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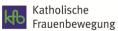
# **SERBIA** COUNTRY PAPER

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#### **Acronyms:**

**CSO** – Civil Society Organisation

**DACU** – Department for Planning, Programming, Monitoring and Reporting on EU Funds and Development Assistance, former Development and Aid Co-ordination Unit

**EC** – European Commission

**EU** – European Union

**GDP** – Gross domestic product

IPA – Instrument for Pre-Accession Assistance

MDGs - Millennium Development Goals

MFA – Ministry of Foreign Affairs

NAD - National Priorities for International Assistance

**ODA** – Official Development Assistance

**OECD DAC** – Organisation for Economic Cooperation and Development – Development Assistance Committee

**SAA** – Stabilisation and Association Agreement

SBRA – Serbian Business Registry Agency

**SECO** – Sector Civil Society Organisations

**SEIO** – Serbian European Integration Office

**SWG** – Sector Working Group

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#### 1. Introduction

This paper aims to provide an overview of Serbian civil society involvement in development cooperation, as well as development education and awareness raising. As Serbia started the European Union (EU) accession negotiations in January 2014, it is expected to fully align its legislation with the EU body of laws, also called the *acquis communautaire*. Chapter 30 of the EU *acquis* deals with external relations and includes legislation with regards to the provision of development and humanitarian aid to developing countries. During the EU accession process, Serbia will also go from being a recipient of Official Development Assistance (ODA) to becoming a donor country.

The paper also assesses the extent to which steps have been taken by the government of Serbia to set up an institutional and policy framework for the provision of development assistance to developing countries. At the same time, the involvement of civil society in international cooperation is presented. Finally, the most active and relevant civil society actors working in this domain are mapped in the paper.

The desktop research included the review of the main national strategy and policy documents, European Commission progress reports, as well as reports prepared by international and local civil society organisations. Interviews with key resource people working in civil society organisations in Serbia, as well as representatives of the Serbian government were also conducted. The paper was prepared from August to October 2014.

The paper is structured in six parts: first, an introduction is provided; second, the country profile of Serbia is presented; third, the relations between Serbia and the EU are explained; fourth, the development cooperation sector in Serbia is analysed; fifth, the Serbian civil society and its role in development cooperation is presented; sixth, a list of some of the main civil society actors and networks in Serbia is included. The paper has been updated during May & June 2017 within the framework of "Western Balkan CSOs for Global Development" project.

#### 2. Country profile

#### 2.1. Recent history

Serbia - officially, Republika Srbija - is located in South-eastern Europe in the region known as the Western Balkans. It used to be one of the six republics that make up the former Socialist Federal Republic of Yugoslavia, along with Croatia, Bosnia Herzegovina, the Former Yugoslav Republic of Macedonia, Montenegro, and Slovenia. Serbia became a stand-alone sovereign state in 2006 after Montenegro declared its independence thus marking the final step in the dissolution of the Yugoslav Federation. The other republics had seceded throughout the 1990s, with Croatia, Bosnia and Serbia going through devastating armed conflicts - the socalled Yugoslav wars. During 1998 and 1999, Serbia was engaged in civil war with its autonomous province, Kosovo<sup>1</sup>, situated in the southern part of the country and with a predominant ethnic Albanian population. In 2008 Kosovo unilaterally declared its independence which Serbia has not recognised<sup>2</sup>.

As it emerged from the 1990s, Serbia entered a phase of post-conflict reconstruction and started its transition to democracy and a market economy. In doing so it struggled with the heritage of war — its displaced population, a devastated economy and infrastructure, the need to balance reconciliation and justice for war crimes — while, at the same time, trying to shrug off its communist past and looking ahead towards European Union (EU) membership.

#### 2.2. Current situation

Serbia has a population of 7.1 million with less than 13% of its citizens identifying as belonging to national minorities<sup>3</sup>. Hungarians in the autonomous province of Vojvodina, situated in the northern part of the country, are the largest national minority, representing 3.5% of the population, followed by Roma (2%) and

<sup>&</sup>lt;sup>1</sup> This designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence.

<sup>&</sup>lt;sup>2</sup> According to a 2014 Freedom House report, at the end of 2013, 105 countries had recognised Kosovo's statehood. Freedom House, *Freedom in the World – Kosovo*, 2014, available at:

http://www.freedomhouse.org/report/freedom-world/2014/kosovo-0#.VDZRHRY\_ntQ

<sup>&</sup>lt;sup>3</sup>Bertelsmann Stiftung, *BTI — Serbia Country Report,* 2014, available at: <a href="http://www.bti-project.de/uploads/tx">http://www.bti-project.de/uploads/tx</a> itao download/BTI 2014 Serbia.pdf

Bosniaks (2%)<sup>4</sup>. The constitution guarantees the rights of minorities however more measures need to be taken to ensure the rights of Roma are respected<sup>5</sup>. Of particular concern is Serbia's declining population, of which half lives in rural areas. Serbia is still struggling to reintegrate its population displaced during the 1990s' wars, with housing remaining an outstanding issue for which initiatives have been created at the regional level<sup>6</sup>.

Serbia is an upper middle income economy, with an estimated Gross Domestic Product (GDP) of USD 37.16 billion in 2015<sup>7</sup>. Serbia ranked 66<sup>th</sup> out of 188 in the 2016 Human Development Index<sup>8</sup> and is on the official 2014-2016 OECD Development Assistance Committee (DAC) list of Official Development Assistance recipients<sup>9</sup>. Serbia's economy, composed of services (71% of GDP), industry (19%) and agriculture (10%), has experienced two recessions since 2008 with a fragile recovery in 2013<sup>10</sup>. Serbia ranks 94<sup>th</sup> out of 144 countries in the latest Global Competitiveness Report, which reflects the existence of state-controlled structures and a slow process of privatisation<sup>11</sup>. The informal economy is a further obstacle to competition. The unemployment rate reached nearly 21% in 2014, while youth unemployment was at 49% in 2013, according to the Serbian Statistical Office<sup>12</sup>. Overall, the education system does not correspond to labour market needs. An estimated 9% of Serbian people

<sup>4</sup> *Ibid.* Other minorities include Croats, Slovaks, Romanians, Albanians, Montenegrins, Bulgarians, etc.

http://www.rs.undp.org/content/serbia/en/home/countryinfo/



were living below the poverty line in 2013<sup>13</sup>. Nearly 30% of Roma are estimated to be living in absolute poverty, making them one of the poorest and most disadvantaged groups in Serbia<sup>14</sup>.

Serbia is a parliamentary democracy with deputies elected for four years in the unicameral, 250-seat National Assembly. The prime minister is elected by the assembly, while the president is elected by direct vote for up to two five-year terms. Recent elections were largely considered free and fair by international observers. Serbia's constitutional and legislative framework corresponds generally to European standards, however, capacity for parliamentary oversight and governmental policy planning and implementation needs to be reinforced<sup>15</sup>. Serbia is organised in central, provincial and local selfgovernments, and, while public administration is well developed at central level, local governments have limited capacity. Corruption is considered to be widespread in Serbia and the rule of law sector is lacking in independence and efficiency<sup>16</sup>. Dealing with organised crime, including trafficking in human beings, is also a challenge<sup>17</sup>.

<sup>&</sup>lt;sup>5</sup> Council of Europe: Committee of Ministers, *Comments by the Government of Serbia on the third opinion of the Advisory Committee on the implementation of the Framework Convention on the Protection of National Minorities by Serbia*, 2014, available at: http://www.refworld.org/docid/53fd96a44.html

<sup>&</sup>lt;sup>6</sup> Norwegian Refugee Council/Internal Displacement Monitoring Centre, Submission from the Internal Displacement Monitoring Centre (IDMC) of the Norwegian Refugee Council (NRC) for consideration by the EU Directorate General for Enlargement: Serbia, 2014, available at: http://www.refworld.org/docid/53c38e2f4.htm

<sup>&</sup>lt;sup>7</sup> The World Bank, available at: <a href="http://data.worldbank.org/country/serbia">http://data.worldbank.org/country/serbia</a>, Calculated in EUR at current exchange rate.

<sup>&</sup>lt;sup>8</sup> UNDP, Human Development Reports, available at:

http://hdr.undp.org/sites/default/files/2016\_human\_development\_report.pdf 

The official list of ODA recipient countries of the OECD DAC is available at: <a href="http://www.oecd.org/dac/stats/documentupload/DAC%20List%20of%200DA%20Recipients%202014%20final.pdf">http://www.oecd.org/dac/stats/documentupload/DAC%20List%20of%200DA%20Recipients%202014%20final.pdf</a>

<sup>&</sup>lt;sup>10</sup> European Commission, *Instrument for Pre-Accession Assistance (IPA II) – Indicative Strategy Paper for Serbia (2014-2020)*, 2014, available at: <a href="http://ec.europa.eu/enlargement/pdf/key\_documents/2014/20140919-csp-serbia.pdf">http://ec.europa.eu/enlargement/pdf/key\_documents/2014/20140919-csp-serbia.pdf</a>

<sup>&</sup>lt;sup>11</sup> World Economic Forum, Competitiveness Rankings, available at: http://reports.weforum.org/global-competitiveness-report-2014-2015/rankings/

<sup>12</sup> UNDP Serbia, available at:

<sup>13</sup> CIA, The World Factbook - Serbia, available at:

https://www.cia.gov/library/publications/the-world-factbook/geos/ri.html

<sup>&</sup>lt;sup>14</sup> European Commission, Instrument for Pre-Accession Assistance (IPA II) – Indicative Strategy Paper for Serbia (2014-2020), 2014

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>&</sup>lt;sup>17</sup> United States Department of State, *Trafficking in Persons Report - Serbia*, 2016, available at:

https://www.state.gov/j/tip/rls/tiprpt/countries/2016/258852.htm

#### 3. Serbia and the European Union

#### 3.1. Serbia-EU relations background

Serbia – together with five other Western Balkans countries – was identified as a potential candidate for European Union (EU) membership during the Thessaloniki European Summit in 2003. In 2005, the negotiations were launched for a Stabilisation and Association Agreement (SSA), but they were called off one year later due to a lack of improvement in Serbia's co-operation with the International Criminal Tribunal for the former Yugoslavia. The SAA was signed in 2008, the same year in which a European partnership for Serbia was adopted, setting out priorities for the country's EU membership application. In 2009 Serbia formally applied to become an EU member state.

Serbia was granted candidate country status in March 2012. Following Serbia's landmark agreement signed with Kosovo on 19 April 2013, the European Council decided to open accession negotiations in June 2013. In September, the European Commission (EC) started the screening process — the analytical examination of Serbian laws for harmonisation with the EU legislation or the *acquis communautaire*. At the same time the Stabilisation and Association Agreement entered into force. The Council of the European Union adopted the framework for negotiations in December the same year, and the first Intergovernmental Conference with Serbia took place in January 2014, representing the formal start of the accession negotiations.

On 14 December 2015, the second Intergovernmental Conference on Accession of Serbia to the EU was held in Brussels, when the first two of a total of 35 negotiation chapters were opened, on Chapter 32 on financial supervision and Chapter 35 (other issues-in specific these pertain to relations with Kosovo). Following these, in July 2016 two more Chapters were opened, 23 and 24 - Chapters concerning justice, human rights, freedom and security. In late February 2017 Serbia opened two new chapters in accession negotiations with the EU - 20, on enterprise and industrial policy, and 26, on culture and education<sup>18</sup>. In June 2017 Serbia opened two new chapters: 7 - Intellectual property law and chapter 29 - Customs union.

#### 3.2. Serbia's current accession process

In the process of EU accession, Serbia's key priorities are the reforms related to the rule of law and fundamental rights. This is in line with the new EC approach to EU accession negotiations, according to which judicial reform and the fight against organised crime and corruption will need to be tackled as priority. This will have to be coupled with economic reforms, including in the areas of economic governance and competitiveness. However, the main stakes in Serbia's advancement on the road to EU membership will be represented by a continued progress in the normalisation of relations with Kosovo, including the implementation of agreements reached so far

Serbian Government adopted The *National Plan for the Adoption of the Acquis,* in 2013, revised in 2014 with implementation foreseen by 2018. Serbia's previous *National Programme of Integration* for 2008-2012 was implemented at a level of 88%<sup>19</sup>.

Serbia's national programmes and strategies have been adopted in the area of economic policy, agriculture and rural development, while programmes for employment and social reform, as well as competitiveness and growth are in preparation. The programming document *National Priorities for International Assistance in the Republic of Serbia 2014-2017 with projections until 2020*, adopted in 2013, aims to support reforms needed to meet the EU accession criteria by aligning international assistance with national priorities. Although the adoption of the new National Priorities should be expected in 2018 for another 4-year term, no analysis of the effects of the current has been conducted nor were consultations for the adoption of the new held.

A Coordination Body, headed by the Prime Minister, has been established to coordinate the work of ministries and government bodies related to EU accession. The Coordination Body is supported by an expert group and 35 expert sub-groups corresponding to the chapters of the EU *acquis*. Simultaneously, civil society organizations have established a wide platform that monitors and supports negotiation process through National EU Convention<sup>20</sup> with the structure that corresponds to Government's Coordination Body. The Serbian European Integration Office (SEIO) was

<sup>&</sup>lt;sup>18</sup> Timeline of Accession Process events available at: https://europa.rs/serbia-and-the-eu/milestones/?lang=en

<sup>&</sup>lt;sup>19</sup> Serbian European Integration Office (SEIO), National Priorities for International Assistance (NAD) 2014-2017 with projections until 2020, 2014, available at:

http://www.evropa.gov.rs/Documents/Home/DACU/12/74/NAD%202014-2017%20with%20projections%20until%202020%20(english).pdf

<sup>&</sup>lt;sup>20</sup> More information available at: http://eukonvent.org

established in 2004 as a government service to accompany the process of the country's accession to the European Union, including participation in and monitoring of accession negotiations, harmonisation of legislation, and public information<sup>21</sup>. Since 2010 SEIO has also been responsible for coordinating, programming and monitoring the use of international assistance received by Serbia. After presidential elections in 2017 and the governmental reforms, SEIO was transformed to Ministry of European Integration.

So far, there are total open 10 chapters while two were provisionally closed (Chapters 25 and 26). 22 23

## 3.3. Progress of negotiations on development policy and humanitarian aid

The Screening for Chapter 30 on external relations which includes notably trade, as well as development policy and humanitarian aid is ongoing. The explanatory screening meeting during which the EC presented the EU legislation in the area of external relations to a Serbian delegation led by the State Secretary in the Ministry of Trade took place in July 2014<sup>24</sup>. In particular, it was emphasised that Serbia needed to conclude the process of accession to the World Trade Organisation as a precondition for EU membership<sup>25</sup>.

Following the bilateral screening in October 2014, the European Commission has prepared a screening report for Chapter 30 that was published in late October 2015<sup>26</sup>, including recommendations for the Serbian government regarding the steps to be taken before negotiations are opened. Chief of Serbian Negotiations Team, Ms Tanja Miscevic has confirmed in April 2017 that Serbian Negotiations position has been prepared on this Chapter, however, this position

<sup>21</sup> S

http://www.europarl.europa.eu/sides/getDoc.do?type=COMPARL&reference=PE-594.161&format=PDF&language=EN&secondRef=01

<u>brussels.mfa.gov.rs/newstext.php?subaction=showfull&id=1404480501&ucat=109&template=Headlines&</u>. The Serbian delegation also included representatives of the Ministry of Foreign Affairs, Ministry of Interior, Serbian Export Credit and Insurance Agency, and Serbian European Integration Office. <sup>25</sup> *lbid*.

as all the others remains confidential. Ministry of telecommunication, trade and transportation will be responsible of implementing reforms under Chapter 30. Trade reforms will be entrusted to this Ministry, and reforms regarding development cooperation and humanitarian aid will be shared responsibility between Ministry of internal affairs (Sector for extraordinary situations) and Ministry of foreign affair. Ministry of foreign affairs has formed working group responsible for implementation preparations for this chapter. It is expected that this Chapter will be opened by the end of 2018. After negotiations, the Serbian government will be required to prepare an action plan for the implementation of EC recommendations including in the area of development policy and humanitarian aid. Serbia's objective is to finalise the alignment with EU legislation by the end of 2018<sup>27</sup>, and it is expected that accession negotiations will be finalised with the closing of Chapters 23 and 24, as well as Chapter 35. While no detailed timeline is available, it seems likely that legislation regarding development policy and humanitarian aid will be prepared and adopted later in the negotiations process, given the EU emphasis on Chapters 23, 24, and 35, as well as other national priorities and experience from enlargements.

#### 4. Development cooperation of Serbia

### 4.1. Serbia as a recipient of Official Development Assistance

### 4.1.1. Overview of international assistance to Serbia

Serbia underwent international economic and trade sanctions, diplomatic isolation and military intervention during the 1990s <sup>28</sup>. With the fall of Slobodan Milošević and the change in political leadership which marked the beginning of its transition to democracy, Serbia started receiving

<sup>&</sup>lt;sup>21</sup> Serbian European Integration Office (SEIO), available at: http://www.seio.gov.rs/office/about-us.58.html

<sup>&</sup>lt;sup>22</sup> Commission Report on Serbia 2016, Committee on Foreign Affairs, Rapporteur David McAllister, available at:

<sup>&</sup>lt;sup>23</sup> The progress and status of the different chapters can be followed here: http://www.seio.gov.rs/eng/serbia-and-eu/history/

<sup>&</sup>lt;sup>24</sup> Mission of the Republic of Serbia to the European Union, Brussels, available at: <a href="http://www.eu-">http://www.eu-</a>

<sup>&</sup>lt;sup>26</sup> Available at: <a href="https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/serbia/screening-reports/screening-report\_ch\_30\_serbia.pdf">https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/pdf/serbia/screening-report\_ch\_30\_serbia.pdf</a>

<sup>&</sup>lt;sup>27</sup> Republic of Serbia Government, Intergovernmental Conference on the Accession of the Republic of Serbia to the European Union – The Opening Statement of t the Republic of Serbia, 2014, available at: <a href="http://www.seio.gov.rs/upload/documents/pristupni\_pregovori/the\_opening\_statement\_of\_the\_republic\_of\_serbia.pdf">http://www.seio.gov.rs/upload/documents/pristupni\_pregovori/the\_opening\_statement\_of\_the\_republic\_of\_serbia.pdf</a>

<sup>&</sup>lt;sup>28</sup> Serbia underwent economic and trade sanctions, diplomatic isolation and military intervention. For more details see: ISN-ETH Zurich, *Successful Sanctions – Serbia and Montenegro*, 1992-1995, 2012, available at: http://www.css.ethz.ch/en/services/digital-library/articles/article.html/154582/pdf

extensive international assistance at the end of 2000. By 2002, donor support consisted mainly of humanitarian assistance, as well as emergency reconstruction of infrastructure. From 2003 onwards, it moved gradually towards the provision of development assistance to support structural reforms and to build institutional capacities in support of Serbia's incipient European integration process, as prompted by the Thessaloniki European Summit.

Over the period 2001-2012 Serbia received an estimated EUR 8.9 billion in international assistance, with an average disbursement rate of EUR 800 million per year<sup>29</sup>. Assistance, however, varied greatly from year to year (Chart 1) due to different factors, notably national political instability, insufficient administrative and absorption capacities, negative global economic trends and unpredictable humanitarian crises. There was a sharp increase in development assistance after 2008, translated into major infrastructure loans from international financing institutions, as well as budget support and assistance for public finance management through EU Instrument for Pre-Accession Assistance (IPA) grants. A large increase in assistance in 2010 was the consequence of Serbia's increased administrative capacities and improved procedures, particularly in relation to inter-ministerial coordination<sup>30</sup>. For the 2014-2017 period, information on future allocations of international assistance is partial since data are available only for a limited number of donors. However, on the basis of information provided by these donors the estimated total of new allocations is approximately 1.1 billion EUR i.e. 275 million EUR per year (as compared to 800 million EUR over the period 2001-2012). <sup>31</sup> The data suggests donors have gradually started phasing out their assistance to Serbia. It is expected that in the future levels of bilateral assistance will continue to decrease and that the predominant source of international grant assistance will be the EU under IPA-2 (national IPA, Multi-Beneficiary IPA, Cross Border Cooperation and Transnational IPA programmes). An evaluation of the performance of international assistance to Serbia over the period 2007-2011, found that the assistance had limited impact and sustainability, despite being responsive and relevant to Serbia's needs and consistent with national priorities<sup>32</sup>.

Remittances (money) that Serbians abroad send to their relatives in Serbia every year are tantamount to 9% of the Serbian GDP, compared to 5.4% share that foreign investments had in the Serbian GDP in 2016. It has been estimated that Serbians living abroad have a sent a total of 2.7 billion EUR to their relatives in Serbia in 2016. <sup>33</sup>

### 4.1.2. Institutional arrangements for aid coordination

More than 30 bilateral and multilateral donors have supported Serbia over the past years, among which the EU, USAID, Germany, Sweden, Switzerland and Norway have been the most active. Additionally, the international financing institutions — the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Kreditanstalt fur Wiederaufbau (KfW), and the World Bank — have provided loans for the development of the Serbian economy.

As in many recipient countries, in the early stages of development assistance, coordination in Serbia has been mostly donor driven. Still, as early as 2000, the Development and Aid Co-ordination Unit (DACU) was established. In 2005, Serbia signed the Paris Declaration on Aid Effectiveness and subsequently adopted an Aid Effectiveness Agenda. From 2010 onwards, when DACU was transferred to the Serbian European Integration Office (SEIO), efforts for the improvement of aid and donor coordination were led by SEIO. These improvements included the creation of Sector Working Groups (SWGs), which ensure the consultation and coordination of the various national institutions and donor representatives for the programming and monitoring of international assistance. SWGs correspond to policy areas which are important for Serbia's preparation for EU accession and its socio-economic development.

<sup>&</sup>lt;sup>29</sup> Serbian European Integration Office (SEIO), *National Priorities* for International Assistance (NAD) 2014-2017 with projections until 2020, 2014

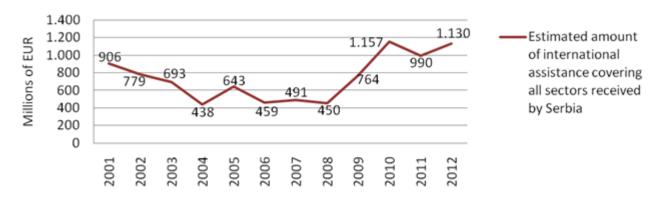
<sup>30</sup> Ibid.

<sup>31</sup> Ibid.

<sup>&</sup>lt;sup>32</sup> Ibid.

http://serbianmonitor.com/en/economy/29740/remittancesfrom-abroad-2-7-billion-eur-2016-sent-by-serbiandiaspora/#.WVId5OILeUk

Chart 1 Estimated amount of total international assistance (EUR) received by Serbia (2001-2012).



**Source:** Information System for Coordination of the Development Assistance to the Republic of Serbia (ISDACON IS), available at: <a href="https://www.evropa.gov.rs">www.evropa.gov.rs</a>, quoted in Serbian European Integration Office (SEIO), National Priorities for International Assistance (NAD) 2014-2017 with projections until 2020, 2014.

#### Receipts for Serbia

	2013	2014	2015
Net ODA (USD million)	780.3	372.0	312.5
Net ODA/GNI (%)	1.8	0.9	0.9
Gross ODA (USD million)	1,011.3	748.4	729.1
Bilateral share (gross ODA) (%)	25.5	35.6	32.7
Net Private flows (USD million)	968.5	-3,884.3	-3,215.1
Total net receipts (USD million)	1,915.8	-3,609.2	-2,609.4

Chart 2 OECD DAC data of international assistance (USD) received by Serbia (2013-2015)

Source: OECD DAC data

https://public.tableau.com/views/OECDDACAidataglancebyrecipient\_new/Recipients?:embed=y&:display\_count=yes&:showTabs=y&:toolbar=no?&:showV

Α permanent consultation process with representatives of civil society was established in 2011 in the framework of the SWGs. Sector Civil Society Organisations (SECOs) are composed of consortia of three CSOs which are particularly active in the work of a given sector. CSOs are selected based on public invitation and one in each group acts as rapporteur for the whole group. SECOs act as representatives of the wider community of both national and international CSOs by having created informal networks of CSOs around each policy sector. SECOs regularly participate in SWG meetings during the programming and monitoring phases of the international assistance programme cycle.

The SWGs are coordinating the preparation of multiannual National Priorities for International Assistance (NAD) planning documents. The mechanisms for aid coordination put in place i.e. the SWGs and the use of NAD have made possible a gradual move to a sector approach in the management of international assistance to Serbia since 2011. This approach also supports Serbia's EU accession process, however, it is somewhat weakened by the existence of too many

overlapping strategies in each sector and their lack of clear link with the national budgetary process<sup>34</sup>.

Efforts have been undertaken to analyse Serbia's experience as a recipient of international assistance, notably through the use of the ISDACON database managed by SEIO<sup>35</sup>. Different publications such as *Ten years of development assistance to the Republic of Serbia*<sup>36</sup> and *Setting up a more effective aid coordination mechanism in Serbia*<sup>37</sup> provide an overview of trends, best practices and recommendations regarding Serbia's aid coordination mechanisms.

34 Ibid.

<sup>&</sup>lt;sup>35</sup> Information System for Coordination of the Development Assistance to the Republic of Serbia (ISDACON IS), available at: <a href="www.evropa.gov.rs">www.evropa.gov.rs</a>

<sup>&</sup>lt;sup>36</sup> Serbian European Integration Office (SEIO), available at:

http://www.evropa.gov.rs/Evropa/ShowDocument.aspx?Type=Home&Id=843

<sup>&</sup>lt;sup>37</sup> Serbian European Integration Office (SEIO), available at: www.evropa.gov.rs

### 4.2. Serbia as a donor of development and humanitarian assistance

According to Chapter 30 of the EU acquis communautaire, Serbia needs to set up a legal and institutional framework in line with EU development policy. During the EU accession process Serbia will also go from being a recipient of Official Development Assistance (ODA) to becoming a donor country. The Serbian government will therefore need to prepare and establish necessary frameworks for the provision of development and humanitarian aid to developing countries. EC progress reports published to date show that legislation on development policy and humanitarian aid has not yet been adopted in Serbia and no relevant institutional structures are in place<sup>38</sup>.

Serbia's National Plan for the adoption of the Acquis, adopted in November 2016, lists several priorities for 2015-2018 in the area of development policy and humanitarian aid, under chapter 3.30.2<sup>39</sup>. These include establishment of a special organisational unit of ICJ that will be fully equipped regarding materials and technical capabilities as well as to have adequate human resources at its disposal. In its operations, this unit would in appropriate way monitor, plan, and coordinate development cooperation humanitarian assistance. The Plan also foresees adoption of the Law on Development Coordination and Humanitarian Assistance, and within this Law, potential appointment of the national coordinator for coordination development humanitarian assistance, that would consolidate and fully coordinate the work of all competent state authorities and institutions.

According to the *National Plan for the adoption of the Acquis*, the adoption of the new Law on Foreign Affairs was foreseen for 2014<sup>40</sup>, however the Law is not yet adopted. A current draft of the new Law on Foreign Affairs contains a single reference to

development and humanitarian aid in its preamble <sup>41</sup>. It is possible that further practical arrangements related to the provision of development and humanitarian aid to developing countries will be specified in by-laws and regulations. The revised *National Plan for the adoption of the Acquis* postpones the creation of a unit in the MFA dealing with development and humanitarian aid, the adoption of a law on Development Cooperation, as well as the appointment of a National Coordinator to 2015-2018.

According to the National Plan for the adoption of the Acquis, Serbia has not provided to date development, technical or financial aid to developing countries, and no national budget has been allocated for such purposes<sup>42</sup>. In terms of humanitarian assistance, Serbia has provided limited ad hoc material aid on a case-by-case basis in response to natural disasters, notably to Southeast Asian countries<sup>43</sup>. There are no institutional mechanisms for coordinating the provision of humanitarian assistance to other countries however relevant ministries have been involved in accordance with the nature of disasters and the needs of the affected populations<sup>44</sup>. No relevant aggregated and processed data is publicly available regarding the amounts of emergency aid provided by the Serbian government developing/other countries<sup>45</sup>.

In response to the floods that started to affect Serbia in spring 2014, the Serbian government established in May the Office for the Assistance to and Recovery of Flooded Areas, which coordinates the reception and distribution of the humanitarian assistance received by Serbia for flood relief<sup>46</sup>. Serbian civil society was mobilised in its contribution to the national response to the floods crisis. Many CSO resources were directed at providing emergency assistance to the Serbian population affected by the floods<sup>47</sup>. This experience at

<sup>&</sup>lt;sup>38</sup> European Commission, *Serbia Progress Reports* 2016 available at: https://ec.europa.eu/neighbourhood-

enlargement/sites/near/files/pdf/key\_documents/2016/20161109\_report\_ser bia.pdf

<sup>&</sup>lt;sup>39</sup> Serbian European Integration Office (SEIO), *National Plan for the adoption of the Acquis 2014-2018*, available at:

http://www.seio.gov.rs/upload/documents/nacionalna\_dokumenta/npaa/npaa\_eng\_2014\_2018.pdf

<sup>&</sup>lt;sup>40</sup> Serbian European Integration Office (SEIO), National Plan for the adoption of the Acquis 2014-2018, available at:

http://www.seio.gov.rs/upload/documents/nacionalna\_dokumenta/npaa/npaa\_eng\_\_2014\_2018.pdf

<sup>&</sup>lt;sup>41</sup> "In the conduct of the affairs of its scope, MFA particularly: [...] works on coordination of international humanitarian and development aid". Article 3, paragraph 35, draft Law on Foreign Affairs [Serbian only], available at: <a href="http://www.mfa.gov.rs/sr/images/stories/pdf/zakon/Nacrt\_zakona\_o\_spoljnim\_poslovima.pdf">http://www.mfa.gov.rs/sr/images/stories/pdf/zakon/Nacrt\_zakona\_o\_spoljnim\_poslovima.pdf</a>

<sup>&</sup>lt;sup>42</sup> Serbian European Integration Office (SEIO), National Plan for the adoption of the Acquis 2014-2018

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>&</sup>lt;sup>45</sup> TRIALOG interviews with Serbian civil society and government representatives

<sup>&</sup>lt;sup>46</sup> Reliefweb, *Government sets up Office for assistance, rehabilitation of flooded areas*, 2014, available at: <a href="http://reliefweb.int/report/serbia/government-sets-office-assistance-rehabilitation-flooded-areas">http://reliefweb.int/report/serbia/government-sets-office-assistance-rehabilitation-flooded-areas</a>

<sup>&</sup>lt;sup>47</sup> Institute for Sustainable Communities, *CSOs' Relief Efforts Help Citizens in Flood Affected Areas*, 2014, available at:

http://www.iscserbia.org/Vesti/ISC%20Newsletter%20-%20Floods.pdf;

the national level could serve as a basis for the future set-up of institutional structures and cooperation with civil society for the provision of humanitarian aid to other countries.

Public discourse on development cooperation issues in Serbia is scarce and has a limited reach. There are no discussions at government level involving civil society about capitalising on Serbia's experience as an aid recipient in view of setting up structures for the provision of development and humanitarian aid to developing countries<sup>48</sup>. This is explained by a focus on the situation in the country, notably given specific circumstances, such as the floods that have affected Serbia since May 2014. The focus of the government has been to organise an appropriate response to the floods, while ensuring the transparency and proper distribution of humanitarian assistance and other donations received by Serbia in this context<sup>49</sup>. The predominant view seems to be that Serbia needs to reach a certain level of development and carry out the necessary reforms as required by the EU accession process, in order to be able to provide assistance to other countries and participate in development cooperation.

In a rare example of public statements about international development, former Serbian Prime Minister, Ivica Dačić, declared at the end of 2013 that Serbia was ready to provide development, technical and medical aid to African countries, notably for postconflict economic reconstruction<sup>50</sup>. This declaration was made in the context of the visit to Belgrade of the Deputy Chairperson of the African Union Commission, Erastus Mwencha. During his visit, discussions also took place about preparing a Memorandum of Understanding and setting up a Joint Committee for economic cooperation between Serbia and African countries, without providing timeline for implementation<sup>51</sup>.

When joining the EU, Serbia will need to become a donor however building the government's capacity to

Institute for Sustainable Communities, e-newsletter "Civil Society Floods Response Update", 2014, available at:

 $\frac{\text{http://www.iscserbia.org/Vesti/ISC\%20Newsletter\%207\%20Special\%20\%20E}{\text{nglish.pdf}}$ 

act as an efficient donor takes time. The government will need to rely on qualified human resources and therefore invest in building the capacities of relevant state institutions, such as the ministries of foreign affairs, finance, agriculture, among others, with regards to development cooperation principles and working methods. Capacity building on development cooperation is equally necessary for civil society actors, notably with regards to their role of holding the government accountable in this area, as well as implementing projects in developing countries, while being accountable and effective actors themselves. Project such as "Western Balkans CSO for Global Development" are a step in the right direction, however effort has to be more reaching, gathering more actors, as well as more sustained.

Another moment that could be beneficial in this very much-needed capacity building is a strong history of development cooperation existing in Serbia, primarily from the period when country was part of the ex-Yugoslavia. Socialist Federal Republic of Yugoslavia (SFRJ) was one of the founders of the **Non-Aligned Movement** and via cooperation in this movement provided considerable levels of ODA to several countries in Africa and Asia during the 1950-1980<sup>52</sup> period. In that sense, Serbian institutions and civil society could utilise on the human expertise and knowledge gained during the mentioned time period, as well as use example of ex-Yugoslavia ODA programs to promote development cooperation to the public.

More importantly, the citizens of Serbia need to understand the principles on which development cooperation is based, especially since it is supported by the state with public finances. Development education and awareness raising are approaches that can address the issue of citizens' understanding and with development cooperation. engagement Development education<sup>53</sup>, an active learning process, founded on values of solidarity, equality, inclusion and co-operation, enables people to understand the causes and effects of global issues, such as extreme poverty, climate change, among others. It fosters citizens' involvement, informed actions personal participation in the fight against world-wide poverty eradication and exclusion.

If Serbia is to successfully take on its responsibilities

CONCORD DARE Forum, 2011, available at: <a href="http://deeep.org/wp-content/uploads/2014/03/development-needs-citizens-position-paper.pdf">http://deeep.org/wp-content/uploads/2014/03/development-needs-citizens-position-paper.pdf</a>

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<sup>&</sup>lt;sup>48</sup> TRIALOG interviews with Serbian civil society and government representatives

<sup>&</sup>lt;sup>49</sup> TRIALOG interviews with Serbian civil society representatives

<sup>&</sup>lt;sup>50</sup> International Radio Serbia, *Dacic and Mwencha for cooperation of Serbia and African countries*, 2013, available at: <a href="http://voiceofserbia.org/content/dacic-and-mwencha-cooperation-serbia-and-african-countries">http://voiceofserbia.org/content/dacic-and-mwencha-cooperation-serbia-and-african-countries</a>

<sup>&</sup>lt;sup>51</sup> International Radio Serbia, *Cooperation of Serbia and the African Union*, 2013, available at: <a href="http://voiceofserbia.org/content/cooperation-serbia-and-african-union">http://voiceofserbia.org/content/cooperation-serbia-and-african-union</a>

<sup>&</sup>lt;sup>52</sup> Development Cooperation through the Legacy of the Non-Aligned Movement <a href="http://www.crosol.hr/file/modelFiles/ModelFile/development-cooperation-through-the-legacy-of-the-non-aligned-movement.pdf">http://www.crosol.hr/file/modelFiles/ModelFile/development-cooperation-through-the-legacy-of-the-non-aligned-movement.pdf</a>
<sup>53</sup> CONCORD, DEEEP, *Development needs Citizens, A position paper of the* 

as an EU member state it needs to start tackling issues concerning development policy and humanitarian aid early on in the accession process, even among competing priorities, and not treat them as a boxticking exercise.

#### 5. Civil society in Serbia

#### 5.1. Overview of civil society

Data from Serbian Business Registers Agency –SBRA shows there were 29,926 associations, 68 foreign associations, 761 endowments and foundations and 25 foreign endowments and foundations branch offices registered till May 2017. 54

In Serbia, there are three common not-for-profit organizational forms that include associations, foundations and endowments (legacies), commonly called civil society organizations. Other not-for-profit legal forms, which are outside the scope of this paper, include political parties, trade unions, chambers of commerce, cooperatives, and private institution (faculties and universities). According to the research on cooperation between national administration bodies and CSOs<sup>55,</sup> most of CSOs are based in the Vojvodina and Belgrade district - in total 63.7% from the total number of CSOs. Also, the majority of CSOs (64.4%) was established after 2010. According to a 2011 study, most Serbian CSOs work in culture, media and recreation; education and research, and social services, whereas fewer CSOs deal with human rights, law and advocacy, and EU integration<sup>56</sup>. Almost one quarter (24%) of Serbian CSOs are involved in international cooperation<sup>57</sup>. Among the proposed 19 objectives for categorisation, nearly a quarter (23%) of endowments and foundations (E&F) identified "other objectives", which usually involves a combination of several existing/offered or specific goals such as promotion, protection and improvement humanitarian activities, human, citizen and minority rights, gender equality, democratic values, regional development, sustainable development, European integration and international understanding, social and

health protection, culture and public informing, art, amateur sports, child and youth care, assistance to elderly, environment protection. Next to it E&F fulfil objectives in the area of science and education with 10,5% and humanitarian activities 9.3%. The minimum number and foundations opted for purposes such as protection of the animals (1,3%), protection of consumers (0,9%) and anti-corruption (0,7%)<sup>58</sup>.

The Serbian CSO sector is relatively young, with the majority of organisations founded after 2000 (Chart 2). Representing almost one fifth of Serbian CSOs (18%), the organisations established before 1990 are less involved in advocacy, despite relying on strong membership and networks of volunteers. Many are organisations for people with disabilities, organised at the national level in the National Organisation of Persons with Disabilities of Serbia. Among these traditional associations, a smaller group of CSOs has developed which pursue a rights-based and capacity-building approach<sup>59</sup>. Being active in areas such as advocacy, policy dialogue and service provision, they are included in national and international sector-based alliances and networks in various fields.

The around 10% of Serbian organisations that were created in the 1990s dealt with human rights violations, humanitarian aid provision for refugees and displaced people, the promotion of peace and reconciliation, and the promotion of democratic values. Many developed into professional CSOs that are engaged in advocacy and capacity building, while also dealing with international and political issues, both within the region and in the context of European integration. They rely on international support more than other CSOs and have a weaker constituency<sup>60</sup>.

Around 29% of Serbian CSOs were created between 2001 and 2009, and mainly emerged after the political and social changes in October 2000. They are undertaking smaller-scale community-based projects on socio-economic and environmental issues, have more limited capacities, and focus on mobilising local resources from communities and municipalities <sup>61</sup>. Since the Law on Associations was adopted in 2009

<sup>54</sup> http://www.apr.gov.rs

<sup>55</sup>http://civilnodrustvo.gov.rs/upload/documents/Publikacije/2015/Istra%C5%BEivanje%200%20saradnji%20dr%C5%BEavne%20uprave%20i%200CD.pdf

<sup>&</sup>lt;sup>56</sup> The Republic of Serbia Government Office for Cooperation with Civil Society, Civic Initiatives, Assessment of the Situation in the Civil Society Organisations (CSOs) Sector in Serbia, 2011, available at: <a href="http://civilnodrustvo.gov.rs/media/2012/10/ASSESSMENT-OF-THE-SITUATION-IN-THE-CIVIL-SOCIETY-ORGANIZATIONS-CSOs-SECTOR-IN-SERBIA.pdf">http://civilnodrustvo.gov.rs/media/2012/10/ASSESSMENT-OF-THE-SITUATION-IN-THE-CIVIL-SOCIETY-ORGANIZATIONS-CSOs-SECTOR-IN-SERBIA.pdf</a>

<sup>&</sup>lt;sup>57</sup> Ibid.

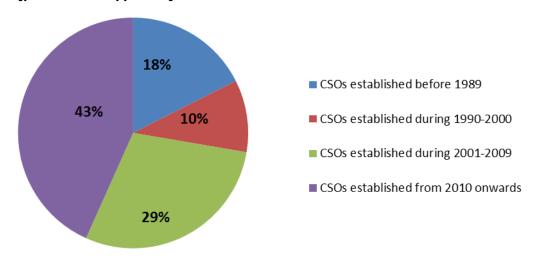
<sup>58</sup> Ibid.

<sup>&</sup>lt;sup>59</sup> Technical Assistance to Civil Society Organisations (TACSO), *2013 CSO Needs Assessment Report Serbia*, 2014, available at: http://www.tacso.org/doc/nar\_rs2014april.pdf

<sup>60</sup> Ibid.

<sup>61</sup> *Ibid*.

Chart 3. Typology of Serbian CSOs by year of registration



Source: Estimations based on data provided in The Republic of Serbia Government Office for Cooperation with Civil Society, Civic Initiatives,
Assessment of the Situation in the Civil Society Organisations (CSOs) Sector in Serbia, 2011 and on the Serbian Business Registry Agency website.

around 43% of Serbian CSOs have registered, however little information is available about their capacities, structure, and areas of interest.

According to the SBRA in 2014 6.651 persons were fully employed in CSOs<sup>62</sup>. That figure represented only 0,36% of the total employed persons in Serbia in the same year. There are more people engaged in CSOs through different types of contracts that are not employed fulltime, like an author's contract or contract for services. That doubles the numbers of actual employment in the civil society sector. This is confirmed by the Pension Fund data. Date from TACSO/IPSOS regional research conducted in 2016 for the TACSO project shows that out of that number, 70% of employees work full time and 30% work part time.

The Law on Volunteering imposes financial and administrative burdens on Serbian CSOs, thus limiting their work with volunteers<sup>63</sup>. The consequence of avoiding these burdens is a dominant culture of *ad-hoc* volunteerism in Serbia i.e. the majority of volunteers are engaged for specific short-term actions and current project activities<sup>64</sup>. However, many CSOs run ongoing volunteering schemes which promote good conditions for volunteers.

Regarding the data on volunteering, there are no systematic, comprehensive data on the number of volunteers, volunteer hours and its monetary value. Some data are being collected by the Ministry of Labour, Employment, Veteran and Social Affairs as prescribed by the Law on Volunteering (which registers

organizers of volunteering, volunteers, requesting reports from organizers, etc.). However, it is not reliable as most CSOs do not submit that reports/information. For example, Ministry's data show that there were 1,204 registered volunteers in 2014, 1,656 in 2015 and 1,761 in 2016 while the latest survey from 2011 indicates more than 150.000 active volunteers in Serbia.

Partnerships are a growing practice in the sector. Working in networks is a common practice, with more than 100 functional networks at the national and local level<sup>65.</sup> CSOs are also increasingly forming cross-sector partnerships with local self-governments and public institutions, notably in view of applying for and implementing EU-funded projects. The latest SBRA's data from 2014 show that 18% of registered CSOs (around 2,500) are members of some networks (domestic, regional, international). According to data from TACSO/IPSOS regional research, 37% of CSOs said they use benefits of membership in the network in terms of projects' implementation, activities, cooperation and assistance, 33% of them use experience/knowledge exchange; the same percentage of CSOs benefit from information access/exchange of information, and 26% from more visibility / influence / power / affirmation CSOs. Access to funds is the least quoted as a benefit.

<sup>65</sup> Balkan Civil Society Development Network, Civic Initiatives, *Monitoring Matrix on Enabling Environment for Civil Society Development – Serbia Report*, 2013, available at: <a href="http://monitoringmatrix.net/wp-content/uploads/2014/01/CMR-Serbia-2013\_-eng.pdf">http://monitoringmatrix.net/wp-content/uploads/2014/01/CMR-Serbia-2013\_-eng.pdf</a>

<sup>&</sup>lt;sup>62</sup> USAID, *2013 CSO Sustainability Index for Central and Eastern Europe and Eurasia*. 17<sup>th</sup> edition. 2014

<sup>&</sup>lt;sup>63</sup> Technical Assistance to Civil Society Organisations (TACSO), 2013 CSO Needs Assessment Report Serbia, 2014

<sup>&</sup>lt;sup>64</sup> TRIALOG interviews with Serbian civil society representatives

#### 5.2. Enabling environment of civil society

#### 5.2.1. Legal environment

The legal environment for Serbian CSOs is generally favourable. The registration process is simple and decentralised, with the possibility to register in a few days. Foreign associations can also register in Serbia. The law allows for non-formal associations to be established, without officially registering, which enables human rights defenders and community-based organisations to be active. However, foundations are still meeting some difficulties in the registration process. Recent positive developments include the introduction of simplified accounting requirements for CSOs as of 2014, and the audit exemption for CSOs. Also, application procedures for public funding for public benefit programmes were simplified in 2013, resulting in less expensive and faster processes for CSOs66.

While civil liberties are generally guaranteed by the Constitution, the latest European Commission progress report on Serbia<sup>67</sup> states Serbia has achieved some level of preparation for the acquis and European standards in the area of Judiciary and fundamental rights. However, developments over the reporting period underlined the need for further implementation and consolidation of reforms in this area.

#### Freedom of expression and Media

As regards freedom of expression, there is a need to maintain and foster space for political dialogue, critical discussion and debate and expression of differing opinions both in mainstream media and in social networks. In relation to the election campaign, political control over the media sector resulted in widespread self censorship, while an effective mechanism for monitoring media conduct during the campaign was lacking. Hate speech is often tolerated in the media and is rarely tackled by regulatory authorities or prosecutors.

The independence of the Regulatory Body for Electronic Media (REM) needs to be strengthened. The self-regulating Press Council has been more active and recorded an increase in breaches of professional journalistic standards and the Journalistic Code.

provisions of the draft Civil Code during the consultation period.

Freedom of assembly is generally respected. A new law on public gatherings was adopted in January 2016 to fill the legal vacuum after the previous law was declared unconstitutional, introducing some improvements (legal remedies) and aiming to align with the Serbian constitution. However, by-laws necessary for full implementation of the law have not yet been adopted and short-comings exist.70

Although, the legal framework for freedom of expression and freedom of association is mostly in place, there are a lot of gaps in its implementation that create difficulties for CSOs, particularly for watchdog organizations. This is also due to the general

Online, freedom of expression is also exposed to

threats, especially in view of increased pressure and attacks against online journalists and bloggers and

social media users. There has been no substantial

progress in investigations into hacking attacks against

websites which occurred in 2014 and since. Even

though the legislation framework for freedom of

association and related rights in most cases is in

accordance with the international standards, there are

a lot of cases, in practice, of their violation. A expert

working group formed by the Government of the Republic of Serbia in November 2006 <sup>68</sup> prepared the

Draft of the Civil Code which also includes a more

restrictive framework for associations, foundations and endowments<sup>69</sup>. The Draft prescribes restrictions in

terms of membership - resignation from membership

is forbidden if it causes tangible or intangible damage for association. Also, it does not allow for economic

activities of CSO. 245 CSOs lead by Civic Initiatives sent

to the Ministry an initiative for amending the

expression and freedom of association is mostly in place, there are a lot of gaps in its implementation that create difficulties for CSOs, particularly for watchdog organizations. This is also due to the general conditions in the Serbian society that are not favourable for any criticism of government actions. Increasing influence of pro-government media and conservative, radical state officials lead to negative campaigns against CSOs, independent journalists and media/media portals, as well as independent institutions, i.e. the Ombudsman and the Commissioner for Information of Public Importance and Personal Data Protection.

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<sup>&</sup>lt;sup>66</sup> Technical Assistance to Civil Society Organisations (TACSO), 2013 CSO Needs Assessment Report Serbia, 2014

<sup>&</sup>lt;sup>67</sup> https://ec.europa.eu/neighbourhoodenlargement/sites/near/files/pdf/key\_documents/2016/20161109\_report\_serbi a.pdf

<sup>68</sup> http://arhiva.mpravde.gov.rs/lt/articles/zakonodavna-aktivnost/gradjanskizakonik/

<sup>69</sup> http://www.paragraf.rs/nacrti\_i\_predlozi/260615-nacrt\_gradjanskog\_zakonika.html

<sup>&</sup>lt;sup>70</sup> European Commission, *Serbia Progress Report*, 2016, available at https://ec.europa.eu/neighbourhood-

enlargement/sites/near/files/pdf/key\_documents/2016/20161109\_report\_ser bia.pdf

An action plan for Chapter 2371 within the European Integration process prescribes some activities and measures in the area of freedom of expression, and responsibility of certain state authorities and the importance of their proper implementation. Modus operandi of the pressure is either through individuals that have connections to ruling party – often being members of local councils - or through progovernment media following up on investigative journalism stories through personal defamation and media lynch against authors or editors of such stories (cases of BIRN, KRIK, CRTA and others)72.

Despite the general provisions of freedom of expression, the year 2016 has been marked by continuation of grave deterioration and attacks on freedom of expression, pluralism and freedom of the media. <sup>73</sup>

#### **Financial Resources**

The main shortcomings in the legal environment for CSOs are related to their access to financial resources. CSOs participating in public tenders for the implementation of social services are required to submit bank guarantees, thus preventing many of them from participating as service providers<sup>74</sup>. In addition, unfavourable by-laws have the unintended consequence of putting CSOs that provide community services outside the legal framework<sup>75.</sup> This in turn creates difficulties for CSOs to sustain service provision and move from donor support to more sustainable funding from local budgets. While CSOs may engage directly in income earning activities in order to achieve their organisational goals, they are discouraged due to the inconsistent interpretations of this provision by public authorities, which can lead to CSOs being fined<sup>76</sup>.

At the end of 2015, an initiative by Trag Foundation for amendments to the Corporate profit tax law has been adopted, which was supported by Civic Initiative together with 113 other organizations<sup>77.</sup> Among other things, these changes prescribe that disbursements made to social welfare institutions and other providers of social services, can be considered an expense for the company. These changes will enable equal treatment of civil society organizations as social service providers, opening up new possibilities for additional funding for CSOs - providers of social services by legal entities.

Tax legislation remains rather unfavorable for CSOs<sup>78</sup>. Unlike in most European countries, Serbian CSOs are not exempt from property tax on real estate. A 2.5 percent tax on gifts or inheritance received by CSOs has been abolished since 2010 however it has been unequally implemented by the authorities<sup>79</sup>. Individual charitable giving is not recognized as the ground for tax deduction, which discourages philanthropy. At the same time, an increase in corporate tax deductions for donations to CSOs from 3.5 percent to 5 percent is expected to stimulate corporate philanthropy<sup>80</sup>. Within the SIGN network, from April and September 2016 it was conducted research on Enhancing the Corporate Philanthropy in Serbia<sup>81</sup>. The research results show that a significant percentage of the legal entities that responded to the survey do engage in giving - twothirds in 2015 (last available data) and over 72% in 2014. The data shows that big companies are significantly engaged in giving (between 85% and 90%), while the engagement of SMEs is considerably lower (from 38% to 46%).

#### 5.2.2. Financial sustainability

According to the USAID CSO Sustainability Index, the financial viability of Serbian CSOs has been improving since 2011, while it remains the weakest sustainability performance indicator. However, in 2015 CSO increased their financial viability. More organizations

<sup>&</sup>lt;sup>71</sup>http://www.mpravde.gov.rs/files/Action%20plan%20Ch%2023%20Third%20 draft%20-%20final1.pdf

<sup>&</sup>lt;sup>72</sup> http://informer.rs/vesti/politika/87013/SOROS-HAOS-SRBIJI-DAO-SKORO-CETIRI-MILIONA-EVRA-Objavljujemo-spisak-svih-placenika-americkog-tajkuna

<sup>73</sup> http://www.nuns.rs/

 <sup>&</sup>lt;sup>74</sup> Balkan Civil Society Development Network, Civic Initiatives, Monitoring
 Matrix on Enabling Environment for Civil Society Development – Serbia Report,
 2013

<sup>&</sup>lt;sup>75</sup> TRIALOG interviews with Serbian civil society representatives

<sup>&</sup>lt;sup>76</sup> Technical Assistance to Civil Society Organisations (TACSO), *2013 CSO Needs Assessment Report Serbia*, 2014

<sup>&</sup>lt;sup>77</sup>https://www.tragfondacija.org/pages/posts/obezbeden-ravnopravantretman-ocd---pruzaoca-usluga-socijalne-zastite-u-zakonu-o-porezu-na-dobit-pravnih-lica-1922.php

<sup>&</sup>lt;sup>78</sup> For a comprehensive overview of tax laws for CSOs in Serbia see: Balkan Civil Society Development Network, Civic Initiatives, *Monitoring Matrix on Enabling Environment for Civil Society Development – Serbia Report*, 2013 and Technical Assistance to Civil Society Organisations (TACSO), *2013 CSO Needs Assessment Report Serbia*, 2014.

<sup>79</sup> Ibid.

<sup>&</sup>lt;sup>80</sup> USAID, 2015 CSO Sustainability Index for Central and Eastern Europe and Eurasia. 2015

https://www.usaid.gov/sites/default/files/documents/1861/Europe\_Eurasia\_ CSOSIReport\_2015\_Update8-29-16.pdf

<sup>&</sup>lt;sup>79</sup>Enhancing the Corporate Philanthropy in Serbia: Improvements to the Legal Framework, October 2016. The document presents the results of research conducted in Serbia based on a partnership between the Trag Foundation and Catalyst Balkans.

successfully raised funds on the local level, and a growing number of CSOs are diversifying their funding gradually. Most CSOs continue to rely on a limited number of international donors, including the EU, Charles Stewart Mott Foundation, Fund for an Open Society, Rockefeller Brothers Fund, Endowment for Democracy, and a number of European embassies. Also, a growing number of CSOs realized they need to find other sources of funding and they tried to develop their own capacities in that way. A growing number of CSOs use online tools, including national fundraising platforms like donacije.rs and global platforms like gofundme.com, to raise funds.

The number of philanthropic actions, including both efforts to attract donations and to engage volunteers, has steadily increased since 2011, reaching 268 actions per month in Serbia in 2015, up from 154 per month in 2014. It is estimated that €22.3 million was donated in 2015, an almost €4 million increase compared to 2014<sup>82</sup>. Most of the donations, however, went to individuals, rather than CSOs.

Data from USAID CSOs' Sustainability Index 201683 shows that financial sustainability of CSOs improved in 2016. CSOs were able to raise more funds both from individuals and companies during this year, including large collection campaigns. CSOs estimate that the level of international funds in 2016 is about the same as in 2015, although there is no precise data. Local support from individuals and companies is rising, but it is still not sufficient to support the sector. In 2016 Catalyst Balkans recorded 3,270 unique philanthropic activities, slightly higher than in 2015<sup>84</sup>. The most significant and maybe the most positive change in comparison with 2015 is the continued slight increase in the number of donations directed to non-profit organizations and a significant increase in value of donations directed to the non-profit sector. The total value of the recorded philanthropic actions in 2016 was € 9.6 million, where approximately 3 million € given to associations, which is a significant increase compared to 2015.

Legislation allows CSOs to engage in economic activities, to receive foreign funding and to receive funding from individuals, corporations and other

sources. Same as other legal entities, CSOs are obliged to meet the conditions regarding purpose of the payment. According to SBRA official data from 2016, there are 7,405 CSO (approximately 26% of total number) registered to carry out economic activity.

Government funding for CSOs has shown positive trends over the last few years, including the provision since 2013 of co-financing for CSO projects funded by the EU and other donors. Some ministries are also providing co-financing for EU-funded projects and this trend is expected to increase<sup>85.</sup> In 2012, around EUR 72 million (RSD 8.6 billion) were disbursed in support of programmes and projects of associations and other civil society organisations at all levels of government, compared to around EUR 25 million (RSD 3 billion) allocated in 2011 only by the central government86. However, these numbers include funding allocated to civil society organisations in their widest definition i.e. churches, religious organisations, trade unions, sports associations, etc., as well as to political parties<sup>87</sup>. Data from the Annual report on expenses which have been provided as support for project and program activities and paid to associations and other civil society organizations from the public funds of the Republic of Serbia in 2012 showed that largest amount of money was paid by state organs (5,82 billion dinars), then the Belgrade, Novi Sad and Nis administrative organs (1,53 billion dinars), local self-government organs (1,23 billion) and the least amount of money was allocated by organs of the Autonomous Province of Vojvodina.

In 2012, around EUR 72 million (RSD 8.6 billion) were disbursed in support of programmes and projects of associations and other civil society organisations at all levels of government, compared to around EUR 25 million (RSD 3 billion) allocated in 2011 only by the central government<sup>88.</sup> However, these numbers include funding allocated to civil society organisations in their widest definition i.e. churches, religious

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<sup>80</sup> http://nkd.rs/wp-content/uploads/2017/06/CSOSI2016-publikacija-srnski ndf

<sup>&</sup>lt;sup>81</sup>https://www.usaid.gov/sites/default/files/documents/1861/Europe\_Eurasia \_CSOSIReport\_2015\_Update8-29-16.pdf

<sup>85</sup>http://www.catalystbalkans.org/DownloadFile.axd?strategy=contentitemd ocument&fileName=723a836a-984a- 48d9-97bc-ac1e3deedb44.pdf

<sup>&</sup>lt;sup>84</sup>http://www.catalystbalkans.org/DownloadFile.axd?strategy=contentitemdo cument&amp;fileName=723a836a-984a- 48d9-97bc-ac1e3deedb44.pdf

<sup>&</sup>lt;sup>85</sup> TRIALOG interview with representatives of the Serbian Government Office for Cooperation with Civil Society

<sup>&</sup>lt;sup>86</sup> Current exchange rate. The Republic of Serbia Government Office for Cooperation with Civil Society, *Annual Summary Report on budget expenditures for the associations and other civil society organisations*, 2011 and 2012, available at:

http://civilnodrustvo.gov.rs/en/documents/publications/

<sup>&</sup>lt;sup>87</sup> It was not possible to identify the amount allocated exclusively to CSOs as defined in this paper i.e. associations and foundations, excluding churches and religious organisations, political parties, sports clubs, etc.

<sup>&</sup>lt;sup>88</sup> Current exchange rate. The Republic of Serbia Government Office for Cooperation with Civil Society, *Annual Summary Report on budget expenditures for the associations and other civil society organisations*, 2011 and 2012, available at:

http://civilnodrustvo.gov.rs/en/documents/publications/

organisations, trade unions, sports associations, etc., as well as to political parties<sup>89.</sup>

According to the last available data from the Annual Consolidated Report on Budget Expenditures of the Office for Cooperation with Civil Society of the Republic of Serbia Funds (2013, 26 state institution respondents, only national level)90 allocated to associations and other CSOs as support to program and project activities from the public funds of Republic of Serbia in 2013, were in total app. 117 million EUR from the national level which represent 0.87% of the Budget of the Republic Serbia. Compared with 2012 data, the increase reflected on the budget is 0.40%. For example, 9 national bodies or institutions approved 130 CSOs with total of 2,389 projects and amount of app 45.9 million EUR. The Office for Cooperation with Civil Society during 2015 published the Handbook for Transparent State Funding and organized trainings for LSG representatives on this topic. Despite it, the practice is still very different and still there is no full implementation of the Regulation on the Means of Fostering or Missing Part of the Funding for the Program in the Public Interest, particularly on local level. Particularly, by-laws on local level are not always full harmonized with the Regulation.

In 2016 Civic Initiatives targeted 21 national level institutions which allocated funds to associations and other CSOs as support to program and project activities from the public funds of Republic of Serbia and sent a request for access to information of public importance demanding information on funds allocated from January 1 2015 to October 10 2016. Gathered answers showed that in total 64,570,614.54 EUR were distributed from budget classification 481 (economic) to CSOs during the defined period.

Public funds are only available for projects and not for the institutional development of CSOs, and in addition associations need to compete for funding with other types of organisations, such as churches, religious organisations, political parties, sports clubs, as mentioned above. Financial support at local government level remains limited and is perceived by CSOs as lacking transparency, despite the introduction in 2012 of the public call procedure for the allocation of state funds<sup>91.</sup> Public calls for CSOs remain rarely used at local government level and decisions are made by authorities according to other criteria 92. The diversity of CSOs' revenue sources remains limited, with most CSOs obtaining funds through calls for proposals from international donors. The level of international donor support remained stable in 2013, despite a gradual withdrawal of donors from Serbia as country progresses towards the European integration<sup>93</sup>. In order to avoid a potential gap in funding which might be created by the phasing out of international support, some donors, notably USAID, invested in building the capacity of local and community foundations to access and manage direct grants starting with 2013, including for re-granting purposes<sup>94</sup>. Calls for proposals for EU grant programmes have also included re-granting mechanisms since 2012. Currently, Serbian CSOs are eligible for EU funding under the following grant programmes: the European Instrument for Democracy and Human Rights (EIDHR); the Instrument for Preaccession Assistance (IPA) (including cross-border cooperation, Civil Society Facility, Technical Assistance for CSOs - TACSO, People-2-People); Europe for Citizens. Serbian CSOs can also partner with EU-based CSOs in EC-funded Development Education and Awareness Raising (DEAR) projects, under the EC thematic programme Civil Society Organisations and Local Authorities (CSO-LA).

CSO financial viability increased in 2015. More organizations successfully raised funds on the local level, and a growing number of CSOs are diversifying their funding gradually. Most CSOs continue to rely on a limited number of international donors, including the EU, Charles Stewart Mott Foundation, Fund for an Open Society, Rockefeller Brothers Fund, National Endowment for Democracy, and a number of European embassies. However, a growing number of CSOs realized they must look for other sources of funding. A growing number of CSOs used online tools, including national fundraising platforms donacije.rs and global platforms like gofundme.com, to raise funds. CSOs also tried to use more traditional social media like Facebook or Twitter to build their

<sup>&</sup>lt;sup>89</sup> It was not possible to identify the amount allocated exclusively to CSOs as defined in this paper i.e. associations and foundations, excluding churches and religious organisations, political parties, sports clubs, etc.

<sup>&</sup>lt;sup>90</sup> The Republic of Serbia Government Office for Cooperation with Civil Society, *Annual Summary Report on budget expenditures for the associations and other civil society organisations* available at http://www.civilnodrustvo.gov.rs/upload/documents/Kancelarija/EU\_IPA/Go disnji%20zbirni%20izvestaj%20za%202013%20qodinu\_sazetak.pdf

<sup>&</sup>lt;sup>91</sup> Balkan Civil Society Development Network, Civic Initiatives, *Monitoring Matrix on Enabling Environment for Civil Society Development – Serbia Report*, 2013

<sup>92</sup> Ibid.

<sup>&</sup>lt;sup>93</sup> USAID, *2013 CSO Sustainability Index for Central and Eastern Europe and Eurasia*, 17<sup>th</sup> edition, *2014* 

<sup>94</sup> TRIALOG interviews with Serbian civil society representatives

constituencies, but with limited effect. 95

According to data from CSO Sustainability Index 2016, CSOs financial sustainability improved during 2016, comparing to 2015. CSOs were able to collect more funds from individuals, as well as from companies, including big fundraising campaigns carried out during 2016.

Support from individuals and companies from local level were increased, but it still is not enough for the sectors' sustainability.96According to a 2011 study, in the structure of the CSO budgets, funds provided by corporations represent only 6%, while 3% are provided by individual citizens<sup>97</sup>. However, a recent improvement in tax legislation regarding corporate donations might contribute to improving corporate philanthropy. Income earned through service provision remains limited and constituency building for long-term financial sustainability is still needed.

According to the research on economic value of nonprofit sector in West Balkan and Turkey (with up-dates for Serbia)98 CSOs' business income ranked 95% of their total revenue in 2013 and 96% of their total revenue in 2014. The structure of the income among the associations and foundations/endowments is approximately the same, although they are not given in detail and doesn't illustrate specific features of CSOs (e.g., revenue from the membership fees in association). Also, it is evident that the existing structure has not changed. In general, the most of financing of CSOs comes from donations, grants and subsidies, and much less from other sources as sale of goods and services. The smallest part of income is based on of specific rules from the Budget (4% in 2013 and 2% in 2014).

#### 5.2.3. Relations with the government

Despite the challenges Serbia is facing regarding the guarantee of full freedom of expression as seen above, interactions between the government and CSOs have improved in the last few years with the former appearing more ready to engage with civil society,

especially in the context of EU integration<sup>99</sup>. This is also due to the Government Office for Cooperation with Civil Society (the Office), established in 2011 to support the dialogue between the Serbian government and CSOs. The Office contributed to improving the transparency of public funding, through the adoption of the Regulations on Transparent funding for CSOs, and through the preparation of annual reports on public funding for civil society. In its Strategic Framework for 2011-2014 and its 2013-2014 Operational Plan, the Office mentions as targets the establishment of a National Council for the Development of Civil Society, as well as the development of a Strategy for Creating an Enabling Environment for Civil Society Development 100. Although it was announced at the numerous events that it was expected that the strategy will be adopted till the end of 2016, it still can't be said when the strategy will be adopted. The Office became a focal point for the EU program "Europe for Citizens" and also introducing a mechanism for co-funding, for CSO projects approved by the European Union. The Office is very active within public administration to promote the further understanding and recognition of the importance of civil society as a great resource of human and social capital. The Office also provides training, capacity building and information sharing, not only to public administration, but also to CSO sector, on relevant issues.

A number of CSOs participate in the planning and programming of international assistance received by Serbia through the SECO mechanism<sup>101</sup> and with the support of the Office for European integration Public calls for participation in this mechanism are launched by the Office which is currently in the process of finalising the selection of the second generation of SECOs. The SECO mechanism has been well received by Serbian civil society and perceived as a positive tool for CSO participation. Some weaknesses have been however highlighted, notably the limited activity of some sector groups, and most importantly, the lack of regional or local activities, as well as the limited

<sup>95</sup> https://www.usaid.gov/sites/default/files/documents/1861/Europe\_Eurasia \_CSOSIReport\_2015\_Update8-29-16.pdf

<sup>96</sup> file:///C:/Users/goksi1980/Desktop/CSOSI2016-publikacija-srpski.pdf

<sup>&</sup>lt;sup>97</sup> The Republic of Serbia Government Office for Cooperation with Civil Society, Civic Initiatives, Assessment of the Situation in the Civil Society Organisations (CSOs) Sector in Serbia, 2011

<sup>98</sup> https://www.gradjanske.org/wp-content/uploads/2016/06/FINAL-Ekonom.vrednost-sektora-2014\_f-3.pdf

<sup>&</sup>lt;sup>99</sup> Balkan Civil Society Development Network, Civic Initiatives, Monitoring Matrix on Enabling Environment for Civil Society Development – Serbia Report, 2013

The Republic of Serbia Government Office for Cooperation with Civil Society, available at: <a href="http://civilnodrustvo.gov.rs/en/documents/office-acts/">http://civilnodrustvo.gov.rs/en/documents/office-acts/</a>
 In March of 2011, Serbian European Integration Office (SEIO) - the Department for planning, programming, monitoring and reporting on EU funds and Development Assistance - had established a mechanism for consultations with CSOs called SECO mechanism, which allows their participation in programming the use of funds of the EU and other international development assistance (http://sekomehanizam.org/uploads/SEKO\_komunikaciona\_agenda\_EN.pdf).

visibility of the process in the wider civil society 102. Indeed, according to some CSO representatives, SECO activities are based in Belgrade and there are few opportunities for local and regional organisations to participate.

During 2013 and 2014, the Office also facilitated the participation of civil society representatives in the negotiations on Serbia's accession to the EU103. CSOs participated through web streaming in the monitoring of explanatory screenings for 16 chapters, the preparation of the bilateral screenings as well as briefing meetings following bilateral screenings. Participation in web streaming was organised through public calls published on the Office website and more than 300 representatives of CSOs attended 104. The Office also organised trainings to strengthen CSOs' capacity to participate in and monitor the accession negotiations process. Web streaming for the explanatory screening on Chapter 30 - External Relations - was attended by nine CSO representatives, from seven different organisations 105. In August 2015, in its decision - Government of Serbia recognized National Convention on the EU (NCEU) as key channel in informing citizens on EU Accession process. The level of cooperation between NCEU and the National Assembly is very high.

Some initiatives improved the structure the cooperation between government and CSOs such as the change of rules of procedures related to public hearings in 2013. The agendas of public hearings are now published and deadlines are established that give CSOs more time to react to and participate in the policy process 106. Furthermore, Guidelines for participation of CSOs in the decision making processes have been adopted by the government at the end of August 2014. These have been received as a positive initiative by Serbian civil society, notably due to the variety of possible forms of participation of interested organised on four levels: information,

counselling, involvement and partnership 107. During 2015 two baseline studies were carried out by the Office for Cooperation with civil society. First one was "Cooperation of State and Civil Society Organisations; Baseline Study for the Development of the first National Strategy for Creating an Enabling Environment for Civil Society Development in the Republic of Serbia 2015-2019". This is the first study about the status of civil society organizations (CSOs) and cooperation between the CSOs and public administration, based solely on data collected by the state institutions. The second study is dealing with same data, but on the level of local self-governments. Both studies are of crucial importance for providing reliable and accurate data on the CSO sector in Serbia, in order to monitor to-be-adopted National strategy and to be able to assess the level of development and scope of work of CSO sector in Serbia, including also regional and international comparisons.

Despite these positive developments and initiatives, government authorities, especially at the local level, still do not see the benefit of involving civil society and CSO participation in policy processes is rather more formal than substantial. The level of state control locally is increasing, primarily through the selection of CSO projects that receive funds from local public budgets 108. There is also an issue of capacity of CSOs to engage, with only a limited number of CSOs taking an active part in discussing legislation or policies. The Office is also perceived by some parts of civil society as at risk of becoming a bottleneck, since some public institutions are using it as the only channel of communication with civil society, thus failing to address CSOs directly 109. Data from the Office for Cooperation with Civil Society in the Annual Report 2015 show that totally 15 seminars for LSG representatives on two main topics have been held: Improving cooperation between local governments and civil society organizations and transparent budgetary financing of their activities and the role of civil society in improving local practices in transparent financing from the local governments' budget. When it comes to one of the basic principles of the Open Government Partnership - close cooperation with civil society, during preparation of the second Action Plan significant improvement has been made compared to the previous process of drafting of the first Action Plan

<sup>&</sup>lt;sup>102</sup> TRIALOG interviews with Serbian civil society representatives

<sup>&</sup>lt;sup>103</sup> The Republic of Serbia Government Office for Cooperation with Civil Society, Report on the participation of CSOs in the negotiation process for the accession of the Republic of Serbia to the European Union, 2014, available at: http://civilnodrustvo.gov.rs/media/2014/06/Report-on-CSOs-participation-innegotiating-process-in-Serbia.pdf

<sup>&</sup>lt;sup>104</sup> *Ibid*.

 $<sup>^{\</sup>rm 105}$  These organisations include: European Policy Centre, United Trade Unions Independence, Native Land/Rodna gruda, Confederation of autonomous trade union of Serbia, Modern youth, Balkan Security Agenda, Club of students of the Faculty of Security. Information provided by the Serbian Office for Cooperation with Civil Society.

<sup>106</sup> USAID, 2013 CSO Sustainability Index for Central and Eastern Europe and Eurasia, 17th edition, 2014

<sup>&</sup>lt;sup>107</sup> TRIALOG interviews with Serbian civil society representatives

<sup>&</sup>lt;sup>108</sup> USAID, 2013 CSO Sustainability Index for Central and Eastern Europe and Eurasia, 17<sup>th</sup> edition, 2014

<sup>&</sup>lt;sup>109</sup> Balkan Civil Society Development Network, Civic Initiatives, *Monitoring* Matrix on Enabling Environment for Civil Society Development - Serbia Report,

2014/15. The process of preparing the Action Plan officially started in January 2016 by establishing specific inter-ministerial working group for drafting the second Action Plan for the period from 2016 to 2017. Working Group's establishment During the representatives of CSOs were invited to participate in Working Group work, as equal members. CSO representatives were selected through a transparent process. As a result of the joint work of government and CSO representatives, twenty two proposals for obligations within themes were collected by CSOs: Public participation, access to information, open data, integrity of government, fiscal transparency and public services. In addition, CSOs submitted six written proposals. Most of the suggestions were included in the Action Plan. Although, they are participating in the different working groups, in the cases when their proposals are not accepted, CSOs use other ways for advocacy - direct contacts with decision makers, media pressure, protests etc.

### 5.3. Involvement in development cooperation and development education

According to a 2011 study, 24% of Serbian CSOs are involved in international cooperation in addition to other activities, and 0.7% of CSOs listed international cooperation as their main area of work<sup>110</sup>. Serbian CSOs most often cooperated on international projects with CSOs from Bosnia and Herzegovina, and Croatia, while cooperation was more limited with Albanian and Turkish organisations. Serbian CSOs also cooperated with CSOs in the other Western Balkans countries. The main areas of cooperation were culture, education, and social services.

The most frequent motivation for establishing cooperation was the existence of common interests and aims. Almost one third of Serbian CSOs were involved in international cooperation to provide assistance to another organisation (29%)<sup>111</sup>. Better use of capacities, using the reputation of the partner organisation for increasing their influence, responding to donor requirements, as well as facilitation of fundraising were additional reasons for involvement in international cooperation. Serbian CSOs involved in joint activities or projects with CSOs in neighbouring countries were supported through EU funds (IPA-Civil

Society Facility), as well as by international foundations, while a limited number of CSOs received support for study visits from relevant ministries<sup>112</sup>. There are however no regular and predictable funds from the government for CSO involvement in this type of activities.

It is difficult to assess whether the percentage of Serbian CSOs involved in international cooperation has increased since 2011. On one hand, it could be expected that the number has increased due to growing capacities and expertise of Serbian CSOs who are also engaging more in European partnerships and networks, such as European Year for Development 2015 and other projects as well as on international issues. Additionally, regional cooperation and the implementation of joint projects with CSOs in neighbouring countries in the Western Balkans have increasingly been supported by the EU through IPA funds. On the other hand, Serbia's EU accession has introduced new topics for CSOs which are now focusing on and building their capacities to better engage in this more domestic process.

Despite their involvement in regional initiatives, Serbian CSOs' presence beyond the Western Balkans has been very limited. Very few if any Serbian CSOs have been active in the implementation of development cooperation projects in developing countries outside the region 113. The reasons quoted by CSO representatives are the current focus on the situation in the country itself, as well as the lack of government funding for such projects 114. CSOs see a potential of participating in the implementation of development cooperation projects, and consider they have the necessary expertise and experience due to their involvement in the post-conflict reconstruction phase in Serbia. However, CSOs see this as a rather long-term possibility, once Serbia reaches a certain level of development and becomes an EU member state.

This view is also reflected in the establishment of the AidWatch Serbia – Coalition for the monitoring of development assistance. At European level, AidWatch CONCORD monitors the levels of development aid disbursed by EU member states, while advocating for improved effectiveness and transparency of aid programmes. AidWatch Serbia, a coalition of 14 CSOs, acts as a watchdog for the spending of international assistance received by the country, with a view of using this experience once Serbia becomes a donor of

<sup>&</sup>lt;sup>110</sup> The Republic of Serbia Government Office for Cooperation with Civil Society, Civic Initiatives, Assessment of the Situation in the Civil Society Organisations (CSOs) Sector in Serbia, 2011

<sup>&</sup>lt;sup>111</sup> Ibid.

<sup>112</sup> TRIALOG interviews with Serbian civil society representatives

<sup>113</sup> Ibid.

<sup>114</sup> Ibid.

development and humanitarian aid. AidWatch Serbia is also liaising with European development cooperation CSO platforms to learn about their ways of working and exchange experiences. However, activities of this Coalition are very much ad hoc due to lack of support and interest by Serbian and international donors for development cooperation capacity building of CSO's.

Many Serbian CSOs engage on international policy issues specific to their area of work and have integrated the millennium development goals (MDGs) in their working frameworks. Some CSOs are also implementing non-formal teaching activities related to global education issues, such as the environment and climate change, social justice, and gender. Interviewed CSOs were also increasingly partnering with CSOs from EU member states, as well as being members of European and regional level networks, seeing these as potential ways of engaging beyond their immediate neighbourhood.

It is important that Serbian civil society becomes involved in and engages with development policy and humanitarian aid early in the accession process, thus accompanying the Serbian government in its transition from being a recipient of international assistance to becoming a donor country. Civil society plays a crucial role in development cooperation. Civil society acts as a watchdog and holds governments accountable, it implements development cooperation projects and often has close relationships with civil society in developing countries. An EC communication from 2012 stresses the essential role of civil society in EU's actions to further democracy and sustainable development in the world<sup>115</sup>. Civil society input to policy formulation is crucial because of its unique experience at the grassroots level and also because these policies will influence it as implementer of the projects.

6. Conclusion and recommendations

Serbia was identified as a potential EU candidate country in 2003 but it was not until ten years later, in June 2013, that it received the green light to start accession negotiations. In this process, Serbia will also be expected to implement the EU acquis

115 European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "The roots of democracy and sustainable development: Europe's engagement with Civil Society in external

lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0492:FIN:EN:PDF

relations", 2012, available at: http://eur-

communautaire in the area of development policy and humanitarian aid. While little progress has been made in this area, in its National Plan for the Adoption of the Acquis, the Serbian government envisages the creation of a unit in the MFA dealing with development and humanitarian aid, the adoption of a law on Development Cooperation, as well as the appointment of a National Coordinator. Since Serbia's objective is to finalise the alignment with EU legislation by 2018, it seems somewhat worrisome that the acquis concerning development policy and humanitarian aid could be adopted only towards the very end of the accession process.

Serbia's involvement in development cooperation and humanitarian aid provision to developing countries to date has been limited. Serbia is a recipient country of ODA and focused on its own development, especially in the context of its EU accession process. Due to its experience as a recipient of development assistance though, Serbia has developed numerous institutions, frameworks and practices which could successfully be adapted to the provision of development and humanitarian assistance, as Serbia progressively becomes a donor country. Serbia has the potential to build on its institutional set-up for aid coordination as a recipient of international assistance in order to become an effective donor in the near future.

The past 15 years have seen the development of a vibrant, active civil society sector. Some shortcomings regarding their legal environment and financial sustainability still prevent Serbian CSOs from reaching their full potential. The Serbian CSOs' engagement with the government has improved over the past years, even if the central and local governments do not always acknowledge the benefit of involving civil society in policy processes and CSOs do not always have the capacity to do so. The Government Office for Cooperation with Civil Society has facilitated the participation of civil society representatives in Serbia's EU accession process. This practice is welcomed and should be systematically implemented in a manner that includes local, regional and Belgrade-based CSOs.

The experience of civil society in Serbia's post-conflict reconstruction phase and transition to democracy is valuable and represents an important potential to be used in the context of development cooperation. In 2016, almost one quarter of Serbian CSOs were active in international cooperation, mainly with CSO partners from other Western Balkans countries. The recent unfortunate example of the floods which have affected the country since May

2014, has seen an important mobilisation of Serbian civil society which could serve as a baseline for future civil society involvement in the provision of humanitarian aid to developing countries. Numerous CSOs in Serbia have included development-related topics, such as the MDGs, climate change and gender equality in their activities, however, the number of CSOs that engage in such activities is not clear.

#### **Recommendations**

- Government of Serbia to systematically create opportunities for and facilitate the inclusion of Serbian civil society at all levels – national, regional and local – in the EU accession process.
- Government of Serbia to further improve the enabling environment of the Serbian civil society, including the regulatory, financial and participatory dimensions and to include CSOs in the monitoring of accession negotiations on Chapter 24 of the EU acquis communautaire, notably regarding the civil society-related provisions.
- Civil society to engage with the government on the topic of development policy and humanitarian aid, as well as the progress on Chapter 30 of the *acquis*.
- Government of Serbia and European Commission Directorate-General for European Neighbourhood Policy and Enlargement Negotiations to address the

- issues of development policy and humanitarian aid at an early stage in the EU accession process in order for Serbia to be fully prepared to take up its responsibilities as a new donor.
- Civil society, state and EU actors to provide capacitybuilding opportunities on development policy and humanitarian aid to Serbian civil society actors and state representatives.
- Serbian government together with donor community in Serbia and civil society to systematise and analyse the lessons learned from its experience as a recipient of international assistance and to use this experience in setting up structures for the provision of development and humanitarian aid.
- Civil society together with government and donor community in Serbia to systematise lessons learned from the participation of Serbian civil society in the national response to the floods crisis, notably for the provision of humanitarian aid in the future.
- Serbian government and civil society actors to promote and implement activities that support development education and awareness raising in Serbia.
- Serbian and EU CSOs to actively seek opportunities to partner with each other in the area of development policy and humanitarian aid, e.g. to jointly implement development education and awareness raising (DEAR) projects under the Non-State Actors and Local Authorities (NSA-LA) grant programme of the European Commission.

# Annex – List of Serbian civil society actors active in sectors closely related to international cooperation\*

Name of the CSO	Area of work	Countries of implementation	Contact
Aid Watch Serbia (Leskovac)	Development cooperation / Development education	Serbia	www.aidwatchserbia.org Email: office@aidwatchserbia.org Tel: +381 16 236 890
AS – Center for Empowerment Youth people who are living with HIV and AIDS (Belgrade)	Human rights	Serbia	http://aids-support.org/ Email: office@aids-support.org Tel: +381 60 5030 402 +381 11 3343 260
Association for Development of Children and Youth – Open Club (OKNIS) (Niš)	Citizenship / Development education	Serbia Bosnia and Herzegovina	www.oknis.org.rs Email: oknis@medianis.net Tel: +381 18 523 422 +381 18 244 995
National Association of Youth Workers (NAPOR) (Novi Sad)	Citizenship / Development education	Serbia	http://napor.net/ (Serbian only) Email: office@napor.net Tel: +381 21 2618 597
Autonomous Women's Centre Belgrade	Human rights	Serbia Western Balkans Slovenia	www.womenngo.org.rs/english/index.php Email: azc@azc.org.rs Tel: + 381 11 2687 190
Belgrade Open School	Citizenship / Development education	Serbia	http://www.bos.rs/eng/ Email: bos@bos.rs Tel: +381 11 30 65 800
Center for Democracy Foundation	Democratisation / Good governance	Serbia	http://www.centaronline.org/en/index.php Email: info@centaronline.org Tel: +381 11 3627 780
Center for Ecology and Sustainable Development (CEKOR) (Subotica)	Environment / Sustainable development	Serbia	www.cekor.org Email: djnatasa@yahoo.com Tel: +381 24 523 191
Civic Initiatives (Belgrade)	Citizenship / Development education	Serbia Western Balkans	www.gradjanske.org/page/home/en.html Email: civin@gradjanske.org Tel: +381 11 3398 637
Divac Foundation (Belgrade)	Democratisation / Good governance	Serbia	www.fondacijadivac.org Email: hod@divac.com Tel: +381 11 3341 755
Environmental Ambassadors for Sustainable Development (Belgrade)	Environment / Sustainable development	Serbia Western Balkans Turkey Kosovo	http://ambassadors-env.com/ Email: office@ambassadors-env.com ambasadorior@gmail.com Tel: +381 11 3225 139
European Movement Serbia (Belgrade)	Citizenship / Development education	Serbia	www.emins.org/english Email: office@emins.org Tel: + 381 11 3640 174
Group 484 (Belgrade)	Human rights	Serbia	http://www.grupa484.org.rs/en Email: office@grupa484.org.rs Tel: +381 11 2660 972
Media Education Centre (Belgrade)	Citizenship / Development education	Serbia	http://www.mediaeducationcentre.eu/eng/ Email: office@mediaeducationcentre.eu Tel: +381 62 1071 082 (SMS)
National Coalition for Decentralization (Niš)	Democratisation / Good governance	Serbia	http://decentralizacija.org.rs/ Email: info@decentralizacija.org.rs Tel: +381 18 527 708
National Convention on the European Union (Belgrade)	Democratisation / Good governance	Serbia	http://eukonvent.org/eng/ Email: eukonvent@emins.org Tel: + 381 11 3640 174
Network of the Committees for Human	Human rights	Serbia	http://chris-network.org/ Email: office@chris-network.org

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Rights in Serbia – CHRIS			Tel: +381 18 526 232
Network (Niš)			+381 18 526 234
Network of organisations	Human rights	Serbia	www.zadecu.org
for children in Serbia			Email: office@zadecu.org
(MODS) (Niš)			Tel: +381 18 523 422
Network of NGOs	Human rights	Serbia	http://www.cilsrbija.org/ser/index.php
working with persons			Email: office@cilsrbija.org
with disabilities			Tel: +381 11 367 53 17
(Belgrade)			+381 11 367 53 18
People's Parliament	Human rights,	Serbia	http://www.parlament.org.rs/
(Leskovac)	Democratisation /		Email: office@parlament.org.rs
,	Good governance		Tel: +381 16 236 890
	Citizenship /		
	Development		
	education		
Regional Centre for	Human rights	Serbia	http://www.minoritycentre.org/
Minorities			Email: info@minoritycentre.org
(Belgrade)			Tel: +381 11 2623 364
SeCons	Poverty reduction	Serbia	http://www.secons.net/
(Belgrade)	l overty reduction	Scrbia	Email: office@secons.net
(Beigiade)			Tel:+381 11 412 12 57
SHARE Foundation	H	Cambia	
	Human rights	Serbia	www.shareconference.net/en
(Novi Sad)		0.11	Email: info@shareconference.net
Smart Kolektiv	Poverty reduction	Serbia	www.smartkolektiv.org
(Belgrade)		Montenegro	Email: svetlana@smartkolektiv.org
			Tel: +381 11 2659 700
SOS Children's Villages	Human rights	Serbia	www.sos-decijasela.rs/?lang=en
(Belgrade, Kraljevo)			Belgrade
			Email: <u>ivan.stojanovic@sos-decijasela.rs</u>
			Tel: +381 11 34 47 222
			Kraljevo
			zaklina.popovic@sos-decijasela.rs
			Tel: +381 36 375 451
The Youth Dialogue	Citizenship /	Serbia	http://www.ydprogramme.org/index e.htm
Programme	Development	Kosovo	Email: office@ydprogramme.org
(Novi Sad)	education		Tel: +381 65 8119 805
TRAG Foundation	Democratisation /	Serbia	www.tragfondacija.org
(Belgrade)	Good governance		Email: office@tragfondacija.org
, ,	l o		Tel: +381 11 78 39 467
Women Against Violence	Human rights	Serbia	http://www.zeneprotivnasilja.net/en/
Network	2		Email: zene.protiv.nasilja@gmail.com
(Belgrade)			(Coordinated by Autonomous Women's Center)
World Vision Serbia	Human rights	Serbia	http://www.wvi.org/serbia
(Belgrade)	Talliali rigilts	Jeroid	Email: tijana moraca@wvi.org
(Deigrade)			Tel : +381 11 3972 828
Young Researchers of	Environment /	Serbia	http://www.mis.org.rs
Serbia	Sustainable	Servia	
			Email: office@mis.org.rs
(Belgrade)	development	C - ul-1-	Tel: +381 11 3111 314
Zajecar Initiative	Citizenship /	Serbia	http://www.zainicijativa.org/index.php
(Zajecar)	Development	Kosovo	Email: dankon@zainicijativa.org
	education	Macedonia	Tel: +381 19 440 224

<sup>\*</sup> list shown here is by no means exhaustive