitigate and reduce various risks. As the construction activities involve potentially hazardous work, even after preventive and protective measures have been put in place (residual risk), persons under the age of 18 will not be employed by the Project, to avoid any unnecessary risks. Consequently, the risk of child labor tends to be nil.

The PCU and the Supervision Consultant(s) will supervise and monitor labor risks of contracted parties. In case of an emerging or increasing risk, the LMP shall be amended to provide for an appropriate response

The Project is assessed as Low on gender-based violence including sexual exploitation and abuse (SEA) and sexual harassment (SH). Mitigation measures to address SEA/SH risks are included in the section on Policies and Procedures. The risk factors assessment considered the institutional capacity of the implementing agency, low volume labor influx, no pre-existing social conflict

and tensions, and strong local law enforcement which resulted in the conclusion that this is a low labor risk project and risks can be managed through the requirements of this LMP.

COVID-19 continued risk considerations: To mitigate risk from COVID-19, the project will overall follow applicable national guidance and WHO guidelines. The identification of the risks will assist in designing appropriate mitigation measures to address those risks, such as rearranging work tasks or reducing the number of workers in the offices/workplaces to allow physical distancing, providing appropriate forms of personal protective equipment (PPE) and putting in place alternatives to direct contact – like teleworking or remote work and video conferences wherever possible.

However, if other labor risks arise during the project implementation, the Borrower will develop procedures to prevent further impacts.

5. BRIEF OVERVIEW OF LABOR LEGISLATION: TERMS AND CONDITIONS

This section sets out the *key aspects* of national labor legislation with regard to terms and conditions of work, and how national legislation applies to different categories of workers identified in Section 1. The overview focuses on legislation that relates to the items set out in ESS2, paragraph 11 (i.e., wages, deductions, and benefits).

The Labor Law (hereinafter: “LL”) is the main legislation that guides labor practices in Serbia. It provides for the minimum rights of employees, such as the right to a corresponding salary/wage, occupational health and safety, health care, protection of personal integrity, personal dignity, and other rights in the event of illness, reduction or loss of workability and old age, including unemployment financial benefits during temporary unemployment, as well as the right to other forms of protection, in conformity with the law and by-laws and the employment contracts. Employed women are entitled to special protection during pregnancy and upon childbirth. Special protection is also guaranteed to employees under 18 and workers with disabilities.

In accordance with the Law on Employment of Foreign Citizens, foreign citizens employed in Serbia enjoy the same rights in terms of work, employment, and self-employment as Serbian citizens, provided that the conditions set in the law have been fulfilled.

Asylum seekers and asylees have the right to access the labor market, in accordance with the law regulating the employment of foreign citizens. (Law on Asylum and Temporary Protection (hereinafter LATP”), Arts. 57 and 65) The asylum seekers and the asylees are entitled to health care, in conformity with the law regulating health care for foreign citizens (LATP, Arts. 54 and 63)

A. Working conditions and management of worker relationships

Provision of information and forms of employment contracts

All employees must conclude employment contracts with their employers before commencing work. The employment contracts must be in writing and signed by the employers and employees, or their authorized representatives. (LL, Arts. 30 - 32) The employment contracts are concluded in at least three copies, one of which shall be handed to the employee, while the employer retains the remaining copies (Id.)

The following information must be included in each employment contract: (1) employer's name and address; (2) employee's name and address; (3) employee's qualifications; (4) position and job description; (5) place of work; (6) type of employment relationship; (7) duration of the fixed-term contract and grounds for establishing the employment relationship for a definite period of time; (8) commencement date; (9) working hours (full-time, part-time, reduced time in case of physically demanding or hazardous work); (10) the base salary; (11) elements for determining the base salary and work performance, salary compensation, salary allowances and other types of income; (12) deadlines for payment of salaries and other remunerations to which the employee is entitled; and (13) duration of daily and weekly working hours. (LL, Art. 33) However, employment contracts do not have to contain the elements referred to in sub-paragraphs 11-13, if they are determined by the law, a collective agreement, the employee handbook, or any other document in accordance with the law, in which case the contract must specify the document determining such rights at the time of conclusion of the employment contract. (LL, Art. 33)

Employment contracts on remote work must also specify: (1) working hours; (2) manner of supervision of work and quality of performance; (3) work equipment which the employers must procure, install, and maintain; (4) usage of employees' work equipment, and compensation for such usage; (5) compensation for other work-related costs and cost determination methods; (6) other rights and obligations. (LL, Art. 42)

Employment contracts may be concluded either for an indefinite (open-ended) or definite (fixed-term) period of time. (LL, Art. 31) Should employers fail to conclude employment contracts with employees, it is deemed that employees have established employment relationships for an indefinite period, as of the day they started working. (LL, Art. 32)

Fixed-term employment may not be entered into for a period exceeding 24 months, with or without interruptions. An interruption shorter than 30 days shall not be considered an interruption of the period. (LL, Art. 37) However, fixed-term employment may exceed 24 months in the following situations: (1) replacement of a temporarily absent employee - until his/her return; (2) work on a project – until the end of the project at most; (3) employment of a foreign national – until the expiry of their work permit; (4) work with a newly established employer - not exceeding 36 months; (5) employment of an unemployed person who lacks up to five years of service to qualify for retirement. (LL, Art. 37)

Employment contracts providing for a probation period shall define the duration of the probation period, which may not exceed six months. (LL, Art. 36)

Employees working full-time for an employer may enter into a contract for supplementary work with another employer to a maximum of one-third of full-time working hours. The contract for supplementary work must specify the right to pecuniary compensation and other rights and duties. (LL, Art. 202)

Part-time employment can be established for either an indefinite or a definite period of time. The part-time employee has all the rights provided by law, in proportion to the time spent at work. Employers have to inform employees of the availability of part-time jobs and consider part-time employees' requests to work full-time, and vice versa. (LL, Arts. 39-40)

Temporary work may not exceed 120 days in a year. The contract must be in writing and entered into with unemployed persons, part-time employees, or retirees. (LL, Art. 197) Contracts regulating temporary, and supplementary work, and service contracts do not establish employment relationships. Therefore, they do not enjoy the rights of employees.

Vocational training contracts may be entered into for completing traineeship or taking a professional exam, while internship contracts may be entered into for professional development and acquisition of specific knowledge and skills, or to undergo specialization. (LL, Art. 201)

The LL does not specifically require employers to orally explain working conditions and terms of employment to workers who do not read or have difficulties understanding the documentation.

Wages and deductions

Employers must pay their employees remuneration in accordance with law, collective agreements, and employment contracts. Remuneration must be adequate, paid in intervals not exceeding one month, and in legal tender. (LL, Arts. 104 and 110) Employers must deliver the pay slips to the employees at the time of salary payment. (LL, Art. 121) Furthermore, employers are obliged to keep salary monthly records. The records must contain data on the employees' salaries, the net salaries after the deduction of taxes and contributions from the salary, and salary deductions. (LL, Art. 124)

A salary is defined as the total amount that includes the tax and contributions payable from salary. A salary shall comprise a salary component for the work performed and the time spent at work, a component based on the employee's contribution to business success (awards, bonuses,

and the like), and other earnings, in conformity with by-laws and employment contracts. (LL, Art. 105)

Salary for the work performed and time spent at work comprises the base salary, portion of the salary for performance, and increased salary. (LL, Art. 106) The base salary is determined based on the requirements for performing the work the employee has concluded the employment contract for that is specified in the rulebook, and the time spent at work. (LL, Art. 107) Employment contracts may stipulate the base salary in an amount that exceeds the base salary set in the by-law. (LL, Art. 107)

All employees are entitled to the minimum wage determined by the law. The minimum wage is determined on the basis of the minimum wage rate, the time spent at work, and the taxes and contributions paid from the salary. The reasons for rendering a decision on the payment of the minimum wage are specified in a by-law or employment contract. (LL, Art. 111)

Employers may provide persons undergoing vocational training or internship monetary compensation and other rights in accordance with the law, a by-law, or vocational training and internship contracts. However, monetary compensation shall not be considered a salary in terms of the LL. (LL, Art. 201)

An employee is entitled to the following allowances in the amounts determined by a by-law and employment contract, notably: (1) for working on a holiday which is a non-working day - a minimum of 110% of the base salary; (2) for working at night, if such work has not been taken into account when the base salary was determined - a minimum of 26% of the base salary; (3) for overtime work - a minimum of 26% of the base salary; and, (4) for each full year the employee has worked for the employer (hereinafter referred to: seniority compensation) - at least - 0.4% of the base salary. (LL, Art. 108) The by-law and employment contracts may foresee other instances when are entitled to other allowances, such as shift allowances. (LL, Art. 108)

Compensation of salary is also paid when the employee is used some categories of the non-working days such as annual leave, paid leave, military exercise, and when summoned by a state agency. Employees receive the amount corresponding to the average monthly salary over the 12 preceding months during absence from work on a holiday that is a non-working day. (LL, Art. 114)

Employees are entitled to compensation of salary for the period of time they were absent from work lasting up to 30 days in the minimum amount of 65% of the average monthly salary over the 12 preceding months if their absence is caused by a non-work-related illness or injury, or in the amount of 100% of the average monthly salary over the 12 preceding months if their absence is caused by a work-related injury or an occupational disease. (LL, Art. 115)

Employees are entitled to compensation of salary amounting to at least 60% of the average monthly salary over the 12 preceding months but not lower than the minimum salary determined in accordance with the law, during an interruption of work, i.e., reduction of the volume of work which occurred through no fault of their own, provided that the interruption does not exceed 45 workdays in a calendar year. (LL, Article 116)

Employees are entitled to the following refunds of expenses: (1) for commuting to and from work, in the amount of the public transportation fare, if the employer did not provide his own transportation; (2) for the time spent on a business trip in the country (per diems); (3) for the time spent on a business trip abroad (per diems); (4) for accommodation and food during fieldwork (away from employee's hometown), if the employer failed to provide the employee with the accommodation and food; (5) for food at work, unless food is provided; (6) annual leave entitlement. (LL, Art. 118)

The LL guarantees the following payments (the actual amounts and requirements are specified by by-laws - collective agreements): (1) a retirement grant equalling at least two average salaries in the Republic of Serbia according to the latest published data; (2) a refund of funeral expenses in the event of death of an immediate family member, (3) compensation for damage sustained due to an injury at work or occupational disease (determined by the court or insurance company). Furthermore, employers may provide employees' children under 15 gifts for Christmas and New Year, the value of which may be up to the non-taxable amount provided for by the law regulating the citizens' income tax. Finally, employers may pay the employees' premiums for voluntary additional pension insurance and group accident and sickness insurance. (LL, Article 119)

Deductions from payment of salaries are allowed only in cases specified by law, based on a final court decision or with the employee's consent. (LL, Art. 123) With the employees' prior consent, the employers are allowed to deduct from their salaries their trade union membership fees and pay them directly to the unions. (LL, Art. 207) Finally, employers may, inter alia, fine their employees for breach of duty or non-compliance with work discipline up to 20% of their base salary in the month the fine was imposed, for a period of up to three months; the fines are garnished from their salary. (LL, Art. 179a)

[Pension, social benefits - contributions](#)

Pension and disability insurance is mandatory in the Republic of Serbia. (Law on Pension and Disability Insurance (hereinafter "LPDI", Art. 1). All employees in both the private and public sectors, including those hired for temporary work, are insured parties. (LPDI, Art. 11)

Employees enjoy the status of insured parties from the first to the last day of employment, the performance of independent or agricultural activities, or other contracted activities. The status of the insured parties is determined based on insurance registration and deregistration. (LPDI, Art. 14)

Pension and disability insurance rights entail: (1) in case of old age – the entitlement to a regular or early pension; (2) in case of disability – entitlement to a disability pension; (3) in case of death - entitlement to a family pension; (4) in case of body impairment caused by an injury sustained at work or by an occupational disease – entitlement to receive monetary compensation for the impairment; (5) in case of need for external care and assistance – entitlement to compensation for care and assistance. (LPDI, Art. 18) Health insurance in the Republic of Serbia includes compulsory health insurance and voluntary health insurance. (Health Insurance Law (hereinafter “HIL”), Art. 1)

Compulsory health insurance includes: (1) insurance covering diseases and injuries not related to work; (2) insurance covering work-related injuries and occupational diseases. (HIL, Art. 4)

The insured (insured parties) comprise employees, i.e., persons employed by any business entity, other legal entity, government body, local self-government body, or a natural person. Persons hired for temporary work, persons working under service contracts and fee agreements, or performing any type of paid work are also insured parties. (HIL, Art. 11) Entitlements deriving from compulsory health insurance are also provided to members of their immediate family, unless they are insured on other grounds. (HIL, Art. 18)

Contributions are the basic source of funding of compulsory insurance (retirement and disability insurance, health insurance and unemployment insurance). (Law on Mandatory Social Security Insurance Contributions (hereinafter “LMSSIC”) Art. 3)

The contributions are paid by the insured persons, i.e., the employees (including workers who have not entered into an employment relationship) and the income payers, i.e., the employers. (LMSSIC, Art. 4) The contribution base for both employees and employers is the salary, i.e., salary and salary compensation, in accordance with the labor law, the general acts (by-laws), and the employment contracts. (LMSSIC, Art. 13) Contributions are calculated and paid at the following rates: 1) for mandatory pension and disability insurance – 25.5% (14% by the employee and 11.5% by the employer); 2) for mandatory health insurance – 10.3%; 3) for unemployment insurance – 0.75%. (LMSSIC, Art. 44) The employers calculate and pay the prescribed contributions together with the salaries and fees. (LMSSIC, Art. 51)

Working hours

The Law stipulates that the working week lasts five days, and that regular working time per week is 40 hours. (LL, Art. 55) However, another law or a by-law may reduce the weekly working hours but not under 36 hours. (LL, Art. 56) Standby time and the amount of compensation for it is regulated by law, a by-law, or an employment contract. Standby hours are not considered working hours. (LL, Art. 50)

Employers must schedule working hours and keep records of full-time hours. (LL, Art. 55) Employers must inform their employees about the schedule and notify them of any schedule changes at least five days in advance, except in case of overtime. (LL, Art. 56) Exceptionally, in cases caused by unforeseen circumstances, employers may inform employees about the working hours' schedule changes at least 48 hours in advance. (LL, Art. 56)

The working hours of employees performing jobs that are particularly difficult, exhausting, and harmful to health despite appropriate safety measures, shall be reduced² in proportion to the harmful impact on the employees' health and work abilities by a maximum of 10 hours a week. An employee working reduced hours has all the rights provided to full-time employees. (LL, Art. 52)

When work is organized in shifts, full or part-time working hours do not have to be distributed equally during the work week but are to be determined as average weekly working hours per month. In this case, employees may work a maximum of 12 hours per day, i.e., 48 hours a week including overtime. (LL, Art. 56)

The Law allows redistribution of hours if so required by the nature of the job. Accordingly, employees may work longer hours during one part of the year and shorter hours during the other part of the year, as long as the total working hours during the six-month period do not exceed their contracted working hours. (LL, Art. 57) However, the working hours may not exceed 60 hours per week. (Id.) Employers may reschedule the working hours of their pregnant employees, employed parents of children under three, or children with severe mental disabilities only with the latter's written consent. (LL, Art. 92)

The full working hours of an employee under 18 may neither exceed 35 hours a week nor eight hours a day. Furthermore, rescheduling of working hours of employees under 18 is prohibited. (LL, Arts. 87 and 88)

Overtime

² The reduced hours of work are determined on the basis of an expert analysis, in accordance with the law.

Under the LL, at the employers' request, employees are obliged to work after hours in the event of a force majeure, a sudden increase in the volume of work, and in other cases when unplanned work must be completed by a specific deadline. (LL, Art. 53) However, employees doing jobs with reduced working hours (particularly difficult, exhausting and harmful to health) may not be instructed to work overtime, unless otherwise specified by law. (LL, Art. 53) Overtime may not last more than eight hours a week and employees may not work longer than 12 hours a day, including overtime. (LL, Article 53)

Overtime work of employees under 18 is prohibited. (LL, Art. 88) Furthermore, pregnant and breastfeeding employees may not work overtime or at night, should the relevant health agency qualify such work as harmful to their health and the health of their children. (LL, Art. 90)

Parents of children under three, single parents of children under seven, or children with disabilities may work overtime i.e., during the night, only with their prior written consent. (LL, Art. 91)

Night work and Shift Work

Night work entails work performed between 10 pm (22:00) and 6 am (06:00). (LL, Art. 62) Before introducing night work, employers have to request an opinion of the trade union about the measures of safety and protection of life and health of employees working nights. (LL, Art. 62)

As mentioned, pregnant and breastfeeding employees may not work overtime or nights, if the relevant health agency finds such work harmful to their health and the health of their children. (LL, Art. 90) Employees under 18 may not work at night, except: (1) if they work in jobs in the fields of culture, sports, art, or advertising; and (2) when such work is required due to a force majeure, provided that it lasts for a definite period of time, has been completed without delay, and the employer does not have enough other adult employees. In such situations, employers must ensure that adult employees supervise the work of employees under 18. (LL, Art. 88)

If work is organized in shifts³ including night work, employers are obliged to provide alternation of shifts, so that employees do not work consecutive nights for longer than one working week. Employees may work nights longer only with their written consent. (LL, Art. 63)

The LL foresees penalties (up to RSD 1,500,000) for employers if overtime work, rescheduling of working time, night work, or work in shifts have not been organized in accordance with the Law. (LL Art. 274)

³ Shift workers are employees who work shifts at least a third of their working hours during a month.

Rest period

The Labor Law stipulates that (1) employees working six or more hours a day are entitled to at least a 30-minute break; (2) employees working between four and six hours a day are entitled to at least a 15-minute break; (3) employees working over 10 hours a day are entitled to at least a 45-minute break. The breaks are calculated as working hours. However, such breaks may not be used at the beginning or at the end of working hours. (LL, Art. 64)

The daily rest period shall be minimum of 12 consecutive hours within each 24-hour period; however, when the working hours are rescheduled (see LL, Art. 57), the rest cannot be shorter than 11 consecutive hours within 24 hours. (LL, Art. 66)

Employees are entitled to a weekly rest period of at least 24 continuous hours in addition to a daily rest period. (LL, Art. 67) As a rule, Sunday, or another day if necessary, shall be the day of weekly rest. Thus, if it is necessary for employees to work on the day of their weekly rest, employers must allow them to take a rest of at least 24 consecutive hours in the course of the subsequent week. (LL Art. 67)

Leaves

Annual leave

For each calendar year, an employee is entitled to annual leave the duration of which is set out in a by-law or the employment contract but may not be less than 20 workdays. The actual duration of annual leave is determined by increasing the mandatory minimum number of days based on a good performance, conditions of work, years of service, professional qualifications, and other criteria set out in a by-law or employment contract. (LL, Art. 69)

Annual leave may be used in one, two, or more parts. If employees use the annual leave in parts, the first part has to be used during that calendar year and cannot last less than two consecutive workweeks, while the other parts have to be used until June 30 of the following year. (LL, Art. 73) Employers decide on the time employees may use their annual leave, upon consultation with their employees. (LL, Art. 75)

Employees may neither waive the right to annual leave nor may such right be denied or substituted by pecuniary compensation except in case of termination of employment. (LL, Art. 68) In the event of termination of employment, employers must pay pecuniary compensation for unused annual leave, in the amount of the average monthly salary in the previous 12 months. (LL, Article 76)

Paid leave

Employees are entitled to a maximum five-day paid leave a year in special circumstances, such as entry into marriage, the birth of a child, death or grave illness of a close family member,⁴ during vocational or unionist training, as provided for in the collective agreements, labor rulebooks, or employment contracts. Employees are entitled to two consecutive days every time they donate blood, including the day they donate it. The by-law and the employment contract may provide for longer paid leaves and a wider circle of persons. (LL, Art.77)

Pregnant employees are entitled to paid leave from work on the days of their pregnancy-related check-ups as instructed by their chosen physician in accordance with the law, whereof they are obliged to notify their employer promptly. (LL, Art. 90)

Unpaid Leave

Employers may grant their employees unpaid leave. The employees' employment-related rights and duties shall be dormant during unpaid leave unless otherwise provided for by the law, a by-law, or the employment contract. (LL, Art. 78)

Maternity/Family Leave

Female employees are entitled to paid maternity and childcare leave lasting 365 days for their first two children and two years for their third and all subsequent newborn children. Pursuant to the opinion of the relevant health agency, maternity leave commences 45 days at the earliest and not later than 28 days prior to delivery date. Maternity leave lasts until the end of three months from the day of delivery. After the expiry of maternity leave, female employees are entitled to childcare leave, until the expiry of 365 days from the day of commencement of maternity leave. (LL. Art. 94) Employees whose children are stillborn or die before the expiry of the three-month maternity leave are entitled to use the entire leave. (LL, Arts. 94a and 95)

The father of a newborn child may exercise the right to three-month parental leave in the event the mother has abandoned the child, died, or is prevented from exercising her right to leave for other justified reasons (e.g., she is in prison, is gravely ill, and the like). The father of the child has that right even when the mother is unemployed. Employed mothers or fathers on maternity and childcare leave receive a compensation of their salary, in accordance with the law. (LL, Art. 94)

⁴ Members of the immediate family include spouses, children, brothers, sisters, parents, adoptive parents, adoptees and legal guardians. Employers may grant leave to employees to look after other relatives as well.

Upon the expiry of maternity and childcare leave, the parent of a child with a grave disability, apart from cases prescribed by health insurance regulations, is entitled to leave or to work half-time until the child turns five and to compensation of their salary during such leave. (LL, Art. 96)

A foster parent or a legal guardian of a child under five is entitled to eight months of consecutive leave from work to take care of the child from the day the child is placed with the foster or guardian family, at most until the child turns five. (LL, Art. 97)

Pursuant to the opinion of the relevant health agency, a parent or a legal guardian, i.e., employees caring for a person suffering from cerebral palsy, polio, any kind of plegia, muscular dystrophy or another grave illness may work part-time, but not less than half of the full working hours at their own request. (LL, Art. 98)

Sick Leave

Insured persons⁵ (e.g., employees) receive salary compensation for the period of temporary inability to work if their health or that of their nuclear family members precludes them from working in the following situations: (1) temporary inability to work due to a disease or injury unrelated to work; (2) temporary inability to work due to a work-related disease or injury; (3) temporary inability to work due to a pregnancy-related sickness or complication; (4) temporary inability to work due to mandatory isolation because they are germ carriers or due to a contagious disease in their environment; (5) temporary inability to work due to care for a nuclear family member; (6) temporary inability to work due to voluntary organ or tissue donation, excluding voluntary blood donation; (7) temporary inability to work when appointed escort of a sick insured person referred for treatment or medical examination in other location, i.e. while staying as an escort in an inpatient health facility. The duration of temporary inability to work is assessed by the professional medical body, in accordance with the medical-doctrinal standards for establishing temporary inability to work. The medical-doctrinal standards are determined by the health minister based on a proposal by expert committees formed in accordance with the law regulating health care services. (HIL, Art. 73)

An employee is obliged to deliver to the employer a certificate issued by a physician indicating the expected period of temporary inability to work within three days from the day of occurrence of temporary inability to work in terms of health insurance regulations. (LL, Art. 103)

Written notice and severance payments

⁵ An employee enjoys the status of an insured party from the first to the last day of employment, performance of independent or agricultural activities or other activities under contracts. The status of an insured party is determined based on insurance registration and deregistration. (LPDI, Art. 14)

In Serbia, an employment relationship may terminate for one of the following reasons: (1) by the expiry of the period it was concluded for; (2) when an employee reaches 65 years of age and has a minimum of 15 years of social insurance coverage, unless otherwise agreed between the employer and the employee; (3) by agreement between the employee and the employer; (4) by the termination of the employment contract by the employer or the employee; (5) at the request of a parent or guardian of an employee under 18; (6) in the event of the employee's death; (7) in other cases, specified by law. (LL, Art. 175)

Consensual termination of an employment relationship

An employment relationship may be terminated in accordance with a written agreement between the employer and the employee. Before signing the agreement, the employer is under the obligation to notify the employee in writing of the consequences that may ensue in the procedure for acquiring unemployment benefits. (LL, Art. 177)

Termination by employees

An employee may terminate the employment contract by delivering a written notice to the employer at least fifteen days in advance. However, by-laws or employment contracts may determine a longer notice period, which may not exceed 30 days. (LL, Art. 178)

Termination by employers

Prior to termination, employers must issue a written notice to their employees informing them of the reasons for termination and giving them a deadline of at least 8 days to comment on the grounds for dismissal and the supporting facts and evidence which the employers must state in the notice. (LL, Art. 180) Employers may terminate their employees' contracts in the event the latter failed to comply with the employers' instructions on how to improve their performance stated in the employers' written warnings issued beforehand. Employees are entitled to submit the opinion of their trade union together with their comments. This opinion must be taken into account by the employer. (LL, Art. 180a)

If employers terminate an employment contract due to technological, economic or organizational changes, they may not hire another person to perform the same job within the following three months. Within the three following months, the employee, whose employment relationship was terminated, has priority for reentering into an employment contract with the same employer. (LL, Art. 182)

The following shall not be considered as a justified reason for terminating an employment contract: (1) temporary inability to work due to an illness, accident at work or occupational

disease; (2) use of maternity leave, childcare and special childcare leave; (3) military service; (4) membership in a political organization, trade union, sex, language, nationality, social background, religion, political or other conviction, or another personal feature of the employee; (5) activity as a representative of employees, in conformity with the LL; (6) seeking help from a trade union or agencies in charge of protection of employment-related rights, in conformity with the law, a by-law and the employment contract. (LL, Art. 183)

An employment contract is terminated by a written ruling, which must include an explanation of the reasons for termination of the contract and legal recourse instructions. The ruling is served on the employee in person, in the employer's premises or in the employee's permanent or temporary residence. The employee's employment relationship ceases on the day the ruling is served, unless another time limit is specified in the ruling. (LL Art. 185)

Employers are under the obligation to pay the salary, benefits, and other statutory payments to the employees until the day their employment ends. Employers are to pay the amounts due to the employee within 30 days, at the latest, from the day of termination of employment. (LL, Art. 186)

In case of redundancy affecting more than 20 employees, employers must prepare a program within 90 days that includes: (1) reasons for the cessation of the need for the employees' work; (2) the total number of employees with the employer; (3) the number, qualifications, age, and years of insurance coverage of the redundant employees and the jobs they perform; (4) the criteria for establishing redundancy; (5) re-employment measures, such as transfer to other positions, employment with another employer, retraining or additional training, part-time work; (6) resources necessary for addressing the social and economic needs of redundant employees; and (7) the notice period within which the employment contracts will be terminated. Prior to adopting the retrenchment plan, and in cooperation with trade unions and the national employment service, employers must take measures aimed at re-employing the redundant employees. The plan has to be submitted to trade unions and the national employment service. Within 15 days, the unions have to express their opinion regarding the retrenchment plan, while the national employment service has to prepare a proposal of measures to be taken to reduce redundancies and ensure re-employment. (LL, Arts. 153-156)

Unemployed persons are entitled to unemployment benefits if they were covered by mandatory social security insurance for at least 12 months continuously or intermittently within the past 18 months. (Law on Employment and Unemployment Insurance (hereinafter "LEUI"), Art. 66)

Unemployed persons are entitled to unemployment benefits in case of termination of their employment or mandatory insurance due to: 1) the termination of employment by the employer owing to technological, economic or organizational changes, in accordance with labor

regulations; 2) their poor performance or lack of knowledge or competencies required to fulfil the work; 3) expiry of their fixed-term employment contracts, contracts on temporary or work, or probation period; 4) termination of public office of elected or appointed officials, unless they exercised their right to administrative leave or salary reimbursement, in accordance with the law; 5) transfer of ownership rights of the company owner or member; 6) commencement of the bankruptcy or liquidation procedure, as well as other cases of winding up of the employer, in conformity with the law; 7) relocation of the spouse, in accordance with specific regulations; 8) termination of the employment contract abroad, in accordance with the law or an international agreement. (LEUI, Art. 67)

Unemployed persons are entitled to unemployment benefits from the first day of termination of mandatory insurance, provided they register and file an application with the national employment service within 30 days from the day of termination of the employment contract or termination of insurance. (LEUI, Art. 68) Persons entitled to unemployment benefits have health and pension, and disability insurance as long as they receive unemployment benefits. (LEUI, Art. 78)

Civil servants: Disciplinary and dismissal procedure

Civil servants shall face disciplinary liability for violating their work-related duties. Violations of duties may be minor and grave. (Law on Civil Servants (hereinafter “LCS”) Art. 107) Disciplinary sanctions for grave violations of duty may include termination of employment. (LCS, Art. 110)

The employment of the civil servant subject to the disciplinary sanction of termination of employment shall end the day when the ruling becomes final. (LCS, Art. 111)

Nondiscrimination and equal opportunities

Harassment, sexual harassment or sexual blackmail at work or related to work are grounds for termination of employment. Employees are to inform their employers in writing about the circumstances indicating their exposure to harassment, sexual harassment or sexual blackmail and request efficient protection. (Law on Gender Equality (hereinafter “LGE”), Art. 18)

Employers must inform prospective employees in writing of the prohibition of harassment⁶, and their own and the employee’s duties and responsibilities regarding the prohibition of harassment, in accordance with the Law on Prevention of Harassment at Work (hereinafter “LPHW”, Art. 7). With a view to identifying and preventing harassment, employers have to implement measures aiming to inform and train employees and their representatives in identifying the causes, forms

⁶ The provisions of the Law on Prevention of Harassment at Work are also applicable to cases of sexual harassment.

and consequences of harassment. (Id.) Employers are responsible for protecting their employees from harassment and for any damage that their harassing employees caused to other employees. The employer that has compensated the damage caused by the harasser may seek reimbursement from the harasser. (LPHW, Art. 8 and 9)

The Labor Law prohibits any direct or indirect discrimination against persons seeking employment, as well as of employees, based on their gender, birth, language, race, color of skin, age, pregnancy, health or disability, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other beliefs, social background, financial status, membership in a political organization, trade union, or any other personal characteristic. (Art. 18)

Discrimination is prohibited in relation to: (1) employment conditions and choice of candidates for performing a specific job; (2) conditions of work and all the rights deriving from employment; (3) education, vocational training, and specialization; (4) job promotion; and (5) termination of employment. The provisions of an employment contract implying discrimination on any of the protected grounds are null and void. (LL, Art. 20) Similar provisions are laid down in the Law on Prohibition of Discrimination and the Law on Prohibition of Discrimination against Persons with Disabilities.⁷

According to the Constitution all employees, regardless of their sex, enjoy equal opportunities and treatment in relation to employment rights. Positive measures, in accordance with law, aimed at increasing the employment rate of underrepresented groups, such as women, are not deemed discrimination. (LGE, Art. 11)

Employers with over 50 employees for an indefinite period of time shall adopt annual plans of measures to eliminate or mitigate the gender gap by 31 January at the latest. (LGE, Art. 16). The state authorities shall apply affirmative measures in compliance with the Law on Civil Servants and the Law on State Administration in each organizational unit, administrative and supervisory authorities and among staff holding managerial offices where the underrepresented sex accounts for less than 30% of the staff. (LGE, Art. 14)

Employers with at least 20 employees must employ a specific number of employees with disabilities. Namely, employers with 20-49 employees must employ at least one person with disabilities. Employers with 50 or more employees must employ at least two persons with disabilities, and thereafter at least one person with disabilities per 50 workers. Alternatively, employers must pay 50% of the average salary in the Republic of Serbia for each person with

⁷ Art. 21 of the Law on Prohibition of Discrimination against Persons with Disabilities prohibits discrimination of job-seekers and employees with disabilities.

disabilities they have not employed. (Law on the Professional Rehabilitation and Employment of Persons with Disabilities, Arts. 24 and 26)

Worker's Organizations

The Constitution of the Republic of Serbia guarantees the freedom of political, union and any other form of association, as well as the right not to associate. Furthermore, it stipulates that associations shall be formed without prior approval by entry in the register kept by a state body, in accordance with the law. (Constitution of the Republic of Serbia, Art. 55)

In terms of the LL, a trade union is an autonomous, democratic and independent organization of employees, which they form and join on a voluntary basis, to act on their behalf, represent them, and advance and protect their professional, labor, economic, social, cultural, and other individual and collective interests. (LL, Art. 6) A representative trade union at an employer is a trade union whose members account for at least 15% of all employees of that employer. (LL Article 219)

Employees are entitled to associate, and, either directly or through their representatives, participate in negotiations on collective agreements, initiate the peaceful settlement of collective and individual labor disputes, be consulted and informed and express their views on essential work-related issues. Employees or their representatives may not be held accountable or be placed in a more disadvantageous position regarding conditions of work, as long as their actions are in accordance with the law and the collective agreement. (LL, Art. 13) Employees are guaranteed the freedom to form and join trade unions and engage in trade union activities without any approval, pending the trade union registration. (LL, Art. 206)

An employee joins a trade union by signing a membership application form. With the employees' written consent, employers may deduct the trade union membership fees from the salaries of the employees who are trade union members and pay them to the trade unions. (LL, Art. 207)

Employers must provide the trade unions with offices and other facilities in accordance with their spatial and financial capacities and enable them access to the data and information necessary for performing trade union activities. (LL, Art. 210)

Collective agreement

A collective agreement, in accordance with the law and other regulations, regulates the rights, duties, and responsibilities stemming from employment relationships, the procedure of amending and supplementing a collective agreement, mutual relations of parties to the collective agreement,

and other matters of relevance to employees and employers. A collective agreement must be concluded in writing. (LL, Article 240)

A general collective agreement is concluded between a representative association of employers and a representative trade union, both established for the territory of the Republic of Serbia. (LL, Art. 244)

However, employment-related rights, duties, and responsibilities are regulated by the employee handbook, i.e., employment contract, in accordance with the law: (1) if a trade union is not established at an employer, or no trade union meets the requirements of representativeness, or no agreement of association has been concluded in conformity with the LL; (2) if no party to a collective agreement launches an initiative to launch negotiations on the conclusion of a collective agreement; (3) if parties to a collective agreement fail to reach an agreement on the conclusion of a collective agreement within 60 days from the day they commenced negotiations; (4) if a trade union rejects the initiative of the employer to commence the negotiations on a collective agreement within 15 days from the day it receives it (LL, Art. 3)

B. Protecting the workforce

Minimum age of employment

The minimum employment age is 15 years. Children under 18 may enter into an employment agreement with the written consent of their legal representative provided that such work does not put at risk their health, morality, and education, i.e., provided that such work is not prohibited by law. Furthermore, persons under 18 may establish an employment relationship only if they provide a medical certificate attesting that they are capable of performing the activities the job entails and that such activities do not harm their health. (LL, Art. 25) Given that the Project will not allow employment or engagement of persons below the age of 18 legal provisions for persons below this age are not provided in this LMP.

Forced Labor

Forced labor, human trafficking, and slavery are criminal offences and as such are criminalized by the Criminal Code. Forced labor and human trafficking are strictly forbidden and anyone involved in any such illegal activity may be punished by imprisonment. (Criminal Code (hereinafter “CC”) Arts. 388 and 390) In addition, Serbia ratified the ILO Forced Labor Convention.

C. Labor Grievance mechanism

Labor disputes

Consensual settlement of employer-employee disputes may be stipulated by a by-law or an employment contract. (LL, Art. 194) However, the Law does not foresee mandatory use of grievance mechanisms; instead, it provides for judicial protection of employees in case of unfair or unlawful employment-related practices. On the other hand, the legislation on the prevention of discrimination, sexual harassment and abuse at work, and combating corruption lays down clear procedures to be followed in any case of discriminatory action, unjust treatment or concerns over non-compliance with the law. The legislation governing the status of civil servants also provides for employment and workplace dispute resolution through appeals commissions. The Law on Peaceful Settlement of Labor Disputes allows for the settlement of both individual and collective work and employment-related disputes through mediation and agreement of the parties involved, without recourse to the courts.

By-laws or employment contracts may stipulate the procedure of consensual settlement of disputed issues between employers and employees. The disputed issues are settled by an arbitrator. The parties to the dispute select an arbitrator from among the ranks of experts in the field under dispute. The time limit for instituting the proceedings before the arbitrator is three days from the day the ruling is served on the employee. The arbitrator is obliged to render a decision within 10 days from the day of submission of the request for the consensual settlement of the disputed issue. The employment relationship is dormant during arbitration proceedings relating to the termination of employment contracts. If the arbitrator fails to render a decision within the specified time limit, the employment termination ruling becomes enforceable. The decision of the arbitrator is final and binding on the employer and the employee. (LL, Art. 194)

Employees or their trade union representatives may institute proceedings before the relevant court challenging rulings violating employee rights. The time limit for instituting such proceedings is 60 days following the day the ruling is served or they have become aware of the breach. (LL, Art. 195)

The Law on Peaceful Settlement of Labor Disputes (hereinafter “LPSLD”) governs peaceful settlement of collective and individual labor disputes. Peaceful resolution of a dispute may be initiated on a voluntary basis (Art. 5); the dispute may concern a collective agreement, a strike, termination of an employment contract, working hours, annual leave, salary disbursement, compensation of costs, discrimination, abuse at work, etc. (LPSLD, Arts. 2 and 3).

When parties disagree over an issue related to their employment relationship and they want to solve the problem out of court or before going to court, they have to submit their proposal to the Agency for Peaceful Settlement of Labor Disputes and together appoint the arbitrator or the conciliator. In case they fail to reach an agreement on the arbitrator or the conciliator, the

Agency will assign one. (LPSLD, Arts. 10 and 12) If a dispute relating to harassment and discrimination at work cannot be resolved peacefully by the parties, the case may be referred to court after the arbitration has failed (LPSLD, Art. 35b). The duration of the arbitration process may not exceed 30 days from the first meeting of the parties (LPSLD, Art. 36).

Conciliation is the process of resolving collective labor disputes arising between trade unions and employers, in both the public and private sectors, during collective bargaining or in relation to the implementation of a collective agreement. After the conciliation procedure has been concluded, a committee consisting of the conciliator and representatives of both parties (LPSLD, Art. 20) issues a recommendation on how to resolve the dispute. (LPSLD, Art. 24) The recommendation is not binding. The parties in dispute may conclude an agreement on the resolution of the dispute based on the recommendation or without referring to the recommendation. If the collective agreement is the subject of the dispute, the agreement becomes an integral part of the collective agreement. If the collective agreement is not the subject of the dispute, the agreement has the force of a court settlement. (LPSLD, Art. 26) The conciliation procedure shall be closed before the committee if the parties in dispute conclude the agreement on the resolution of the dispute within 30 days from the day of the first hearing. (LPSLD, Art. 30) Each party in dispute bears its own costs during the procedure. (Art.14) The fees and costs of the conciliators and arbitrators are paid by the Agency for Peaceful Settlement of Labor Disputes. (LPSLD, Art. 52)

The Law on Prevention of Harassment at Work (hereinafter “LPHW”) lays down the procedure for protection from harassment and abuse at work. (LPHW, Arts. 13 – 28) The employee starts the procedure by submitting a request for protection from harassment. (LPHW, Art. 13) The employer must suggest mediation to the disputing parties within three days (LPHW, Art. 15) and the parties are to agree on the appointment of the mediator. The mediation process must be completed within eight working days by a written agreement of the parties, a mediator’s decision on the termination of the mediation process, or a statement by the parties that they relinquish proceedings. (LPHW, Art. 19) Employees who have complained about harassment enjoy protection from retaliation and dismissal. (LPHW, Art. 27)

Jobseekers and employees who have been discriminated against may claim damages from the employer before the relevant court. (LL, Art. 23)

The Labor Inspectorate is authorized to oversee the implementation of labor and employment-related laws, general acts and contracts. (LL, Art. 268) Employers may be fined between 150,000 and 2,000,000 RSD for violating the Labor Law. (LL, Arts. 273 – 276) The administrative inspectorate of the ministry competent for public administration supervises the implementation of the Law on Civil Servants. (LCS, Art. 173)

Civil servants: Appeal

The Appeals Commission rules on civil servants' appeals of administrative rulings deciding on their rights and obligations and on appeals by applicants for jobs advertised in-house or publicly. The Appeals Commission applies the General Administrative Procedure Law. (LCS. Art. 142) The Commission rules on the appeal within 30 days from the day it was lodged, unless otherwise provided by this Law. Otherwise, the appeal is considered to have been rejected. An administrative dispute may be initiated against the decision of the Appeals Commission. (LCS, Art. 143)

Brief Summary

In summary, there are a few minor areas in which the national legislation is partially aligned with ESS2. A written notice or agreement is required on termination of an employment contract. All salaries, contributions, benefits and back pay have to be paid to the employee within 30 days from the contract termination as opposed to ESS2 requirements. Second, the labor and employment legislation does not foresee grievance mechanisms at the workplace as a mandatory practice but provides for judicial protection of employees in case of unfair or unlawful employment relationship practices instead.

6. BRIEF OVERVIEW OF LABOR LEGISLATION: OCCUPATIONAL HEALTH AND SAFETY

This section sets out the *key aspects* of the national labor legislation with regard to occupational health and safety, and how national legislation applies to the different categories of workers identified in Section 1. The overview focuses on legislation that relates to the items set out in ESS2, paragraphs 24 to 30.

The new 2023 Law on Health and Safety at Work (hereinafter “LHSW”) which has replaced the latest one which was in force for the past 18 years is the key legislative act in this area.⁸ It regulates the implementation and improvement of occupational health and safety for persons involved in working processes or found in work environments, in order to prevent injuries at work, occupational diseases, and work-related illnesses. The employer must ensure that measures have been taken to provide a safe and healthy workplace and work environment for any employee (any person working or undergoing training at the employer, regardless of their employment status) to work. The new law has broadened the definition of the term workplace which provides a more comprehensive approach to the assessment of workplace-related risks. The Law stipulates the employers' OHS obligations and responsibilities (general and specific

⁸ There are 8 legal acts and 55 rulebooks related to the area of occupational health and safety

obligations and training for employees), including their assessment and mitigation of labor-related risks and hazards, provides for the appointment of persons (licensed OHS officers or legal entities) responsible for ensuring OHS compliance and creating a safe work environment, and specifies preventive measures for ensuring occupational health and safety. It also regulates the rights and obligations of employees, organization of OHS activities, provision of first aid at the workplace, designation of employees' OHS representatives, obligations of the employer related to keeping records, information exchange, and cooperation with the relevant institutions, professional OHS exam and licensing, and the competences of the Occupational Health and Safety Administration. The provisions of the LHSW are further elaborated in numerous by-laws governing specific implementation procedures.

The LHSW applies to all domestic and foreign employers regardless of their size and to all domestic and foreign employees regardless of their employment status.

The Labor Inspectorate of the Ministry of Labor, Employment, and Veteran and Social Affairs is charged with overseeing the implementation of OHS laws and regulations. The Law has been harmonized with the ratified ILO Conventions and the EU Directives to a maximum extent.

Identification of potential hazards to project workers

To ensure due compliance with OHS, employers are required to carry out risk assessments, in order to identify hazards at the workplace and associated preventive measures. They are required to carry out risk assessments at all stages of the work process, in order to eliminate or reduce possible risks. Furthermore, they must update the risk assessment documents on a regular basis. Risk assessment documents should be kept duly by employers. (LHSW, Art. 13)

Articles 8 and 9 of the Rulebook on Identification and Assessment of Workplace and Work Environment Risks (hereinafter "RIAWWER") distinguishes between identification and assessment of threats and hazards. It classifies threats as mechanical, electrical, and workplace related. On the other hand, hazards are classified as: (a) occurring during work processes (e.g., chemical, physical, biological, indoor and outdoor climate, illumination, radiation, hazardous materials, etc.); (b) physical and psychological stress and strain attributable to work performed; (c) work schedule and organization of work processes (e.g. long working hours, shifts, nightwork, etc.); and (d) other hazards, such as third party workplace violence, work with animals, high or low atmosphere pressure, work in or under water, etc.

The Plan of preventive health and safety measures and technical documentation required for construction in accordance with the regulations on planning and construction provide the basis for risk assessment regarding the likelihood of injuries and health hazards for specific jobs and working environments on the site. (Regulation on Safety and Health at Work on Temporary or Mobile Construction Site RSHWTMS, Art. 8)

Preventive and protective measures

At all stages of work, employers must assess the risks and take the necessary steps to eliminate or reduce risks to health and safety by applying up-to-date technical, ergonomic, health, educational, social, organizational and other measures and means to eliminate or minimize risks of employee injury or health damage. (LHSW, Arts. 7 and 12) Article 11 of the RIAWWER provides the framework for modification, substitution, or elimination of hazardous conditions or substances based on workplace risk assessments and their results.

Preventive measures for achieving workplace health and safety shall be provided by applying up-to-date technical, ergonomic, health, educational, social, organizational and other measures and means to eliminate or minimize risks of employee injury and health damage, during the process of: (1) designing, constructing, using and maintaining facilities intended for work and auxiliary premises, as well as facilities intended for work in open areas, in order to provide safe work processes; (2) designing, establishing, using and maintaining technological work processes with all the requisite equipment, in order to provide safe work of employees and ensure compliance with chemical, physical, biological, microclimate and lighting standards, norms and measures at the workplaces and in work and auxiliary premises; (3) designing, constructing, using and maintaining the work equipment, structures and facilities for collective workplace health and safety, auxiliary structures and facilities and other means used in the work process or in any other way related to the work process, in order to prevent employee injury and health damage; (4) manufacture, packaging, transport, storage, use and destruction of hazardous substances, in the manner and in accordance with the regulations and rules eliminating risk of employee injury or health damage; (5) designing, manufacturing and using means and equipment for personal protection at work, the application of which eliminates risks or hazards that cannot be eliminated by applying adequate preventive measures; (6) education and training in OHS. (LHSW, Art. 7)

Employers have to ensure that work processes are adapted to physical and psychological abilities of the employee, and the working environment, means of work and personal protection equipment should be organized, produced and provided in such a way that they cannot endanger the employee's health. (LHSW, Art. 9)

Employers may appoint one or more of employees, or hire a legal person, i.e., a certified entrepreneur, to implement OHS activities. Those that hire a legal person or entrepreneur must first familiarize them with the technological process, work related risks, and measures for eliminating the risks. (LHSW, Art. 39) Furthermore, employers must hire a certified occupational service that will implement preventive and periodic examinations and testing of work equipment, as well as the preventive and periodic testing of work environment conditions. (LHSW, Art. 15)

Employers must alert everyone present on the premises for any reason to dangerous locations or potential health hazards arising from a technological process, i.e., to safety measures they have to comply with, and to steer them towards safe zones. (LHSW, Art. 31)

Employers shall engage an Occupational Health Service to protect the employees' health at work. The Service shall carry out activities in accordance with the LHSW, and in particular it shall: (1) participate in the identification and assessment of risks at the workplace and in the work environment during the preparation of the Risk Assessment Act; (2) familiarize employees with work-related health risks and train them in providing first aid; (3) determine and test causes of occupational and work-related diseases; (4) evaluate and establish special health requirements to be met by employees during certain activities at higher risk workplaces or involving use of particular equipment; (5) carry out pre-employment and periodic medical examinations of employees at higher-risk workplaces and issue reports on medical examinations in accordance with OHS regulations; (6) participate in the organization of first aid, rescue and evacuation in case of employee injuries or disasters; (7) advise the employer on identifying suitable jobs given the employees' health; (8) consult the employer on the selection and testing of new instruments of labor, hazardous substances and means and equipment for personal protection at work, from the medical point of view; (9) participate in the analysis of injuries at work, occupational and work-related diseases; (10) directly cooperate with the designated OHS employee. (LHSW, Art. 41)

Employees also have a crucial role when it comes to preventive and protection measures in the workplace. Employees are entitled to select one or more OHS representatives (hereinafter: employees' representative). At least three employees' representatives shall form the OHS Board (hereinafter: Board). An employer employing 50 or more employees must appoint at least one representative to the Board; however, the number of employees' representatives shall exceed the number of employer's representatives by at least one. The selection procedure and method of work of employees' representatives and the Board, the number of employees' representatives working for the employer, as well as their relationship with the syndicate shall be governed by the collective agreement. (LHSW, Art. 44) The HS representative or OHS Board have a right to: (1) provide suggestions regarding occupational health and safety issues; (2) ask employers to take measures to eliminate or mitigate risks for employees' health and safety; and (3) demand supervision by the Labor Inspectorate if they think that the employer has not implemented the appropriate health and safety measures. An HS representative or a member to the OHS Board may be present during the supervision inspection. (LHSW – Article 46)

Employee must use personal protection equipment in a working environment, or when performing work and activities, where danger and/or harmfulness, risks of injuries and health hazards cannot be eliminated or sufficiently mitigated by implementation of technical, technological, organizational and other measures in the area of occupational health and safety. (Rulebook on Preventive Measures for Healthy and Safe Work when Personal Protection Equipment is Used at Work, (RPM Art. 3) The employer is responsible for providing the employee with personal protection equipment at work. (RPM, Art. 4) Furthermore, employers must make a list of dangers and hazards that require the use of personal protection equipment

and determine the personal protection equipment at work that matches the list of personal protection equipment. (RPM, Art. 6)

Training of project workers and maintenance of training records

Employees have the right and obligation to get to know the health and safety measures specific to the job and workplace he/she is assigned to and to get trained for their implementation, prior to beginning of work. (LHSW, Art. 32)

The employer is responsible to provide OHS training to employees upon hiring them or transferring them to a new job, when introducing new technology or new means of work, and in light of changes to work processes that may change measures ensuring OHS. Employers shall inform employees during the training of all types of risks relating to the specific job and the concrete health and safety measures in accordance with the risk assessment act. The training has to be adjusted to the specific needs of the employees' jobs and workplace and is delivered in accordance with the program, which the employer has to change and update if necessary. Trainings have to be tailored to the specific jobs, shall be provided during working hours, and the employees may not be charged the training costs. (LHSW, Art. 27) If an employee is assigned the duties of two or more jobs, he/she shall be trained for safe and healthy work at each job and workplace. (LHSW, Art. 27) Employers shall ensure that, in addition to OHS training, pregnant employees, employees under 18, and employees with reduced work abilities are informed in writing about the risk assessment results, and measures are taken to eliminate the risks. (LHSW, Art. 30)

According to the LHSW, employers must keep records, among other things, of employees trained in OHS. (LHSW, Art. 49) Training records are kept pursuant to the Rulebook on OHS Records. (Art. 8 specifies the content of OHS training records).

The employees' OHS skills are tested both practically and theoretically at their workplace. Periodic OHS tests shall be conducted every year for all high-risk jobs and every four years for other jobs. OHS training is conducted in the language understood by the employees and has to be tailored to persons with disabilities. (LHSW, Art. 28)

Documentation and reporting of occupational accidents, diseases, and incidents

Immediately but not later than 24 hours, employers must report, orally and in writing, to the Labor Inspectorate and the Ministry of Interior any fatality, serious injuries due to which employees are unable to work for three consecutive workdays, as well as any dangerous event that put employees' health and safety at risk. Similarly, employers have to report an occupational disease to the Labor Inspectorate within three workdays from the day they learn of the disease. (LHSW, Art. 50)

Employers must furnish a report on injury at work and occupational disease, that occurred both to the employees who have sustained injuries or have developed the occupational disease, to the Health and Disability Insurance Fund. (LHSW, Art. 51) The employers must prepare this report immediately and not later than 24 hours since they have learned of the injury or disease. Such a report must be submitted to the health care institution where the injured employee was examined or where the occupational disease was diagnosed so that the doctor or medical institution can add its medical reports to the employee's report. (Rulebook on Reporting Injuries at Work and Occupational Diseases, Art. 6) Within two days from receiving the completed report, the employers must submit their final reports to the branch of the Health and Disability Insurance Fund where the employee, who has sustained an injury or has developed an occupational disease, may exercise the rights specified by health insurance legislation. (Rulebook on Reporting Injuries at Work and Occupational Diseases, Art. 7)

The branch of the Republic Fund for Health Insurance verifies all copies of the Report, keeps one of them and sends other four copies back to the employer. The employer keeps one copy, one is handed to the employee, immediately or not later than two days from receiving the Report, one is sent to the branch of the Republic Fund for Pension and Disability Insurance, and one is submitted to the Ministry of Labor– Administration for Safety and Health at Work. (Rulebook on Content and Manner of Issuing Report on Injury at Work and Occupational Disease, Art. 7)

Emergency prevention and preparedness and response arrangements to emergency situations

The employer is obliged to implement necessary measures in order to provide first aid, fire safety, and evacuation, as well as establish immediate communication with an emergency, ambulance services and the relevant authorities. Furthermore, employers are obliged to provide first aid, as well as to train an adequate number of workers in first aid, rescue, and evacuation in case of emergencies. (LHSW, Art. 15) Additionally, they must noticeably mark and post safety and/or health signs in order to inform employees of the risks of technological processes, evacuation routes and unrestricted areas, as well as of measures for the prevention or elimination of risks. Additionally, they must ensure that only persons trained in safe and healthy work are allowed access to workplaces where there is an immediate threat of injury or health damage (poisoning, suffocation, et al) and that they have received the relevant instructions on ceasing work and/or immediately leaving the workplace and are provided with the adequate personal protection equipment. (LHSW, Art. 31)

The employer is not entitled to request an employee and other persons present in the work area to continue working as long as the increased or imminent threat is present. Employees shall not be put in a disadvantaged position for leaving the at-risk work area and/or territory during the increased threat and are to be protected from the negative consequences. (LHSW, Arts. 33 and 34)

Employers will be fined if they do not provide first aid, as well as if they do not train an adequate number of employees to apply first aid, rescue and evacuate in case of an emergency, or if they do not cease any type of work posing an immediate threat to the lives or health of the employees (LHSW, Art. 69)

Remedies for adverse impacts such as occupational injuries, deaths, disability, and disease

Employees are entitled to compensation of salary for the period of time they were absent from work due to a temporary inability to work not exceeding 30 days, notably: (1) at least 65% of the average salary in the 12 preceding months before the month in which the temporary inability occurred (the amount may not be lower than the minimum salary set in accordance with the LL), where their inability was caused by a non-work related illness or injury, unless otherwise specified by law; (2) 100% of the average salary in the 12 preceding months before the month in which the temporary inability occurred (the amount may not be lower than the minimum salary set in accordance with the LL), where the inability was caused by a work-related injury or an occupational disease, unless otherwise determined by law. (LL, Art. 115)

An employee is entitled to a compensation of salary in the amount determined by a by-law and the employment contract during an interruption of work ordered by the relevant state agency or the employer's competent body due to the failure to ensure occupational safety and protection of life and health prerequisite for continuing work without putting at risk the lives and health of employees and other persons, and in other cases under the law. Other cases when employees are entitled to compensation of salary may also be determined in by-laws and employment contracts.

An employer is obliged to pay employees compensation for damages sustained due to a work-related injury or occupational disease as determined by the court or the insurance company. The law does not specify the methodology for determining the amount. Employers may pay the employees' premiums for voluntary additional pension insurance and group accident and sickness insurance, with a view to providing them with additional quality social protection. (LL, Art. 119)

Procedures to establish and maintain a safe working environment

Employers are required to develop and implement procedures for maintaining a safe and healthy work environment, including machinery and equipment. This also includes the application of appropriate measures related to chemical, physical, and biological substances and agents, and the obligation to carry out periodic controls of safety conditions and check the status of the technical equipment. (LHSW, Art. 13)

Employers define personal protection equipment at work based on the assessment of the risk of injuries or deterioration of employees' health and recognized and determined dangers and hazards that the employees are exposed to at their workplaces and working environment. Employees use personal protection equipment in a working environment, or when performing

work and activities, where danger and/or harmfulness, risks of injuries and health hazards cannot be eliminated or sufficiently mitigated by the implementation of technical, technological, organizational and other measures in the area of occupational health and safety. (Rulebook on Preventive Measures for Healthy and Safe Work when Personal Protection Equipment is Used at Work – Article 3) The employer is responsible for providing the employee with personal protection equipment at work. (Rulebook on Preventive Measures for Healthy and Safe Work when Personal Protection Equipment is used at Work, Arts, 4 and 6)

Employees have to cooperate with the employer and the OHS officer in implementing health and safety measures prescribed for the work they do. (LHSW, Art. 36) The employer is charged with organizing occupational health and safety services. (LHSW, Art. 37)

Right and responsibility to report unsafe situations, right to leave the workplace and prohibition of retaliation for reporting

Employees are obliged to notify the employer of any potential risks that may impinge on health and safety at work. (LL, Art. 80) They must inform the employer of any identified irregularities, hazards, perils or other phenomena and events potentially endangering their health and safety or the health and safety of other employees. If the employer does not eliminate the reported irregularities, hazards, perils or other phenomena in eight days, or if the employees think that appropriate measures for eliminating the perceived risks have not been implemented, the employees may contact the Labor Inspectorate and inform the OHS officer. (LHSW, Art. 36)

When facing an imminent threat to their life or health, employees are entitled to take appropriate measures, including leaving the workplace. Such employees are not responsible for the damage sustained by the employer. (LHSW, Art. 34) Namely, employees are entitled to refuse to work: (1) if there is an imminent threat to their life and health, because the prescribed health and safety measures have not been implemented at the workplace, until these measures are in place; (2) if the employer has arranged their check-up or the check-up confirms that they do not fulfill the medical requirements for work at higher risk workplaces; (3) if, during the training, the employees have not been informed of all the risks and measures for their elimination relating to their jobs and workplaces; (4) overtime or at night, if the health care service has assessed that such work can damage their health; (5) with the tools and equipment where the prescribed health and safety measures have not been implemented. If the employees refuse to work in the described conditions, and the employer thinks that their request is unjustified, the employer will notify the Labor Inspectorate. (LHSW, Article 33)

Contractors and collaboration with project workers on OHS

Two or more employers sharing premises have to cooperate in implementing the prescribed health and safety measures. Depending on the nature of work, the employers are to coordinate

the measures they are taking to mitigate OHS risks and to inform each other and their employees or their representatives about the risks and measures for their elimination. The manner of their cooperation is defined in a written agreement. A person in charge of coordinating joint measures designed to ensure the health and safety of all employees is designated by that agreement. (LHSW, Art. 19)

Under the Regulation on Safety and Health at Work on Temporary or Mobile Construction Site (“RSHWTMS”), the employer, or its representative, has to appoint one or more coordinators and one or more coordinators for the execution of work where two or more contractors are or are anticipated to carry out works on the same construction site. (RSHWTMS, Art. 4)

Furthermore, employers must supply employees or their representatives with information regarding health and safety at work and the measures taken to ensure safe and healthy working conditions on the site. The information must be understandable to the employee. (RSHWTMCS, Art.16)

With the adoption of the novel Law on OHS articles 5 and 6 have been suspended.

System for regular OHS review

The LHSW and the LL generally require employers to ensure health and safety at work. They must comply with the requirements set out in the LHSW and make sure that the employees’ health and safety are not at risk.

The employer keeps records relating to OHS, as prescribed by the LHSW (Art. 49) A licensed OHS officer (who must pass the qualification exam required by law) is appointed by each employer. The OHS officer completes forms, prescribed by the Rulebook on OHS Records, and keeps records of high-risk workplaces, employees working at high-risk workplaces and their check-ups, injuries at work, occupational diseases and work-related illnesses, employees trained in OHS, hazardous substances used at work, work environment testing, inspection of equipment, issued personal protection equipment, reports on fatalities, group and serious injuries at work and occupational diseases, and reports on risks threatening the employees’ health and safety. (Rulebook on OHS Records)

OHS risks which may be specific to female workers

Special rights, liabilities and measures related to workplace health and safety of women doing jobs potentially jeopardizing maternity, disabled employees and employees suffering from occupational diseases are governed by the LHSW, other regulations, collective agreements, general employers’ acts and employment contracts.

In addition to providing them with OHS training, employers must ensure that pregnant employees and employees with reduced work abilities are informed in writing of the workplace risk assessment results and the measures to eliminate the risks in order to increase health and safety at work.

The Law does not require a balanced representation of women on OHS committees to help design policies responding to the needs of female project workers.

Brief summary

The OHS regulations address the main ESS2 requirements related to occupational health and safety.

7. RESPONSIBLE STAFF

MoH and the Project Coordination Unit (PCU) will be responsible for the following:

- Implement this labor management procedure to direct workers.
- Ensure that the contractor(s) adopt these LMP or in addition prepare their labor management procedure, in compliance with this labor management procedure, and occupational health and safety plan before the commencement of works. The same goes for Consultants and Consultancy firms.
- Monitor and report on the implementation of project contractors' labor management procedures.
- Monitor that the contractors are meeting obligations towards contracted and sub-contracted workers as included in the General Conditions of Contract the World Bank Standard Bidding Documents, and in line with ESS2 and the national labor code.
- Maintain records of the recruitment and employment process of direct workers.
- Monitor the employment process of contracted workers to ensure it is carried out in accordance with this labor management procedure and national labor law.
- Monitor that occupational health and safety standards are met at workplaces in line with national occupational health and safety legislation and ESS2.
- Monitor training of the project workers on OHS, SEA/SH prevention, and any other required training.
- Ensure that the grievance mechanism for project workers is established, monitored, and reported on its implementation.
- Monitor the implementation of the worker's Code of Conduct.
- Establish and implement a procedure for documenting specific incidents such as project-related occupational injuries, illnesses, and lost time accidents. Maintains such records and requires all third parties and primary suppliers to maintain them. Such records will form an input into the regular review of OHS performance and working conditions.

- In instances of medium, severe, fatal, and mass accidents, inform the law enforcement bodies and Labor Inspectorate.

On activities for which an ESMP or ESMP checklist is required and if a Supervision Consultant is engaged, he will employ qualified experts for ESMP oversight and report on performance to the MoH and respective PCU on a monthly basis.

Each Contractor will be responsible for the following:

- Employ or appoint qualified experts to prepare and implement project specific labor management procedure, occupational health and safety plans, and to manage subcontractor performance.
- Ensure this LMP is applied by contracted and sub-contracted workers.
- Contractors will supervise their subcontractors' implementation labor managements procedures and occupational health and safety plans.
- Maintain records of the recruitment and employment process of contracted workers.
- Communicate clearly job description and employment conditions to contracted workers and provide them with one copy of the employment contract.
- Develop, implement, and maintain workers' grievance mechanism and address the grievance received from the contracted and sub-contracted workers.
- Have a system for regular review and reporting on labor, and occupational safety and health performance.
- Deliver regular work induction trainings including but not limited to OHS, HSE, social induction, and SEA/SH prevention training to employees.
- Ensure that all contractor and sub-contractor workers understand and sign the Code of Conduct prior to the commencement of works.
- Establish and implement a procedure for documenting specific incidents such as project-related occupational injuries, illnesses, and lost time accidents. Maintain such records, and require all third parties and primary suppliers to maintain them. Such records will form an input into the regular review of OHS performance and working conditions.
- In instances of medium, severe, fatal, and mass accidents, inform the law enforcement bodies and Labor Inspectorate.

For direct workers hired or to be hired by the MoF and Central Fiduciary Unit (CFU) management responsibilities lies within these Entities. The provisions of the LMP will be communicated within the institution and copies both in English and Serbian made available. The Head of the PCU will be responsible for the selection, engagement, and management of the PCU staff while the employee relations/HR issues of civil servants employed by the MoF being temporarily seconded to the PCU will be dealt with in line with the Ministry's human resources (HR), while these relations for staff engaged in the CFU is subject to the Labor Law (as they are not civil servants but consultants engaged through consultancy contracts) with labor management

responsibilities distributed among the Head of CFU. The management of OHS is within the remit of the OHS Officer within MoF, CFU (person appointed in compliance with the Law on Safety and Health at Work)

8. POLICIES AND PROCEDURES

The Contractors will adopt this LMP or develop procedures of their own fully compliant with this LMP. The Social consultant of the PCU and /or the Supervision Consultant in charge with oversight over civil work will review and approve the Contractors LMP. Service providers and goods suppliers will be required to adopt this LMP. The principles and procedures presented below represent minimum requirements, but are not an exhaustive list.

As specified in the Labor Law of Serbia, the employment of project workers will be based on the principles of non-discrimination and equal opportunity. There will be no discrimination with respect to any aspects of the employment relationship, such as recruitment, compensation, working conditions and terms of employment, access to training, promotion or termination of employment. The following measures will be developed by the contractors and monitored by the PCU and supervision consultant to ensure fair treatment of all employees:

- As will ensure that the selection process for project workers is bias-free, and that the requirements set are not directly or indirectly discriminatory. The project workers will be recruited and assessed based on their competence and professional achievements. Gender, birth, language, race, color of the skin, age, pregnancy, health condition, and/or disablement, ethnic origin, religion, marital status, family obligations, sexual orientation, political or other belief, social background, financial status membership in political, inherent job requirements cannot be ground for making any decision regarding employment and the employment relationship.
- However, third parties are encouraged to take a gender sensitive approach and make reasonable accommodation to make it possible for persons with disabilities to take part in the project.
- Applications for employment will be considered in accordance with the application procedures established by the contractors.
- Clear job descriptions will be provided in advance of recruitment and will explain the skills required for each post.
- All workers will have written contracts describing terms and conditions of work and will have the contents explained to them. Workers will sign the employment contract. Terms and conditions of employment will be available at work sites.
- Unskilled labor will be preferentially recruited from the affected communities, settlements and municipalities.
- The contracted workers will not pay any hiring fees. If any hiring fees are to be incurred, these will be paid by the Employer ('Contractor').
- Depending on origin of the employer and employee the contracts will be developed in corresponding language understandable for both parties.

- In addition to written documentation, an oral explanation of conditions and terms of employment will be provided to workers who may have difficulties with understanding the documentation.
- While communication language related problems are not expected, attention should be given to ensuring coordination between different contractors and means to address any language differences.
- Foreign workers will require residence permit, which will allow them to work in Serbia
- PCU will include in contracts that all contractor (and subcontractor) personnel must be of the age of 18 years or more and procedures to verify the aged
- The PCU will include into the bidding documents specific OHS standard requirements that all contractors and sub-contractors will meet under this project. The standards will be consistent with local regulations, WBG EHS guidelines and GIIP (Good International and Industry Practices).

The following OHS standard requirements should as a minimum be included in the OHS Plan to be prepared by the contractors:

- Risk Assessment Procedure;
- Work permitting for hazardous work (working at heights, hot work, work within confined spaces);
- Golden rules for life threatening works;
- Emergency response procedure
- Fall prevention and working at heights;
- Excavations safety, Ladders and scaffolders safety; welding and cutting safety; Cranes, Derricks, and forklifts safety; power and hand tools safety;
- Respiratory prevention to chemical and airborne hazards (including dust, silica and);
- Electrical safety (hazardous energies control, lock out tag out, energy verification, safe distance work, wiring and design protection, grounding, circuit protection, arc fault protection),
- Hazard communication
- Noise and vibration safety;
- Steel erection safety;
- fire safety;
- material handling safety;
- concrete and masonry safety;
- Construction PPE;
- OHS training;
- Refuse to work policy.

In addition, occupational health and safety plans, will among other issues, include the following: the construction contractor will define an OHS accountability matrix for all staff including

Project manager, contract manager, OHS staff, foremen, and all employees with clear roles and OHS responsibilities. Each Contractor must have its own OHS staff that will be responsible for the implementation and supervision of the OHS program. Contractors will provide a safe workplace; therefore, a risk assessment will be completed before the commencement of any construction activities, and safety measures will be implemented in accordance with applicable safety standards. PPEs and other preventive measures will be provided at no cost for employees. All employees will strictly follow Golden rules¹⁴ for life threatening works (OHS rules that cannot be broken in any

Circumstances), which will be enforced under contractual matrix of consequences. There will be a construction OHS committee with representatives of employees, the PCU and all subcontractors. Bi - weekly OHS meetings will be conducted to discuss preventive measures, deviations and non-compliances, accidents and corrective actions. Contractors will conduct internal OHS surveys and audits to verify compliance of OHS practices. Noncompliances will be documented and reported internally. A time frame for a corrective action will be set and followed up. Daily OHS briefings will be conducted before the commencement of the works highlighting the hazards and preventive measures from each job. Contractors will document and report to the PCU all accidents and illness with a day lost or more, fatalities or serious injuries that may happen at the work site.

There must be on site resources for first aid and for more serious injuries there must be a pre-approved health facility for medical treatment, as well as appropriate transportation of injured workers. Workers must be trained to perform hazardous works such as working at heights, confined spaces, welding etc.). All workers must complete at minimum an OHS induction to have access to the construction site.

The Supervision Consultant will conduct periodic supervision of contractor's OHS performance, including site visits, daily. These supervisions will cover compliance with above mentioned standards, accidents, violations of golden rules, recommendations, and progress of ongoing corrective actions. GSE will include in the contract(s) as requirement for contractors to report on issues such as number of accidents rates, severity rates, and number.

The supervision consultant will review and approve contractors' safety plans and procedures. The construction contractor will develop and implement Code of Conduct. The construction contractor should also submit the Code of Conduct to supervision consultant for review and approval. The Code of Conduct will reflect the company's core values and overall working culture. Furthermore, the contractor will develop a Code of Conduct with special regards to prevention of SEA/AH, either as a stand- alone document or as a part of the general Code of Conduct. The Contractor must be sure that the SEA/AH Code of Conduct is read, understood and signed by all workers. The content of the Code of Conduct is included in the World Bank Standard Bidding Documents and will include provisions relating to SEA/SH prevention. The contractors will be required to provide the periodic information on the performance in terms of labor, occupational health and safety issues. The information will be included in the construction contractor's monthly report and will be reviewed by the supervision consultant's team. In

addition, Contractors shall report to the PCU about any inspections and audits carried out by the respective ministries – Labor, Health and Social Affairs of Serbia. The findings of the labor inspections will be presented to the PCU and the Bank at request. Contractors shall prepare reports on labor & OHS issues. The PCU will inform the Bank promptly about any incident or accident on the project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance) as soon as reasonably practicable, but no later than five calendar days after the occurrence of the event. Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage. The PCU will prepare a report on the event and the corrective action and submit it to the Bank within 30 calendar days of the event.

The MoH will inform the Bank within 48 hours about any incident or accident related to the project which has or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers (labor, health and safety, or security incident, accident or circumstance), but no later than three calendar days after the occurrence of the event. Such events can include strikes or other labor protests, serious worker injuries or fatalities, project-caused injuries to community members or property damage. A report on the event and the corrective action plan will be prepared and submitted to the Bank within 30 calendar days of the event.

Content of a Code of Conduct is included in the World Bank Standard Bidding Documents and will include provisions relating to SEA/SH.

The contractors will be required to provide periodic information on the performance in terms of labor, occupational health, and safety issues. The information will be included in their monthly report and will be reviewed by the supervision consultant's team.

In addition, the contractor shall report to the Borrower about any inspections and audits carried out by the respective ministries such as the Labor Inspection. The findings of the labor audits will be presented to the Borrower and the Bank, if requested.

9. AGE OF EMPLOYMENT

The minimum working-age in this Project will be 18 years of age. The national legislation prohibits child labor.

All parties engaging direct or contracted workers will be required to verify the identity and the age of all workers. This will require workers to provide official documentation to verify age such as a national identification card, passport, driver's license, birth certificate, and valid medical or school records.

If a child under the minimum age is discovered working on the project, measures will be taken to immediately terminate the employment or engagement of the child in a responsible manner, taking into account the best interest of the child.

10. TERMS AND CONDITIONS

The terms and conditions of employment in Serbia are governed by the provisions of the LL, while occupational health and safety is guided by the Law on Health and Safety at Work (LHSW).

A project worker may be employed or engaged for work on the project only after negotiating, signing, and receiving a copy of an employment contract or engagement agreement that contains information required by the provisions of the LL.

The project worker can be employed on a permanent (open-ended contract) or temporary (fixed-term contract) basis, or can be engaged without establishing the employment relationship on the basis of an agreement. In either case, the project worker will be registered in the Central Registry of Compulsory Social Insurance, in accordance with the national legislation of the Republic of Serbia. If the project worker is employed / engaged in his/her domicile country other than Serbia, he/she will be registered in accordance with the national legislation of that country. In the case of self-employed project workers, the evidence of registration in the Central Registry of Compulsory Social Insurance or a corresponding foreign body has to be presented.

The terms and conditions of employment or engagement of the project worker must meet the inter alia the following standards:

- The project worker should in advance be clear about the job he/she is going to do and the wage/salary/fee he/she is going to receive.
- The project worker will be paid on a regular basis, at least once a month, or, if so agreed, upon the completion of specific activities, in accordance with the employment contract or engagement agreement.
- The project worker will work eight hours a day as a principle.
- Any work longer than eight hours is considered overtime work and the project worker should receive extra payment for the hours of overtime work if applicable. In any case, the project worker cannot work more than 12 hours a day.
- The project worker is entitled to a daily rest of at least 11 hours within 24 hours.
- The project worker is entitled to a weekly rest of at least 24 consecutive hours.
- Average weekly hours of work in a six-month period cannot exceed 40 hours.

- The project worker is entitled to annual, sick, maternity, and family leave in line with the law and this LMP. Where the national legislation does not stipulate entitlement to leaves on any ground (i.e. temporary work), the contracted party will provide the project worker, at his/her request, with a reasonable period of leave taking into consideration all the circumstances.
- An employment contract or engagement agreement, except in case of permanent employment, ends on the date of its expiry, unless both parties have agreed otherwise. In case of an early termination, a written notice will be submitted at least 15 days in advance. The termination of the employment contract and payment of any related entitlements will be done in compliance with the national legislation in case contracted workers are non-residents if the law is compliant with this LMP. As per ESS2 requirement, statutory payments including severance payments, unused annual leave, social and pension contributions shall be paid before or on the date of employment termination.
- Risk related to specific jobs will be assessed. In conformity with the national legislation (LHSW), any third party engaging or employing contracted workers will be responsible for taking preventive and protective measures to ensure a safe and healthy work environment and informing the project worker on all the relevant issues and conditions affecting his/her health and safety at work. The project worker will respect regulations relating to the safety and protection of life and health at work in order not to put in danger his life and health or life and health of others.

COVID-19 Considerations: The project will overall follow relevant national guidance, and WHO guidelines to address risks of COVID-19 exposure for project workers.

Workers have a right to remove themselves from danger when they have justified reasons to believe that there is an imminent and serious danger to their safety or health, and the duty to inform their supervisors immediately.

- The Project shall establish mechanisms that will prevent discrimination, harassment, sexual harassment and abuse at work and ensure equal treatment and equal opportunity for all. The service providers working in Serbia should follow the procedure laid out by the national legislation regulating the area of discrimination, harassment and equal opportunity.
- Project workers have the right to form or join unions or other organizations of their choosing and to bargain collectively, in accordance with the national legislation. The employer (third party) will not interfere with the worker's right to choose the organization or opt for an alternative mechanism to protect their rights regarding working conditions and terms of employment.

- The project worker will be able to raise his/her grievances using the grievance mechanism defined in section 11.

11. GRIEVANCE MECHANISM

The PCU will develop and implement a grievance mechanism for direct workers to address workplace concerns.

The PCU will require any third party engaging or employing contracted workers to develop and implement a grievance mechanism for their workforce (including sub-contracted workers), prior to the start of any activity under the Project.

The worker's grievance mechanism will include:

- a procedure to receive grievances such as comment/complaint form, suggestion boxes, email, a telephone hotline;
- stipulated timeframes to respond to grievances and to address cases.
- a register to record and track the timely resolution of grievances.
- a responsible department to receive, record, address, and track the resolution of grievances.

The worker's grievance mechanism will be described in staff induction training, which will be provided by all third parties to all project workers. The mechanism will be based on the following principles:

- The process will be transparent and allow workers to express their concerns and file grievances.
- There will be no discrimination against those who express grievances, and any grievances will be treated confidentially.
- Anonymous grievances will be treated equally as other grievances, whose origin is known.
- Management will treat grievances seriously and take timely and appropriate action in response.

Information about the existence of the grievance mechanism will be readily available to all project workers (direct and contracted) through notice boards, the presence of "suggestion/complaint boxes", and other means as needed.

The Project workers' grievance mechanism will not prevent workers to use conciliation procedure provided in the LL or any other judicial mechanisms.

12. CONTRACTOR MANAGEMENT

The Borrower will use the Bank's 2017 Standard Procurement Documents for solicitations and contracts, and these include labor and occupational, health, and safety requirements. Bidders will be required to submit Labor and Working Condition Declarations as provided in Annex 2 of this LMP.

As part of the process to select third parties who will engage contracted workers, the PCU may review the following information (all or selected commensurate to the type of activities/services subject of the procurement procedure):

- Information in public records, for example, corporate registers and public documents relating to violations of applicable labor law, including reports from labor inspectorates and other enforcement bodies
- Business licenses, registrations, permits, and approvals.
- Documents relating to a labor management system, including OHS issues,
- Identification of labor management, safety, and health personnel, their qualifications, and certifications.
- Records of safety and health violations, and responses.
- Accident and fatality records and notifications to authorities.
- Records of legally required worker benefits and proof of workers' enrollment in the related programs, etc.

The contracts with selected third parties will include provisions related to labor and occupational health and safety, as provided in the World Bank SPD and the laws of the Republic of Serbia.

If a Supervision Consultant is engaged he will manage and monitor the performance of Contractors in relation to contracted workers, focusing on compliance by contractors with their contractual agreements (obligations, representations, and warranties). This may include periodic audits, inspections, and/or spot checks of project locations or work sites and/or of labor management records and reports compiled by contractors. Contractors' labor management records and reports may include: (a) a representative sample of employment contracts or arrangements between third parties and contracted workers; (b) records relating to grievances received and their resolution; (c) reports relating to safety inspections, including fatalities and incidents and implementation of corrective actions; (d) records relating to incidents of non-compliance with national law; and (e) records of training provided for contracted workers to explain labor and working conditions and OHS for the project.

13. COMMUNITY WORKERS

Community workers will not be engaged as the nature of the project does not require engagement of the community labor.

14. PRIMARY SUPPLY WORKERS

Primary suppliers are not anticipated under this Project.

ANNEX 01 - SAMPLE CODE OF CONDUCT

CODE OF CONDUCT FOR PROJECT WORKERS

We are the Contractor, [enter name of Contractor]. We have signed a contract with [enter name of Employer] for [enter description of the Works]. These Works will be carried out at [enter the Site and other locations where the Works will be carried out]. Our contract requires us to implement measures to address environmental and social risks related to the Works, including the risks of sexual exploitation and abuse, and sexual harassment.

This Code of Conduct is part of our measures to deal with environmental and social risks related to the Works. It applies to all our staff, laborer, and other employees at the Works Site or other places where the Works are being carried out. It also applies to the personnel of each subcontractor and any other personnel assisting us in the execution of the Works. All such persons are referred to as “Contractor’s Personnel” and are subject to this Code of Conduct.

This Code of Conduct identifies the behavior that we require from all Contractor’s Personnel.

Our workplace is an environment where unsafe, offensive, abusive, or violent behavior will not be tolerated and where all persons should feel comfortable raising issues or concerns without fear of retaliation.

REQUIRED CONDUCT

The contractor’s Personnel shall:

- carry out his/her duties competently and diligently;
- comply with this Code of Conduct and all applicable laws, regulations and other requirements, including requirements to protect the health, safety and well-being of other Contractor’s Personnel and any other person;
- maintain a safe working environment including by:
 - o ensuring that workplaces, machinery, equipment and processes under each person’s control are safe and without risk to health;
 - o wearing required personal protective equipment;
 - o using appropriate measures relating to chemical, physical and biological substances, and agents; and
 - o following applicable emergency operating procedures.
- report work situations that he/she believes are not safe or healthy and remove himself/herself from a work situation that he/she reasonably believes presents an imminent and danger to his/her life or health;
- treat other people with respect, and not discriminate against specific groups such as women, people with disabilities, migrant workers or children;

- not engage in any form of sexual harassment including unwelcome sexual advances, requests for sexual favors, and other unwanted verbal or physical conduct of a sexual nature with other Contractor's or Employer's Personnel;
- not engage in sexual exploitation, which means any actual or attempted abuse of a position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another. In World Bank-financed projects/operations, sexual exploitation occurs when access to or benefit from Bank Financed Goods, Works, Consulting or Non-consulting services is used to extract sexual gain;
- not engage in sexual assault, which means any form of non-consensual sexual contact;
- complete relevant training courses that will be provided related to the environmental and social aspects of the Contract, including health and safety matters, sexual exploitation, and sexual abuse (SEA);
- report violations of this Code of Conduct; and
- not retaliate against any person who reports violations of this Code of Conduct, whether to us or the Employer, or who makes use of the [Project Grievance [Redress] Mechanism].

RAISING CONCERNS

If any person observes behavior that he/she believes may represent a violation of this Code of Conduct, or that otherwise concerns him/her, he/she should raise the issue promptly. This can be done in either of the following ways:

1. Contact [enter name of the Contractor's Social Expert with relevant experience in handling gender-based violence, or if such person is not required under the Contract, another individual designated by the Contractor to handle these matters] in writing at this address [] or by telephone at [] or in person at []; or
2. Call [] to reach the Contractor's hotline (if any) and leave a message.

The person's identity will be kept confidential, unless reporting of allegations is mandated by the country law. Anonymous complaints or allegations may also be submitted and will be given all due and appropriate consideration. We take seriously all reports of possible misconduct and will investigate and take appropriate action. We will provide warm referrals to service providers that may help support the person who experienced the alleged incident, as appropriate.

There will be no retaliation against any person who raises a concern in good faith about any behavior prohibited by this Code of Conduct. Such retaliation would be a violation of this Code of Conduct.

CONSEQUENCES OF VIOLATING THE CODE OF CONDUCT

Any violation of this Code of Conduct by Contractor’s Personnel may result in serious consequences, up to and including termination and possible referral to legal authorities.

FOR CONTRACTOR’S PERSONNEL:

I have received a copy of this Code of Conduct written in a language that I comprehend. I understand that if I have any questions about this Code of Conduct, I can contact [enter name of Contractor’s contact person with relevant experience in handling gender-based violence] requesting an explanation.

Name of Contractor’s Personnel: [insert name]

Signature: _____

Date: (day month year): _____

Countersignature of an authorized representative of the Contractor:

Signature: _____

Date: (day month year): _____

ANNEX 02 - LABOR AND WORKING CONDITION DECLARATION

Form of Labor and Working Condition Declaration

Date: _____

RFB No.: _____

Alternative No.: _____

Contract Title: _____

To:

We, the undersigned, declare that:

We understand that a Labor and Working Condition Declaration must support Bids.

We accept that, if awarded the Contract, we, including our Subcontractors, are required to comply with the Labor and Working Conditions Standards under the Contract

Hereby we declare that:

- We are aware of, and comply with, the standards laid down in the Labor Management Procedures;
- We conform to all national laws* and applicable regulations concerning employment, labor and employee relations, and labor and working conditions;
- We are committed to providing a safe and healthy environment for our employees and to implementing all occupational health and safety requirements as stipulated by national legislation and the LMP;
- We do not tolerate any form of child, forced or slavery work.
- We prohibit any form of harassment, sexual harassment, abuse, violence, including Gender Based Violence (GBV) at work and forbid direct or indirect discrimination against any employee or groups of employees on any ground and for whatever reason.
- We confirm that a worker Grievance Mechanism is available
- We confirm that no worker GM is available but will be established by the time the contract is signed.

We hereby state that should we be awarded with the contract we shall adopt the Labor Management Procedures applicable to the project and incorporate them in our practice.

We understand that the failure to respect any of the above stated commitments could lead to termination of the contract and exclusion from the project.

Name of the Bidder* _____

Name of the person duly authorized to sign the Bid on behalf of the Bidder** _____

Title of the person signing the Bid _____

Signature of the person named above _____

Date signed _____ day of _____, _____

*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

** : Person signing the Bid shall have the power of attorney given by the Bidder attached to the Bid

[Note: In case of a Joint Venture, the Labor and Working Condition Declaration must be in the name of all members to the Joint Venture that submits the Bid.]

Position:

*National Laws refers both to the Laws of Republic of Serbia and the domicile Law of the country in case the Bidder is foreign



The Ministry of Health of the Republic of Serbia
Nemanjina 22-26, 11000 Belgrade

**SERBIA NONCOMMUNICABLE DISEASES
PREVENTION AND CONTROL PROJECT
REPORT ON PUBLIC CONSULTATIONS**

held for:

**Environmental and Social Management Framework (ESMF)
Stakeholder Engagement Plan (SEP)
Labor Management Procedures (LMP),
Environmental and Social Commitment Plan (ESCP)**



FINAL DOCUMENT
B E L G R A D E, September 2023

1. REPORT ON PUBLIC DISCLOSURE AND PUBLIC CONSULTATION

As required by WB Environmental and Social Standard 10 (ESS10) – Stakeholder Engagement and Information disclosure, during preparation of Draft ES instruments (ESMF, ESCP, SEP and LMP) for the Serbia Noncommunicable Diseases Prevention and Control Project (NCD) the Borrower carried out public consultations with relevant stakeholders.

Starting from 02 August 2023, Ministry of Health of the Republic of Serbia (MOH) disclosed the Draft ESMF, ESCP, SEP and LMP on its web site and announced invitation for Public Consultations for the public, bodies and organizations interested in subject instruments prepared for Serbia Noncommunicable Diseases Prevention and Control Project. Public and other interested parties and organizations were invited to participate in process of public consultation on draft ESMF, ESCP, SEP and LMP instruments.

Draft instruments and invitation to the Public Consultations were also available on the web site of the MOH: <https://www.zdravlje.gov.rs/tekst/352907/projekat-u-pripremi-prevencija-i-kontrola-nezaraznih-bolesti-u-srbiji.php>.

On 08 September 2023, at 2:PM (local time), public consultations and presentation of the Draft ESMF, ESCP, SEP and LMP were organized at the big conference hall reserved by the Project Coordination Unit, Pasterova 1, Belgrade. The meeting was attended by a diverse group of 26 stakeholders⁹, namely:

- 12 representatives of MOH, members of Project Coordination Unit (PCU),
- 2 representatives of Institute of Public Health of Serbia “Dr Milan Jovanovic Batut”
- representative of Medicines and Medical Devices Agency of Serbia - ALIMIS
- representative of Serbian Academy of Sciences and Arts - SANU
- representative of Primary health center Dr.Hadzi Janos Backa Topola
- representative of Belgrade City Public Health Institute - GZJZB
- representative of Primary health center Novi Beograd
- representative of Primary health center Arandjelovac
- representative of Primary health center Zajecar
- representative of Primary health center Zemun
- representative of Primary health center “Savski venac” Belgrade
- representative of Primary health center Pancevo
- representative of Primary health center Veliko Gradiste
- representative of Primary health center Surdulica
- Moderator / Translator

The consultation consisted of two parts. In the first, introductory part, Ms. Biljana Kozlovic, PCU Coordinator, explained to the participants the goal and components of the NCD Project and introduced the team members who will manage this project. Also, participants were informed in general of the ESF and the purpose of ESMF, ESCP, SEP and LMP during implementation. In addition, it was emphasized that all activities supported under the Project shall be environmentally and socially sound, sustainable, and consistent with WB ESS and Serbian national legislation.

In the second part, a presentation of subject ES instruments was held. Igor Radovic, NCD Environmental Specialist presented ESMF and ESCP and explained to the participants expected environmental impacts of the project, the envisaged mitigation measures and appropriate monitoring activities. Also, project screening procedure and risk classification are explained, as well as legal and administrative framework for Project.

Ms. Ksenija Petovar, Social Specialist presented the SEP and LMP and explained to the participants the expected social impacts of the project, as well as ways to manage the social risks of the project. The WB Standards that will be applied to the project have been clarified, and special emphasis has been placed on

⁹ Names, phones and E-mail addresses are known to the PCU and archived properly

labor management procedures and labor relations during project implementation. The importance of identifying vulnerable groups and establishing a Project grievance mechanism were emphasized too.



Figure 1: Public consultation in Belgrade, 08 September 2023



Figure 2: Public consultation in Belgrade, 08 September 2023



Figure 3: Public consultation in Belgrade, 08 September 2023



Figure 4: Public consultation in Belgrade, 08 September 2023

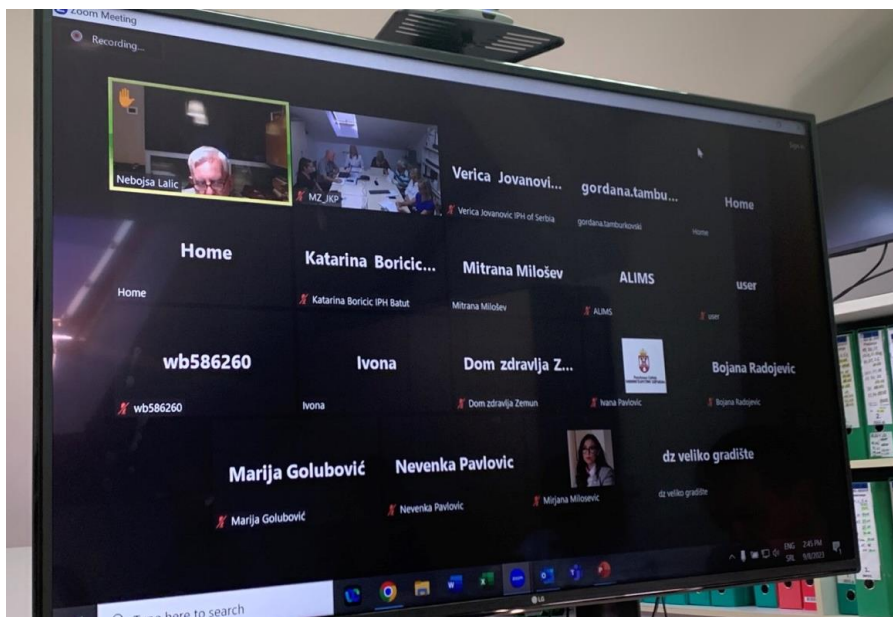


Figure 5: Public consultation in Belgrade, On-line participants, 08 September 2023

Special focus was given to project description, implementation arrangements, potential environmental and social impacts, grievance redress procedures, labor management, screening forms and development of environmental and social management plans during Project implementation.

The importance of Labor management and most important provisions of WB Environmental and Social Standard ESS2 (Labor and Working Conditions) are also explained to the public during presentation of ESMF, ESCP, SEP and LMP.

Before starting with questions of participants, institutional responsibilities and monitoring and reporting procedure on Project were presented and explained. However, the whole consultation have taken a participatory form and turned into a very interactive discussion with participation of all present Stakeholders very early before the moderator handed over the floor to the participants. This

Consultation started according to schedule at 2:00 PM and ended at 3:00 PM local time.

Comments, Questions and Answers during public presentation and consultations:

Q1: the representative of the Serbian Academy of Sciences and Arts - SANU gave a suggestion to the PCU to avoid focusing only on type 2 diabetes as a characteristic non-communicable disease but that it is more correct to use the general formulation - diabetes, which includes a wider a set of related diseases.

A1: PCU representatives have accepted the suggestion and the final ES instruments will be corrected in accordance with the subject suggestion. In addition, PCU representatives informed all participants that the consultation process remains ongoing during the whole project cycle, and all participants were given the opportunity to submit their questions, remarks and suggestions at any moment during the NCD project.

Opinions and remarks provided in written form:

Written opinions and remarks related to ESMF, ESCP, SEP and LMP instruments were not received during the 21 days intended for consultations with interested citizens and organizations.

2. LIST OF PARTICIPANTS - PRELIMINARY CONSULTATIONS WITH KEY STAKEHOLDERS, 08 SEP 2023

The attendance sheet has been archived by the PCU and will not be used in this report for privacy reasons.

SERBIA NONCOMMUNICABLE DISEASES PREVENTION AND CONTROL PROJECT
REPORT ON PUBLIC CONSULTATIONS – ESMF, ESCP, SEP and LMP

3. DOCUMENTATION



The screenshot shows the website of the Ministry of Health of the Republic of Serbia. The main heading is "Projekat u pripremi: Prevencija i kontrola nezaraznih bolesti u Srbiji". Below this, there is a list of documents available for public consultation, each with a PDF icon and a right-pointing arrow. The documents include:

- Serbia Noncommunicable Diseases Prevention and Control Project – under preparation: Stakeholder Engagement Plan (SEP)
- Projekat u pripremi: Prevencija i kontrola nezaraznih bolesti u Srbiji – Plan angažovanja zainteresovanih strana (SEP)
- Serbia Noncommunicable Diseases Prevention and Control Project – under preparation: Labor Management Procedures (LMP)
- Projekat u pripremi: Prevencija i kontrola nezaraznih bolesti u Srbiji – Procedure upravljanja radnom snagom (LMP)
- Serbia Noncommunicable Diseases Prevention and Control Project – under preparation: Environmental and Social Commitment Plan (ESCP)
- Projekat u pripremi: Prevencija i kontrola nezaraznih bolesti u Srbiji – Plan obaveza na polju životne sredine i socijalnih pitanja (ESCP)
- Serbia Noncommunicable Diseases Prevention and Control Project – under preparation: Environmental and Social Management Framework (ESMF)
- Projekat u pripremi: Prevencija i kontrola nezaraznih bolesti u Srbiji – Okvir upravljanja životnom sredinom i socijalnim pitanjima (ESMF)
- Poziv na javne konsultacije o dokumentima koja se odnose na zaštitu životne sredine i socijalna pitanja
- Invitation to public consultations about E&S documents: SEP, LMP, ESCP and ESMF

Figure 6: ES instruments on Serbian / English and Call for public consultation on MOH web site

chrome-extension://efaidnbnmnnibpcajpcglclefindmkaj/https://www.zdravlje.gov.rs/view_file.php?

IP  SNDPCP  Projects  NCD Page  EBRD Projects finder  EBRD PSDs  Gmail

 zdravlje.gov.rs / Oglas_Public...documents_SRP

Сагласно еколошком и друштвеном оквиру Светске банке (ESF) и Еколошком и друштвеном стандарду 10 (ESS10)

Република Србија
Министарство здравља

позива на

ЈАВНЕ КОНСУЛТАЦИЈЕ
јавност, органе и организације заинтересоване за

План ангажовања заинтересованих страна (SEP),
Процедуре управљања радном снагом (LMP),
План обавеза на пољу животне средине и социјалних питања (ESCP) и
Оквир управљања животном средином и социјалним питањима (ESMF)

припремљене за

ПРОЈЕКАТ „ПРЕВЕНЦИЈА И КОНТРОЛА НЕЗАРАЗНИХ
БОЛЕСТИ У СРБИЈИ“

Увид у предметну документацију може се извршити на следећи начин:

- Штампани примерци доступни су у просторијама Јединице за координацију пројекта, Пастерова 1, Београд, сваког радног дана од 11 до 13 часова, од тренутка објављивања овог обавештења до дана јавних консултација
- Електронске верзије докумената објављене су на интернет страници Министарства здравља: <https://www.zdravlje.gov.rs/tekst/352907/projekat-u-pripremi-prevencija-i-kontrola-nezaraznih-bolesti-u-srbiji.php>

Примедбе и мишљења на предметне документе достављају се у писаној форми поштом на адресу Министарства здравља – Јединице за координацију пројекта, Пастерова 1, Београд или електронском поштом на адресу NCD_project@zdravlje.gov.rs или непосредно током јавних консултација.

Јавне консултације и презентација предметних докумената одржаће се **8. септембра 2023.** у 14:00 часова, путем интернета, на широко доступној интернет платформи. Позивају се сви заинтересовани органи, организације и појединци да потврде своје учешће и да, уколико се одреде за онлајн присуство, доставе своје и-мејл адресе на: NCD_project@zdravlje.gov.rs најкасније до 7. септембра 2023. до 13 часова.

За додатне информације обратити се на следећу адресу:

Министарство здравља
Јединица за координацију пројекта
Пастерова 1, III спрат
11000 Београд, Република Србија,

SERBIA NONCOMMUNICABLE DISEASES PREVENTION AND CONTROL PROJECT
REPORT ON PUBLIC CONSULTATIONS – ESMF, ESCP, SEP and LMP

Figure 7: Call for public consultation on MOH web site

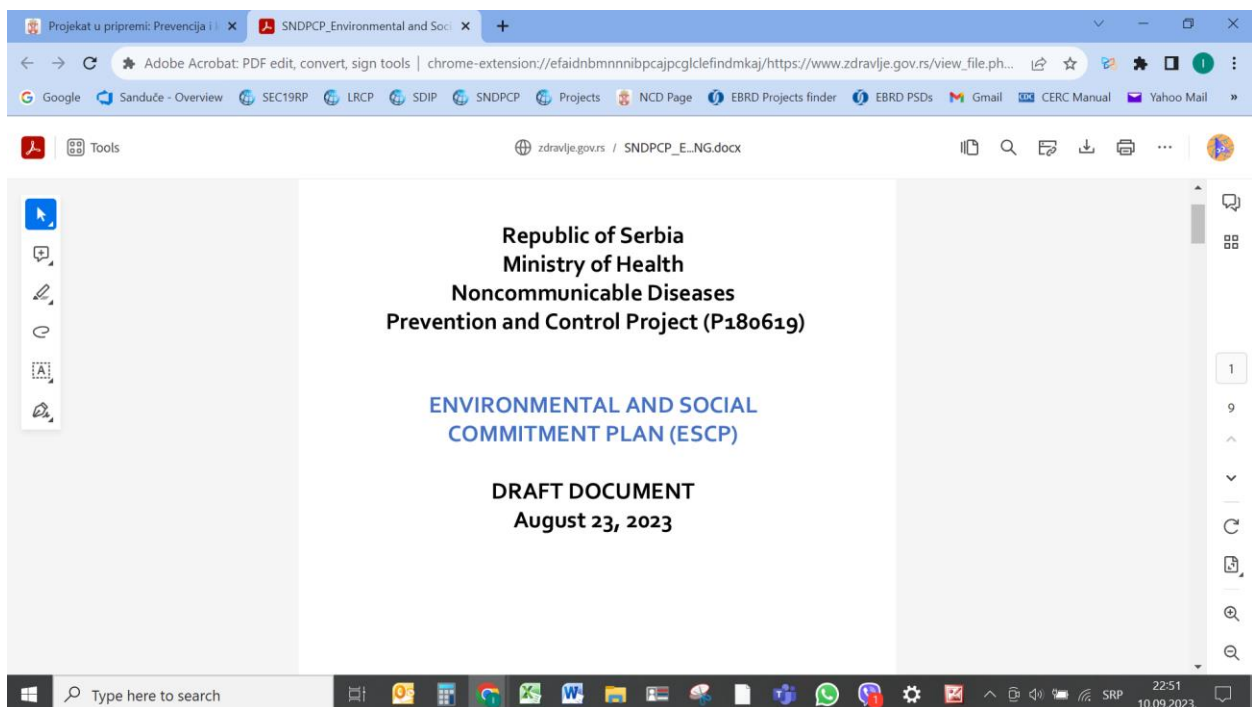
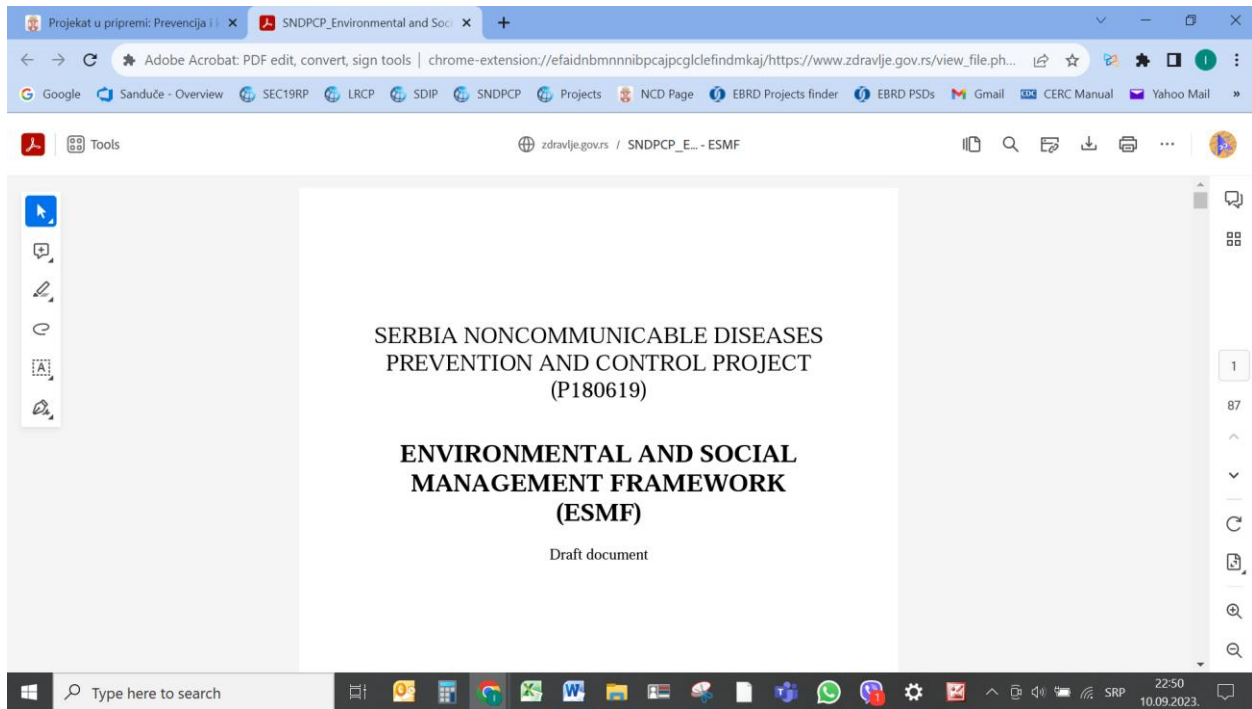


Figure 8: Publicly published DRAFT ESMF and ESCP on the MOH website

SERBIA NONCOMMUNICABLE DISEASES PREVENTION AND CONTROL PROJECT
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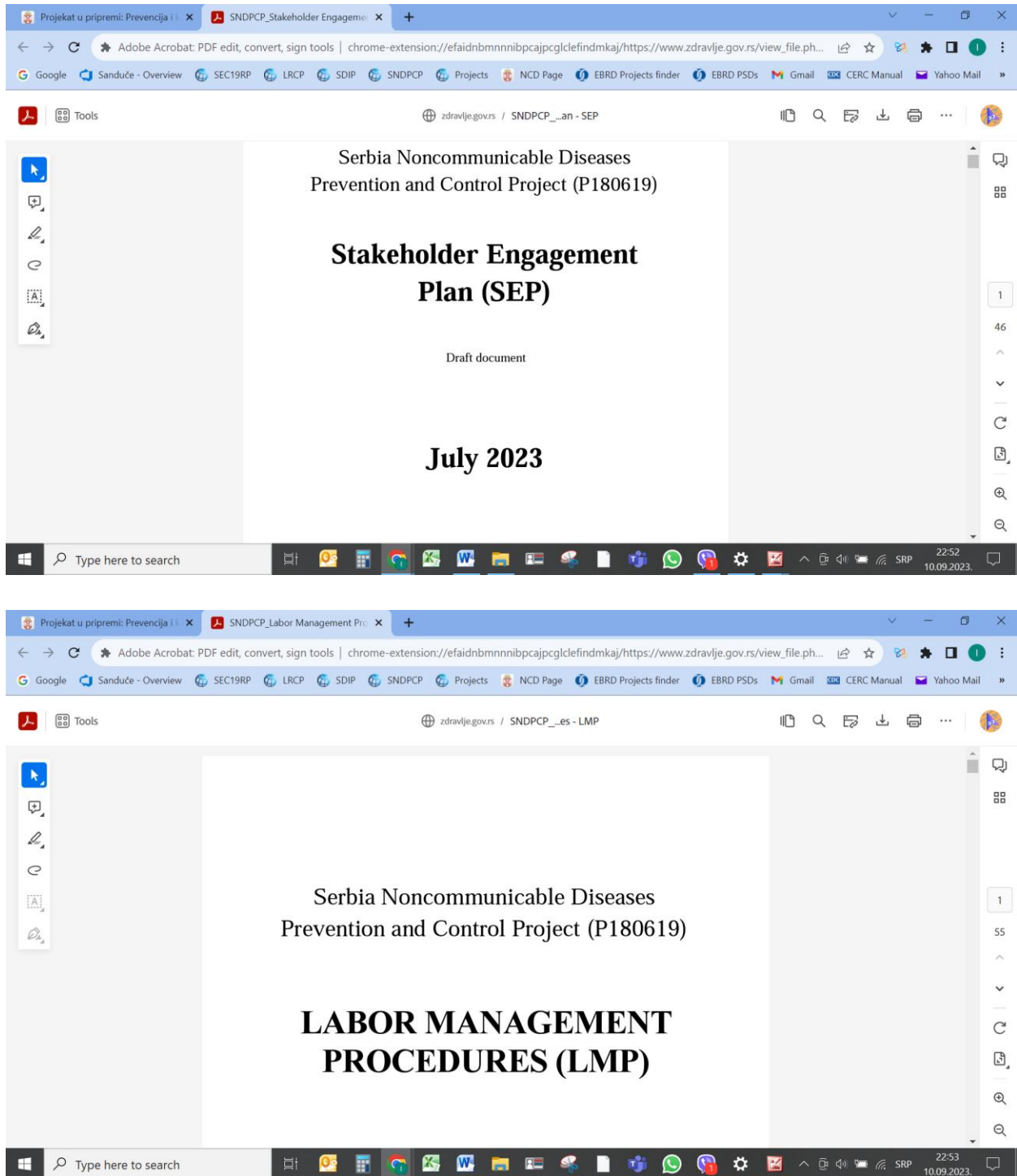


Figure 9: Publicly published DRAFT SEP and LMP instruments on the MOH website