

KEY POLICY DEVELOPMENTS IN EDUCATION, TRAINING AND EMPLOYMENT – SERBIA 2022

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EXECUTIVE SUMMARY

The Serbian parliament elected a new government in October 2022 after the elections held on 3 April 2022. The Ministry of Education, Science, and Technological Development (Serbia) is divided into two ministries: the Ministry of Education and the Ministry of Innovation and Technological Development of the Republic of Serbia.

As of February 2022, Serbia has opened 22 out of 35 negotiating chapters, the last four chapters of which were opened in December 2021 as part of the cluster on green agenda and sustainable connectivity. Serbia has closed two chapters: Chapter 25 on Science and Research and Chapter 26 on Education and Culture. The Ministry of Education has launched the preparation of the 2030 Education Development Strategy Action Plan for the period 2023-2026. As a vital socio-economic development document in Serbia, public ownership and commitment of stakeholders in the implementation and monitoring of the strategy need to be ensured and maintained. It is important that the reports on the progress need to be published regularly and used as a platform for public dialogue.

In the context of EU integration, the coherence with the EU goals and policy dialogue processes should continue and be reinforced by the new Action Plan. Serbia adopted the new Strategy for the Development of Education by 2030, committing itself to education and training reforms with a view to joining the EU. In the reporting period 2021-2022, the government made progress in the areas of further developing digital skills, lifelong learning, and qualifications in line with labour market needs, improving school-to-work transition through work-based learning, improving skills information and piloting the Youth Guarantee. The adoption of the Matura exam (for secondary school graduates) has been postponed again, and June 2024 has been maintained as the tentative official rollout period. The centre for examinations has been established. These announced policy and operational commitments remain priorities for the Serbian Government's Economic Reform Programme for the period of 2022-2024.

The quality of vocational education and training (VET) is one of the main long-term focuses of the Education Strategy 2030. Attention will be dedicated to learning processes taking place in vocational schools and on the dual training model, in which a significant part of practical teaching is carried out with employers. Improvements in VET will be harmonised with the European Framework for Quality Assurance in VET (EQAVET). Serbia has been part of the EQAVET network since 2019 and has established the National Reference Point of Serbia for the Quality of VET. Both the Education Strategy and the Economic Reform Programme of the Serbian Government aim to set up a system to monitor and evaluate the national dual training model to ensure its quality.

During the Covid-19 pandemic, the government pushed for improvements in the digitalisation field. According to the *Usage of information and communication technologies in the Republic of Serbia, 2021 report*, 81.5% of Serbian households have an internet connection, with 91.7% using fixed-line broadband service and 73.3% using mobile broadband. In general, internet service in Serbia is reliable, and both private and state-owned telecommunications companies are steadily accelerating the development of their fibre-optic networks.

The Employment Strategy 2021-2026 defines reform steps aimed at establishing an efficient labour market in line with accelerated technological development and the prioritisation of youth employment. In the first half of 2022, the key ministries in charge, jointly and supported by ETF, launched a very inclusive process for reviewing the Career Guidance and Counselling system in Serbia with the aim of further developing and adapting the system. The key policy areas are included in the Serbia Youth Guarantee draft document.

Serbia has participated in the EU Research and Innovation programmes since 2007. Since then, Serbia has made significant progress regarding national research and innovation policies. It is the most successful country in the region in Horizon 2020. Areas of success in Horizon 2020 include ICT and Agricultural research as well as scientific cooperation in Energy. National efforts in supporting innovation have become successful and are complemented by the Smart Specialisation Strategy

2020-2027. This strategy emphasises the development of skills in relevant economic sectors. One of the key pillars of the strategy is the development of required skills through reforms in education and training. The strategy defines the economic sectors that deliver high-quality and highly skilled jobs and contribute to more significant and faster growth of companies. The strategy connects faculties, rectorships, science and technology parks and VET schools, all done through the collaboration of science and industry.

Serbia has introduced the 'Youth Guarantee' in three regions (as a pilot). The development and adoption of a plan for the implementation of this programme should be finalised at the end of 2022. The gradual introduction of the Youth Guarantee programme in the regions of Serbia is planned for the first half of 2024, according to a review of planned activities. The Economic Reform Programme also states that, as additional support to the economy in youth employment, from March 2022, tax relief will be available through which employers who enter an employment relationship with a new employee are exempt from paying 70% tax and 100% salary contributions for a newly employed person.

The overall progress across many fields (use of digital tools in education, healthcare, and other e-government services) has been significant. However, COVID-19 revealed a divide when it comes to geographic areas (regions) as well as across urban/rural lines. Notwithstanding the achievements in the above-mentioned areas, more emphasis is needed on improving the coordinated policy planning and coordination and sufficient human and financial resources on EU accession across all institutions.

The Draft Programme of Economic Reforms 2023-2025 provides for a total of 22 reforms. The programme's structural reforms are aimed at removing obstacles to economic growth and development in the next 3-year period. Public finance management, green transition, digital transformation, business environment and reduction of grey economy, research, development, and innovation are the priorities of the programme, followed by reforms in the field of economic integration, energy market, transport market, agriculture, industry and services, education and skills, employment and labour market, social protection and inclusion and healthcare. Within these areas, three key challenges have been singled out: increasing employment, especially among young people, women and vulnerable groups and social protection against poverty, creating a business environment more favourable for investments as well as greening the energy sector and fully opening the energy market. To ensure the widest possible consensus during the selection and creation of priority structural reforms during the process of drafting the document, consultations with civil society organisations are foreseen, which will be prepared in a separate annex to the ERP 2023-2025 document.

A significant development in the period 2020-2022 is the work done by the Serbian Qualifications Agency (SQA), the Council for the National Qualification Framework of Serbia (NQFS), the cooperation with relevant international bodies and the referencing of the NQFS to the European Qualifications Framework, support for the Sector Skills Councils, as well as support to developing qualification standards.

In February 2022, Serbia adopted a 'strategy for creating a stimulating environment for the development of civil society' for the period 2022-2030, referring also to the establishment of a council for civil society cooperation. The corresponding action plan, including specific activities and funding, has yet to be adopted to ensure its effective implementation. Further efforts are needed to ensure systematic cooperation between the government and civil society. An enabling environment for developing and financing civil society organisations (CSOs) still needs to be created on the ground, as verbal attacks and smear campaigns against CSOs continued.

1. KEY POLITICAL, DEMOGRAPHIC, ECONOMIC AND SOCIAL CHARACTERISTICS

Political developments

General elections were held in Serbia on 3 April 2022, electing the president and the members of the National Assembly. Serbia's new parliament convened some four months thereafter. The Serbian government continues to declare European integration as its strategic goal and to continue to enhance its ability to assume the obligations of EU membership by also working on alignment with the EU *acquis* over many areas.

The EU is Serbia's leading political and economic partner. The EU support and partnership for development make Serbia one of the largest recipients of EU donations in the Western Balkans. Given the European perspective of Serbia (as for the Western Balkans), the EU has continued to treat the region as a privileged partner by associating them with the EU's mechanisms and instruments. The EU programmes and support are focused on the key areas which should facilitate Serbia's preparation for membership of the European Union.

Demographics

The Statistical Office of the Republic of Serbia (SORS), estimates the population to be at 6.834 million in 2021, considering natural changes and migration data. The population growth rate continues to be negative. Also, with increasingly young and skilled people leaving the country and life expectancy over the period 2002-2019 increasing on average by about 0.2 years, the average population age increased from 40.2 to 43.5 years. The proportion of people aged 15-64 was 64.4%, and those over 65 were 21.3% (SORS, 2022). However, due to the COVID-19 pandemic, total life expectancy fell significantly from 75.7 years in 2019 to 72.7 years in 2021. SORS implemented the Census of Population, Households and Dwellings in October 2022. The results are expected to change the population data and the projections.

Although Serbia is one of two Western Balkan Six (WB6) economies attracting migrants from neighbouring economies, migration has continued to increase since 2010, with an emigration rate of 10% in 2020. This can be explained by an unfavourable domestic labour market, primarily due to low wages, difficulties in producing needed skills, a challenging business climate and underdeveloped social and health infrastructure (OECD, 2022), particularly when compared to the attractiveness of the labour markets in the EU. Thus, workers from across the occupational spectrum continued to emigrate. The authorities acknowledged the need to provide incentives for the return of the Serbian diaspora and to attract foreign experts by implementing its economic migration strategy for 2021-2027.

The European Training Foundation (ETF), together with the Vienna Institute for International and Economic Studies (wiiw), undertook a study in 2020 concluding that Serbia's biggest export 'product' is labour, with some 14% of Serbian natives living abroad at any given time. Private remittances from abroad increase disposable income in the country by more than 8%. Labour migration and depopulation remain defining features of Serbia's economy and society, and topics that periodically dominate the public debate, implying shifts in the population structure and, consequently, customer needs (Mihail Arandarenko, ETF, 2021).

Key economic developments

The European Commission (EC) conducted an independent analysis of Serbia's economy and identified the key structural challenges to competitiveness and inclusive growth, drawing on Serbia's own Economic Reform Programme and other sources. It identified three key challenges: (i) increasing employment of young people, women and vulnerable groups and social protection to combat poverty; (ii) creating a more favourable business environment for investment; and (iii) greening Serbia's energy sector and fully opening the energy market. Serbian institutions are benefiting from the EU's long-term

budget (Multiannual Financial Framework) for rolling out and implementing their reform agenda as indicated in the Serbia Economic Reform Programme for the period 2021-2023.

According to an assessment of the socioeconomic impact of the crisis (OECD, 2021), business operations were interrupted in over two-thirds of SMEs. Almost 20% ceased their operations, while an additional 49% lacked resources and operated with a reduced capacity. However, while the pandemic exacerbated existing challenges for SMEs, such as access to finance and markets, it also opened new opportunities.

The Serbian economy recovered well from a mild recession in 2020 (-0.9%). In 2021, Serbia's real GDP growth rate reached 7.4%, which was driven by private consumption thanks to a strong increase in salary levels and consumer loans. However, despite these positive trends, the country has shown uneven growth and managed to catch up only marginally with the average EU living standards. The gross value added by sector are as follows: agriculture 6.5%, industry 25.3% and services 51.5%. The economic recovery in 2021 was broad-based, except for the agricultural sector, where output declined by 5.4% in real terms. After a strong recovery from the pandemic, Serbia is now facing headwinds from the adverse global and regional environment, including Russia's war in Ukraine. Real GDP growth is projected to slow to about 2.1% in 2022 (and to 2.7% in 2023), because of weaker external demand from EU trading partners, along with higher energy prices, supply chain disruptions, and the recent drought. Driven by rising food and global energy prices, headline inflation is expected at about 12% on average in 2022. This is projected to slow in 2023 and return within the National Bank of Serbia's target band in 2024. Rising energy import costs, coupled with shortfalls in domestic electricity production and weakening external demand are expected to widen the current account deficit to about 9% of GDP, both in 2022 and 2023. Despite the adverse global environment, financial sector stability has been maintained and the exchange rate has remained stable (IMF, 2022).

National efforts in supporting innovation have become successful and are complemented by a Smart Specialisation Strategy (EC, Horizon 2020 key figures, 2020¹). The Government of the Republic of Serbia adopted its Smart Specialisation Strategy for the period 2020-2027 in February 2020. This strategy emphasises the development of skills in relevant economic sectors. One of the key pillars of the strategy is the development of required skills through reforms in education and training. The strategy defines the economic sectors that deliver high-quality and highly skilled jobs that contribute to greater and faster growth of companies. The strategy connects faculties, rectorships, science and technology parks and VET schools, all done through the collaboration of science and industry.

Key social issues

Serbia's legislative and institutional framework for upholding fundamental rights is broadly in place. Serbia adopted new strategies for anti-discrimination and Roma inclusion, as well as action plans on gender equality and Roma inclusion. Action plans, and related funding, in other areas were due in July 2021 (violence against women) and April 2022 (anti-discrimination; de-institutionalisation) and are now overdue. More efforts are needed to comply with the Law on the planning system, which requires that action plans be adopted within 3 months of the adoption of related strategies.

In 2020, 6.9% of the population was living in absolute poverty (7% in 2019). According to the latest survey on income and living conditions (SILC), the at-risk-of-poverty rate was 21.7% in 2020 (EU-27: 17.1%) and the at-risk-of-poverty or social exclusion rate was 29.8% (EU-27: 21.9%). As in previous years, there is more poverty in rural than in urban areas. The at-risk-of-poverty rate shows that individuals up to 18 years of age were the most exposed to this risk (24.2%), as well as individuals aged from 18 to 24 (23.6%). For 2020, 46.1% of the population self-identified as 'poor' (a slight decrease compared to 47.7% in 2019), placing Serbia at the bottom of the list of European countries that conduct SILC surveys.

¹ [Serbia - Research and innovation - European Union, https://research-and-innovation.ec.europa.eu/serbia_en](https://research-and-innovation.ec.europa.eu/serbia_en)

Inequality in income distribution is high at 33.3% of the Gini² coefficient according to income in 2020, which is above the EU-27 average (30.0%). The richest 20% of the population had an income 6.1 times higher (6.5 in 2019) than the poorest 20% (5.24 in EU-27). Although untargeted transfers were conducted during the COVID-19 pandemic and prior to the 2022 elections, no measures were designed specifically for the protection of the most vulnerable.

Public expenditure on social protection and budget transfers as a share of GDP has been gradually decreasing in recent years. It amounted to 14.8% of GDP in 2020. Furthermore, the number of beneficiaries of poverty-targeted programmes decreased, while those of categorical programmes increased (0.5% of GDP versus 1.52%). Means-tested social assistance programmes, with strict eligibility criteria, do not sufficiently reach the poor. There are also significant regional variations in coverage and a large share of children living in poverty are not covered by any benefit.

In September 2021, the Commissioner for the Protection of Equality issued a recommendation to the Ministry of Finance, requesting that persons without a residence registration or ID card should also benefit from support measures. No measures were in place to increase the coverage and adequacy of benefits for individuals and families under the financial social assistance scheme (FSA) to reduce poverty.

The Law on Social Cards entered into force in March 2022. It aims at a fairer distribution of social assistance and to reduce fraud through the establishment of a single social card register, connecting various public databases and enabling an overview of the social and material status of beneficiaries.

In February 2022, Serbia adopted a 'strategy for creating a stimulating environment for the development of civil society' for the period 2022-2030, referring also to the establishment of a council for civil society cooperation. The corresponding action plan, including specific activities and funding, has yet to be adopted to ensure its effective implementation. Further efforts are still needed to ensure systematic cooperation between the government and civil society.

² Gini coefficient, also known as the Gini index or Gini ratio, is a measure of statistical dispersion intended to represent the income inequality or the wealth inequality within a nation or a social group.

2. EDUCATION AND TRAINING

2.1 Trends and challenges

Education strategy and legal framework for education

In June 2021, the Government of the Republic of Serbia adopted the Strategy for the National Development of Education by 2030. This is a comprehensive strategy covering all education levels from ISCED 0 to ISCED 8, to adult education. Serbia's strategy focuses on education for sustainable development, digital education, and entrepreneurial learning, building on partnerships between public and private actors. The general objectives are related to an increased quality of teaching and learning, fairness and accessibility of pre-university education and strengthening the role of educational institutions. Furthermore, the strategy aims at improving the accessibility, quality, relevance, and equity of higher education. It includes teacher education, career guidance and other horizontal aspects of the educational system. An action plan for 2021-2023 accompanies the Strategy. The initial action plan included indicators and target values, in line with the provisions of the Law on the Planning System; however, the estimate of financial resources was incomplete. The Ministry committed to developing and adopting a new action plan for the period 2023-2026, with more accurate financial estimates.

Serbia is encouraged to continue participating in European frameworks (e.g., the new round of VET policy monitoring, the Osnabrück Declaration for Vocational Education and Training, the Torino process, EAFA, European Qualifications Framework, ENQA), and harmonise them with Serbia's monitoring and reporting framework, by aligning with EU targets and policy exchange processes for 2030.

VET in Serbia is regulated by the Law on Fundamentals of Education System, Law on Secondary Education (LSE), Law on Dual Education (LDE), Law on the Dual Model of Studies in Higher Education and Law on NQFS. Specific measures and activities in the field of VET are focused on: increasing the relevance of curricula and closer cooperation between the world of labour and education; improving the work of Sector Skills Councils (SSCs) in the process of developing proposals for qualification standards; improving the quality of work-based learning and students' practice in schools; developing students' key competencies; further developing formal and non-formal adult education, including CVET; and establishing 12 regional training centres for training, reskilling and upskilling in line with labour market needs in order to support the development of dual education and lifelong learning.

Since the implementation of the previous strategy mostly failed in adult education, goals that refer to RPL (Recognition of Prior Learning) and increasing the coverage, accessibility and quality of adult education and training programmes are again among the priorities. Also, one of the priorities is the development of short-cycle study programmes at NQFS level 5 to support further harmonisation of the NQFS with European policies and facilitate the recognition of foreign qualifications. Following SED 2030, such programmes should prepare students to enter the labour market or as one of the ways for entering higher education³.

In order to enhance skills, the Strategy on Scientific and Technological Development 2021-2030, Employment Strategy 2021-2026 and SED 2030 have been adopted and, by adopting the Economic Reform Programme – ERP 2021/2023, Serbian authorities have committed to implementing activities related to the development of digital skills and to support for lifelong learning; improving school-to-work transition through WBL; piloting the Youth Guarantee (YG) and improving skills information. In the chapter related to Education and Skills, qualifications oriented to the needs of the labour market

³ Serbia National Implementation Plans for the 2020 Council Recommendation on VET and Osnabrück Declaration, [National Implementation Plans - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](https://european-council.europa.eu/media/en/press-operations/infoboxes/20201124-statement-serbia-implementation-plans)

and monitoring and Evaluation Framework for Dual Education are explicitly mentioned among the reform priorities.

The main policy initiatives and reforms that were initiated are the result of the multisector approach and are supported by international funding aside from the national budget and the increases in coverage, quality, relevance, and efficiency of education. Serbia has committed to broader education and training reforms with a view to joining the EU.

Education expenditure

On average, Serbia allocates fewer resources to education than EU and OECD countries. Public expenditure for education as a percentage of GDP decreased from 4.3% in 2010 to 3.8% in 2015 and 3.6% in 2019. The share of education in total public expenditure in 2019 was 8.6% (latest data available).

The EU has been the largest donor in the sector in recent years, including through sector budget support. In addition to EU-funded projects, MoE is currently managing loans provided by the World Bank (WB), European Investment Bank (EIB) and Council of Europe Development Bank (CEB) to finance education infrastructure. Coupled with investments from the general state budget and from local municipalities, the total Education budget exceeds the official figure of 3.3% of GDP according to the Ministry of Education (MoE).

MoE is finalising the Education Plan for the period 2023-2026 which should be adopted by the inter-ministerial Education council in January 2023. This will allow for the timely planning of IPA resources to support the implementation of the Plan.

Access, participation, and early school leaving

In 2019, the gross enrolment rate reached 100% in primary education and 94% in secondary education. Serbia has also made progress in expanding access to pre-primary and higher education.

A network of state early childhood education and care (ECEC) institutions is provided by the units of local self-government in accordance with the criteria established by the government, as specified in the Law on the Foundations of the Education System. In addition to these public institutions, there are also private ECEC institutions in Serbia. There is no legal guarantee of a place in a nursery or kindergarten until children attend the compulsory preschool preparatory programme. Attendance at such classes has been compulsory for all children since the 2006/2007 school year. It starts around one year prior to a child's enrolment in the first grade of primary school⁴. In OECD (2022), it is argued that the still limited availability of ECEC facilities, especially in rural areas, hampers the acquisition of foundational skills and may affect learning later on.

While the student population continues to decrease, participation in compulsory education is now virtually universal. Serbia also has a remarkably high proportion of students (about 74%) who go into upper-secondary vocational education and training (VET), with the EU average standing at 48.7% in 2020 (ibid). Furthermore, participation in adult learning, either formal, non-formal or informal, is among the highest in the region.

Tertiary-level attainment qualifications for people aged 30 to 34 are slowly increasing, with young tertiary graduates more likely to be over-skilled (i.e., held jobs requiring lower levels of formal qualifications). This figure reached around 50% in Serbia (ETF, 2022b).

At the same time, not all individuals have the same opportunities to attend and obtain high-quality education. This especially affects persons living in rural areas or Roma communities. The lack of transport and weak learning resources – including poor teaching – are key obstacles. The early school leaving rate, which had decreased from 7.5% in 2015 to 5.6% in 2020, increased again to 6.3% in 2021, but it is still well below the EU average of 9.7%.

⁴ <https://eurydice.eacea.ec.europa.eu/national-education-systems/serbia/access>

While Serbia has the highest share, among the regional economies, of adults who participate in adult learning (4.8% in 2021; up from 3.7% in 2020), this remains well below the EU average level of 10.8%, and many adults lack the skills necessary to thrive in the labour market. A large share of long-term unemployment demonstrates inadequate opportunities to upskill, re-skill or acquire new competencies based on labour market needs. Access to adult learning is particularly limited for low-skilled individuals (only 0.5% of whom attended training) and the unemployed (4.4% of whom attended training) (ETF, 2022c).

PISA results

International assessments show that learning outcomes have remained stable in recent years, with slight improvements among the highest-achieving students. According to the 2018 OECD Programme for International Student Assessment (PISA), there was still a large share of students in Serbia who continue to leave school without mastering basic competencies. 15-year-old students in Serbia underperform in the areas of reading (38%), maths (40%) and science (38%), although results in mathematics have improved in recent years (OECD, 2018). This signals a widening of gaps in education and inequalities. Data are not disaggregated by ethnicity (e.g., Roma) or for students with immigrant backgrounds (which presents a share of over 6% of the student population), while students with certain disabilities are excluded from the PISA sample. That is why no policy conclusions are drawn for these groups.

Serbia participated in the PISA test in 2022 and the results will be released in December 2023.

Young people not in employment, education or training (NEET)

The situation of young people not in employment, education or training remains a concern in Serbia. Some 26% of the Serbian active youth aged 15-24 were unemployed in 2021 (same as in 2020); this is well above the EU's average of 16.6% in 2021. The rate for women was some 30% since 2019.

The percentage of young people aged 15-29 not in employment, education or training ranged from 24.6% in 2015, to 19% in 2019, 20% in 2020 and 18.8% in 2021. This rate is the lowest in the region, but still higher than that of the EU (13%). There is a clear gender pattern observed among the NEET population, whereby young women (20.4%) are more seriously affected than young men (17.3%). Yet, this category contains a variety of sub-groups. The high heterogeneity of the NEET population needs to be further analysed and considered when designing policies for vulnerable groups and their re-engagement with the labour market or the education system (ETF 2021b).

With Serbia's aim of aligning with the wider EU Youth Guarantee policy, addressing the NEET issue will require significant policy attention across Serbia (ETF, 2022).

2.2 Initial VET and adult learning

With over 70% of secondary school students choosing this path, VET plays a significant role in the overall education system in Serbia. It is also a sector that enjoys substantial support from international and bilateral donor organisations. While it is encouraging to see a large share of Serbian students enrol in VET programmes, still many VET profiles are outdated. Programmes are found to be marginally relevant to labour market needs due to the theoretical nature of VET with limited practical training. Many schools lack the infrastructure and resources necessary to provide students with the competencies needed to thrive in the labour market (OECD 2022, page 191). VET requires better financing and equipment to leverage its full potential. Another concern for the system is the quality of initial teacher education and offering more opportunities for their continued professional development.

Serbia's VET system lacks post-secondary and short-cycle courses at higher skills levels, which are however in demand by employers and individuals. People partly enrol in higher education programmes to compensate for the limited higher VET offers.

Strategic and legal framework for initial VET and adult learning

Serbia's Strategy for the Development of Education by 2030 also covers VET. Here, as mentioned before, the emphasis is on digital skills, improving skills information, bringing qualifications in line with labour market needs, improving school-to-work transition through dual vocational training and apprenticeships, lifelong learning, and piloting the Youth Guarantee.

Not all the actions provided for in the Strategy's Action Plan for the period from 2021 to 2022 were implemented. The planned practice of graduation exams was not standardised for the planned period to introduce the state graduation exam of 12 grades. The latter includes general, vocational, and artistic education and the final exam. It is expected to be implemented for the generation of students who will enrol in high school in the 2022/2023 academic year.

After the new elections and formation of the new government in 2022, the previous Ministry of Education, Science and Technological Development was divided into the Ministry of Education and the Ministry of Science, Technological Development and Innovation. The Ministry of Education is the key ministry in charge of VET.

The National Education Council participates in formulating the national policy and legal frameworks, as well as in adapting the general subjects and curricula of the VET curriculum. The Institute for the Improvement of Education plays a key role in drafting technical documents for VET implementation and is partially involved in the other key functions, in addition to the mobilisation of financial resources. The Institute of Educational Quality and Evaluation contributes to defining educational standards for general education and conducts evaluations and research and development activities. Regional School Administrations monitor and evaluate schools, including VET schools, and participate in managing public-private partnerships for VET and in research & development. The Educational Research Association of Serbia brings together researchers in the field of education and training and it is continually active in connecting with international organisations in the field of education and training and in promoting cooperation between researchers from Serbia and colleagues from other European countries. They regularly provide evidence to the Serbia government to inform policymaking in the field of education⁵.

Social partners, including employers' national and sectoral organisations, are represented in bodies such as the VET Council. The Serbian Chamber of Commerce is highly active and participates in several processes and governance functions nationally and regionally. In total, 12 sector skills councils were established by the end of 2021⁶. At this point, sectoral and local aspects of VET governance have been sufficiently regulated and are functional. The 12 sector skills councils define qualification needs within each sector in secondary, vocational, higher, and adult education. The sector skills councils and Serbia Qualification Agency are supported by European Bank for Reconstruction and Development in Serbia. The latter provides long-term financial and technical support to the Serbia Qualification Agency and sector skills councils to upgrade qualifications and competencies for the development of new qualifications standards within each sector, in direct cooperation with the private sector.

VET is publicly funded but it is also financed through cost-sharing schemes, including national/sectoral training funds, training tax incentives for companies and workers, and loans. Funds are allocated by the state for education as a whole, based on a formula taking into account the type of school, student numbers, salaries, etc. The Serbia Economic Reform Report 2022-2024 indicates that budget allocations remain below what is needed to accomplish the announced reform agenda. Local governments partly cover schools' running costs and staff development, which may mean that municipalities cannot fully cover these expenses. VET tends to be more resource-intensive due to higher spending requirements on technology and learning equipment.

⁵ [Overview of laws and bylaws under the Ministry of Education, Science and Technological Development of the Republic of Serbia: http://www.mpn.gov.rs/dokumenta-i-propisi/zakonski-okvir/](http://www.mpn.gov.rs/dokumenta-i-propisi/zakonski-okvir/)
[National Qualifications Framework in Serbia: http://noks.mpn.gov.rs/en/](http://noks.mpn.gov.rs/en/)

⁶ <http://noks.mpn.gov.rs/en/decisions-on-the-establishment-of-sector-skills-councils/>

Qualifications, validation, and recognition

The Serbian Qualifications Agency (SQA)⁷ was established in September 2018, pursuant to Article 14, Paragraph 1 of the Law on the National Qualifications Framework of Serbia (NQFS). The Agency is to provide professional support and quality in implementing the NQFS. In the development of qualifications, a particular focus lies on adult qualifications and the re-qualification of unemployed people. The SQA supports the work of the sector skills councils who develop qualifications or verify the quality of such qualifications (developed by other stakeholders). The Agency also provides up-to-date online information regarding career profiles and related standards and qualifications.

Recognition of foreign qualifications is conducted by the ENIC/NARIC Centre, which is housed within the Qualifications Agency. The NQFS Law distinguishes between the recognition of foreign school documents and those from foreign higher education establishments. The Law stipulates recognition procedures and criteria for admittance to further education. Foreign qualifications receiving recognition are considered equivalent to the corresponding public documents obtained in Serbia.

An NQF Register has been established and is available to citizens through the NQFS Portal⁸. It has a functional connection with the Unified Information System of education and other databases, such as the Central Register of Compulsory Social Insurance, and the National Employment Service. The current Register consists of several sub-registers, including a National Qualifications sub-register (records data on qualifications, classified by level and type, in accordance with CLASSNQFS). It includes a Qualification Standard sub-register and a sub-register of Publicly Recognised Organisers of Adult Education Activities. The NQFS register will form an integral part of the Unified Information System of Education for the Republic of Serbia, which aims to facilitate the exchange of data between the sub-registers of the Ministry of Education. The bylaw on the NQFS Register has been forwarded for publication in the Official Gazette Register⁹.

As mentioned above, 12 sector skills councils were established between 2020 and 2022 to harmonise the supply and demand for knowledge, skills and competencies. The EU and the European Bank for Reconstruction and Development (EBRD) joined efforts to support the sector skills councils. The first and most active sector councils belong to the ICT and agribusiness sectors, which are also those with the fastest job growth. Most of the qualifications for which the qualification standard has been developed are acquired through dual education, such as Electrician, Baker, Cook, Carpenter, Installer of telecommunication Networks Metal fitting, turning and machining Operator Industrial Mechanic (NQFS 3), Aircraft Mechatronics Technician, Multimedia Technician, Logistics and Freight Forwarding Technician, Press Technician (NQFS 4). No specific qualification standards are being developed for dual education. The dual education/apprenticeships model of education is integrated into the educational policy as a model of curriculum implementation. It identifies the characteristics of four main forms of VET delivery in relation to the role of work-based learning and suggests ways that countries could promote apprenticeships within the context of their educational, social and economic frameworks.

Both the Education Strategy 2030 and Serbia's Economic Reform Programme for the period 2021-2024 list as priorities the further development of qualifications in line with labour market needs. So far, 174 qualification standards have been developed, of which 74 are according to the new methodology. There are 120 educational profiles based on the qualification standard, 34 of which have been updated. The Serbian Qualifications Agency has launched the work to develop standards in higher education at the level of the sector skills councils and following the Serbia Government Education Strategy 2030. However, although envisaged strategically, the higher education sector is yet to be fully integrated with the NQF system, including the alignment of the development of qualification standards with the accreditation processes and the development of curricula in higher education.

Also, one of the priorities in SEDS 2030 is the development of short-cycle study programmes at NQFS level 5 to support further harmonisation of the NQFS with European policies and facilitate the

⁷ <http://noks.mpn.gov.rs/en/about-the-agency/>

⁸ [noks: Search national qualifications \(azk.gov.rs\)](http://noks.gov.rs/)

⁹ [NQFS web presentation \(mpn.gov.rs\)](http://noks.mpn.gov.rs/), see [Quality assurance in higher education](#)

recognition of foreign qualifications. Such programmes are to be built upon secondary education, should be practice-based, and should prepare students to enter the labour market or higher education. Validation of non-formal and informal learning (VNFIL) is an area where work has advanced in the past two years. During a pilot self-assessment, exam methodologies and instruments were designed based on learning outcomes of qualification standards. The piloting process of recognition of prior learning (RPL) began in February 2021, while no significant progress was made in 2022. The first clients are receiving their certificates, but not full qualifications yet. This opportunity should be made accessible to the most vulnerable population without qualifications.

Quality and quality assurance

Improvements in VET will be harmonised with the European Framework for Quality Assurance in VET (EQAVET). Serbia has been part of the EQAVET network since 2019 and established the National Reference Point of Serbia for the Quality of VET. Both the Education Strategy 2030 and the Economic Reform Programme 2022-2024 of the Serbian Government plan to set up a system to monitor and evaluate the national dual training model to ensure its quality.

Progress has been achieved in ensuring compliance with the quality assurance system in higher education, in which Serbia followed the recommendations of the European Association for Quality Assurance in Higher Education (ENQA). Detailed developments within the reporting period are updated on the EURYDICE website¹⁰.

Work-based learning arrangements

The Government established the Office for Dual Education and Qualifications in November 2022, taking over the competencies of dual education and the National Qualifications Framework in Serbia from the Ministry of Education.

The Law on Dual Education has been implemented since the 2019/2020 school year. Now the national work-based learning model in VET has been further developed with a particular focus on setting up quality assurance and monitoring mechanisms. The employment rate of VET graduates (aged 20-34) remains low at 53.6%, significantly below the EU average of 76.8% (2021). The introduction of final examinations in secondary education was envisaged in the Strategy 2020 and Strategy 2030 as a milestone initiative. However, it has been postponed to the 2022/2023 school year (for 3-year VET programmes) and to the 2023/2024 school year (for all secondary schools). There has been a wide debate also from parents on preparations for introducing the examinations which need to be accelerated to meet the timeline.

The regulation of the accreditation of companies, training and licensing of instructors and creation of the Framework for Monitoring and Evaluation of the National Model of Dual Education provide significant support for the implementation of dual education and assurance of the high-quality of work-based learning. Within the development of the Framework for Monitoring and Evaluation, the accent has been placed on the micro level of dual education that is implemented at the level of schools and companies, and which was missing within the system for assuring the quality of work of all educational institutions within secondary vocational education.

Commitment has been reinforced to expand the work-based learning scheme in Serbia. Attention has been paid to the introduction of dual education in areas such as digitised processes and knowledge acquisition in Industry 4.0. The advantages offered by dual education are licensed instructors, motivated teachers and also financial compensation as a reward for successful learning in the company.. This is why the Strategy of the Government of the Republic of Serbia encourages the establishment of successful companies, increasing opportunities for young people from dual education to prove that they can build a career in their country (Grujic, 2020).

The Law on the Dual Model of Studies in Higher Education (Official Gazette of the RS No 66/19) introduces dual education also in higher education. The Law responds to the demand by national and

¹⁰ [Quality assurance in higher education | Eurydice \(europa.eu\)](https://eurydice.europa.eu)

foreign companies operating in Serbia for adequate, highly educated staff with practical and applicable knowledge. The first accredited dual study programmes have been implemented since the school year 2021-2022 in various fields, such as IT, the textile industry, mechanical engineering, and aviation. For an overview and updated information on the continuous developments refer to the link of the government's interactive website¹¹.

The various forms of WBL are challenging areas, particularly against the backdrop of pandemic-related health restrictions and the weak capacity of companies to engage in cooperation with schools and host young learners and workers. Widening the availability of on-the-job training and work experience is critical for the swift and sustainable integration of young graduates into employment.

Digital education and skills

Serbia's digital workforce makes it one of the top countries globally in the platform economy rankings, with 19% of its young people working mostly in technology, graphics, internet design and media. Digitalisation and education reform remain the top two priorities for the Serbian government. The Serbian government sees digitalisation and education as the leading path towards turning Serbia into a knowledge-based economy with high-quality jobs. The proposed reform for education provision foresees the upgrading of the digital infrastructure in education and training, the development of the new education management information system (EMIS) and the establishment of an analytical unit for regular analyses.

On 27 February 2020, the Government adopted the Strategy for Digital Skills Development in the Republic of Serbia for the period 2020-2024. The overall objective of the Strategy is to improve the digital knowledge and skills of all citizens, including members of vulnerable social groups, to enable the monitoring of the development of ICT technologies in all fields and to meet the needs of the economy and the labour market. The first Action plan for the period 2021-2022 had been rolled out and will be followed by the second Action plan for the period 2023-2024.

The key pillars are the following:

1. improving digital competences in the education system (providing conditions for learning and acquiring digital competences in the education system; upgrading curricula for the acquiring of digital competences in pre-university education;
2. improving basic and advanced skills for all citizens, providing conditions for the development of different levels of digital skills for citizens; accreditation of digital skills training programmes for citizens; raising citizens' awareness of the need to adopt digital skills; improving digital skills for citizens at the local self-government level;
3. developing digital skills in relation to the needs of the labour market, meeting the needs of the labour market for digital skills at all levels and promoting opportunities in ICT sector; improving cooperation between relevant institutions (public sector, private sector, civil society);
4. developing digital skills of employees, including public administration employees, with a focus on skills that are related to the specifics of the workplace;
5. lifelong learning of ICT professionals: monitoring the needs of the economy and the ICT sector; monitoring the number of young people, especially women educated and trained in ICT professions; increasing research capacity in the ICT field and finally improving the skills of ICT professionals and promoting lifelong learning.

Statistics on education and training

The Statistical Office of the Republic of Serbia is a specialised organisation established in accordance with Article 26 of the Law on ministries (Official Gazette of the RS No 44/14, 14/15, 54/15 and 96/15).

¹¹ Technological Development, available at: <http://www.mpn.gov.rs/wp-content/uploads/2020/05/Nacionalni-model-dualnogobrazovanja-za-odobrenje-za-stampu1.pdf>.

SORS is the institutional source of data and analyses for Serbia's education and training system, labour market, etc. It shares its data and analysis with EU Commission structures, the ETF and international organisations, including the UN, the International Monetary Fund, UNESCO, the World Bank, the World Health Organization, OECD, etc. For more see <https://www.stat.gov.rs/en-us/>.

They perform all the functions in presenting and analysing the status of the education management information system (EMIS) / VET Management Information System. The development of a Serbian Education Management of Information System (EMIS) is ongoing. The legal framework necessary for the development of EMIS and the integration of student data (by introducing the Unique Educational Number/UEN) should be further complemented with respect to other sectors (social welfare, healthcare, etc). This is relevant to monitor employment of students after they have graduated, and very important to . link it with labour market statistics (employment rate, which sectors, trends for next 5 years. SORS data are available to a variety of target groups and for various uses.

It is necessary to further increase the transparency of EMIS development and functions, to ensure its utility. Stronger involvement of key external stakeholders should be ensured in relation to data collection, analysis, and reporting, such as social partners, the academic community, and civil society.

3. LABOUR MARKET AND EMPLOYMENT

3.1 Trends and challenges

Labour market characteristics

Before the pandemic, the accelerated economic growth (averaging 4.3% in 2019), coupled with a shrinking population due to ageing and migration, had been inflating the activity and employment rates, while pushing down unemployment figures.

The adverse position of women in the labour market is evidenced by a 15.9 percentage point higher population outside of the labour force, a 15.2 percentage point lower rate of employment and a 1.9 percentage point higher unemployment rate in relation to men in 2021 (SORS, 2022). Also, there are differences among the regions in Serbia. In the third quarter of 2022 (SORS, 2022)¹², the activity rate of people aged 15 and over amounted to 55.8%, with the activity rate of men and women standing at 63.7% and 48.6%, respectively. The highest activity rate was recorded in Belgrade region (59.8%), followed by Vojvodine and Šumadije i Zapadne Srbije, where this rate stood at 55.7% and 55.5%, respectively. Južne i Istočne Srbije recorded the lowest activity rate, at 51.7%. The informal employment rate in the third quarter in all sectors amounted to 14.0%. The informal employment rate in agricultural activities amounted to 53.8%, while in activities outside agriculture, this rate stood at 7.0%. The unemployment rate of people aged 15 and over amounted to 8.9%, specifically 8.4% for men and 9.6% for women. At the regional level, this rate was the lowest in Vojvodine (7.4%), followed by Beogradski (7.5%) and Šumadije i Zapadne Srbije (9.7%).

Serbia can be characterised as a dual labour market, with a sizeable portion of the labour force employed in insecure or outright informal, low-paying jobs that offer few career prospects and, thus, prompt people to look for better options abroad. The improvement in employment rates mentioned above was also paralleled by a rise in formal employment in recent years. However, new jobs often fall into the category described by the ILO as ‘precarious and vulnerable employment’.

Flexible forms of employment, such as service contracts, temporary and occasional employment contracts, vocational training or internship contracts, and employment contracts through student or youth cooperatives, are often abused by employers (i.e. they are used instead of standard labour contracts). As stated in the ex-post analysis of the National Employment Strategy 2011-2020¹³, ‘legal regulations, already deficient, are interpreted too broadly and arbitrarily by employers, this practice is tolerated by state bodies and spreads to the public sector so that these forms of work are becoming more prevalent and labour and social rights of those involved are becoming seriously violated’. The situation is further exacerbated by the absence of inspections which fail to ensure that unscrupulous employers comply with existing, however potentially inadequate, legislation.

During the COVID-19 pandemic, thousands of citizens lost or were at risk of losing their jobs. The government had put in place temporary support measures, such as deferrals and/or waivers of tax and social security contributions, the payment of salaries to employees (primarily aimed at assisting small and medium-sized enterprises) and providing access to additional loans, which were all aimed at alleviating the negative consequences of the crisis for businesses with an important fiscal impact.

Annual employment growth remained positive in most sectors, with a particularly robust performance in the ICT sector at 11.5% growth, the professional, scientific, and technical activities sector at 6.5% and administrative and support services at 6.3% (European Commission, 2022).

Serbia is one of two Southeast European economies that managed to lower its unemployment rate in 2020 despite the pandemic, falling by 1.5 percentage points from 11.2% in 2019 to 9.7% in 2021 (SORS, 2022). According to World Bank Data, Serbia’s unemployment rate stood at 11.81% in 2021,

¹²[Labour Force Survey | Statistical Office of the Republic of Serbia/](#)

¹³[Ex post analysis of the national employment strategy for the period 2011-2020](#)

9.01% in 2020, 10.39% in 2019 and 12.73% in 2018.” Young people with lower skill levels were particularly vulnerable to unemployment.

Despite positive progress in stabilising employment during the pandemic, elevated levels of long-term unemployment, a high share of youth not partaking in employment or education (see the section on NEETs above), and low levels of labour force participation of women and other vulnerable groups underpin structural deficiencies in Serbia’s labour market (OECD, 2021). In general, young people, women and the elderly comprise the majority of those in long-term unemployment in Serbia.

Employment and labour market statistics

The Statistical Office of the Republic of Serbia (SORS) produces reliable labour market data through annual and quarterly labour force surveys (LFS) and makes available administrative data of registered jobseekers and vacancies. SORS has adequate capacity and procedures in place to cooperate and exchange with its European partners by providing timely data.

Until recently, SORS did not capture in its statistics various flexible forms of work irrespective of whether they were rare (such as on-call work) or quite prominent in Serbia (such as platform work). In June 2021, SORS announced changes to the LFS methodology, aligning it with that of Eurostat. These changes are to be enforced starting in 2025. The LFS will include new questions related to so-called ‘small jobs’ and jobs conducted casually (remote platform work, transport services offered through web applications, translation services, distribution of flyers, caring for children, the elderly, pets, etc.). Although these jobs fall outside the traditional concept of employment, the new methodology recognises their presence in the labour market.

Serbia participates in the European Jobs and Skills Survey run by the ETF in line with a similar survey implemented in EU-27 countries by CEDEFOP. The results will be published in 2023.

3.2 Employment policy and institutional settings

Strategy and legal framework in the employment policy field

The Employment Strategy of the Republic of Serbia 2021-2026 was approved in August 2021. It defines reform steps aimed at establishing an efficient labour market in line with accelerated technological developments. The strategy aims at increasing labour demand, as well as high-quality jobs and relevant labour supply through better cooperation between various the sectors, including education, the economy, finance, social protection, and local authorities. Specific measures are envisaged for the improvement of the labour market standing of women, young people, disabled persons, social aid beneficiaries, as well as the Roma population. Other vulnerable groups of unemployed people will also receive additional support with their job search to help them enter or return to the labour market.

Each year, the Serbian government drafts a National Employment Action plan, which includes activities assigned to the National Employment Service (NES).

Initiatives to boost employment

According to the World Bank (2020), with an estimated 0.08% of GDP in 2019, Serbia spends little on active labour market policies (ALMPs) (EU-27 average in 2019: 0.39%). This budget is too low to cover the number of jobseekers.

According to the NES Statistical Bulletin (2022)¹⁴, in September 2022, out of almost 430 000 registered unemployed persons, around 245 000 were first-time jobseekers. Over 30% of unemployed persons have primary education (level I qualifications), around 20% hold secondary education of three

¹⁴ <https://www.nsz.gov.rs/>

years (level III qualifications) and 30% achieved secondary education lasting four years (level IV qualifications). Around 70% of registered unemployed persons in Serbia are long-term unemployed.

The age and qualification structure of registered unemployment in Serbia underlines the need for tailored activation measures and employment-friendly social protection measures. Furthermore, upskilling or reskilling is necessary for first-time jobseekers, and for older workers who are most exposed to skills depletion and inadequacy due to labour market and technological changes.

NES continued the implementation of employment services and measures in line with the action plan for employment. In 2021, around 100 000 registered unemployed persons received information on career development opportunities, almost 36 000 jobseekers were included in measures for active job search and almost 14 000 in entrepreneurship training. Due to the pandemic restrictions, NES was not able to achieve its initial plans for the organisation of job fairs. Virtual meetings were explored with the help of donors. Over 14 500 jobseekers attended additional education and training programmes, including various internship schemes targeting young people and people with secondary education, or training at the request of companies. NES continued with the subsidised employment scheme and supported the self-employment of over 7 500 jobseekers. Over 3 100 jobseekers were employed via public works schemes, including 800 jobseekers with disabilities (NES, 2021)¹⁵.

The Education to Employment (E2E) programme, is an 8-year partnership project between the Swiss and Serbian governments. E2E brings together key stakeholders involved in youth employment from the Serbian government, the private sector and civil society and promotes their cooperation for better positioning of youth in the labour market. The aim is to achieve a better matching of demand and supply through the modernisation of youth employment policies, young people's competence development in line with private sector demand and the promotion of work-based learning. Several Job Info centres have been opened in Serbia for young jobseekers¹⁶.

Serbia continued to implement the 'My First Salary' programme, which aims at activating young people without prior work experience. Monthly benefits granted to young people benefitting from the programme were increased slightly. Measures aimed at promoting the employment of Roma have yet to deliver results.

Serbia took steps to gradually introduce the Youth Guarantee (YG) scheme. YG is a flagship programme of the European Commission's Economic and Investment Plan 2021 to 2027 for the Western Balkan region. The YG aims at securing all young NEETs aged 15 to 29 decent quality offers of employment, traineeship, apprenticeship, or continued education, within four months of becoming unemployed. Serbia is committed to designing and adopting a YG implementation plan and conducting pilot initiatives. Furthermore, the Serbian government has agreed on the establishment of a Youth Guarantee Fund. It has already started with piloting in some regions.

Initiatives to increase the capacity of the public employment services

The Ministry of Labour, Employment, Veterans and Social Affairs (MLEVSA) oversees employment policies, while NES is its executive agency. Furthermore, private employment agencies operate on the market.

NES is a well-established institution with a clear mandate that it executes effectively. Its monitoring system is well-developed. However, NES could enhance the evaluation of its programmes, not least to adapt them to the evolving needs of the population and geographical areas.

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¹⁵ [Action plan for implementation of ES for 2021. do 2023 .DOCX \(live.com\)](#)

¹⁶ <https://znanjemdoposla.rs/en/post/e2e-opened-additional-three-job-info-centres-in-serbia-for-young-job-seekers>

SERBIA: STATISTICAL ANNEX

	EU MONITORING INDICATORS	2015	2019	2020	2021b	EU (2021b)
1	Share of early school leavers (% aged 18-24)	7.5	6.6	5.6	6.3	9.7
	<i>Female</i>	7.2	6.7	5.8	5.2	12.6
2	Share of those aged 20-29 low educated (ISCED 0-2)	9.3	8.3	7.6	7.4	14.8
	<i>Female</i>	8.6	7.8	7.6	7.0	12.7
3	Share of those aged 20-24 who attained ISCED levels 3-8	91.4	92.5	93.6	93.3	84.6
	<i>Female</i>	92.1	92.4	93.2	94.3	87.1
4	Share of those aged 25-34 high educated (ISCED 5-8)	29.8	33.4	32.6	33.9	41.2
	<i>Female</i>	36.2	40.8	39.3	41.4	46.8
5	Participation in formal education (% aged 15-29)	45.0	44.1	44.0	41.2	39.5
	<i>Female</i>	48.7	48.0	49.2	46.4	41.1
6	Participation in formal education and work (% aged 15-29)	4.1	4.9	4.6	6.6	15.2
	<i>Female</i>	4.1	4.7	4.8	6.2	15.7
7	Not in employment/education/training (NEETs) aged 15-29	24.6	19.0	20.0	18.8	13.1
	<i>Inactive</i>	10.6	9.7	11.6	10.1	8.2
	<i>Unemployed</i>	14.0	9.2	8.4	8.6	4.9
	Male	23.0	17.1	18.4	17.3	11.8
	<i>Male Inactive</i>	8.1	6.7	8.9	7.4	6.3
	<i>Male Unemployed</i>	15.0	10.4	9.5	9.9	5.5
	Female	26.2	20.9	21.6	20.4	14.5
	<i>Female Inactive</i>	13.2	12.9	14.4	13.1	10.2
	<i>Female Unemployed</i>	13.0	8.0	7.3	7.3	4.3
8	Youth employment rate (% aged 15-24)	16.7	21.5	20.8	24.5	32.7
	<i>Female</i>	11.8	15.9	14.9	17.9	30.3
9	Employment rate of tertiary graduates aged 20-34	50.6	66.5	62.3	65.1	79.6

	EU MONITORING INDICATORS	2015	2019	2020	2021b	EU (2021b)
10	Employment rate of ISCED 3-4 VET graduates aged 20-34	44.4	61.4	54.0	59.0	76.4
11	Employment rate (% aged 20-64)	56.0	65.2	65.9	66.7	73.1
	<i>Female</i>	48.4	58.2	58.9	59.3	67.7
12	Youth unemployment rate (% aged 15-24)	43.2	27.5	26.6	26.4	16.6
	<i>Female</i>	48.4	29.9	29.5	29.5	16.7
13	Unemployment rate (% aged 15-74)	12.7	8.2	7.5	8.8	7.0
	<i>Female</i>	17.8	10.5	9.1	11.1	7.4
14	Lifelong learning during past 4 weeks (% aged 25-64)	4.8	4.3	3.7	4.8	10.8
	<i>Low-educated (ISCED 0-2)</i>	0.4	0.3	0.6	0.5bu	4.3
	<i>Unemployed</i>	4.6	3.6	3.2	4.4	12.7

KEY DONOR PROJECTS IN EDUCATION, TRAINING AND EMPLOYMENT

Donor funding has helped fill some of the resource gaps in Serbia's education, training, and employment sector.

The EU Instrument for Pre-accession Assistance (IPA) provides significant financial and technical resources to enhance skills for employment and support education reforms. According to the Commission's website - Serbia - financial assistance under Education, employment and social policies and other areas of support will be fully supported as per the agreement with the Serbian government. More detailed information under the IPA 2021-2027 can be found here: https://neighbourhood-enlargement.ec.europa.eu/enlargement-policy/overview-instrument-pre-accession-assistance/serbia-financial-assistance-under-ipa_en.

The Western Balkans Fund (WBF) is an international organisation located in Tirana, Albania, which was founded by the governments of Albania, Bosnia and Herzegovina, Kosovo*¹⁷, North Macedonia, Montenegro, and Serbia. They co-fund with the EU many country/regional projects on skills. One of the pillars of this substantial programme funds VET support, exchange, and cooperation among the Western Balkan countries. For more information: WBF Flyer; <https://webalkans.eu/en/about/>

The [Regional Challenge Fund \(RCF\) \(rcf-wb6.org\)](https://rcf-wb6.org) finances investments for training providers that jointly engage in cooperative training activities with partnering enterprises in the Western Balkans, thus promoting dual cooperation within and across countries in the region. Established in late 2020, the RCF launched its first two open funding calls in 2021 and 2022, which have already gained significant traction and are expected to operate for five years in total. The key goals of the RCF are to strengthen the labour market relevance of VET, as well as to increase the employability of VET students by bridging the gap between skills demand and supply, reducing youth unemployment in the Western Balkans.

The European Investment Bank has rolled out the School Digitalisation Project in Serbia ([EIB supports digitalisation of Serbian schools with EUR 65 million](#)). The investment will encompass the introduction in schools of internet connections, new IT equipment, e-books, e-classrooms, and e-diaries. It will also include the training of teachers on how to conduct digital education. Among other benefits, this project will enable primary and secondary schools across Serbia to conduct online teaching without interruption, including in situations of natural or other disasters. The EIB financial package will also be used to finance the roll out of the EU SELFIE tool for the further digitalisation of school-based and work-based learning.

'From Education to Employment (E2E)' is a Swiss-funded partnership project between the governments of Switzerland and Serbia. It was launched in 2015 and will run until the end of 2023. It is designed to create preconditions for a faster recruitment and youth employment. Under this project, the Swiss government made EUR 12.3 million available, while the Serbian government contributed EUR 6 million. ([EN E2E Znanjem do posla](#)).

GIZ (*Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH*) supports skills for employment. The ongoing programme entitled: 'Dialogue on Employment Creation, Initiative and Dual Education / Sustainable economic growth and employment' provides direct support to VET schools and the private sector in Serbia (<https://www.giz.de/en/worldwide/86542.html>).

UNICEF Serbia, in cooperation with the National Employment Service, Ministry of Labour, Employment, Veteran and Social Affairs and other partners has launched a programme on 'Promoting Youth Employability through Internships', running from 1 November 2021 until the end of 2022. The programme will aim to establish links between at least 2 000 young people and 500 employers. The

¹⁷ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

application platform 'Biram uspeh (I Choose Success) – Promoting Youth Employability' is available at: www.biramuspeh.com.

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