



IntegrAGE project

POLICY RECOMMENDATIONS

SERBIA



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1. Country and regional context

Key strategies and policies related to Age management at the national level are the Strategy for Active and Healthy Aging in the Republic of Serbia for the period from 2024 to 2030 with an action plan and the Strategy for the Development of Education in the Republic of Serbia until 2030 with an action plan. In addition, in Serbia, other strategies have been adopted for different areas, which in their segments can relate to the 55+ population. In addition, at a lower level, in the defined development strategies of local self-governments, special parts deal with the development of education, the needs of the labor market and the economy, and other aspects that include and relate to the position and opportunities of the 55+ age category. The strategy related to active and healthy aging includes the transition to the category of persons older than 65 years.

In the context of education, given the existing mismatch of skills on the labor market, in the Program of Economic Reforms of Serbia 2024-2026. it was pointed out that investments in adult education are needed. The rate of participation in education and training of the population aged 25-64 in the Republic of Serbia is about 5.2% in 2022, which is significantly lower (about 2.3 times) than the average rate in the EU (EU-27 11.9%). Quality assurance in non-formal education is achieved through a training system at a publicly recognized organizer of adult education activities, and in Serbia, 156 institutions for the realization of 666 accredited non-formal education programs have this status.

In the Republic of Serbia, the process of demographic aging of the population is characteristic, which is reflected in the declining participation of young people and the increased participation of older people in the labor market. In addition to negative natural growth (which is a consequence of low birth rate and high mortality), there is also a continuous emigration of the population. This trend raises the issue of labor shortage and points to the importance of hiring and keeping the 55+ population longer on the labor market, according to the needs of the economy. Creating an economic and social environment for slowing down the departure of the working-age population, strengthening ties with the diaspora and encouraging the return of the working-age population, while attracting foreigners with different educational profiles, are just some of the measures implemented by the Republic of Serbia, which are part of the planning documents adopted in the previous period and which do not reduce the need and importance of the topic of activities of the 55+ population.

2. Selected measures

2.1. Measure 1 - Additional support measures for training and education of persons over 55 years old on the labor market (with a focus on improving their cognitive, manual and social skills)

- **Description of the measure**

The first proposed measure is additional support measures for training and education of persons over 55 years old on the labor market, which are focused on improving their cognitive, manual and social skills. It is recommended to introduce specialized training programs that include digital and communication skills, as well as mentoring programs that enable the transfer of knowledge between older and younger workers.

The National Employment Service is involved in the work on developing measures for the elderly population, and based on examples from practice, most of the training for people over 55 is focused on functional adult education, acquiring practical skills, training at the request of employers, as well as training that is adapted to the needs of the labor market. In Serbia, according to the experiences of competent institutions, a high percentage of the population 55+ shows an interest in acquiring practical knowledge and skills needed by the labor market.

Within the framework of the structural reform "Education for sustainable development and work readiness" in the Program of Economic Reforms, the increase in the relevance of the education system through a multidimensional focus on learning connected to practical work, which ensures a more efficient response of the education system to the needs of the economy and employability, is particularly highlighted. The structural reform consists of two measures, one of which is Qualifications oriented to the needs of the labor market. Within the Program of Economic Reforms for the period from 2024 to 2026, in the areas of Education and Skills and Employment and the Labor Market, age categories 55+ are not specifically mentioned (the Program of Economic Reforms recognizes the categories of young people and their role in the labor market and in the education system, according to needs economy and improvement of competitiveness in the sectors of agriculture, industry and services).

- **Barriers and preconditions for successful implementation**

Special additional support measures that should be defined in order to successfully integrate older workers 55+ into the labor market are focused on specialized programs for improving the knowledge and skills needed in the labor market. Specialized training programs for digital and communication skills are especially necessary, given the prejudice against the elderly and their

slower and longer acceptance of new knowledge, especially in the field of information technology. Specialized measures include concepts of mentoring programs that would include both senior and junior colleagues. Older persons who are employed can contribute a lot to the education of younger colleagues, while the reversible transfer of knowledge available to younger generations should not be neglected.

In this process, the need for systematic communication between the management structures and the human resources department is particularly indicated in order to create internal programs that would contribute to the implementation of these changes. The need to promote examples of good practice and results that lead to the desired outcome in shorter terms was particularly emphasized. In the economy, it is recognized that there is a real need for additional training of employees with secondary education. Also, financial support measures would be an incentive for employers who introduce these initiatives. The existing measures need to be analysed, revised and researched into what types of financial incentives would be attractive to employers. In the context of faster implementation of measures, it is pointed out the need to divide the measures into those related to the employed and those related to the unemployed. Mentoring as one of the methods is recognized and promoted through work activities.

- **Policy actors and instruments for implementation**

The relevant institutions for the implementation of these measures include the Ministry of Labor, Employment, Veterans and Social Affairs, the Ministry of Education, the National Employment Service, the Chamber of Commerce of Serbia, as well as local self-government units.

The instruments for implementation are the Action Plan for the implementation of the Employment Strategy, which defines the actors, the necessary financial resources and the dynamics for implementation, and which is normally adopted regularly every or every other year in Serbia.

Also, it is important to separate the educational groups when defining the trainings, because this is crucial for the effectiveness of the mentioned programs. When developing the methodology, it is especially necessary to monitor the assessment of practicality in implementation. The need for trainings that would be adapted to local communities, i.e. topics that are specifically needed in the field, was also noticed.

It is necessary to point out the previously existing financial incentives for the employment of older (unemployed) persons, which have been abolished and do not exist as a measure. The proposal is to consider the return of these types of measures and their implementation. It is necessary for the competent state institutions to be more transparent and communicate more

clearly all topics related to the training and opportunities they provide. Also, the measures must be fast and efficient, because employers do not have much time for the needs of business processes (if staff is needed, it is usually necessary to find an adequate solution in a very short period of time).

- **Impact Assessment**

The initiative should raise awareness in companies and motivate HR departments to actively manage the careers of people 55+. Current shortages of certain professions as well as employees increasingly point to the need for companies to integrate this topic into corporate decision-making systems and structures. It is necessary to create a stimulating work environment for employees of the 55+ age group, but with a clear definition of business processes that necessarily include work in teams of different ages (respecting the differences between generations and nurturing all forms of communication development between them). This measure eliminates inequality in access to education and employment opportunities and actively supports continuous professional development for all employees, including those over 55.

In terms of coherence and complementarity, the measure is well aligned with existing strategies that promote employment and lifelong learning in Serbia. This measure supports the adaptability and integration of older people into the labor market.

The effectiveness of this measure can be evaluated through the records of the CROSO database and official data provided by the HR department. For individuals aged 55+, this measure contributes to the improvement of skills and creates opportunities for longer employment. The indicator of success can be assessed by monitoring the structure of employees for the 55+ age category, as well as the assessment of the need for their further employment, regardless of age and retirement.

The effectiveness of this measure can be evaluated by the process of monitoring the implementation and requires the engagement of key actors (departments of the National Employment Service, competent ministries, business associations as well as competent HR services in economic entities). Monitoring mechanisms should include all support measures and transparency of the entire process.

2.2. Measure 2 - Introduction of mandatory systematic examinations as a preventive measure to preserve health, aimed at early detection of diseases and improvement of quality of life

- **Description of the measure**

Introduction of mandatory systematic examinations as a preventive measure to preserve health, aimed at early detection of diseases and improvement of quality of life. Proposed measures include mandatory health examinations, health education, motivation for regular examinations and financial relief for employers who organize these examinations. These activities contribute to the health of employees and reduce the costs of the health system.

This measure could be part of the general health care system of all employees, bearing in mind that everyone already allocates significant funds for this purpose through salary contributions for health care. The state has experience in the application of this measure, but also a developed awareness of its need, given the numerous occasional actions by which the population is invited to perform certain health control examinations at the expense of the state.

The right to health care in Serbia is exercised by all insured persons, but the scope and content of the right from compulsory health insurance varies depending on the conditions prescribed for their exercise. Funds for the functioning of the health system are provided through contributions for mandatory health insurance (at a rate of 10.3%), general taxation, out-of-pocket payment, premiums for voluntary health insurance and international donations. Total expenditures for health care amounted to 8.7% of GDP in 2020, while expenditures per inhabitant are around EUR 670. EUR¹.

Within personal consumption, households allocated only 4.4% of personal consumption for health in 2022². The number of insured persons on waiting lists is increasing, as a result of the corona virus pandemic. The unique waiting list for 26 health services is updated on a daily basis and published on the website of the Republic Health Insurance Fund (RFZO)³, and the total number of persons on this list is slightly more than 77,000, in mid-October 2023.

¹ Svetska banka, Health Nutrition and Population Statistics <https://databank.worldbank.org/source/health-nutrition-and-population-statistics>

² RZS, Anketa o potrošnji domaćinstva <https://publikacije.stat.gov.rs/G2023/Htm/G20231104.html>

³ https://www.rfzo.rs/index.php/index.php?option=com_content&view=article&layout=edit&id=987

In order to develop and modernize the system of health documentation and records in health care, a new Law on health documentation and records in health care ("Official Gazette of RS", number 92/23) was adopted, which more clearly defined the scope and purpose of the e-Carton. The mentioned law established that all medical data of the patient should be chronologically consolidated in one place, which will enable faster diagnosis and increase the quality of the provided health service.

- **Barriers and preconditions for successful implementation**

The biggest obstacle to the implementation of this measure may be the lack of personnel in the healthcare sector in Serbia, which is why the population is often forced to wait for certain medical examinations or interventions for a long period (sometimes several months). The solution may be the involvement of private health institutions in the implementation of this measure, but then this raises the question of financing, that is, who will cover the costs of performing these health examinations. Accordingly, a prerequisite for the introduction of the measure can be a comprehensive analysis of the capacities (human and financial) for the implementation of the measure.

- **Policy actors and instruments for implementation**

The proposal of this measure is extremely important and useful for Serbia because it directly affects the productivity and employment opportunities of the age category 55+. The proposals are to subsidize employers additionally, in order to avoid their financial burden because it is an unequivocal benefit for both employers and society. In cases where this measure represents an additional cost for employers, it would be necessary to establish a sustainable implementation system. On the other hand, employees also have the option of earmarking a certain amount of funds from the severance funds of employees 55+ for these purposes.

- **Impact Assessment**

The implementation of the measure would have a significant impact on extending the working life of employees, reducing absence from work due to illness, but also better assigning employees to workplaces, in accordance with their capabilities and capacities, and consequently increasing their efficiency.

The implementation of the measure could also contribute to the reduction of the overall costs of health services, because early detection of various diseases and preventive treatment could prevent or stop other more serious health problems of the population, which often require continued treatment abroad.



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In the past, the annual inspection was also mandatory, that law no longer exists and one of the proposals is to introduce it as a mandatory measure. The state has experience with that system in the past, but it is certainly a novelty for employers (examinations would be performed in health centers in order to reduce the cost for employers).

The measure generally has a contribution to society as a whole.

2.3. Measure 3 - Implementation of the Age-friendly Company and quality seal/Certificate system

- **Description of the measure**

This is a measure proposed in order to raise awareness of the topic and to promote those employers who are already dealing with this topic. It is extremely important for raising awareness.

The measure of the introduction of the "Family Friendly" certificate includes the adoption of a standard at the national level that defines the optimal relationship (balance) between business and private life, and defined in this way is more comprehensive compared to exclusively supporting the employment of those over 55 by employers, as well as the special treatment of these employed by employers. This measure would define conditions or criteria that a business entity should satisfy (fulfill) in order to receive a certificate. Among the criteria would be those concerning the attitude of employers towards those older than 55. Objectivity in the procedure dictates that the Commission that would make the decision on awarding the certificate be established, and economic entities could independently submit a request for obtaining this certificate.

Two key aspects of the measure are raising awareness of the importance of balancing work and private life and promoting a healthy life in order to extend working life, which is especially important in the conditions of the general tendency of a lack of personnel to perform numerous occupations.

The measure is also in the function of supporting socially responsible behavior and operations of business entities, which represents a strategic framework for managing the company, based on investing in long-term and stable relationships with all key stakeholders and on the determination to actively contribute to the development and well-being of the society of which we are an inseparable part.

A special part of the measure could be certain benefits for business entities that hold the certificate (eg in terms of special support from the NES in employment, the possibility of a number of free trainings for employees for the purpose of their improvement - by the NES or PKS, some tax relief and the like).

The measure is not completely unknown in Serbia. Similar certificates already exist and business entities have independently undertaken certain similar activities in order to highlight their socially responsible operations in the public eye. At a recent meeting at the Serbian

Chamber of Commerce, representatives of the state administration pointed out that they are already working on adopting European Union directives in this area.

- **Barriers and preconditions for successful implementation**

Successful implementation of the measure requires consensus at the national level regarding the importance of the measure, the criteria that a business entity should meet in order to be the holder of the certificate, and an agreement on the institution or association that would logistically be the holder of the activity. The Chamber of Commerce of Serbia, as the largest association of businessmen in Serbia, has the capacity to implement this activity, so it could be granted the authority to implement it.

There are no obstacles that could make it difficult or impossible to implement this measure. Moreover, financial resources are not an obstacle either, as it does not seem that significant financial investments are needed to implement this measure.

Due to the benefit and wider impact of the measure, the actors involved in its implementation could do so without compensation.

- **Policy actors and instruments for implementation**

Relevant institutions for the implementation of these measures include the relevant ministries, at the moment they are the Ministry of Labour, Employment, Veterans and Social Affairs, the Ministry of Family Care, the Ministry of Rural Care, the National Employment Service, the Serbian Chamber of Commerce, the Employers' Union.

The instruments for the implementation of the measure are the Rulebook on awarding certificates, which would define the steps for the implementation of activities and, if necessary, other acts (regulations, decisions), so that the entire procedure would be objective, i.e. standardized.

- **Impact Assessment**

The measure should contribute to raising the awareness of employers about the importance of caring for employees and about the importance of diversification, i.e. differentiation and "care" for certain age categories of employees. In this way, employers would also be given instructions on how to behave, as well as all the necessary information that can make it easier for them to "manage" staff over 55 years of age, while respecting all their specificities and special needs.



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As an example, the directives of the European Union related to the balance between work and private life were mentioned at the meeting in the PKS. Representatives of the Ministry of Labour, Employment, Veterans and Social Affairs and a representative of the National Employment Service stated that they are working on a project to harmonize these directives with our legislation, and their implementation in Serbia is expected in the coming period. The beginning of the training project is expected at the beginning of next year (duration of 3 years), where the main result is expected to be a proposal for changes to the laws related to labor legislation. Legislation in Serbia will recognize and implement them.

3. Summary

The presented measures were discussed at the workshop with key actors, who supported the importance and proposals with additional arguments. The participants at the workshops emphasized the importance of the need to talk more about the identified problems and promote strategies that deal with the engagement of the older population. Everyone agrees that much more work should be done on this topic and that all the challenges that the economy faces in this matter should be pointed out in the media.

All participants agree that the support measures for the training and education of the 55+ age category with the aim of improving their cognitive, manual and social skills, the introduction of mandatory systematic examinations as a preventive measure to preserve health aimed at early detection of diseases and improving the quality of life and that is the promotion and implementation of the Age-friendly Company system and the quality seal/Certificate represent an important support for employment and active, quality and longer work engagement of employees 55+ on the labor market. It was pointed out that the aforementioned measures can achieve better work engagement and well-being for older workers aged 55+. Special emphasis was placed on the role and importance of mentoring support programs in companies because it is a proven way to transfer experience and knowledge, as well as improving communication between different generations and different professions in companies or people on the labor market.

The participants agreed that by applying these measures, they realize and benefit society as a whole and contribute to the sustainability of the whole concept through job satisfaction and quality of life. The joint engagement of business associations, organizations, companies and other interested parties and the development of additional methodologies for monitoring all activities and promoting examples of good practice will largely achieve the sustainability of the quality of involvement of the 55+ population in the labor market and thus the offer that meets the needs of work in the economy. entities of all sizes, from entrepreneurs and micro-enterprises to large economic systems.

4. Implications for action plan

The process of population aging affects all countries in Europe and significantly affects society and the health system as well as business operations in the context of changes in the labor market. These changes require coordinated measures and the development of common methods and methodologies in countries in order to monitor and coordinate the activities and actions of policy makers and other interested parties/participants in this process that affects all spheres of society in the same way. Sustainability means providing support for all systemic measures that effectively work to solve the problems of current demographic changes.

Therefore, the importance of healthy aging and preventive measures that ensure the functionality of individuals in the 55+ category on the labor market, the active promotion of examples of good practice and the exchange of experiences and operational practices between companies, with the central place of defining all measures to support the active involvement of the 55+ age group in the market of work, not only for manual skills, but also social skills, which are increasingly at the center of the activities of HR services, and cognitive skills in order to improve the functionality of employees and improve productivity. In doing so, the importance of encouraging and strengthening intergenerational cooperation is particularly pointed out, because the learning process is two-way through all the mentioned measures.