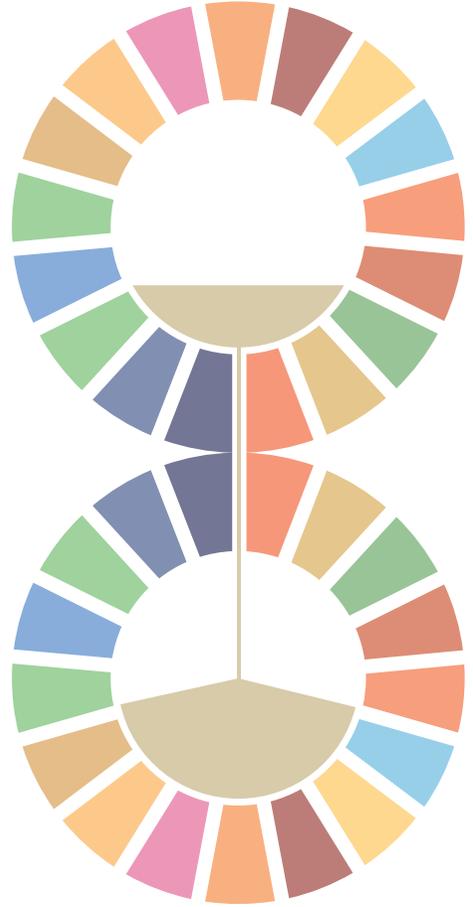




SDGS
FOR
ALL

2030 SERBIA

MANY CHALLENGES, LITTLE TIME:
IS SERBIA SET ON ITS
DEVELOPMENT PATH?



Немачка
сарадња
DEUTSCHE ZUSAMMENARBEIT



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC

Implemented by:



SERBIA

2030

**MANY CHALLENGES, LITTLE TIME:
IS SERBIA SET ON ITS DEVELOPMENT PATH?**



PUBLISHER:

Belgrade Open School
Bulevar oslobođenja 177
11010 Belgrade, Serbia
Tel: +381 11 3065 800
Internet address: www.bos.rs

On behalf of the publisher: Vesna Đukić

AUTHORS:

Center for Democracy Foundation: Sarita Bradaš, Marina Savković

Center for Advanced Economic Studies: Lana Hadži-Niković, Lazar Ivanović,
Lazar Živković, Miloš Đinđić and Vladimir Mihajlović

Belgrade Open School: Damir Dizdarević, Goran Sekulić, Milica Radanović,
Mirjana Jovanović, Nevena Nenadović, Predrag Momčilović

Editors: Aleksandar Bogdanović, Damir Dizdarević, Goran Radlovački and Sanja Ilić,
Belgrade Open School

Translation: Vijuga M

Layout and print: Dosije studio

Print run: 20

ISBN: 978-86-81402-24-5

Belgrade, 2023

This publication was made possible by the governments of Switzerland and Germany.
This publication does not necessarily reflect the official position of the governments
of Switzerland and Germany.

For more information, please contact us at info@sdgs4all.rs.

Please cite the report as follows:

Bradaš, S., Đinđić, M., Dizdarević, D., Hadži-Niković, L., Jovanović, M., Ivanović, L., Mihajlović V.,
Momčilović, P., Nenadović, N., Radanović, M., Savković, M., Sekulić, G., and Živković, L. (2023).
Belgrade: Belgrade Open School

CIP – Каталогизacija у публикацији
Народна библиотека Србије, Београд
001.818:[321.022::351/354(497.11)
502.131.1(497.11)“2023/2030”

SERBIA 2030 : many challenges, little time : is Serbia set
on its development path? / [authors Sarita Bradaš ... [et al.] ;
translation Vijuga M]. – Belgrade : Belgrade Open School, 2023
[Beograd : Dosije studio]. – 145 str. : graf. prikazi, tabele ; 24 cm
Izv. stv. nasl.: Srbija 2030. – Tiraž 20. – Bibliografija: str. 136–145.

ISBN 978-86-81402-24-5

1. Bradaš, Sarita, 1964– [аутор]

а) Одрживи развој — Србија — 2023–2030

б) Јавна политика — Евалуација — Србија

COBISS.SR-ID 129467913

Table of Contents

Acknowledgement	6
Introduction	7
Methodology	9
Planning documents, institutional mechanisms and progress monitoring and reporting on the achievement of the Sustainable Development Goals	11
Establishing institutional and coordination mechanisms for the achievement of the sustainable development goals	14
Establishing progress monitoring and reporting mechanisms towards achieving the sustainable development goals	15
Analysis of compliance of the Economic Reform Programme for the period 2023 to 2025 with the sustainable development goals	19
Progress assessment in the achievement of development priorities	43
Priority Area 1: Healthy life and health care for all	44
Sustainable Development Goal 3: Good health	45
Priority Area 2: Dignity for all Serbian citizens	49
Sustainable development goal 1: No poverty	50
Sustainable development goal 2: Zero hunger	54
Sustainable Development Goal 5: Gender equality	57
Sustainable development goal 10: Reduced Inequalities	63
Priority Area 3: Reaching European level of democracy, rule of law and quality of institutions	69
Sustainable Development Goal 16: Peace, justice and strong institutions	70
Priority Area 4: Competitive economy and productive jobs	80
Sustainable Development Goal 8: Decent work and economic growth	81
Sustainable Development Goal 9: Industry, innovation and infrastructure	88
Priority Area 5: Skills for sustainable and smart development and the future of labour	92
Sustainable Development Goal 4: Quality education	93

Priority Area 6: Responsible and efficient use of natural resources	97
Sustainable Development Goal 7: Affordable and clean energy,	98
Sustainable Development Goal 9: Industry, innovation and infrastructure	102
Sustainable Development Goal 12: Responsible Consumption and Production	105
Priority Area 7: Clean and resilient local communities	108
Sustainable Development Goal 6: Clean water and sanitation	109
Sustainable Development Goal 11: Sustainable cities and communities	113
Sustainable Development Goal 12: Responsible consumption and production	117
Sustainable Development Goal 13: Climate action	120
Sustainable Development Goal 14: Life below water	123
Priority Area 8: Safeguarding natural and cultural heritage	126
Sustainable Development Goal 11: Sustainable cities and communities	127
Sustainable Development Goal 15: Life on land	130
Abbreviations	134
References	136

Charts

Chart 1. Employment rates for men and women (in %) ages 20–64 and gender gap in employment (in percentage points), Serbia, 2019–2022.	60
Chart 2. Inactivity rates due to caring responsibilities (persons with disabilities and children) among the population ages 20–64 (as % of the population outside the labour force willing to work) by gender, 2019–2021.	61
Chart 3. Severe material deprivation rate, the bottom 40% of the population, 2020.	66
Chart 4. Share of the population that reported their health status as poor, the bottom 40%, 2021.	67
Chart 5. CPI trends in the period 2012–2022.	78
Chart 6. Total public and private investments (% GDP) in 2020	85
Chart 7. Activity, employment, and unemployment rates 2021–2022	86

Chart 8. Work productivity in 2020 – GVA per employee (PPP EUR from 2020)	86
Chart 9. Employment rates of the population 20–34 years of age who have recently completed education, 2021, Serbia and EU-27 (%)	95
Chart 10. Young people 15–29 years of age who are neither employed nor in education or training (NEET) by gender (%), Serbia, 2019–2021	96
Chart 11. Young people 15–29 years of age who are neither employed nor in education or training (NEET), 2021, Srbija and EU-27 (%)	96
Chart 12. Share of RES in the energy mix of the Republic of Serbia	100
Chart 13. Comparative presentation of the emission intensity of particulate matter PM _{2.5} from the processing industry in the period 2008–2020. Unit of measure: grams per euro, chain-linked volumes, 2010).	104
Chart 14. Population connected to the urban wastewater treatment facilities with at least secondary treatment.	111
Chart 15. Number of persons directly affected by disasters	122

Tables

Table 1. Average net earnings in September by gender and qualification level, 2019–2022.	60
Table 2. Average time and participation in paid and unpaid work by gender, all days, 2015 and 2021/2022.	62
Table 3. WGI indicators for Serbia for 2021 and comparison against 2019 and 2020 (results are shown in percentile rank)*.	76
Table 4. Rule of law index for 2022 and comparison with 2020 and 2021 according to eight factors*	77

Acknowledgement

The report has been prepared within the "SDGs for All" Platform which enables a broad discussion among the Serbia's non-state actors, including civil society, corporate sector, academic and research community, media and the citizens, on aligning Serbia's development priorities within the objectives of the 2030 Agenda for Sustainable Development. This Platform is structured in three pillars corresponding to the three dimensions of sustainable development: social, economic and environmental, but from the overall management perspective, it is operated in an integrated manner, recognizing that the SDGs and targets are closely interlinked.

The "SDGs for All" Platform is supported by the governments of Switzerland and Germany and implemented by *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH*, within the project "Public Finance Reform – 2030 Agenda". Project partners are *Belgrade Open School, Foundation BFPE for a Responsible Society, Center for Advanced Economic Studies, Ana and Vlade Divac Foundation, Centre for Democracy Foundation, Timok Youth Center* and *SMART Kolektiv*.

The authors wish to express special appreciation to civil society organisations, government institutions, independent bodies, representatives of the academic community, representatives of international organisations and individuals who contributed to the preparation of this report with their comments and suggestions.

We owe gratitude to the following institutions, organisations and individuals: Biljana Mladenović from UNICEF Serbia, Bojana Bijelović Bosanac from Confederation of Autonomous Trade Unions of Serbia, Branimir Jovanović from The Vienna Institute for International Economic Studies, Dijana Štrbac from Institute of Economic Sciences, Dr Kosana Beker from Femplatz, Dr Mario Reljanović from Center for Dignified Work, Dr Snežana Simić, retired Professor of the University of Belgrade, Jovana Spremo from Lawyers' Committee for Human Rights, Ministry of Administration and Local Self-Government, Ministry of Science, Technological Development and Innovation, Ministry for Human and Social Rights and Social Dialogue, Ministry of Environmental Protection, Young Researchers of Serbia, National Convention on the European Union, Nenad Jovanović from Institute for Development and Innovation and Statistical Office of the Republic of Serbia.

Introduction

After the establishment of the concept of sustainable development and the first attempts at its realisation, from Agenda 21 to the Millennium Development Goals, the United Nations (UN) defined a new global development agenda – the UN Agenda for Sustainable Development until 2030. It was adopted on 25 September 2015, and it rests on three main pillars:

1. Eradicate poverty,
2. Protect the planet, and
3. Ensure prosperity for all.

The key difference compared to the Millennium Development Goals is that the 2030 Agenda applies to all countries worldwide, not just developing countries. The 2030 Agenda runs under the motto "Leave no one behind", comprising 17 ambitiously set Sustainable Development Goals (SDGs), which are further implemented through 169 targets. Progress is monitored using 248 (progress) indicators. The above is the product of two years of consultations involving over six million people and many countries worldwide. Among them is the Republic of Serbia (RS), which has committed itself to its implementation by signing the UN resolution "Transformation of our world: Agenda for sustainable development until 2030". Given the fact that over half of the period allotted for the implementation of the 2030 Agenda has passed, it is important to determine where Serbia stands in this important process and assess its commitment to it.

In the latest "Progress report on the implementation of Sustainable Development Goals by 2030 in the Republic of Serbia for 2022" by the Statistical Office of the Republic of Serbia (SORS), progress was present-

ed based on data collected by the SORS for a total of 125 indicators (Babović, 2023). This is a significant improvement compared to the last year, and the data now cover each SDG. However, progress is not monitored in relation to the nationally specific goals, as the Republic of Serbia has not yet determined them, but in relation to the change trend for which data is available.

Additional data on Serbia's progress in achieving SDGs is available in international reports. One of them is the 'Europe Sustainable Development Report 2022' (Sustainable Development Solutions Network, 2022), which was prepared by the Network for Sustainable Development, in which the country's progress in the implementation of SDGs is assessed according to the Eurostat methodology and indicators.

According to the latest report, Serbia is ranked #31 out of 34 European countries that are the subject of the report's analysis, which is the same position as in the last year's report. Moderate progress has been observed for six goals, and Serbia is on the way to achieving a total of four SDGs. Stagnation was recorded in relation to four goals, and the most problematic situation concerns the SDG 13: Climate Action, where Serbia is falling behind. There are no data available for SDGs 2 and 14 (Sustainable Development Solutions Network, 2022).

Recognizing the importance of the 2030 Agenda and its implementation in Serbia, the Sustainable Development for All Platform prepared three reports over the last three years. Two reports were prepared during 2020 – "Serbia 2030 – Readiness

for implementation of the 2030 Agenda" and "Serbia 2030: Development Priorities – the non-state sector report". The first report gives an overview of the readiness for achieving SDGs through the analysis of public policy documents, legal and institutional framework, and progress monitoring mechanisms. The aim of the second report was to propose key development priorities, based on the 2030 Agenda, which Serbia should strive to achieve in order to provide better quality of life for its citizens, and to illustrate how the 2030 Agenda and SDGs can be used in formulating national development priorities and policies.

The third report – "Serbia 2030: Does Serbia Govern Its (Sustainable) Development?", was prepared in 2022. It analysed changes in the strategic, legislative, and institutional framework, as well as in progress monitoring mechanisms for the implementation of SDGs in the period from September 2020 to September 2021. The report also provided an assessment of progress on achievement of priority targets within the development priorities that were determined and proposed by the non-state sector.

This report builds on the previous analyses and seeks to identify the progress made in the period from September 2021

to December 2022. Have there been any changes in public policies, legal or institutional framework? Has Serbia made progress in fulfilling the priority targets? What progress has been made in achieving the goals and what should be done to get closer to meeting the 2030 Agenda?

Data used in this report were collected up to December 2022¹. The report is structured according to the development priorities (priority areas), each providing an assessment of progress in certain priority targets, as well as changes in the strategic, legislative, and institutional framework for the implementation of individual SDGs. A novelty in the report is the analysis of the compliance of the Economic Reform Programme 2023 – 2025 (ERP). The goal was to assess how much the implementation of structural reforms specified in the ERP will contribute to the implementation of the 2030 Agenda. The report is intended to serve representatives of the public and private sector, academic community, civil society organisations (CSOs), as well as citizens who want to learn about Serbia's current level or readiness to achieve SDGs, the progress achieved in certain priority areas, as well as further steps to be taken.

1 An exception to the reporting period is the analysis of the ERP 2023 – 2025, which came out in February 2023, the introductory chapters, as well as some information relevant for the report.

Methodology

The Report was prepared in three stages.

1) Preliminary analysis of public policy documents and relevant data

An analysis of public policy documents and relevant data was performed during the preparation of this report. The analysis of the processes at the national level supporting the achievement of the SDGs was based on guidelines and manuals published by international organisations and research institutions, which describe the processes that are important for ensuring readiness for the implementation of the 2030 Agenda, including the alignment of the national planning documents and the legal framework with the Sustainable Development Goals, the establishment of institutional and coordination mechanisms, as well as progress monitoring and reporting methods. The analysis refers to the key changes that have occurred from October 2021 to December 2022. A compliance analysis of the ERP 2023–2025 with the sustainable development goals and related targets was also performed as part of this report.

The second part of the report was prepared as an analysis of the framework for achieving each SDG. The starting point for the analysis were the Rapid Integrated Assessment (RIA) methodology and the Guidance for auditing preparedness for implementation of sustainable development goals. The second part of the report also provides an analysis of the current situation, based on the latest data related to

the indicators set for each of the nationalized targets, which are grouped in 8 Priority areas. The conclusion of each analysis is given as a set of recommendations for improving the SDG implementation framework and process in Serbia.

2) Consultations with stakeholder representatives

The preliminary report was prepared based on the analysis of public policy documents and relevant data and sent for comments to stakeholder representatives. The aim was to give the stakeholder representatives the opportunity to share their experiences and, based on their professional knowledge, to make suggestions regarding whether all relevant documents have been considered, to share with researchers the sources of data that are useful for analysis, and to give their opinion on the findings. Independent experts and representatives of the public and private sector, academia, and CSOs were included in the consultation.

3) Preparation of the final report

The draft report was revised in accordance with the comments and suggestions received from stakeholder representatives. Along with the revised analyses, the final report also contains the findings of the analysis of processes at the national level that support the achievement of SDGs.

**PLANNING DOCUMENTS,
INSTITUTIONAL
MECHANISMS AND
PROGRESS MONITORING
AND REPORTING ON
THE ACHIEVEMENT
OF THE SUSTAINABLE
DEVELOPMENT GOALS**

Since the 2030 Agenda and the sustainable development goals are very complex, it is necessary to adapt them to the national context. This is done by defining development priorities and relevant targets at the national level that reflect those priorities, that is, by "nationalisation of goals". This must be carried out based on a society-wide consultation process. The first step is to analyse the compliance of the planning documents with the SDGs in order to determine which goals are and which are not included in the national planning documents. The Public Policy Secretariat of the Republic of Serbia (PPS) conducted this analysis for the first time in 2018. The analysis was last updated in November 2022 relative to valid public policy documents (PPS, 2022).

The mapping of Serbia's strategic framework against the SDGs was done using elements of the UN RIA methodology. The main conclusion of the 2022 analysis was that the overall coverage of SDGs and targets by the strategic framework increased from 62% in 2018 to 78% in 2022. A note was added that is important for the interpretation of this percentage, which is that it was obtained taking into account the SDG 14, which is not covered by the strategic framework at all, as well as targets that are not relevant for the Republic of Serbia or are covered by international agreements and not by the national strategic framework (PPS, 2022).

All reports state that the least covered CORs are in the field of environmental protection and climate change. This report states that monitoring the implementation of the SDGs should "direct the development agenda of the Republic of Serbia, which should be formulated through the hierarchically highest development documents, in accordance with the Law on the Planning System" (Development Plan, Investment Plan and Spatial Plan).

Development planning documents are key documents for SDG prioritisation. According to the Law on the Planning System of the Republic of Serbia (LPS, Article 6), the Development Plan is the highest hierarchical, long-term development planning document in the country, which should define the development priorities of the Republic of Serbia and its regions, as well as guidelines for their realisation. Plan preparation must make sure that the document complies with the internationally assumed obligations, which is an opportunity for the alignment with the 2030 Agenda. The Development Plan is followed by the Investment Plan, which is prepared in accordance with development priorities for a period of seven years. The third development planning document is the Spatial Plan, which should be aligned with the Development Plan.

Although the Government of the Republic of Serbia (GRS) was supposed to submit the Development Plan Proposal to the National Assembly of the Republic of Serbia (NARS) for consideration and adoption no later than January 1, 2020 (Article 53, Paragraph 1), this has not been done yet. The first steps in the preparation of the Development Plan were made in 2023, at the beginning of the process of drafting the Regulation on the procedure for preparing the Draft Development Plan of the Republic of Serbia, which was supposed to be adopted by the end of May 2023. The Regulation governs the process of creating situation analysis of and development potential, as well as the process of preparing the Draft Development Plan (PPS, 2023a). Given that the process has only just begun, it is unlikely that the document will be adopted in the near future, which is a significant challenge in the implementation of the SDGs, mainly in the context of the fact that a half of the time allotted for the implementation of the 2030 Agenda has already passed, and Serbia has not yet adopted the documents that define

long-term national development priorities and enable strategic investment planning.

The next step in the implementation of the 2030 Agenda is the localisation of SDGs, that is, their integration into the local planning documents according to the development priorities of local communities. This is particularly significant because around 65% of SDGs can only be implemented at the local level (Prorok et al., 2019). The Law on the Planning System provides for the adoption of a Development Plan of local self-government units (LGUs) and long-term development planning documents for a period of at least seven years. The recommendation of the PPS from the Guidelines for the preparation of LGU development plans is to include the 2030 Agenda in this process. Despite the fact that most local self-governments units failed to meet the set deadline (January 1, 2021), many LGUs have adopted development plans. Along with insufficient capacities of LGUs, another problem was the fact that the Development Plan at the national level was not adopted, which would have greatly facilitated the planning process at all levels.

It is important to note that the National Assembly of the Republic of Serbia (NARS) has not yet adopted the umbrella document in the form of a declaration or resolution, announced in 2017, nor the accompanying binding documents (NARS, 2017). This was a missed opportunity to give a due weight to the 2030 Agenda 2030 and the sustainable development goals additional and a relevant place in the legislative framework and planning system of the Republic of Serbia.

The obligations of Serbia regarding the implementation of the 2030 Agenda are complementary to the obligations arising from the process of accession to the EU. The EU issued a document "Next steps for

a sustainable European future", confirming that it will integrate SDGs into its initiatives and public policy documents (European Commission, 2016). The cohesion between these two processes was also recognized in the first "Voluntary National Review of the Republic of Serbia on the Implementation of the 2030 Agenda for Sustainable Development" (GRS, 2019). Accordingly, in addition to mapping the country's strategic framework in relation to the Sustainable Development Goals, the Public Policy Secretariat also mapped the SDGs in relation to the thematic areas of the negotiation chapters in the EU accession process. One of the goals of the National Sustainable Development Strategy should be to align the achievement of SDGs with the fulfilment of other assumed international obligations, thus bringing the EU accession negotiations to a close.

In this reporting period, the opportunity for further legitimization of the 2030 Agenda in the public through the operational documents of the Government was missed. In the exposé by the Prime Minister of the Republic of Serbia, the 2030 Agenda was not mentioned at all (NARS, 2022). Program of the Government of the Republic of Serbia for 2022 was not publicly available, so it is not possible to assess whether it included activities related to the implementation of the 2030 Agenda. The novelty is that the measures in the Action Plan for the implementation of the Program of the Government are also viewed in terms of their contribution to achieving the targets of sustainable development (PPS, 2023b). An analysis was performed on the compliance of the Structural Reforms from the ERP 2023–2025 with the sustainable development targets (GRS, 2023b). Although this is an indication of some progress, further public promotion of the 2030 Agenda is required, including the integration of the SDGs into the planning and operational documents of the Government of the Republic of Serbia.

Establishing institutional and coordination mechanisms for the achievement of the sustainable development goals

Given the complexity of the 2030 Agenda, the establishment of institutional and coordination mechanisms ranks very high on the list of priorities for the implementation of the SDGs. The establishment of these mechanisms is a generally accepted notion in terms of the national context, and the necessity of cooperation with the civil sector and other stakeholder representatives is often emphasised, including their involvement in the process of monitoring progress towards achieving the 2030 Agenda goals. Vertical coordination is also of great importance because almost two-thirds of the SDGs cannot be fully achieved and implemented without including the public policies of regional and local authorities.

There was no progress in the reporting period in terms of establishing adequate institutional framework, even though half of the period allotted for the implementation of the 2030 Agenda has expired. The Inter-Ministerial Working Group for the Implementation of the 2030 Agenda was established by decision of the Government of the Republic of Serbia in 2015, but was dissolved in 2020. This was a key coordination body entrusted with the responsibilities to monitor and work on the implementation of this document of global importance, including proposing the process of drafting the National Sustainable Development Strategy, consolidating the views, and coordinating the activities of all ministries with respect to the 2030 Agenda. Other tasks included reporting on the implementation of the 2030 Agenda, preparing Voluntary national review on the im-

plementation of the Agenda, and regularly informing the UN Resident Coordinator in the Republic of Serbia on the results.

The current Assembly convocation was constituted after the 2022 elections. The new convocation did not form a new Focus Group of the National Assembly of the Republic of Serbia tasked with the development of SDG implementation process control mechanisms, which had been functioning since 2017. This Focus Group had a task to supervise and control the work of the Inter-Ministerial Working Group, while it was operational, to work on laws related to the implementation of the 2030 Agenda, and to provide additional financial resources related to the 2030 Agenda through the Budget Law drafting process. It was also responsible for raising awareness among MPs on the importance of the 2030 Agenda sustainable development goals.

The 2030 Agenda covers numerous topics, giving the ministries an important role in this process. It is noticeable that the websites of the ministries provide no information about how they deal with the 2030 Agenda and who is responsible for the implementation. There is no information about the ministry responsible for the management and coordination of activities related to the implementation of the 2030 Agenda. An additional problem is that there is no unified information on the institutions and bodies that have jurisdiction in the implementation of the 2030 Agenda and SDGs. The latest 2022 Law on Ministries does not provide any information on the ministry competent for the 2030 Agenda (NARS, 2022).

The obligation to implement sustainable development goals at the local level is well accepted. The Standing Conference of Towns and Municipalities (SCTM) and CSOs working at the local level have implemented many projects related to the

integration of the SDGs into the local planning documents. In addition, the Public Policy Secretariat has developed guidelines for the preparation of local development plans in accordance with the sustainable development goals.

Establishing progress monitoring and reporting mechanisms towards achieving the sustainable development goals

The key element for monitoring the implementation of the SDGs entails 231² globally defined indicators. They are used to monitor progress at the global, national, regional, and local level. Countries are also responsible for establishing a progress monitoring system, and the first step is to define roles and responsibilities for this activity. The complexity and scope of the 2030 Agenda requires that representatives of ministries and other government agencies, as well as representatives of the civil and business sectors are included in the progress monitoring and reporting process.

In terms of reporting, the Inter-Ministerial Working Group should play the most important role. One of the tasks it had carried out while operational was the preparation of the first "Voluntary National Review of the Republic of Serbia on the Implementation of the 2030 Agenda", which was presented at the meeting of the High-Level Political Forum on sustainable develop-

ment in 2019. Since the Group is no longer operational, it is not clear whether a new report will be prepared, and there is no information about who should head that process.

The Statistical Office of the Republic of Serbia (SORS) plays an important role concerning the monitoring mechanisms. The Group for Sustainable Development Goals and Socio-Economic Indicators operates within the SORS entrusted to "monitor, prepare and apply the methodology recommendations necessary for the creation, downloading and publication of the SDG indicators" as well as to "organise, prepare and update data for DevInfo databases" (SORS, 2022 – Information booklet). DevInfo databases and the Portal for reporting on SDG³ indicators are updated regularly.

Statistical Office of the Republic of Serbia currently monitors 128⁴ (52%) of a total of 248 SDG indicators. However, it remains un-

2 There is a total of 248 indicators, but some are used to monitor several SDGs. The number of unique indicators is 231.

3 <https://sdg.indikator.rs/en-US/>

4 The available indicators are taken from the SDG portal. The number of indicators was changed on the website after the publication of the "Progress Report on the Implementation of the Sustainable Development Goals by 2030 in the Republic of Serbia", when additional indicators were published on the SDG portal.

clear which indicators apply to Serbia, since a number of them refer to underdeveloped countries. In addition, Serbia did not define target values in the national context for many targets and indicators, which is nec-

essary in order to adequately interpret the data. For the purposes of reporting and to have a context of the implementation of the 2030 Agenda, it would be useful to include EU indicators for monitoring SDGs.

Availability of SDG indicators

SDG 1 9/13	SDG 5 12/14	SDG 9 7/12	SDG 13 3/8
SDG 2 6/14	SDG 6 8/11	SDG 10 9/14	SDG 14 1/10
SDG 3 14/28	SDG 7 4/6	SDG 11 10/15	SDG 15 7/14
SDG 4 6/12	SDG 8 9/16	SDG 12 5/13	SDG 16 12/24
SDG 17 6/24			

One of the main problems is the lack of data on the implementation of SDGs at the local level. As stated earlier, activities at the regional and local level are also necessary for the implementation of most sustainable development goals, therefore additional efforts and resources are necessary to monitor these goals in local areas.

In March 2023, the Statistical Office of the Republic of Serbia published the "Progress report on the implementation of Sustainable Development Goals by 2030 in the Republic of Serbia" for the year 2022. It was created according to Eurostat's methodology, and the measurement was not performed according to a quantitatively defined goal, but the data is monitored in relation to the initial year for which the data is available. The degree to which the change moves in a positive or negative direction is calculated based on the initial year. Due to the availability of data,

only the short-term progress in this report is mainly monitored short-term period. This indicates the importance of setting nationally specific goals. Evaluating progress and not the current state can give a wrong picture, so that a change in a positive direction can be evaluated positively, even though the value of the indicator indicates that the current state is worrying or quite negative. The Statistical Office of the Republic of Serbia has continued with the good practice of producing additional reports, which analyse the implementation of the 20230 Agenda in the Republic of Serbia from the perspective of certain social groups, and in accordance with the "Leave no one behind" principle. During 2022 reports were prepared from the perspective of young people and children, as well as from a gender perspective, and an analysis of the implementation of SDGs was carried out according to differences in types of settlements and regions.

Recommendations

Recommendations regarding the positioning of the 2030 Agenda as a priority process in the development management and implementation

- » Clearly define the responsibility for the management, coordination and implementation of the 2030 Agenda through the Law on Ministries.
- » Include the processes important for the management, coordination and implementation of the 2030 Agenda, delegated by ministries and government bodies, in the annual Program of the Government of the Republic of Serbia.

Recommendations regarding the alignment of planning documents and legal framework with the 2030 Agenda

- » Prioritise the adoption of the Development plan of the Republic of Serbia, in accordance with the Law on the Planning System, which contains priority development goals. Adoption of the Development Plan is a legal obligation, for which the deadline was January 1, 2020.
- » Conduct social dialogue when adopting the Development plan, which entails defining development priorities and nationalising sustainable development goals based on a society-wide consultative process.
- » The Investment plan and Spatial plan should be adopted after the adoption of the Development plan, in accordance with the set priority development goals (which is the sequence prescribed by the Law on the Planning System). The process of adoption of these documents must be transparent and must allow wide public participation.

Recommendations regarding the establishment of institutional and coordination mechanisms for the implementation of sustainable development goals

- » The Government of the Republic of Serbia should establish a new Inter-Ministerial Working Group for the implementation of the 2030 Agenda without delay, in order to support inter-sectoral collaboration and coordination, which is crucial given the multi-sectoral nature of the 2030 Agenda.
- » Create operational plan of the Inter-Ministerial Working Group for the implementation of the 2030 Agenda with guidelines for achieving goals, distribution of competencies, and cooperation with stakeholder representatives, in order to

ensure better horizontal (between different sectors) and vertical coordination (national and local level).

- » One of the tasks of the Inter-Ministerial Working Group for the implementation of the 2030 Agenda should be to establish cooperation with stakeholder representatives in various activities, to enable all stakeholders to participate in the Working Group meetings, to consult them on the monitoring of the 2030 Agenda implementation, and to enable them to participate in the preparation of interim reports.
- » Without delay, re-establish the Focus Group of the National Assembly of the Republic of Serbia for the development of control mechanisms for the process of implementation and oversight over the implementation of SDGs and make the Group's work transparent and available to the public.
- » Publish consolidated information on all institutions, working groups and other bodies responsible for the implementation of the 2030 Agenda on the official websites of the Government and competent institutions.
- » Acts on internal organisation and systematisation of jobs of each ministry should include a sector, department or employee with official competences related to the 2030 Agenda and SDGs.

Recommendations for establishing progress monitoring and reporting mechanisms on the achievement of the sustainable development goals

- » "Progress Report on the Implementation of the Sustainable Development Goals by 2030 in the Republic of Serbia" should be supplemented by distance-to-target value assessment and the effectiveness of related public policy measures, in cooperation with relevant institutions, working groups and other bodies. It should clearly indicate for which indicators data are not available and for which no conclusions can be drawn. Given the perceived importance of linking the process of implementation of the 2030 Agenda with the EU accession process, the report should include indicators from the Eurostat database.
- » Indicators that have been assessed as not applicable in Serbia should be specifically marked on the internet portal with the SDG indicators.
- » Publish invitation for participation of stakeholder representatives when organizing workshops and other activities related to the SDG indicators.
- » Enable broad public involvement in the adoption of the next voluntary national review. Stakeholders should be in a position to provide information, comments and attachments to the draft report, and influence its content.
- » Given the importance of monitoring the situation concerning vulnerable groups and the central promise of the 2030 Agenda – Leave no one behind, continue the good practice of publishing progress reports on the achievement of SDGs among members of certain vulnerable groups (SORS, *Leave no one behind!*).

Analysis of compliance of the Economic Reform Programme for the period 2023 to 2025 with the sustainable development goals

Economic Reform Programme for the period from 2023 to 2025, published annually by the Ministry of Finance gives a review of macroeconomic, fiscal, and monetary policy in Serbia. It is the most important strategic document in the socio-economic dialogue with the European Commission (EC) and EU member states.

ERP provides a table of compliance of 22 structural reforms with relevant public pol-

icy documents, among which are SDGs. Analysis of the connection between structural reforms and SDGs is a novelty in the Monitoring report. The compliance analysis was performed by examining activities and indicators for its implementation for each reform, and an assessment was given on the extent to which the indicators and activities lead to the fulfilment of the stated goal and targets of sustainable development. The ERP analysis is given in the following section.

SR 1: Establishment of a framework for the introduction of the Youth Guarantee in the Republic of Serbia

The first structural reform envisages a continued work on the introduction of the Youth Guarantee scheme, implemented in the EU member states, which is a commitment to ensure that all young people receive a good-quality offer of employment, continued education, apprenticeship, or traineeship within four months of becoming unemployed or completing/leaving formal education. The introduction of Youth Guarantee is one of the key reforms for regulating and improving the position of young people during and after schooling.

The ERP indicates that the implementation of this structural reform will support SDG 8 through target 8.6: "By 2020 substantially reduce the proportion of youth not in employment, education or training".

Implementation of this structural reform is monitored by the indicators which refer to: a) development of a model for outreach, registration and activation of young people who are neither in employment nor in education or training (NEET), and who are outside system institutions; b) establishment of the National Employment Service (NES) platform for registration and monitoring of the Youth Guarantee; and c) NEET rate 15–29 %, which is also the 2030 Agenda indicator for target 8.6.

There is a circular connection between the labour market, education and migration, which is most evident when it comes to young people. The implementation of this reform primarily acts on these three fronts, so in addition to contributing to target 8.6, it

should also contribute to the achievement of target 8.3: "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation" and 8.5: "By 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value". Indirectly, this reform can have a positive effect on intergenerational and territorial inequalities, as well as on poverty reduction. The establishment of the Youth Guarantee mechanism, as a mechanism present in all EU member states, is an obligation of Serbia as part of the EU accession negotiations (Chapter 19).

The establishment of a functional system that would enable young people to continue their further education or training after completing or interrupting formal education, or to start work or apprenticeship, would contribute to the mentioned targets, namely the growth of decent jobs, the achievement of full and productive employment, as well as the reduction of young people who belong to the NEET category. However, the process of preparation for the introduction of Youth Guarantees is very slow and requires coordinated work of several institutions, for which we have no positive examples so far, and there are insufficient human resources for the establishment and functioning of such a platform.

Although the process is currently in stage of preparing the Implementation Plan, relevant conclusions can be drawn based on the progress so far. Namely, the process is carried out in consultation and cooperation with relevant domestic and international partners, but it is very slow and with a steady tendency to continue the trend of prolonging the adoption of key

laws and implementation documents. The work of the Coordinating Body for drafting and monitoring the implementation of the Youth Guarantee Implementation Plan has slowed down (or has been temporarily interrupted) by the process of forming a new government, along with the establishment of new ministries, which has led to changes in the previously established responsibilities. Additionally, the new Law on Volunteering and the Law on Internship have not yet been adopted, although public consultations were held during the previous NARS convocation. This part of the process is riddled with difficulties, which hinders the establishment of the mechanism and its functionality because it requires a coordinated work between several competent ministries, the National Employment Service (NES) (as a key implementation partner), associations of employers, youth, and CSOs. Unfortunately, operation of such platforms previously set up in this way did not bring satisfactory results. Furthermore, administrative and technical difficulties aside, the implementation capacities (mostly human rather than financial) can be a significant constraint. The National Employment Service, as a key implementation partner, has been struggling with inadequate number of employment counsellors for many years, a problem that is still showing a negative trend. On the other hand, the NES has a growing role in the implementation of Active Employment Policies. The predicted dynamics of the implementation of the Youth Guarantee is overall very slow – the employment strategy envisages pilot projects concerning this mechanism in only three out of 34 NES branches by 2026 (GRS, 2020). It is necessary to set hard deadlines, carefully monitor implementation and, if possible, speed up the process without losing functionality.

SR 2: The Young Talent Fund Reform

According to the ERP, the Young Talent Fund Reform implies establishing a more efficient scholarship model and a system for monitoring and employing scholarship talents, primarily in public administration, and then in the economy. It is planned to establish an alumni network and a partner network, in order to provide additional funding for the Young Talent Fund programs.

The ERP states that the implementation of this structural reform will contribute to the achievement of one of the targets within the SDG 4⁵, specifically 4.4: "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship".

The indicators that monitor the implementation of this structural reform refer to: a) number of talents employed in public administration, and b) number of talents employed in the economy.

The structural reform 2, with its scope and planned activities, does not contribute to a

significant increase in the number of young people and adults with relevant skills, as foreseen by target, nor is it possible to establish a connection with the indicators specified by the UN Educational, Scientific and Cultural Organization (UNESCO) for this target⁶ (UNESCO Institute for Statistics, 2023). Most activities foreseen within this structural reform refer to the already existing activities of the Young Talent Fund, which has been in existence since 2008. The reform is aimed at a small and specific group of young people – best students in their final years of studies, who have the best chances for employment, even without any intervention. The target values for the result indicator are set very low (110 employees in 2024 and 225 employees in 2025), bearing in mind that the last competition provided scholarships for 1,550 final year students. This means that it is planned that less than 10% of scholarship students will be employed in 2024 (Young Talent Fund for of the Republic of Serbia, 2023). For example, the employment rate of highly educated people in Serbia who recently graduated was 72% in 2021 (Eurostat, 2023a).

SR 3: Qualifications oriented to the needs of the labour market

The structural reform 3 under the ERP implies the implementation of dual education, which ensures a more efficient response of the education system to the needs of the economy, labour market, technological changes, as well as the need for new com-

petencies. It is focused on the activities related to creating a digital dual promotional platform, further establishment of regional training centres, improving the quality of career guidance and counselling services in dual education, as well as further im-

5 SDG 4: Quality education.

6 4.4.1: „Proportion of youth and adults with information and communications technology (ICT) skills, by type of skill”; 4.4.2: „Percentage of youth/adults who have achieved at least a minimum level of proficiency in digital literacy skills”; 4.4.3: „Youth/adult educational attainment rates by age group and level of education”

plementation of the National Qualifications Framework in Serbia (NQFS).

The ERP states that the implementation of this structural reform will contribute to the realisation of SDGs 4⁷ and 8⁸, through the following targets: 4.3: "By 2030 ensure equal access for all women and men to affordable quality technical, vocational and tertiary education, including university"; 4.4: "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship"; and 8.6: "By 2020 substantially reduce the proportion of youth not in employment, education or training".

The indicators used to monitor the implementation of the structural reform refer to: a) number of developed study Programme according to the dual model of studies; b) share of students enrolled in the first year in the dual education system in relation to the total number of students enrolled in the first year in secondary vocational education; c) number of established regional training centres; d) number of qualifications visible on the European qualifications portal.

The structural reform aimed primarily at dual education⁹ does not contribute to the achievement of targets 4.3 and 4.4. Structural reform 3 is carried over from one cycle to another, with no data on its effects since 2017, when it was first introduced. There are several reasons why this structural reform does not contribute to the quality and relevance of education. First, employers have no defined standards of learning quality, because employer accreditation process

does not entail assessment of whether the work tasks at the company have the potential for learning and whether they lead to the achievement of defined outcomes. Second, the dual education model does not guarantee that educational profiles are relevant for the labour market, since enrolment is realised solely based on employers' interest. Third, only 5% of students enrolled in secondary vocational schools attend dual education, so this subsystem of education, even if it were relevant and of high quality, has no impact on the achievement of the stated targets.

In order to monitor the contribution of this reform to the target 8.6, it is necessary to observe NEET rate (ages 15–29) in %, which is also an indicator of the 2030 Agenda for target 8.6. In addition to this target, successful implementation of the reform would directly contribute to the creation of decent jobs i.e. target 8.3: "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services", as well as target 8.5: "By 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value". Bearing in mind the shortage of crafts and related occupations, as well as the good results of the implementation of the dual education model so far, further efforts in digitalisation, promotion and career guidance and student counselling are a good direction.

7 SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

8 SDG 8: Decent work and economic growth.

9 As in the previous years, most activities relate to the dual education (five out of eight activities).

Such activities are particularly desirable as a method of promotion. Namely, secondary vocational education has been losing popularity over the past 10–15 years, while the needs of the domestic (and European) labour market are moving in the opposite direction, so activities that promote these educational profiles and attract students are desirable. The recommendation regarding implementation would be to support the inclusion of domestic small and medium-sized enterprises (SMEs) through programs intended for the private sector, since dual education programs are still mostly implemented through cooperation and for the needs of large foreign companies. Further implementation of NQFS and

linking with European registers is a necessary step towards creating an integrated mechanism for managing the labour market, education, and labour migration. The negative side of this reform is that it includes only the two mentioned aspects of retraining and additional training, that is, an active labour market policy that increases the workforce productivity and employability. The needs of the Serbian labour market for retraining and additional training (of existing employees, that is, unemployed persons) are greater than the current 4,000 persons per year, which is the number of people participating in such trainings organised by the NES and through various donor projects.

SR 4: Improving the environment for encouraging, supporting and monitoring circular and economic migrations

Structural reform 4 refers to the implementation of the Strategy on Economic Migration of the Republic of Serbia 2021–2027 and the accompanying action plan (AP) for the period 2021–2023, and to the improvement of the environment for attracting work-age population, encouraging circular migrations and relations with the diaspora, as well as strengthening the mechanisms for monitoring migratory flows and attracting foreigner workers. A number of analytical and administrative and technical solutions are foreseen, aimed at identifying the reasons for the negative migration balance and bringing it under control.

The ERP states that the implementation of this structural reform will support the achievement of the SDG 8 through target 8.2: "Achieve higher levels of economic productivity through diversification, technological

upgrading and innovation, including through a focus on high-value added and labour-intensive sectors", and SDG 10 through target 10.7: "Facilitate orderly, safe, and responsible migration and mobility of people, including through implementation of planned and well-managed migration policies".

The indicators that monitor the implementation of this structural reform refer to: a) number of beneficiaries of tax and other incentives intended for returnees, b) number of citizens of the Republic of Serbia who used Programmes or services dedicated to returnees, c) number of foreign citizens of Serbian origin who requested a stay in the Republic of Serbia, d) number of mentors supporting the return of members of the diaspora.

These indicators imply that this structural reform will contribute to the fulfilment of

target 10.7 of sustainable development, since they refer to the regulated migration and mobility of people. The foreseen activities, such as promotion of return, identification and amendment of regulations that facilitate return, providing support programs in the diaspora, improvement of the administrative framework to support the inflow of domestic and foreign citizens, as well as strengthening the capacity of institutions responsible for monitoring migration flows, do contribute to the improvement of planning and management of migration flows and policies. However, it is not quite clear how the mentioned activities will affect the achievement of target 8.2, since it is not possible to monitor the contribution of this structural reform to the achievement of this target with the mentioned indicators. A positive aspect regarding this target is that the inclusion of highly qualified Serbian diaspora in the programs, which can contribute to the achievement of higher levels of economic productivity, is mentioned among the activities.

The foreseen measures contribute to the achievement of the stated goals indirectly, through the creation of legal infrastructure for the facilitated movement of immigrants and circular migrants, as well as through the activities aimed at promoting Serbia regarding immigration and circular migration. In that sense, it is necessary to continuously update the content of the portal (eAdministration, "Returning point") and provide translation into the languages of the countries of Serbian diaspora. A positive aspect is that through these reforms Serbia is moving along the path of integration of labour market policy and migration policy. However, one of the basic tools in this process is the Vacancy Survey, which has still not been conducted in Serbia, which provides crucial information relevant for the efforts aimed at attracting foreign labour. Successful implementation of this reform requires further work on establishing a stable business environment and support for the economy that will be able to generate attractive jobs, as well as further efforts in the creation of innovation infrastructure and support for the startup community.

SR 5: Improvement of the quality of public services through optimisation and digitalisation of administrative procedures – ePapir

Structural reform 5 refers to a continued improvement of the quality of public services, such as the elimination of redundant administrative procedures, digitalisation of administrative procedures and creation of the Register of Administrative Procedures – a unique electronic database of all administrative procedures and other business conditions implemented by public administration bodies, which allows all interested businesspersons and citizens to easily obtain all necessary information.

The ERP states that this structural reform contributes to the achievement of the SDG 16 through targets 16.5: "Substantially reduce corruption and bribery in all its forms", and 16.10: "Ensure public access to information and protect fundamental freedoms, in accordance with national legislation and international agreements".

The indicators that monitor the implementation of this structural reform refer to: a) the share of administrative burden for cit-

izens and the economy in GDP, in %, b) number of optimised administrative procedures, and c) number of digitalised administrative procedures.

The implementation of this structural reform can be expected to indirectly reduce the level of corruption and bribery (target 16.5), since the digitalisation of services reduces the chance of having a direct contact with officials, and better functioning of public services reduces the need for corruption in order to achieve service. However, it is not possible to monitor the contribution of this structural reform to the target 16.5 using the mentioned indicators. The mentioned activities, such as inventory, optimisation and digitalisation of administrative procedures and requests, should improve public access to information (target 16.10), which can be monitored by the mentioned indicators.

Although the system reform was solidly conceived, experts in this field argue that practical implementation is difficult due to inadequate capacities of the institutions in charge of implementation. This primarily refers to the Office for Information Tech-

nologies and eGovernment, which has been unanimously assessed by all public administration users as the "bottleneck" of the system. Certain segments of electronic administration are connected within the so-called Government Service Bus and a number of services provided by republic authorities, as well as services at the local level that are performed as entrusted jobs (registries), and this function perfectly, but peripheral parts and services of LGUs from their original scope of competence have not yet been connected properly. A simple analysis of the number and scope of electronic services provided on the eGovernment portal, and the systems connected to the eGovernment portal via the Government Service Bus, leads to the conclusion that the largest number of the most frequent administrative services at all levels are still provided in printed forms. Along with the increase in the number of procedures provided electronically, the next phase should place special emphasis on users, in terms of their adequate preparation, information about new services and motivating them to use the existing (and future) electronic services.

SR 6: Sustainable and efficient management of business entities owned by the Republic of Serbia

Structural reform 6 refers to the establishment of a more effective supervision and control system of business operations of economic entities owned by the Republic of Serbia.

The ERP states that this structural reform contributes to the realisation of the SDG 16 through target 16.7: "Ensure responsive, inclusive, participatory and representative decision-making at all levels".

The indicators used to monitor the implementation of this structural reform refer to: a) establishment of economic entities owned by Republic of Serbia (EERS) database, with provision of daily updates, and b) number of public companies that are not corporatised.

In terms of its goal, this structural reform is thematically close to target 16.7, since more efficient management of state-owned

business entities should contribute to responsible decision-making at this level. However, the compliance of this reform with target 16.7 cannot be confirmed, since there is no adequate indicator to monitor whether decisions in business entities are made responsibly. This reform is formally implemented. The Strategy of State Ownership and Management of Business Entities owned by the Republic of Serbia for the period from 2021 to 2027 have been prepared and the Law on the Management of Public

Enterprises Owned by the Republic of Serbia is in the process of adoption. However, this reform is limited because there are still high government allocations to cover the losses of certain state-owned enterprises. Also, various mechanisms of public companies (monopolies, licenses) limit competition and private initiative, and there are still non-transparent procedures regarding the use of state assets, and insufficient merit-based employment (Fiscal Council, 2022, European Commission, 2022).

SR 7: Development of the domestic capital market and the provision of a greater level of investor protection

The ERP for the period 2023–2025 foresees further implementation of the Capital Market Development Strategy, i.e. the adoption (amendment) of the Law on Takeovers of Joint Stock Companies, as well as the strengthening of institutional capacities for further alignment with European legislation. The capital market reform foundations were laid in 2021 with the adoption of the Law on the Capital Market, and adjustments and announced reforms are correctly aimed at enhancing the capital market not only by creating conditions for the circulation of equity securities, but also by creating corporate debt market. So far, the debt turnover on the Belgrade Stock Exchange referred exclusively to government bonds. This structural reform refers to the establishment of a more efficient supervision and control system of business entities owned by the Republic of Serbia. However, changes in the regulations, fees and efficiency of the Securities Commission and the Central Securities Depository and Clearing House create more favourable conditions for trading in corpo-

rate bonds. Diversification of bank-centric sources of external financing, which facilitates companies to directly structure their obligations is significant for the economy, and development of the capital market helps both the economy and the population to place excess liquidity.

The ERP states that this structural reform contributes to the realisation of the SDG 8 through targets 8.3: "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalisation and growth of micro-, small- and medium-sized enterprises including through access to financial services", and 8.10: "Strengthen the capacity of domestic financial institutions to encourage and to expand access to banking, insurance and financial services for all", as well as the SDG 9 through target 9.3: "Increase the access of small-scale industrial and other enterprises, particularly in developing countries, to financial services including affordable credit and their integration into value chains and markets".

The indicators that monitor the implementation of this structural reform refer to: a) increase in the market capitalisation of the Belgrade Stock Exchange, in billion euros, and b) increase the percentage of savings placed on the capital market (investing in investment/pension funds or through direct investment in securities), in %).

A continued implementation of reforms in the field of capital market development through the modernisation of institutions and regulations, with the aim to increase transparency, security, and to enhance the capital market, has multiple positive effects on the economy and the population.

This structural reform contributes to the achievement of targets 8.3 and 8.10, because it should develop financial services on the capital market and therefore make the domestic market more attractive for domestic and foreign investors, as well as because it foresees the strengthening of institutional capacities to perform normative work in the area of capital market. Although the ERP does not specifically mention small industry enterprises, since this structural reform is expected to help enterprises to have better access to financial services, it can be expected to have a positive effect on the approximation of target 9.3.

SR 8: Improvement of conditions for enhancing energy efficiency through creating conditions for application of energy labelling and eco-design, as well as through the incentives for enhancing energy efficiency

Structural reform 8 foresees the continuation and expansion of projects for the improvement of energy efficiency of buildings, as well as projects for the installation of solar panels in the household sector. In addition, the reform will include the adoption of technical regulations for energy labelling of products and eco-design. In order to implement these activities, it is necessary to strengthen the capacities of the Administration for financing and promoting energy efficiency, as well as the bodies that perform market surveillance. It is also planned to establish a new body for assessing product conformity with valid standards.

The ERP states that the implementation of this structural reform will support the

SDG 7¹⁰ through the following targets: 7.2: "By 2030, increase substantially the share of renewable energy in the global energy mix", 7.3: "By 2030, double the global rate of improvement in energy efficiency", and 7.b: "By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States and landlocked developing countries, in accordance with their respective programmes of support".

The indicators that monitor the implementation of the structural reform refer to: a) maximum permitted consumption of final energy in households in Mtoe, and b) the

10 SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all.

number of new households that received subsidies for the improvement of energy efficiency on an annual basis.

The foreseen indicators clearly indicate the contribution of the structural reform to the fulfilment of target 7.3 of sustainable development, since it is focused on energy efficiency. The activities foreseen by the Administration for financing and promoting energy efficiency for improving the procedures and mechanisms for granting incentives contribute to the mentioned target, since the Directorate is the country's main mechanism for fi-

ancing and promoting energy efficiency. The mentioned indicators are adequate for monitoring the improvement of energy efficiency and this reform has the potential to contribute to the fulfilment of targets 7.2 and 7.b, since the installation of solar water heaters and solar panels in household also falls within the scope of subsidies for energy efficiency. **However, it is not possible to give an adequate assessment of the compliance of this reform with targets 7.2 and 7.b, since there is no adequate indicator to monitor renewable energy sources (RES) and the installation of new capacities.**

SR 9: Integration of renewable sources of electrical energy through the project “BeoGrid 2025”

Belgrade is one of the largest energy systems in this part of Europe, with 30% share in the final energy consumption and 50% share in electricity production. For this reason, energy is recognised as a strategic area in the General Urban Plan (GUP) for Belgrade 2041. GUP also includes the “BeoGrid 2025” project, which is a priority infrastructure project of the Republic of Serbia. The goal of the project is greater integration of electricity produced from RES, primarily from wind farms located in the South Banat region. This should relieve the Belgrade 5 substation, which is crucial for Belgrade electricity supply. In addition, the project should contribute to the reduction of losses in the transmission network, which should further improve energy efficiency in the country.

The document states that the implementation of this structural reform will support the SDG 7 through the following targets: 7.1: “By 2030 ensure universal access to

affordable, reliable, and modern energy services”, and 7.b: “By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries, in accordance with their respective programmes of support”. The indicators that monitor the implementation of structural reform 9 refer to: a) increasing the output power of RES power plants in the South Banat region, which can be integrated without restrictions, and b) reducing energy losses in the transmission system on an annual basis.

Based on the presented indicators, it is evident that the implementation of this reform will contribute to the fulfilment of targets 7.1 and 7.b. In addition, the increase in the possibility of integrating electricity from renewable sources alone represents a certain type of incentive and

can contribute to the emergence of new producers and their connection to the grid. **This would increase the share of**

RES in the power sector, which means that this reform indirectly contributes to target 7.2.

SR 10: Energy market development coupled with energy infrastructure construction

Structural reform 10 will be implemented through the Trans-Balkan Electricity Corridor project, which aims to connect Serbia with the region and the EU. This will be done through an investment to finance work on a couple of sections. The first section concerns the construction of a new section of the 400 kV transmission line Kragujevac – Kraljevo, and raising the voltage level of the section Obrenovac – Bajina Bašta and Bajina Bašta – Višegrad (Bosnia and Herzegovina) – state border with Montenegro to 400 kV. This much-needed investment will replace the outdated 220 kV network, which is prone to breakdowns and transmission losses (EU Delegation in Serbia, 2021). The project would strengthen Serbia's position as the power hub in this part of Europe, and would also improve the electricity supply safety and reliability for Serbian consumers.

The document states that the implementation of this structural reform will support the SDG 7 through target 7.1: "By 2030 en-

sure universal access to affordable, reliable, and modern energy services".

The indicators that monitor the implementation of the structural reform refer to: a) increase in the value of net transmission capacity (NTC) on the border with Bosnia and Herzegovina, b) increase in the value of net transmission capacity (NTC) on the border with Montenegro, c) enabling the connection of new production capacities for the needs of balancing the system, and d) reduction of energy losses in the transmission system on an annual basis.

Based on the presented indicators, it is evident that the implementation of this reform will contribute to the fulfilment of targets 7.1 and 7.b. In addition, greater possibility of integrating electricity from RES is a type of incentive and can contribute to the emergence of new producers and connection to the grid. **This would increase the share of RES in the power sector, which means that this reform indirectly contributes to targets 7.2 and 7.b.**

SR 11: Tax Administration transformation

Structural reform 11 involves the implementation of the Tax Administration Transformation Program for the period 2021–2025, which aims to simplify the fulfilment of tax obligations for taxpayers, which further contributes to the growth of voluntary compliance with tax

regulations and suppression of the grey economy.

The ERP states that this structural reform contributes to the achievement of the SDG 16 through targets 16.6: "Develop effective, accountable and transparent institutions at

all levels", and the SDG 17 through target 17.1: "Strengthen domestic resource mobilisation, including through international support to developing countries to improve domestic capacity for tax and other revenue collection".

The indicators that monitor the implementation of the structural reform refer to: a) newly registered taxpayers in a calendar year (in %), b) growth of newly discovered revenues by years (in %), and c) degree of realisation of billing task (u %).

The mentioned indicators measure the degree of achievement of the billing task and can be used to monitor the contribution of the reform to the improvement of the Tax Administration (TA) effectiveness, but it is not possible to assess the progress in achieving responsibility and transparency of this body. The scope of reforms related to the organisation and work of the TA is insufficiently broad and lacks elements that should contribute to the adequate completion of the public finance system reform in the Republic of Serbia and the creation of sustainable and transparent TA. The missing elements primarily refer to:

- adequate implementation of the Law on Fees for the Use of Public Goods and elimination of system errors due

to which certain charges cannot be collected (e.g. untreated wastewater discharge fee);

- completing the system of parafiscal levies, which has not yet been implemented;
- standardising the legal practice of tax branches throughout the country, which would increase the predictability of the tax procedure, the protection of rights, and the legality of decision-making;
- promoting the transparency of the procedure for adopting new and amending existing tax regulations (increasing the scope of the process participants and the length of public consultations);
- improvement of the system for assessing the legality of tax decisions.

Current improvements to the TA system are focused on digitalisation (switching to electronic invoicing, remote communication with taxpayers and remote tax control), which is desirable, but not sufficient.

Based on the above indicators, it is possible to monitor the contribution of the structural reform to the achievement of target 17.1, and in this sense, this structural reform is aligned with this target.

SR 12: Implementation of the circular economy in creating favourable environment for the green transition

Structural reform 12 concerns support for companies and local self-governments units in the area of circular economy, improvement of cooperation between business entities and academic community,

as well as providing support to the public sector and the economy towards successful implementation of green public procurement in the Republic of Serbia. This structural reform aims to initiate the green

economic transition in Serbia, with efficient use of resources and energy, promote preservation and improvement of the environment, and indirectly public health.

According to the ERP, the implementation of this structural reform will support three SDGs – 3, 11 and 12,¹¹ as well as their specific targets. The targets that are supported by this reform are: 3.9: "By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination", 11.5: "By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations", 12.1: "Implement the 10-Year Framework of Programs on sustainable consumption and production (10YFP)", and 12.2: "By 2030 achieve sustainable management and efficient use of natural resources".

However, the structural reform 12 does not directly aim to affect population health, bearing in mind that focus subjects are the business and academic community, the public sector, and the economy. This is why this reform can be viewed as very limited in terms of achieving target 3.9. The planned activities and outcome indicators within this reform cannot be linked to the improvement of population health i.e. the reduction of mortality rates due to air and water pollution

and accidental poisoning. Therefore, the reform is not applicable in terms of improvement in the value of the SDG indicators monitored by SORS: 3.9.1,¹² 3.9.2¹³ and 3.9.3¹⁴ (SORS, 2023). The expected impact on social goals is observed through the reduction of all types of pollution, which can indirectly lead to the improvement of indicators relevant to target 3.9. The document states that the ultimate goal of the reform is to improve "the quality of the environment and the quality of life of all citizens, which has a positive impact on people's health". **The conclusion is that the impact of the structural reform on the achievement of target 3.9. and improvement of the value of relevant indicators is limited, time-delayed, and uncertain, and that it depends on how successfully the reform will be implemented and in which social environments. The same goes for target 11.5, where the emphasis is on reducing deaths due to pollution and natural disasters, so it is not clear how the reform will contribute,** especially since there is no adequate indicator to track these data. On the other hand, given that the goal of the circular economy is sustainability, **and target 12.2 refers to a more efficient and productive use of natural resources, there is a connection between the targets and indicators related to the application of the principles of circular economy in the economy and in local self-government units.** It is, however, questionable how much this structural reform can affect the implementation of the circular economy in the country or implementation of the mentioned targets, since

11 SDG 3: Good health and well-being; SDG 11: Sustainable cities and communities, and SDG 12: Sustainable consumption and production.

12 Mortality rate attributed to household and ambient air pollution.

13 Mortality rate attributed to unsafe water, unsafe sanitation and lack of hygiene.

14 Mortality rate attributed to unintentional poisonings.

only 110,000 euros have been allocated for 2023 and 2024 for this purpose. To achieve more significant effects, significantly larger

investments are necessary, especially for incentives to companies who are transitioning to a circular business model.

SR 13: Development and improvement of the national information and communication infrastructure

Structural reform 13 concerns the development of broadband networks for accessing information and communication systems, the creation of detailed maps of availability of broadband access services in the Republic of Serbia, improvement of education conditions, and promoting the use of eGovernment services.

The ERP states that the implementation of this structural reform will contribute to the achievement of one of the targets within the SDG 4,¹⁵ namely target 4.4: "By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship".

The indicators used to monitor the implementation of this structural reform refer to: a) number of rural settlements with enabled access to broadband internet; b) number of school facilities with a wireless local computer network installed; c) number of school facilities connected to Academic Network of the Republic of Serbia (AMRES).

The compliance table shows that the structural reform 13 will contribute to a sig-

nificant increase in the number of young people and adults with relevant skills. We assume that the intention is to link this reform with two global indicators for target 4.4: 4.4.1¹⁶ and 4.4.2¹⁷ (UNESCO Institute for Statistics, 2023). The activities are planned to connect primary schools and households in rural areas to the broadband network. The existence of a broadband network does not guarantee that households will have access to the Internet, because the data show that households in Serbia without Internet access cite that the main reasons are that they do not need access (76.2%), that they access the Internet elsewhere (18.2%), and that they lack sufficient skills (12.5%). Only 2.4% of households without Internet access cite the lack of broadband Internet as a reason. In 2021, 84.4% of the population in Serbia used the Internet in the previous year, and the share of those with at least basic level of digital skills was 41.3%. Compared to the EU-27 countries, Serbia ranks alongside Romania and Bulgaria among the countries with the lowest share of residents who have at least a basic level of digital skills.¹⁸ **Since there are no activities aimed at the development of digital skills, the structural reform 13 does not contribute to the achievement of target 4.4.** By connecting elementary

15 SDG 4: Quality education

16 The proportion of youth and adults with information and communications technology (ICT) skills, by type of skill

17 Percentage of youth/adults who have achieved at least a minimum level of proficiency in digital literacy skills.

18 Eurostat (2023), *ICT usage in households and by individuals*, available at <https://ec.europa.eu/eurostat/web/digital-economy-and-society/data/database> [10. 4. 2023].

schools to the broadband network, as well as by connecting educational institutions to AMRES, this structural reform increases the use of new technologies and innovations in education, thereby contributing

to higher quality education and target g.c. Based on the mentioned activities and indicators for measuring progress in the implementation of this structural reform, it is estimated that it is aligned with target g.c.

SR 14: Setting up the infrastructure and environment for the creation and application of innovative IT solutions

Structural reform 14 concerns the continuation of the Smart City project, which strives to modernise public administration and improve electronic services using innovative IT solutions.

The ERP states that this structural reform contributes to the achievement of the SDG g through target g.b: "Support domestic technology development, research and innovation in developing countries including by ensuring a conducive policy environment for inter alia industrial diversification and value addition to commodities".

The indicators that monitor the implementation of this structural reform refer to: a) number of implemented solutions for smart cities (cumulative), and b) number of education institutions and business entities that use the capacities of the "Innovation District".

This structural reform is aligned with target g.b, since the development of domestic technologies, research and innovation can be monitored with the mentioned indicators through the number of implemented solutions for smart cities and the number of educational institutions and economic entities that use the capacities of the "Innovation District".

SR 15: Support to the development of talents and creative industries through the establishment of the multifunctional innovative-creative centre "Ložionica"

Structural reform 15 contributes to the further development of creative industries by increasing the competitiveness of the domestic IT solutions and creativity.

The ERP states that this structural reform contributes to the achievement of SDG g through target g.b: "Support domestic technology development, research and innovation in developing countries including

by ensuring a conducive policy environment for inter alia industrial diversification and value addition to commodities".

The indicators that monitor the implementation of this structural reform refer to: a) number of new, innovative enterprises in the CI incubator, and b) number of new, innovative enterprises in the Gov-Tech hub.

The reconstruction of "Ložionica" facility and providing support to professional associations and educational programs in the field of creative industries directly contribute to the improvement of infrastructure and innovations, and this structural reform is in line with target g.b. In addition, upon completion of the "Ložionica" project, this

measure envisages the launch of the "Talent Hub" – a set of educational programs for elementary and secondary school students, and the establishment of incubators for creative industries, which should positively impact the number of young people with appropriate skills for employment and entrepreneurship.

SR 16: Development of the Startup Ecosystem

Structural reform 16 enables the domestic startup ecosystem development through the improvement of the startup business framework and providing support programs to the startup community.

The ERP states that this structural reform contributes to the achievement of the SDG 8 through targets 8.2: "Achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors", 8.3: "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services", 8.5: "By 2030 achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value", and 9.3: "Increase the access of small-scale industrial and other enterprises, particularly in developing countries, to financial services including affordable credit and their integration into value chains and markets".

The indicators that monitor the implementation of this structural reform refer

to: a) number of start-ups registered in the newly-established Registry of Subjects of the National Innovation System, b) amount of financial support generated by start-ups in the Republic of Serbia, and c) the value of the start-up ecosystem (Start-up Genome).

This measure is important for establishing a supportive environment for the startup community and creating conditions for the transition to a knowledge-based economy. Indirectly, successful implementation of the reform is expected to have a positive impact on economic productivity, given that startups are characterised by innovation, although it is not possible to monitor the impact of the startup ecosystem on productivity growth using these indicators. The improvement of the startup ecosystem in represents a development-oriented policy, and this structural reform can be viewed as being aligned with targets 8.3 and 8.5, because the indicator that monitors the number of registered startups can also monitor the increase in employment. The same indicator, which monitors the amount of financial support that startups receive, can also monitor the approach to target 9.3, and it can be argued that this structural reform is aligned with it.

SR 17: Creation of conditions for the development of bio science and bioeconomy through the construction of Bio4 Campus

Structural reform 17 entails the construction of Bio4 Campus aimed at providing support for intensive development in the fields of biotechnology, biomedicine, bioinformatics, and biodiversity. The campus will serve as a gathering place for multidisciplinary experts and the most modern technologies and infrastructure in these four areas.

The ERP states that this structural reform contributes to the achievement of the SDG 8 through targets 8.2: "Achieve higher levels of productivity of economies through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors", 8.3: "Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage formalization and growth of micro-, small- and medium-sized enterprises including through access to financial services", and SDG 9 through targets 9.5: "Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation".

The indicators that monitor the implementation of this structural reform refer to: a)

number of institutions users of BIO4 Campus, b) number of companies having their research divisions in the Campus (regulated legally), c) number of agreements signed between the research institutions / faculties, and d) number of agreements signed with the industry.

This measure is aligned with the stated targets since the establishment of such a campus should contribute to technological improvements and innovations, such as new developments in the field of the pharmaceutical and food industry and biodiversity, as well as innovative diagnostics and treatment, which will influence the growth of economic productivity and contribute to target 8.2. The reform represents a development policy that will promote production activities and creation of dignified jobs, which confirms the compliance with target 8.3. Given that it directly improves the existing research infrastructure, it is expected that this reform would significantly contribute to greater investments in research and development, which confirms the compliance with target 9.5. These indicators can be used to monitor the contribution of this reform to the sustainable development targets.

SR 18: Improvement of conditions and removal of the barriers to trade

Structural reform 18 is aimed at improving foreign trade at the regional and global level. The activities are primarily aimed at strengthening the competitiveness of

domestic companies in order to facilitate adaptation to the common EU market. The reform is also focused on improving regional cooperation. The main activities

are aimed at negotiations on accession to the World Trade Organization (WTO), and on promoting regional integration through the implementation of obligations from the Agreement on Free Trade in Central Europe (CEFTA).

According to the ERP, the implementation of this structural reform will contribute to the SDG 17¹⁹ through targets: 17.10: „Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO including through the conclusion of negotiations within its Doha Development Agenda”, 17.11: “Increase significantly increase the exports of developing countries, in particular with a view to doubling the LCD share of global exports by 2020”, 17.12: “Realize timely implementation of duty-free, quota-free market access on a lasting basis for all least developed countries consistent with WTO decisions, including through ensuring that preferential rules of origin applicable to imports from LDCs are transparent and simple, and contribute to facilitating market access”.

The indicators that monitor the implementation of this structural reform refer to: a)

the volume of foreign trade of the Republic of Serbia; b) assessment of the fulfilment of trade facilitation measures that the Republic of Serbia received according to the UN Global Survey on Digital and Sustainable Trade Facilitation.

Based on these indicators and activities, it can be said that the implementation of this reform will contribute to the targets concerned. Indicator b) monitors numerous institutional arrangements and the improvement of regional trade cooperation, and it adequately covers the stated targets. It also entails the improvement of work of the National Coordinating Body for Trade Facilitation (NCBTF), which is one of the activities envisaged by the reform. Activities related to the implementation of CEFTA also contribute to regional integration and strengthening of institutional arrangements covered by indicator b). Activities under this reform will certainly contribute to the fulfilment of indicator a), i.e., increasing the trade volume. A total of 55,000 euros was allotted for the trade policy capacity building, along with the funds for the employment of two additional employees.

SR 19: Improvement of efficiency and safety in the railway traffic

Structural reform 19 refers to the reconstruction, modernisation, and construction of railway infrastructure. It builds on the activities from previous years in order to fully achieve the planned goals related to efficiency, safety, competitiveness, and environmental sustainability of the railway sector in the Republic of Serbia. The activities envisaged by this reform are: 1) application

of the new methodology for calculating the price of access to railway infrastructure, 2) increasing the level of safety at railway crossings with the aim of reducing the number of traffic accidents, and 3) improving the efficiency of passenger railway traffic through improved contractual relations, new services, promotional activities, and improvement of business efficiency.

19 SDG 17: Partnerships for the goals.

Since the reform specifically refers to the number of deaths and injuries in road traffic, it has no impact on target 3.6 ("By 2030

halve global deaths and injuries from road traffic accidents"), and no effect on indicator 3.6.1 ("Death rate due to road traffic injuries").

SR 20: Improvement of the agriculture competitiveness

Structural reform 20 refers to certain economic aspects of the improvement of agriculture and includes the following: 1) improvement of infrastructure in rural areas; 2) establishing a regulatory framework related to land consolidation; 3) establishing a legal framework in the area of agricultural products market and quality schemes for agricultural and food products and organic production, in order to create conditions for improving competitiveness in all production sectors; and 4) improvement of the existing institutional capacities through digitalisation and automation of the financial support system for farmers and easier access to available incentives.

According to the ERP, this structural reform will support three SDGs – 2,²⁰ 11 and 12, as well as their specific targets. The targets supported by this reform include: 2.3: „By 2030 double the agricultural productivity and the incomes of small-scale food producers, particularly women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment"; 2.4: "By 2030 ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and

that progressively improve land and soil quality"; 11.3: "By 2030 enhance inclusive and sustainable urbanization and capacities for participatory, integrated and sustainable human settlement planning and management in all countries"; and 12.5: "By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse".

The indicators that monitor the implementation of this structural reform refer to: a) gross value added (GVA) of agriculture, in billion euros, and b) participation of value of agricultural and food products in the total import.

This structural reform has a limited effect on the achievement of target 2.3. Small agricultural food producers and socially sensitive categories of agricultural producers are not the focus of this structural reform. Although the reform includes a series of laws that will enable the inclusion of new actors in the agricultural products market, only investments in rural infrastructure and organic food production can create opportunities for the categories of agricultural producers included in target 2.3. The planned agricultural land consolidation process may eliminate sensitive groups of producers from agricultural activity, unless this is prevented by special provisions included in the foreseen Law on Land Consolidation and the Law on Agricultural Land. Creating associations of agricultural producers was mentioned as an

opportunity for small actors in this activity, but this opportunity cannot be seized without clearly defined mechanisms. Digitalisation can contribute to the efficiency of keeping records, planning and use of agricultural land, which can bring certain administrative relief and better information for small producers, but the planned consolidation of land plots may deteriorate the position of poor and vulnerable agricultural households and their exclusion from market competition. The focus of this structural reform are concrete solutions, not equality.

According to the indicators of sustainable development published by SORS, structural reform 20 could have a positive effect on indicator 2.3.1,²¹ but due to the plans of agricultural land consolidation and production, a positive impact on indicator 2.3.2²² is questionable (SORS, 2023).

This structural reform has a very limited effect on target 2.4, primarily from the aspect of investment in the development of organic agricultural production. By improving organic production and striving to achieve compliance with the environmental requirements of the Common Agricultural Policy could potentially create the conditions for obtaining incentives for environmental measures from European funds. In this sense, structural reform 20 could affect sustainable development indicator 2.4.1²³ (SORS, 2023).

However, the exposure of local population to climate change and extreme droughts, that is, sustainable improvement of the ecosystem, is not considered, especially in

relation to the vulnerability of the socially sensitive population and their agricultural production in the event of extreme weather events. In general, the use of agrotechnology in the field of land irrigation and protection of agricultural land is generally at a very low level, and agricultural production is still largely dependent on weather conditions. The knowledge of small agricultural producers in the field of (economic) farm management, use of fertilisers and pesticides, agricultural waste management and the like, are also at a very low level, which this reform does not recognise. Additionally, it is unlikely that the rural infrastructure can be significantly improved with the planned amount of funds (slightly below 17 million euros for three years). Bearing in mind that the competitiveness of agricultural and food activities is at the core of this reform, the only activity that can be linked to this goal is the adoption of laws and by-laws in the field of organic production. However, one of the main problems concerns rural infrastructure.

Since the focus of target 11.3 is the inclusiveness of urbanisation and the development of capacities for sustainable management, there is no clear connection between the mentioned target and the indicator that monitors the implementation of the reform. One of the indicators of target 11.3 implies the relationship between the rate of land use and the rate of population growth. It measures the efficiency of land use and seeks to answer the question of whether the remaining undeveloped urban land is developing at a slower or faster rate compared to the population growth, where lower land use rate in relation to the

21 Volume of production per labour unit by classes of farming/pastoral/forestry enterprise size.

22 Average income of small-scale food producers, by sex and indigenous status.

23 Proportion of agricultural area under productive and sustainable agriculture.

population growth rate is preferred. (UN Habitat, 2018). Given that none of the indicators listed in the ERP follow any of the values listed for indicator 11.3.1, the conclusion is that this structural reform is not aligned with target 11.3. The aim of the reform is to improve the capacity of the line ministry, while the target deals with the participation

of civil society in urban planning. In addition, it is **unclear whether target 12.5 is related to the realisation of structural reform**, because the SDG indicator monitored by SORS refers to the **monitoring of the national recycling rate of municipal waste, which is not related to the waste generated in the agricultural production process**.

SR 21: Improvement of the strategic framework of quality infrastructure and integration into a single EU market

The aim of structural reform 21 is to contribute to the improvement of the competitiveness, safety and quality of products and services, by improving the strategic framework in the area of the quality infrastructure. The reform will be implemented through the development of the Strategy for the improvement of the quality infrastructure system in the Republic of Serbia for the period 2024–2030 and related AP, as well as through the Action plan aimed at creating the conditions for the full integration of the Serbian market into the single EU market for electronic and electrical products, machines, and personal protective equipment. The reform will also enable the alignment of the national quality standards with EU standards.

According to the ERP, this structural reform will support three SDGs – 7, 9²⁴ and 12, as well as their specific targets. The targets supported by this reform include: 7.3: „By 2030, double the global rate of improvement in energy efficiency”, 9.2: "Promote inclusive and sustainable industrialization and, by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances,

and double its share in least developed countries", and 12.8: "By 2030 ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature".

The indicator that monitors the implementation of the reform is the Global Quality Infrastructure Index (GQII Index), **so the relation between the proposed targets 7.3 and 12.8 and the reform is not clear. It is questionable how energy efficiency and spreading awareness about sustainable development among the population are related to the activities of the structural reform 21**, which is aimed at creating a regulatory planning framework for improving quality infrastructure and harmonising legal frameworks with EU regulations in order to integrate the Serbian market into the single EU market for certain products. **The relation with target 9.2 is clearer, since the GQII index also monitors the improvement of industrial standards and production, so the implementation of this reform will contribute to the achievement of this target.**

24 SDG 9: Industry, innovation and infrastructure.

SR 22: Improving the efficiency of the health care sector through the digitalisation process

Structural reform 22 refers to the improvement of the health care sector efficiency, primarily by introducing digital tools in the work of health care institutions. In short, the envisaged improvements include: establishing an Electronic Medical Record (EMR) (which creates the conditions for easier movement of the patient in the health care system by storing all relevant health data in one place, for data exchange between different levels of health care, as well as for communication between the state and private sectors); establishment of a central platform for connecting state and private laboratories; extension of ePrescription to aids and ampoule drugs at the primary level of health care as well as hospital drugs (B and C List); application of artificial intelligence in radiology (Breast cancer screening). Digitalisation process in the health care sector should improve the efficiency of health care services and ensure a better quality of diagnosis and treatment at all levels of health care institutions in the Network of Healthcare Institutions (which currently includes private pharmacies, while other private health care institutions are not included in the healthcare system).

According to the ERP, the implementation of this reform will contribute to the achievement of the SDG 3 through target 3.8: "Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all".

Digitalisation in the health care sector partially affects the achievement of target 3.8.

This process is primarily aimed at improving the efficiency of the health services and issuing of the prescription drugs. The unification of data on the patient health status (through electronic medical file) should make the data available to all medical doctors and specialists, which should improve the quality of diagnosis and treatment of patients. This mechanism creates the basis for more efficient diagnostics, but does not guarantee the improvement of the quality of health care services. The unified information system would be available to both public and private health institutions, but this does not allow greater health care coverage for people without health insurance. Improving the efficiency of health care services and the availability of data will most benefit those who already have health insurance, and especially those who have private health insurance, because private hospitals and health care centres will be able to access patient electronic medical records. However, digitalisation improves access to health care for those who already have health insurance, but the availability of basic health care services to uninsured persons is at risk, and thus the availability of safe, effective, high-quality, and affordable basic medicines and vaccines for the general population. Without achieving health care coverage for the entire population, there is a danger that digitalisation will lead to a greater inequality in the coverage and availability of quality health care services, which is not in accordance with target 3.8. Digitalisation in the health care system is coming along very slowly, and

double records are still maintained – both paper and electronic, especially in the primary health care, which is the most burdened, and this threatens the efficiency of health care services.

The reform defined in this way, only a limited increase in the value of the UN sustainable development indicators monitored by the SORS is expected (3.8.1a: "Coverage of essential health services: proportion of women of reproductive age (ages 15–49 years) who have their need for family planning satisfied with modern methods"); 3.8.1b: "Coverage of essential health services: prenatal care [four and more visits]"; and 3.8.2: "Proportion of population with large household expenditures on health

as a share of total household expenditure or income"). The problem with the population not covered by health insurance will remain. The population will also face an increase in out-of-pocket payments, i.e., high costs for household and individual health care, if digitalisation has an asymmetrically more beneficial effect on improving the efficiency and quality of diagnostics in private than in public health institutions. Digitalisation in the state sector, in addition to electronic scheduling, will not provide the necessary diagnostic and therapeutic procedures due to long waiting lists and shortage of medical staff with appropriate skills, while the integration of information systems can speed up the process of patient transition to private health care services.

PROGRESS ASSESSMENT IN THE ACHIEVEMENT OF DEVELOPMENT PRIORITIES

The following part of the document provides an overview of the progress achieved in eight priority development areas, prepared by CSOs gathered around the SDGs for All Platform. Priority development areas include targets taken from the 2030 Agenda, adapted to the development context of the Republic of Serbia. Targets include progress monitoring indicators and expected target value indicators.

Priorities have been arranged according to eight areas:

1. Healthy life and health care for all
2. Dignity for all Serbian citizens
3. Reaching European level of democracy, rule of law and quality of institutions
4. Competitive economy and productive jobs
5. Skills for sustainable and smart development and the future of labour
6. Responsible and efficient use of natural resources
7. Clean and resilient communities
8. Safeguarding natural and cultural heritage

Each priority area chapter includes an introduction, progress assessment in relation to the set indicators in the period since the publication of the 2022 report "Serbia 2030: Does Serbia govern its sustainable development?", and recommendations for the following period.

Priority Area 1: Healthy life and health care for all

Ensuring good health and promoting well-being throughout life is essential for sustainable development. From 2020 until today, the world has been faced with a global health crisis, which has endangered the lives of many people, brought a high mortality rate, and economic destabilization worldwide. The corona virus pandemic has led to an increase in maternal mortality, perinatal and neonatal mortality, and infant mortality (target 3.1 and 3.2) in Serbia, and brought down the mortality rate values to those of 2018 due to the difficulties in the functioning of the health care system and mobilisation of all health service capacities in the fight against this infectious disease. It also jeopardised the availability of health care for people suffering from chronic non-communicable diseases (cardiovascular and malignant as dominant in the national pathology) and reduced premature mortality rate, but with an increase in specific mortality rates due to the difficult availability of necessary diagnostic and therapeutic services. It also placed the preservation and improvement of the population's mental health high on the priority list, and the consequences of its neglect are evident from the increase in domestic abuse, partner violence and, lately, violence in schools and local communities (target 3.4).

Although two of the three target values for the target 3.8 indicators show a positive trend for reaching the target, additional efforts are still necessary to improve the general health care system capacities. The most important thing is to adopt public policy documents (Healthcare Development Plan and Health Workforce Development Plan, as basic documents) and related regulations, in order to achieve universal health care coverage and the availability of quality health services and safe, effective, high-quality, and inexpensive basic medicines and vaccine for all, in accordance with target 3.8.

Sustainable Development Goal 3:

GOOD HEALTH



Ensure healthy lives and promote well-being for all at all ages

In the observed period, there was **no significant progress** in the adoption of a legal-strategic framework that would contribute to the SDG 3 and relevant target, especially in terms of progress based on recommendations from the previous report by the non-state sector (Belgrade Open School et al., 2022). However, some progress has been made and will be presented further in the text.

The Circular Economy Development Program in the Republic of Serbia for the period 2022 to 2024 is aimed at target 3.9 ("By 2030 substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination"), with a plan to apply the concept of circular economy to reduce the population's exposure to harmful chemicals and pollution (GRS, 2022c).

The Economic Reform Programme for the period from 2023 to 2025 includes the structural reform 22: Improving the efficiency of the health care sector through the digitalisation process, which has a limited impact on target 3.8 ("Achieve universal health coverage (UHC), including financial risk protection, access to quality essential health care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all).

The 2022–2024 Action Plan for the Implementation of the Strategy for Social Inclusion of Roma in the Republic of Serbia for the period 2022 through 2030 foresees measures for the achievement of objective 5: "Improved health of Roma, including equal access to quality health care services and enabled full exercise of the right to health without discrimination, especially in

the situations of crisis, in the health care system of the Republic of Serbia" (GRS, 2022a). This goal includes the indicator "Coverage of Roma men and women by universal health insurance", which contributes to the achievement of target 3.8. The target value is 94% coverage in 2024, which is below the universal coverage of the population with health care, which represents the target value of the priority target 3.8 (Belgrade Open School et al., 2020).

The 2022 – 2023 Action plan for the implementation of the Strategy for Gender Equality for the period from 2021 to 2030 (GRS, 2022b) aims to achieve the general and specific goals of the Strategy for Gender Equality, which, according to the previous report, are partly aimed at target 3.7 ("By 2030 ensure universal access to sexual and reproductive health-care services, including for family planning, information

and education, and the integration of reproductive health into national strategies and programs"), and target 3.8 (Belgrade Open School et al., 2020).

A conclusion is that the institutional framework has been partially improved compared to the previous period. The issue of pollution is a political issue that has not been resolved, but it still produces negative effects on public health and hinders intersectoral cooperation in that area. This refers primarily to poor air quality and the influence of individual companies on different types of pollution.

According to the 'Europe Sustainable Development Report 2022', no progress has been recorded in Serbia in achieving SDG 3, and there are still significant challenges in this area (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority target 3.8

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets within the SDG 3, which should be achieved by 2030. (Belgrade Open School et al., 2020).

Priority target	3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all		
Indicator	Reduce the percentage of the population assessing their health status as poor and very poor from 15.7% to 9%	Reduce the percentage of the population assessing unmet need for medical care because is too expensive, too far away or they are on the waiting list, or could not set aside enough time, from 6,5% to 2,5%	Reduce the share of private health care expenditures (out-of-pocket) from 41% to 20%

The percentage of the population in Serbia that assessing their health status as poor or very poor in 2021 was 11.8%, which is a decrease compared to 2020 (13.2%) and 2019 (15.7%). The value of that indicator has been in constant decline since 2017 (19.8%). Although the value of the indicator was higher in 2021 compared to the EU-27 countries (8.8%), if this trend continues, it is possible to reach the target value of 9% in the planned time period (Eurostat, 2023). However, the conclusion about the improvement of health care coverage based on the trend of this indicator should be taken with reservations, bearing in mind the assumption that the population of more economically developed countries assigns different values and priorities to health care compared to the citizens of Serbia.

In the previous period, there was an increase in **the percentage of the population assessing unmet need for medical care because it was too expensive, too**

far away or they were on the waiting list, or could not set aside enough time. According to Eurostat data, the percentage of the population in Serbia who assessed unmet health care needs due to the aforementioned reasons was 5.3% in 2021, compared to 3.8% in 2020 and 4.8% in 2019. The value of the indicator is currently far from the target value of 2.5% (Belgrade Open School et al., 2020).

The most recent data on **private allocations for health care (out-of-pocket)** available on the World Bank website dates from 2019 and comes to 37.04%, which is a decrease compared to 2018 (38.1%), as well as the year before that (40.64%) (World Bank, 2023). Although the value of the indicator shows a decline, this type of expenditure in Serbia is still more than twice as high compared to the EU-27 (15.67% in 2019). The indicator value is significantly higher than the target value (Eurostat, 2023).

Recommendations

1. Adopt the Healthcare System Development Plan of the Republic of Serbia. The Law on Health Care prescribes this obligation, and the Plan should be adopted by the National Health Council.
2. Adopt the Medical Staff Development Plan to address the issue of deficit of health workforce.
3. Revise and align the Public Health Strategy in the Republic of Serbia 2018–2026 with the 2030 Agenda, to enable adequate inclusion of targets related to: reduction of mortality from non-communicable diseases, universal health coverage, reduction in the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination, and universal access to essential medicines and vaccines.
4. Revise the Strategy for the Encouragement of childbirth to include the goal of universal access to services related to sexual and reproductive health care.

5. Create solutions for the institutionalization of (Roma) health mediators into the system, through amendments to the Law on Health Care, and provide for their education. Amend the Law on the Protection of the Population from Exposure to Tobacco Smoke to align it with Directive 2014/40/EU of the European Parliament and of the Council of April 3, 2014 on the approximation of the laws, regulations and administrative provisions of the Member States concerning the manufacture, presentation and sale of tobacco and related products and repealing Directive 2001/37/EC Text with EEA relevance, especially in the part concerning labelling and packaging of tobacco products. Adopt a new National Tobacco Control Strategy since the previous strategy had expired several years ago, leading to an increase in the frequency of smoking and population health risks.

Priority Area 2: Dignity for all Serbian citizens

The concept "Leave No One Behind" is one of the central transformative promises of the 2030 Agenda 2030, which is based on the Universal Declaration of Human Rights. It is very important to implement public policy measures that contribute to reducing the number of men, women and children of all ages living in any form of poverty (target 1.2), implement appropriate social protection systems and measures for everyone, including the most vulnerable (target 1.3), end all forms of discrimination against women and girls everywhere and recognise and value unpaid care and domestic work (targets 5.1 and 5.4) and progressively achieve and maintain income growth of the bottom 40 % of the population at a rate higher than the national average (target 10.1).

Sustainable development goal 1:

NO POVERTY



End poverty in all its forms everywhere

If we look at the previous report, there was **almost no progress** in achieving SDG 1 in the new reporting period, and recommendations from the previous report were not adopted (Belgrade Open School et al., 2022). National policy documents and planning documents that were adopted in the meantime also bear no relation with the achievement of the SDG 1 targets. The new strategy for poverty reduction was not adopted, nor the proposals on the Law on Amendments to the Law on Social Protection. A new national strategy for protection and rescue in emergency situations, and a strategy for disaster risk reduction and emergency management were not adopted. These strategies would reduce the pronounced exposure and vulnerability of the poor in conditions of extreme weather events and other economic, social and/or environmental disasters (Belgrade Open School et al., 2022). The new Employment

and Social Policy Reform Programme (ESRP) has not been adopted nor is it planned to be adopted.

The Economic Reform Programme for the period 2023–2025 still does not include a redistributive element that would redirect budget funds to the most vulnerable segments of the population. Structural reforms practically do not target SDG 1 and relevant targets. According to the ERP, allocations for social assistance and transfers as a share in GDP will decrease in the period from 2021 (13.6%) to 2025 (13.1%). It is expected that the full implementation of the Law on the Social Card (GRS, 2021) will improve the position of the socially and economically vulnerable segment of the population, because more adequate targeting of the most vulnerable will create the possibility for greater individual social assistance allocations. This law has not yet

been fully implemented. The inconsistency of the current Law on Social Protection and the Law on Social Card, as well as the non-transparency of the algorithm used to determine socially vulnerable individuals, leaves room for doubt as to the adequacy of the selection. At this moment, the reduced number of people who are eligible for social assistance leads to the question of whether depersonalisation of the selection of social assistance beneficiaries can leave those who, at this moment, need social assistance without support.

There were **no significant changes** in the institutional, administrative, or organizational framework. According to the current Law on Ministries, issues of poverty and social policy remain under the jurisdiction of the Ministry of Labour, Employment, Veteran and Social Affairs. The newly established Ministry of Family Wel-

fare and Demography has no jurisdiction in the area of poverty reduction in Serbia (GRS, 2022a). The current mandate of the Ministry for Human and Minority Rights and Social Dialogue (MHMRSD) does not include aspects of poverty reduction in Serbia even (ibid). The insufficient level of intersectoral coordination and cooperation among institutions dealing with economic issues and social policy problems remains one of the key problems regarding the improvement of the position of people living in poverty (and those at risk of poverty).

In the 'Europe Sustainable Development Report 2022' it is stated that Serbia is implementing reforms in the right direction concerning the SDG 1, but that society is still facing major challenges in the area of poverty (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority targets 1.2 and 1.3

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets within the SDG 1, which should be achieved by 2030. (Belgrade Open School et al., 2020).

Priority target	1.2: By 2030 reduce at least by half the proportion of men, women and children of all ages living in poverty (according to national definitions of poverty).		1.3: Implement nationally appropriate social protection systems and measures for all, including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable	
Indicator	Reduce the number of people at risk of poverty by minimum 50% compared to 2020.	Increase the share of net income of financial social assistance beneficiaries who are at the risk of poverty to 100%	Increase the share of the population covered by the social protection system by 100%	Reduce the share of informal employment in total employment to 10%

According to the SORS data, the **at-risk-of-poverty rate** in 2021 was 21.2%, which represents a slight decrease compared to 2020 (21.7%). Observed by age, the at-risk-of-poverty rate shows that individuals between 18 and 24 years of age (27.7%) and persons above 65 years of age (22.7%) are particularly at risk. Compared to the results for 2020 and 2021, the at-risk-of-poverty rate decreased for the 18–24 age group (27.7% versus 23.6%). The value of this indicator is slightly reduced for the age category of the working population, from 18 to 64 years of age (20.7% compared to 20.9% in 2020). The concrete results can be interpreted as a consequence of the COVID-19 pandemic on the labour market, where young people were especially at risk. Lay-offs and lower hiring rate of new workers has affected the socio-economic position of young people entering the labour market as well as the general employed population. Although the value of indicators is decreasing, this dynamic will not enable the achievement of the goal set by the Report on Priorities. Inflation rate and decline in the purchasing power in 2022 are expected to have a negative impact on the at-risk-of-poverty rate in the following period. The permanent at-risk-of-poverty rate exhibited growth in 2021 (16.5%) compared to 2020 (14.5%) and 2019 (15.5%). Due to these economic circumstances and the lack of a systemic solution for long-term poverty reduction, it is expected that the value of this indicator will also increase in the coming period.

The reduction in the number of social assistance beneficiaries due to the implementation of the Law on the Social Card and the planned reduction in the share of social protection benefits in GDP does not currently show progress towards achiev-

ing the target value of this indicator within the priority target 1.2. According to the report by the World Bank and the United Nations Children's Fund (UNICEF), the number of social assistance beneficiaries, as well as child allowance beneficiaries (which is also considered a poverty reduction measure), is constantly decreasing and does not follow the trend of poverty indicators in Serbia (World Bank Group, UNICEF, 2022). Compared to the EU and Western Balkans countries, Serbia allocates less for benefits people living in poverty compared to the total allocations for social protection, which are at the level of average values in the observed countries. Slightly more than half of the people living in poverty and 60% of children are covered by social assistance programs. According to the said report by the World Bank and UNICEF, only 3.5% of the population received social assistance, and 7.1% of the population faced with the deprivation of basic needs. In addition to the low level of coverage rate of social assistance programs, social assistance comes to 20% of the absolute poverty line, which cannot enable social assistance beneficiaries to break the vicious circle of poverty (World Bank Group, UNICEF, 2022).

Higher number of **social protection beneficiaries** was not observed, but quite the opposite. In 2021, the share of social welfare beneficiaries in relation to the general population was 10%, compared to 10.2% in 2020 and 10.3% in 2019 (SORS, 2023). Bearing in mind the trend of lower share of GDP to be allocated for social protection, as well as an increase in expenditures for pro-natalist policy, an increase in allocations to directly affect the reduction of poverty in Serbia (social assistance and child allowance) is not expected.

According to SORS data, the **informal employment rate** in 2021 was 13.2%, compared to 16.4% in 2020. It should be noted that the methodology for calculating labour market indicators, including the measurement of contingent workforce, has been changed since January 2021, so the data is incompatible with the previous period. The currently known informal employment rate is still above the indicator target value of 10%.

Recommendations

1. Adopt a poverty reduction strategy that would cover all relevant aspects of the SDG 1.
2. Adopt a new ESRP that will include the target value for the indicator related to the reduction of the number of persons at risk of poverty.
3. Adopt a new national strategy for the protection and rescue in emergency situations / disaster risk reduction and emergency management strategy, which would reduce the pronounced exposure and vulnerability of the persons living in poverty in conditions of extreme weather events and other economic, social and/or environmental disasters.
4. Establish the Coordination Body of the Government of the Republic of Serbia for Poverty Reduction, which will be chaired by the Prime Minister.
5. Reinitiate the work of the Platform for Monitoring the Implementation of the ERP (and ESRP), in cooperation with the National Convention on the European Union.

Sustainable development goal 2:

ZERO HUNGER



End hunger, achieve food security and improved nutrition and promote sustainable agriculture

The increase in food prices in 2021, which continued during 2022 due to the prolonged effects of the COVID-19 pandemic and the war in Ukraine, certainly hit the most vulnerable segments of the population, who were already allocating a large share of their household income to food consumption. The conclusion is that **no progress has been achieved** in this area at the institutional level in Serbia. None of the recommendations from the previous report of the non-state sector on the realisation of SDGs were adopted. The only planning document that indirectly targets SDG 2 is the ERP 2023–2025. The issue of hunger is not included in the current ERP, although elements of certain targets can be recognised in the content of structural reforms. These are targets 2.3 and 2.4, which refer to productive and sus-

tainable agricultural and food production, and improvement of the position of sensitive categories of agricultural producers. The structural reform 20 of the ERP foresees the reform of agricultural production by improving economic competitiveness. The ERP announces the adoption of a series of laws related to agriculture and food production, such as: the law and by-laws in the field of organic production, the quality scheme for agricultural and food products, adoption of by-laws based on the Law on Regulation of the Agriculture Products Market, as well as preparation and adoption of the Law on Land Consolidation and the Law on Agricultural Land. Apart from incentives for the development of organic production and individual aspects of market liberalisation that would facilitate the association of small agricul-

tural producers (which to a limited extent refers to targets 2.3 and 2.4), the backbone of the planned reforms is aimed at consolidating agricultural land and achieving economies of scale in food production. The growth of agricultural production does not automatically lead to the eradication of hunger in Serbia, and this should be taken into account when adopting the said legal regulations and public policy documents. In the previous report it was stated that some of the ERP documents, which should be adopted soon, could affect the achievement of other targets. One of the activities under the structural reform 20 is investment in rural infrastructure, which could partially affect the achievement of target 2.a ("Increase investment, including through enhanced international cooperation, in rural infrastructure, agricultural research and extension services, technology development, and plant and livestock gene banks to enhance agricultural productive capacity in developing countries, in particular in least developed countries").

The Strategy for Agriculture and Rural Development Republic of Serbia for the period from 2014 to 2024 was not revised, which was one of the main recommendations in the previous report (Belgrade Open School et al., 2022). The proposal was to set as the main goals of the Strategy: doubling the agricultural activity and income of small food producers, especially women, development of sustainable and climate-resistant systems for food production, and linking the Strategy for Agriculture and Rural Development with the eradication of hunger in Serbia (ibid).

The new national action plan for children has not been adopted, despite being announced for 2019. The law on the Rights of the Child and the Protector of the Rights of the Child still in the drafting stage. At the proposal of the Ministry of Family Welfare and Demography, the Government of the Republic of Serbia adopted the Draft Law on Amendments to the Law on Financial Support to Families with Children in May 2023.²⁵ The changes refer to the equalisation of the status of pregnant women who are registered entrepreneurs with other pregnant women, based on the decision of the Constitutional Court. The period for the calculation of financial compensation for mothers is still a subject of discussion among stakeholders. Other restrictive measures of the Law discussed in previous reports are still unresolved.

In the institutional, administrative, and organizational context, **no concrete progress was made** in terms of the establishment of new bodies or improvement of intersectoral cooperation necessary for reaching the SDG 2. No new national body was formed to work on eradicating hunger and making food available for all. The Ministry of Family Welfare and Demography does not have the competence to solve the problem of malnutrition and eradication of hunger in Serbia (GRS, 2022a).

According to the 'Europe Sustainable Development Report 2022', **there are no data on the progress in achieving the SDG 2 in the Republic of Serbia**, so the results can only be monitored based on the available values of sustainable development indicators monitored within this goal (Sustainable Development Solutions Network, 2022).

25 The law was discussed due to its relevance, albeit being outside the reporting period.

Recommendations

- 1.** Revise the Strategy for Agriculture and Rural Development of the Republic of Serbia for the period 2014–2024, to include the doubling of the agricultural activity and income of small food producers, especially women, development of sustainable and climate-resistant systems for food production and linking the Strategy for Agriculture and Rural Development with the eradication of hunger in Serbia.
- 2.** Amend the Law on Financial Support for Families with Children, in order to further improve inclusiveness and the amount of financial assistance to relevant target groups.
- 3.** Adopt the Strategy for Poverty Reduction and include the goal to eradicate hunger in Serbia.
- 4.** Adopt a new national action plan for children and expand the scope of the strategic framework to define measures to end all forms of malnutrition in children under the age of five.
- 5.** Adopt the Law on the Rights of Child and the Protector of Rights of Child.

Sustainable Development Goal 5:

GENDER EQUALITY



Achieve gender equality and empower all women and girls

In August 2022, the Serbian Government adopted the Action plan for 2022 and 2023 for the implementation of the Strategy for Gender Equality for the period from 2021 to 2030. Since the Action plan builds on the goals and measures defined in the Strategy for Gender Equality, all the shortcomings that were pointed out in our last year's report have been incorporated into the Action plan (the Strategy covers five of the eight targets within the SDG 5, and the set target values are far below the level defined by the 2030 Agenda). The Action plan does not comply with the Law on the Planning System (LPS), namely Article 19, paragraph 1, point 5, since no estimate was provided on the necessary financial resources for 12 of the 18 measures defined in the Action plan, which is a key obstacle to the realisation of the planned measures and activities. The action plan is riddled with deficiencies in terms of planning: initial and target values for some

outcome indicators are not specified (e.g. out of eight outcome indicators for measure 1.4, initial and target values are specified for only two), and target values are stated as the existing state, which is a complete nonsense since a target value is something to be aspired to and reached through the implementation of measures and activities (e.g. the target value of specific objectives 1, 2 and 3 for the gender equality index [overall and by domain] for the year 2023 is the gender equality index of the 2020; many target values are set very low [unambitious], and thus will not lead to changes [the target value in 2023 for the participation of women in entrepreneurship of 34% is a total of 2.3 percentage points higher compared to 2014, and for the outcome indicator for measure 3.1: "the number of health services that are fully available and affordable", set target values for 2022 and 2023 are the values from 2019 and 2022]).

Two by-laws to the Law on Gender Equality were adopted in 2022: the Rulebook on Keeping Records and Reporting on Gender Equality and the Rulebook on the preparation and implementation of the risk management plan for violations of the gender equality principle. Rulebook on Keeping Records and Reporting on Gender Equality regulates the content and manner of submitting reports on the achievement of gender equality, as well as the forms used by public authorities and employers, as well as bodies for gender equality, to record data classified by gender. The Rulebook on the preparation and implementation of the risk management plan for violations of the gender equality principle (hereinafter: Risk management plan), and which refers to public authorities, regulates the manner of preparation, content and deadlines for the adoption and implementation of the Risk management plan, content, deadlines, and the method of submitting the report on the implementation of the Risk management plan, as well as the method of supervision by the ministry. Article 66, paragraph 7 of the Law on Gender Equality stipulates that the line ministry²⁶ prepares a summary progress report on achieving gender equality and submits it to the Government of the Republic of Serbia, no later than March 1 of the current year for the previous year. Although the summary report should be available on the website of the Government and the Ministry of Human and Minority Rights and Social

Dialogue (MHMRSD), this was not the case at the time of preparation of this report. One of the reasons for failing to meet this obligation is inadequate capacity of the Sector for Anti-Discrimination Policy and Promotion of Gender Equality. According to data from the Information booklet of the MHMRSD, this sector had eight employees in June 2022 (seven civil servants and one deputy), three of whom are managers. The estimated number of entities that are obliged to submit annual reports on achieving gender equality to the Ministry (public authorities and employers employing 50 or more employees) is over 5,300.²⁷

Article 12, paragraph 2 of the Law on Gender Equality stipulates that the data on unpaid domestic work collected, recorded, and published by the republic authority responsible for statistics represent the official statistics of the Republic of Serbia. However, the Medium-term plan of the SORS for the period from 2023 to 2025, does not envision the collection and publication of data on unpaid domestic work, or publication of annual statistical data on the state of gender equality, in accordance with Article 66, paragraph 10 of the Law on Gender Equality.

The 'Europe Sustainable Development Report 2022' stated that a **moderate progress** was achieved in relation to the SDG 5 in Serbia, adding that there are challenges in the achievement of gender equality. For

26 MHMRSD is currently the competent authority for the area of gender equality.

27 According to SORS (Structural Business Statistics database), the number of economic entities in the non-financial sector with 50 or more employees in 2021 was 3,634. According to the Decision on maximum number of staff in the system of state bodies, system of public services, system of the Autonomous province of Vojvodina, and the system of local self-government for 2017. (The Official Gazette of the Republic of Serbia no. 61/2017, 82/2017, 92/2017, 111/2017, 14/2018, 45/2018, 78/2018, 89/2018, 102/2018, 30/2019, 42/2019, 59/2019, 79/2019, 84/2019 and 88/2019), the number of entities in the system of state bodies and the system of public services where the maximum number of full-time employees is 50 or more is 1,687.

two indicators ("proportion of seats held by women in national parliaments" and "share of female ICT specialists"), it was assessed that Serbia is **on the way to achieve the target values in 2030**; a **decline** was re-

corded for the indicator "inactivity due to caring responsibilities", and **stagnation** was recorded for two indicators ("gender gap in employment" and "share of women in senior management").

Progress report – Priority targets 5.1 and 5.4

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets within the SDG 5, which should be achieved by 2030. (Belgrade Open School et al., 2020).

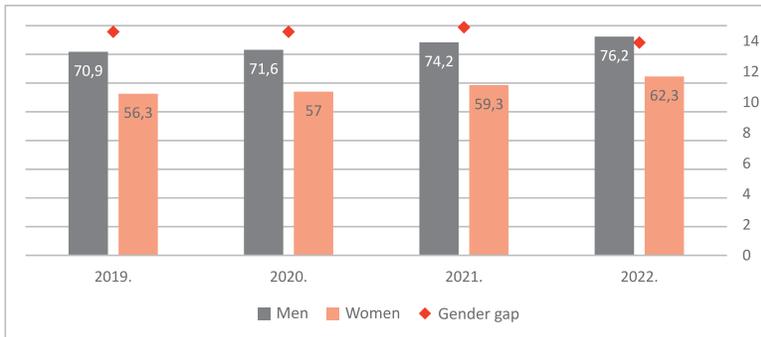
Priority target	5.1: End all forms of discrimination against all women and girls everywhere	5.4: Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate	
Indicator	Total elimination of gender gap in employment rates from 13.9 to 0 percentage points.	Total elimination of gender gap in wages between men and women from 9.6% to 0%	Reduce inactivity rates due to caring responsibilities to 6%

Priority target 5.1

In 2022, compared to 2021, the **gender gap** in employment rates **decreased** by one percentage point (from 14.9 to 13.9). The decrease in the wage gap was due to a higher increase in employment among women (by 3.8%) compared to men (by 1.5%). Compared to the EU countries, the relative position of Serbia is less favourable compared to 2020, since in 2020 the gender gap was higher in seven EU

members (Czech Republic, Poland, Hungary, Romania, Italy, Greece, and Malta), and in 2022 four EU countries had higher gender gap in employment compared to Serbia (Czech Republic, Romania, Italy, and Greece). Among EU countries, lower employment rates for men in 2022 were in Belgium, Spain, Italy and Croatia, and lower employment rates for women in Romania, Greece, and Italy.

Chart 1. Employment rates for men and women (in %) ages 20–64 and gender gap in employment (in percentage points), Serbia, 2019–2022



Source: Eurostat, LFS Database

It is not possible to assess the progress in the reduction of pay gap between men and women because the last available data for Serbia pertains to 2018. Statistical Office of the Republic of Serbia does not publish data on monthly, quarterly, and annual earnings classified by gender. Data on average earnings classified by gender are published once a year, for the month of September (Table 1), based on data from the annual survey on earnings and working hours (RAD-1/G).

Women's earnings compared to men's earnings are lower in the observed period, with the difference increasing year after year, and in September 2020 women's earnings were 10% lower compared to men's, and in September 2022 the difference was 15%. In relation to the level of qualifications, the largest pay gap is between highly educated women and men. Highly educated women earned 25% less compared to men with the same level of qualifications.

Table 1. Average net earnings in September by gender and qualification level, 2019–2022

		Average earnings in dinars				Women's earnings compared to men's earnings (%)			
		2019.	2020.	2021.	2022.	2019.	2020.	2021.	2022.
Total	Male	56.516	62.705	69.048	80.488	89	90	88	85
	Female	50.459	56.264	60.744	68.639				
Level 0 and 1	Male	35.608	37.987	42.792	48.235	85	89	85	85
	Female	30.318	33.896	36.490	40.782				
Level 2	Male	39.301	42.850	47.716	56.092	82	88	84	78
	Female	32.105	37.524	39.864	43.843				
Level 3	Male	41.876	45.848	50.760	58.518	80	85	81	80
	Female	33.682	38.973	41.251	46.981				

		Average earnings in dinars				Women's earnings compared to men's earnings (%)			
		2019.	2020.	2021.	2022.	2019.	2020.	2021.	2022.
Level 4	Male	49.970	55.657	61.312	72.297	85	87	86	82
	Female	42.406	48.153	52.855	59.402				
Level 5	Male	59.564	69.767	72.631	82.680	83	84	85	84
	Female	49.550	58.540	61.691	69.634				
Level 6	Male	74.914	85.880	96.694	110.820	82	80	78	76
	Female	61.285	68.543	75.477	83.735				
Level 7 i 8	Male	93.998	105.154	115.218	130.807	79	77	75	74
	Female	73.868	81.458	86.300	97.187				

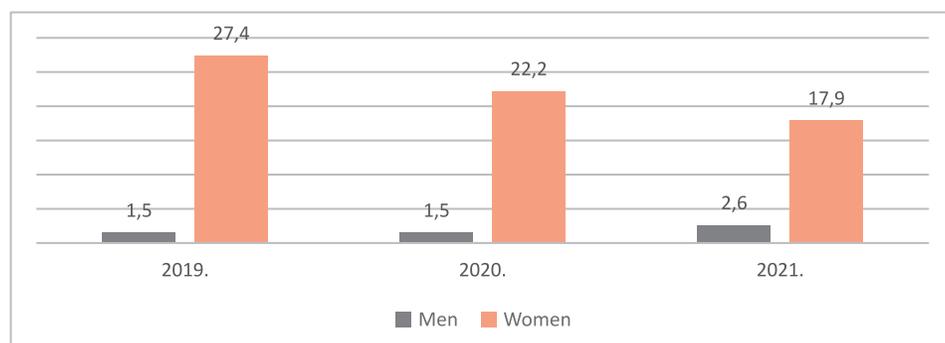
Source: Statistical Office of the Republic of Serbia

Priority target 5.4

Regarding the reasons for absence from the labour market due to caring for others responsibilities, there was a change in 2021 compared to previous years (Chart 2). The participation of women who are out of the labour force due to caring for others responsibilities, but who want to work,

decreased by 4.3 percentage points compared to 2020 (from 22.2% to 17.9%), while the participation of men who take care of others increased from 1.5% to 2.6%. However, as in previous years, women (90.3%) make up the majority outside the workforce due to caring for others).

Chart 2. Inactivity rates due to caring responsibilities (persons with disabilities and children) among the population ages 20–64 (as % of the population outside the labour force willing to work) by gender, 2019–2021.



Source: Eurostat, LFS Database

The 2021/2022 Time Use Survey data (Table 2) show that women spent a total of six hours and 32 minutes in work (paid and unpaid), and men six hours and 12 minutes. Compared to the 2015 data, women spent 42 minutes less at work, and men 19 minutes less. Women spend twice as much time doing **unpaid work** compared to men, and in relation to the total time spent at work, women spend 64% of their time doing unpaid work, while men spend most of their time (66%) doing paid work. Compared to 2015, both men and women spend

less time in paid work (24 and 10 minutes respectively), while in unpaid work women spent 32 minutes less and men five minutes more than six years ago. The participation in paid work is decreasing, while the participation in unpaid work is increasing. In 2021, only a third of women and slightly less than half of men performed **paid work**. 93% of women and 77% of men performed unpaid work, and compared to 2015 the participation of men in unpaid work increased by nine percentage points, and the participation of women by three percentage points.

Table 2. Average time and participation in paid and unpaid work by gender, all days, 2015 and 2021/2022.

		Average time		Population participation in activities	
		2021 in hours	Difference in minutes 2021–2015	2021 in %	Difference in p. p. 2021–2015
Paid work	Women	02.23	- 10	33	- 2
	Men	03.57	- 24	48	- 7
Unpaid work	Women	04.09	- 32	93	3
	Men	02.03	5	77	9

Source: Statistical Office of the Republic of Serbia

Note: the data presented refer to all surveyed persons in the Republic of Serbia and represent the daily average time spent in the specified activity.

Recommendations

1. Ensure the implementation of the Law on Gender Equality and accompanying by-laws by strengthening the capacity of the organizational unit of the MHMRSD responsible for the area of gender equality.
2. During the preparation of the new Action plan for the implementation of the Strategy for Gender Equality, align the target values with the values set by the 2030 Agenda for the area of gender equality.
3. Amend regulations in the field of official statistics in order to introduce the obligation to classify data by gender and include the gender aspect in the part that regulates the production and dissemination of statistical data.

Sustainable development goal 10:

REDUCED INEQUALITIES



Reduce inequality within and among countries

In the report 'Serbia 2030: Readiness for the implementation of the 2030 Agenda', in the segment related to public policies, it was stated that key strategic documents, such as the ESRP, had expired a long time ago and that new versions had not been adopted. It was also pointed out that the existing strategies and action plans either do **not deal with inequalities at all or do so only declaratively**. In terms of the legal framework, the changes at that time were generally positively assessed, but it was pointed out that the area of social cards was still **inadequately regulated**. In addition, the previous report did not identify any changes in the

institutional framework,²⁸ which reiterated the conclusion from the first report "Serbia 2030 – Readiness for implementation of the 2030 Agenda" and that the existing resources for achieving that goal are not adequate, as well as that there are no mechanisms specifically related to reducing inequalities.

In terms of changes to the strategic framework, the new ESRP, as an umbrella planning document in this area, has not yet been adopted, nor are there any indications that it will be any time in the future. The same applies to the National Recovery and Resilience Plan, so far adopted

28 According to the Law on Ministries, no institution at this level is specifically responsible for the issues related to inequality. However, the Ministry of Labour, Employment, Veteran and Social Affairs is partially competent, but in operational terms, the Social and Economic Council (SEC) has assumed some of the Ministry's responsibilities. In addition to these bodies, the Fiscal Council, the Commissioner for the Protection of Equality, and the Social Inclusion and Poverty Reduction Unit deal with the issues concerning inequality.

by all EU member states,²⁹ as well as to the Strategy of Returnees 'Reintegration Based on the Remission Agreement. In the meantime, a new Action plan for the period 2022–2023 was adopted for the implementation of the Strategy for Gender Equality 2021–2030. However, the set target values for goal indicators are set vague or illogical, to say the least. For example, as an indicator for achieving special objective 1 (reducing the gender gap in science and education), the gender equality index was set with a value that is determined in a report published every two years.³⁰ The 2023 Action plan provides "data and values of the gender equality index from 2020, which will be available in 2030" (Government of the Republic of Serbia, 2022b). By definition, the target values should be normative, so it is unclear why the Action plan mixes normative and descriptive target values, or why there is no clear target value to be reached in 2023, concerning such an important indicator related to reducing inequality. It is important to add that the Action plan for the implementation of the Strategy for the improvement of the position of people with disabilities in the Republic of Serbia from 2021–2022 has expired, and a new Action plan has not been adopted. Meanwhile, the Strategy for prevention and protection against discrimination for the period 2022–2030, as well as the Action plan for the period from 2022 to 2030, were adopted. However, although the General objective of the Strategy implies equal opportunities for members of groups that are at risk of discrimination to enjoy all human rights and freedoms on an equal basis with others, two key objectives

by 2030 are: reducing the percentage of male and female citizens who believe that discrimination is present in the Republic of Serbia to 20%, and increasing the percentage of citizens who believe that discrimination is fully sanctioned in the Republic of Serbia to 40% (MHMRSD, 2022). Therefore, it is not clear how it is possible, on the one hand, to talk about equal opportunities and equality, and on the other hand, to plan a desirable or target value by which a fifth of the citizens consider that discrimination is present and less than half of the citizens consider that discrimination is fully sanctioned. Even though the Strategy refers to the 2030 Agenda in one place, the conclusion is that the commitment to its realisation is only declarative and the set objectives do not reflect that commitment. In addition, the Strategy for Social Inclusion of Roma in the Republic of Serbia for the period from 2022 to 2030, as well as the Action plan for the period 2022–2024, were adopted, but important civil society actors who are recognised by the public as those specifically dealing with improving the position of Roma, such as, for example, the Opre Roma movement, were not consulted in the drafting stage of the Strategy. (Vreme, 2022).

When it comes to the legal framework, the Law on Social Entrepreneurship was adopted in 2022, which aims, among other things, to improve the position of socially sensitive groups and to reduce inequality. It sets out the legal framework for the sector in which about 500 companies operate and defines the criteria and procedure for obtaining the official status of a social

29 Through the Recovery and Resilience Mechanism, the European Commission has prepared an aid package for each member country. A condition for receiving aid is that each member state prepares own recovery and resilience plan. For example, Serbia's neighbouring Croatia adopted the *National Recovery and Resilience Plan 2021–2026*, which was approved by the EC in July 2021.

30 The last report is from 2021 and contains data for 2018.

entrepreneur, as a prerequisite for receiving financial support from the state, municipalities, and other potential financiers, as well as for achieving tax benefits, concessions, and evaluation in public procurement (NARS, 2022). Almost a year has passed since the adoption of the Law, but the Government of Serbia has still not adopted the program (and other by-laws) necessary for the implementation of that law.

As concerns the changes in the institutional framework, according to Article 60 of the Law on Gender Equality, the Council for Gender Equality was established as an advisory body of the Government in which

civil society is included. In addition, based on Article 20 of the Law on Social Entrepreneurship, a decision was made to establish the Council for Social Entrepreneurship, which performs key tasks in this area.

The 'Europe Sustainable Development Report 2022' stated that the Republic of Serbia is "**on the path towards or maintaining progress**" in achieving the **SDG 10**. Progress is recorded in the Gini coefficient. If we look at the latest data from Eurostat for 2021, the Gini coefficient has not decreased in Serbia over the past three years and is among the highest in Europe (Eurostat, 2022).

Progress assessment – Priority target 10.1

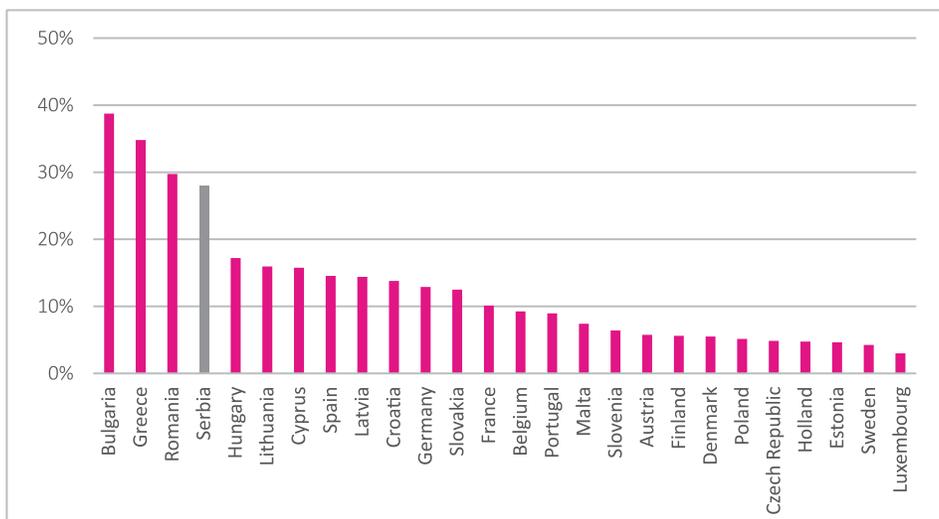
'Serbia 2030: Development priorities – the non-state sector report' defined one priority target, which should be achieved within the SDG 10 by 2030.

Priority target	10.1: By 2030 progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average	
Indicator	Reduce the rate of severe material deprivation of the bottom 40% of the population from 28% to 10%, in line with the European average	Reduce the percentage of the bottom 40% of the population reporting their health status as poor from 17.7% to 10%, in line with the European average

According to the latest Eurostat data from 2020, Serbia **maintains the same position** concerning the severe material deprivation rate of 28% for the bottom 40% (I and II quintiles), as in the previous year (see

Chart 3), which is very far from the planned 10%. It should be noted that, according to this indicator, Serbia ranks among 10 worst European countries for which data is publicly available.

Chart 3. Severe material deprivation rate, the bottom 40% of the population, 2020.

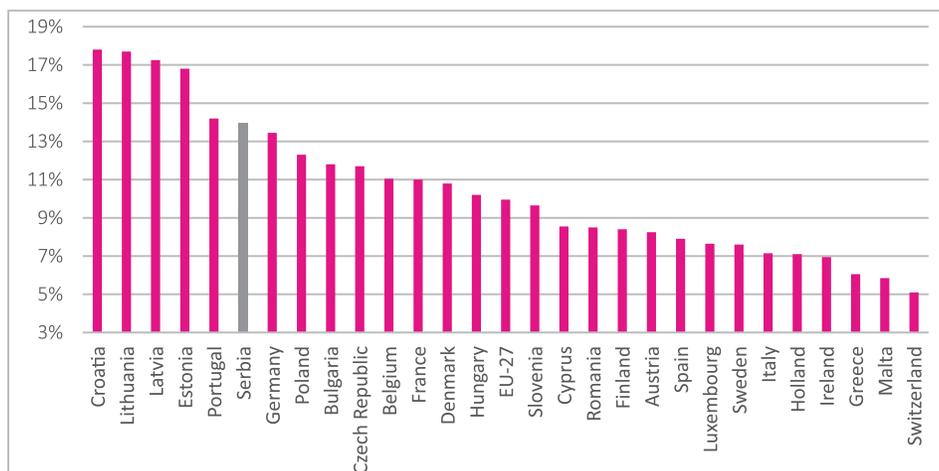


Source: Calculations by authors based on Eurostat data

Chart 4 shows that Serbia has **made some progress** when it comes to the percentage of the bottom 40% who rate their health as poor, which, compared to 2020, decreased in 2021 from 16.5% to 14.0% (although the set goal of 10% has not yet been reached). A possible reason for this, on the one hand, could be that the state's large extraordinary investments in medical facilities and equipment and raising the salaries of health workers have borne fruit, while,

on the other hand, it can be argued that the number of people with poor health has decreased in 2021 precisely because of higher mortality rate of the poor. Since we do not have any data to support any claim, this topic can be a subject of a more extensive research. However, an open question remains as to why the COVID-19 pandemic was a trigger to begin the reconstruction of the health infrastructure that had been neglected for years.

Chart 4. Share of the population that reported their health status as poor, the bottom 40%, 2021.



Source: calculations by authors based on Eurostat data

Recommendations

1. Adopt the National Economic Recovery Plan in accordance with current European policies and all relevant targets within SDG 10.
2. Adopt a new ESRP that takes into account all relevant aspects of reducing inequality, including inequalities in wealth, income, consumption, and access to basic services (health, education, culture, etc.).
3. Adopt an amendment to the Law on Personal Income Tax in accordance with the recommendations of the Fiscal Council so that the nominal tax rate is increased from 10% to 20%, with an increase in the non-taxable portion to 40,000 dinars, which would reduce the fiscal burden on the lowest wages and facilitate reduction of inequality.
4. Amend the Law on Social Protection to affect the reduction of the number of people living below the nationally defined absolute poverty line, by increasing compensation for households with no income and providing assistance to households with income (at least up to the level of the nationally defined absolute poverty line).
5. Amend the Law on Ministries to clearly define the institution responsible for issues of inequality and explicitly state distributive and redistributive policy as the responsibility of the Ministry of Finance.

6. Initiate a consultation process regarding the proposal of a new taxation system prepared by Arandarenko, Krstić and Žarković-Rakić, which would abandon the existing taxation system that tracks income from labour and capital separately in favour of a tax that would combine income from labour and income from capital and taxed them at a progressive tax rate (e.g., from 10% to 30%).
7. Introduce an inheritance tax based on developed European countries with a tax-free portion up to a certain amount (say, half a million euros) and progressive rates that would go up to 50%.
8. Expand the coverage of preschool education, especially in rural areas, in order to reduce inequality in education in the long run.
9. Make child allowance universal, following the example of Croatia and Slovenia.
10. Introduce social pensions for senior citizens who are not beneficiaries of regular old-age pensions.
11. Make additional changes to the Law on Financial Support for Families with Children to prescribe the minimum compensation for the period of childcare, as well as the parental allowance for the fifth (and every additional) child.
12. Amend the Law on Social Protection to review and potentially reduce the number of conditions (primarily property) for the realisation of social assistance, in order to improve the coverage of socially vulnerable citizens who otherwise do not meet all conditions.
13. Align the amount of social assistance in accordance with Article 13 of the European Social Charter, so that the assistance exceeds the poverty line and enables meeting basic expenses, such as rent in social apartments and utility bills.
14. Adopt the Action plan for the implementation of the Public Health Strategy to specify a list of the necessary steps in order to achieve the Strategy objectives, primarily improving the health of vulnerable groups.
15. Adopt a program for the implementation of the Law on Social Entrepreneurship.

Priority Area 3: Reaching European level of democracy, rule of law and quality of institutions

Functional institutions based on the principles of "good governance" and respect for the rule of law are necessary conditions for the realisation and preservation of human rights. SDG 16 is particularly important in this regard, because it entails building functional and responsible institutions at all levels, access to justice for all, and the promotion of peaceful and inclusive society for sustainable development. Sustainable Development Goal 16 is compatible with the political and institutional priorities in the negotiation process between Serbia and the EU.

Sustainable Development Goal 16:

PEACE, JUSTICE AND STRONG INSTITUTIONS



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable, and inclusive institutions at all levels

Legal, strategic, and institutional framework

The legal framework for COR 16 was **partially improved** in the previous period. The most significant change in the legal framework involves the constitutional reform of the judiciary, which was implemented, with considerable delay, in accordance with the Action plan for Chapter 23 and which was one of Serbia's obligations towards the EU membership in terms of alignment with the EU

legislation. After the National Assembly passed the Act on **Amendments to the Constitution** of the Republic of Serbia in November 2021, and adopted the Proposal for the implementation of the Constitutional Law, including the Proposal for the Decision on Constitutional Referendum, citizens voted in the referendum held in January 2022 and confirmed the Act on Amendments to the Constitution

by majority.³¹ The constitutional changes concerned the judiciary – the selection of judges and prosecutors, who will no longer be selected by the National Assembly but the High Judicial Council and the High Prosecutorial Council, and the renaming of the Supreme Court of Cassation into the Supreme Court. The European Union and the Venice Commission, as expert body of the Council of Europe, positively assessed the amendments to the Constitution of the Republic of Serbia, since they should contribute to the Serbia's European integration process. In early 2023, five judicial laws were passed implementing constitutional amendments. These include the Law on Judges, the Law on Organisation of Courts, the Law on the High Judicial Council, the Law on the High Prosecutorial Council, and the Law on the Public Prosecutor's Office. These laws were adopted in consultation with the Venice Commission through a participatory process, and the EU assessed them as a step forward in the process of European integration of the Republic of Serbia.

Amendments to the **Law on Free Access to Information of Public Importance** (NARS, 2021) were adopted at the end of 2021, in accordance with the agenda from the Revised Action plan for Chapter 23. The key novelties among the solutions provided by the Law include extension of the circle of entities subject to the Law, i.e. notion of public authority, advancement of the system for creation and publication of

authority's information booklet, in accordance with the principle of proactive transparency, advancement of statutory and operational independence, as well as authorizations of the Commissioner for Information of Public Importance and Personal Data Protection and introduction of mechanism for prevention of abuse of rights of seekers of the information of public importance. The professional public in Serbia pointed out that in certain aspects the proposed legal solutions reduce the acquired level of the right to access information of public importance, such as increasing the number of grounds for restrictions on the right to access information.³²

The Law on the Financing of Political Activities and amendments to the **Law on Prevention of Corruption** were adopted in early 2022, just a few months after adoption of the previous amendments in September 2021, in order to meet the recommendations of the Group of States against Corruption (GRECO). According to the amendments to the Law on Prevention of Corruption from 2022, MPs, Deputies in the Assembly of Autonomous Provinces, and Councillors in LGU Assemblies, when expressing their views, are exempted from the obligation to present to the public whether they are doing so on behalf of the authority in which they exercise their function or on behalf of political parties.³³ The Law on the Financing of Political Activities regulates the sources and methods of financing, as well as the record-keeping

31 1,995,215 voters voted in the referendum, out of 6,510,323 registered in the voter register, and 59.62% voted in favour of amendments to the Constitution.

32 „Amendments to the Law on Free Access to Information of Public Importance – the new draft threatens the achieved level of citizens' rights“, available at: <https://www.transparentnost.org.rs/sr/aktivnosti-2/naslovna/11999-izmene-zakona-o-slobodnom-pristupu-informacijama-od-javnog-znacaja-novi-nacrt-ugrozava-dostignuti-nivo-prava-gradjana>

33 Law on Prevention of Corruption, The Official Gazette of the RS, no. 35/2019–6, 88/2019–3, 11/2021–3 (authentic interpretation), 94/2021–3, 14/2022–47.

and control of the financing of political activities of political parties, coalitions, and groups of citizens. The Law on the Financing of Political Activities is aligned with a certain number of recommendations of the Office of the Organization for Security and Co-operation in Europe (OSCE) for democratic institutions and human rights, but further alignment with other recommendations of the OSCE and GRECO is necessary, primarily in the field of transparent financing of pre-election activities, campaign management by officials, and sanctions for inadequate reporting.

With the adoption of key public policy documents the strategic framework was essentially completed, but in the reporting period there was not much activity on the adoption of the remaining planning documents. The Strategy for Prevention and Protection against Discrimination for the period from 2022 to 2030,³⁴ was adopted in January 2022, aimed at providing equal opportunities for members of groups at risk of discrimination to enjoy all human rights and freedoms on an equal basis with others, as well as at improving the effectiveness of the system for prevention and protection against discrimination in all areas and at all levels. In February 2022 the Government of the Republic of Serbia adopted the Strategy for Creating a Stimulating Environment for the Development of Civil Society in the Republic of Serbia for the period 2022–2030, aimed at strengthening the existing and introducing new mechanisms for establishing a stimulating environment for the activities of CSOs. Upon adoption of the Strategy, the MHMRSD prepared the Action plan for the implementation of the Strategy, through an inclusive process,

which included consultations with other state bodies as well as representatives of CSOs, scientific-research, professional and other organizations.

Several important planning and strategic documents in the field of justice, internal affairs and the rule of law are no longer in force, so it is necessary to either adopt new ones or update the expired documents. Since the expiration of the previous National Strategy for Fight against Violence and Misbehaviour at Sporting Events in 2018, there is no strategic document in place that specifically targets this issue. The validity period of the last Action plan for the implementation of the Community Policing Strategy expired in 2016 (adopted in 2013), and since then there has not been any strategic document in place that specifically deals with this issue. The Government of the Republic of Serbia adopted the Operational Plan for the prevention of corruption in areas of special risk in September 2021, in order to bridge the gap until the adoption of the new National Strategy Against Corruption, but the new Strategy has not yet been in line for adoption by the Government. The National Strategy for Combating Organised Crime was adopted back in 2009, after which the Government adopted public policy documents related to financial crime investigations (2015–2016) and the fight against high-tech crime (2019–2023).

Concerning the implementation of planning documents, there is no established practice of regular monitoring and evaluation, with the exception of certain documents such as the Public Administration Reform Strategy and the National Strategy

34 Strategies for prevention and protection against discrimination for the period from 2022 to 2030, The Official Gazette of RS, no. 12/2022–58.

for Processing War Crimes, which have precisely defined mechanisms.

The Ministry of Public Administration and Local Self-Government created a special platform for monitoring Public Administration Reform (PAR), which includes both the Public Administration Reform Strategy and Action plan, as well as all other planning documents, such as programs adopted in accordance with the Strategy.³⁵ In addition to dynamic display, the platform contains document and structure sections that provide reports and other information about activities and processes within the PAR. However, the main drawback of the platform concerns data, that is, the databases used for displaying results, which are not up-to-date due to irregular inputs by the competent authorities. In addition to this portal, regular annual reports are used as the main form of reporting on the implementation of planning documents, which are prepared in accordance with the Law on the Planning System (LPS). Since 2015, the Ministry of Public Administration and Local Self-Government has been regularly publishing annual reports on the implementation of the Action plan for the Implementation of the Public Administration Reform Strategy. The initial annual reports are also available for the other two key planning documents in the area of PAR – the Program for the Reform of the Local Self – Government System³⁶ and the Public Financial Management Reform Program.³⁷ As regards the Action plan for the implementation of the Open Government Partnership initiative, a national platform was established in early 2022 as part of the

eConsultation portal, which contains all the documents created within the framework of Serbia's participation in the international Open Government Partnership initiative since 2012. Both action plans and reports are available, as well as minutes from all meetings of the Working Group and the like.³⁸ The publication of the report for the Programme for Improving Public Policy Management and Regulatory Reform is delayed, and there are no data for other planning documents, such as the Action plan for the implementation of the Strategy for the Development of the Public Information System, the Strategy for Gender Equality, and Information Society and Information Security Development Strategy.

Data on the implementation of the National Strategy for War Crimes Prosecution for 2022 are publicly available. In order to monitor the implementation of the National Strategy, a Working Body for Monitoring the National Strategy was established, which consists of representatives of all relevant institutions involved in implementation. Reports are published quarterly, and the last available is the third report, which refers to the period from 1 July to 30 September 30, 2022. However, the report does not contain a qualitative analysis, but only includes the degree of realisation of activities.

A positive example is the Council for Monitoring the Realisation of the Action Plan for the Implementation of the Strategy for Prevention and Protection against Discrimination, which was established as a temporary working body of the Government with the task of monitoring progress in the

35 Platform is available at: <https://monitoring.mduls.gov.rs>.

36 Report is available at: <https://monitoring.mduls.gov.rs/downloadFile/?id=11679&type=doc>.

37 Report is available at: https://www.mfin.gov.rs/upload/media/4dj7WT_645a069b51aff.pdf.

38 Documents are available at: <https://ekonsultacije.gov.rs/ogpPage/1>.

implementation of the foreseen measures and the implementation of the activities defined by the action plans. However, considering that 2022 is the first year of implementation, the first annual report is expected in 2023.

The best example of a planning document implementation coordination is in the area of PAR, where a Working Group meets regularly and monitors the implementation of the Strategy, the Action plan, and ac-

tion plans for all other programs.³⁹ Also, the Public Administration Reform Council has been formally operating for years, as a political level of coordination composed at the ministerial level, but this body rarely meets and there is insufficient political coordination and support for the process.⁴⁰

There were no significant changes during 2022 related to the institutional framework, although amendments to the **Law on Ministries** were adopted.

Progress report on the priority area 3 (SDG 16)

According to the Europe Sustainable Development Report 2022 (Sustainable Development Solutions Network, 2022), Serbia ranks 31st among European countries in terms of the overall performance in achieving the SDGs, with an indexed score of 61.1 (for the purpose of comparison, the score for the group of candidate countries for EU membership is 57.8, while at the level of Central and Eastern Europe it is 69.6).⁴¹ Concerning specifically the SDG 16, the report states that there are significant challenges in achieving this goal, while in terms of progress it is pointed out that the Republic of Serbia is **stagnating**, which is confirmed by other international reports and time-comparable indicators used to assess the situation in the following text.

As in the previous reporting period, the EC assessment from 2022 indicates that no significant progress has been made

in meeting the political criteria for Serbia's membership in the EU, that is, in the key areas for the development priority 3. In terms of the functioning of the judiciary and the fight against corruption, there are indications of some progress, which is a qualitatively higher level of assessment compared to the EC report for 2021. However, there is a limited progress in the areas of PAR, fundamental rights, and the fight against organised crime, as before, but there is no progress in the area of freedom of expression. In addition, the assessment of readiness for EU membership remains unchanged (certain level of readiness, with moderate readiness for the PAR area).

Some progress in the functioning of the judiciary has been achieved, primarily due to the adoption of constitutional amendments, which largely respected the recommendations of the Venice Commission and

39 See: <https://monitoring.mduls.gov.rs/strukture/medjuministarska-projektna-grupa.html>.

40 See: <https://monitoring.mduls.gov.rs/strukture/savet-za-reformu-javne-uprave.html>.

41 Out of a total of 38 countries on the list, 34 countries have been evaluated, and Serbia is ranked 31st. The top five positions are held by Finland, Sweden, Denmark, Austria, and Norway, while among the bottom five, alongside Serbia, are North Macedonia, Cyprus, Bulgaria, and Turkey. Albania, Bosnia and Herzegovina, Liechtenstein, and Montenegro have not been assessed. The list is available at: <https://eu-dashboards.sdgindex.org/rankings>.

provided additional protection from political influence in the election of judges and prosecutors. After the adoption of constitutional amendments in early 2022, NARS also adopted a set of supporting laws in early 2023. However, the EC emphasises that the reduction of political influence and greater independence of judicial bodies has not yet been achieved in practice, and that there are still challenges concerning impartiality, efficiency, and professionalism of the judiciary, as well as access to justice. **Some progress** was noted in the fight against corruption, as a result of continued implementation of the GRECO recommendations of the Council of Europe, including amendments to the Law on Prevention of Corruption, which improve the framework for preventive action and suppression of conflicts of interest among MPs, judges, and prosecutors. We are still waiting for a new anti-corruption strategy, as well as for a purposeful coordination mechanism for a comprehensive prevention and suppression of corruption in the country.

No progress has been recorded in the area of freedom of expression, so the recommendations of the EC from 2021 still stand. In other words, the improvement of the environment for freedom of expression, as well as the protection of journalists from threats and attacks are still a priority, including timely implementation of the media strategy and the strengthening of transparency and fairness in the co-financing of media content of public interest, media market ownership and media advertising. Finally, the EC noted that the Regulatory Authority for Electronic Media allocated four national TV frequencies to the same television operators as in the previous period, who were repeatedly issued warnings for law violations. The recommendation is to conduct the allocation

process for the fifth TV frequency in a completely transparent manner, respecting the principle of media pluralism.

When it comes to the PAR, the strategic framework for this reform was completed at the end of 2021 with the adoption of the Programme for Improving Public Policy Management and Regulatory Reform. However, three key recommendations are carried over from year to year and have still not been implemented. It is necessary to work on reducing the excess number of incumbents in state administration bodies and to allocate sufficient resources for employment in administration based on the principles of merit and professionalism. It is also necessary to enable the Public Policy Secretariat to carry out quality control for the implementation of the Law on the Planning System, as well as to establish a unique, comprehensive, and transparent system for planning and managing capital projects.

In the area of the fight against organised crime, **limited progress** has been made in improving mechanisms for monitoring investigations, prosecutions and judgments in cases related to organised crime. The implementation of proactive investigations and systematic monitoring of money flows is unsteady, and there is a limited number of cases of seizure and confiscation of property, despite the increased number of initiated financial investigations in the previous period.

When comparing the results of the Worldwide Governance Indicators (WGI) from 2021 against the previous two years, Serbia made minimal progress in three out of six composite indicators (Table 3). According to these indicators, when looking at the time series in the

period 2019–2021, the value exceeded that of 2019 only in the area of government effectiveness, while in other areas it is still at a lower level.⁴²

Table 3. WGI indicators for Serbia for 2021 and comparison against 2019 and 2020 (results are shown in percentile rank)*

	2019	2020	2021
Control of corruption	38,9	38,5	36,1
Government effectiveness	53,4	52,9	55,8
Political stability and absence of violence	45,3	42,0	43,4
Regulatory quality	60,6	56,7	53,4
Rule of law	50,5	51,4	51,0
Voice and accountability	44,0	40,6	41,1

* Percentile rank from 0 to 100, where 0 is the lowest, and 100 the highest rank

Source: The Worldwide Governance Indicators – WGI <https://databank.worldbank.org/source/worldwide-governance-indicators>

According to the latest data from Freedom House, namely the reports “Freedom in the World” and “Nations in Transit”, the level of freedom and the state of democracy in Serbia recorded a decline compared to the previous reporting period. Based on the first report, Serbia retained the status of a partially free country in 2023, with an overall score of 60/100 (down from 62/100 in 2022 or 66/100 in 2020) as well as transitional or hybrid regime status, scoring 46/100 in 2022 (down from 48/100 in 2021).

As in the previous reporting period, elections were among the key events of 2022. Presidential and parliamentary (extraordinary) elections were held in April 2022, and local elections were held in 13 municipalities and cities. Unlike the parliamentary elections held two years earlier, the opposition took part in these elections.

Despite winning fewer seats and losing the absolute majority, the ruling party managed to secure the majority to form the Government with coalition partners, half a year after the announcement of the election results. It was emphasised that one reason for Serbia’s lower score was the fact that the ruling party gained advantages in the electoral process in the form of media bias and abuse of public resources. It was also stated that during 2022 there were numerous violations of the freedom of assembly in Serbia, including repressive measures by persons assumed to be connected to the authorities. Concerning the level of democracy, the “Nations in Transit” report pointed out that the year 2022 was marked by the intimidation of CSOs by officials and pro-government media, pressure on independent media, as well as links between organised crime and public officials.

42 These complex, aggregate indicators combine the views of a large number of respondents from the general population (citizens), businessmen and experts, in all countries where they are measured. They are based on over 30 individual data sources produced by various research, non-governmental and international organizations and the private sector.

Concerning the Rule of Law Index of the World Justice Project, Serbia's score in 2022 remained unchanged compared to 2021 (0.49). A closer look at the results indicates that Serbia still shows a slight but steady decline in most of the individual factors of this composite index (Table 4).

Globally, Serbia ranks lower compared to the previous reporting period (83rd out of 140 countries). Factors such as Constraints on Government Powers by the legislature, the judiciary, independent bodies and civil society, or Open Government, show a multi-year trend of declining scores.

Table 4. Rule of Law Index for 2022 and comparison with 2020 and 2021 according to eight factors*

		2020	2021	2022
	Total score	0,50	0,49	0,49
1	Constraints on Government Powers	0,39	0,38	0,37
2	Absence of Corruption	0,44	0,43	0,42
3	Open Government	0,47	0,46	0,46
4	Fundamental Rights	0,57	0,56	0,55
5	Order and Security	0,77	0,77	0,77
6	Regulatory Enforcement	0,48	0,47	0,46
7	Civil Justice	0,51	0,50	0,49
8	Criminal Justice	0,40	0,39	0,39

* 0 indicates the weakest adherence to the rule of law and 1 the strongest

Source: Rule of law index of the World Justice Project, www.worldjusticeproject.org

According to the Corruption Perceptions Index (CPI) of Transparency International, Serbia achieved the lowest result since this index is measured. In other words, after the drop in 2020 to a score of 38, which was at that moment the lowest in the period after 2012, the same score was achieved in 2021, declining even further in 2022 (36, Graph 5). In terms of ranking, the latest results indicate that Serbia ranks 101st out of a total of 180 countries, meaning that Serbia

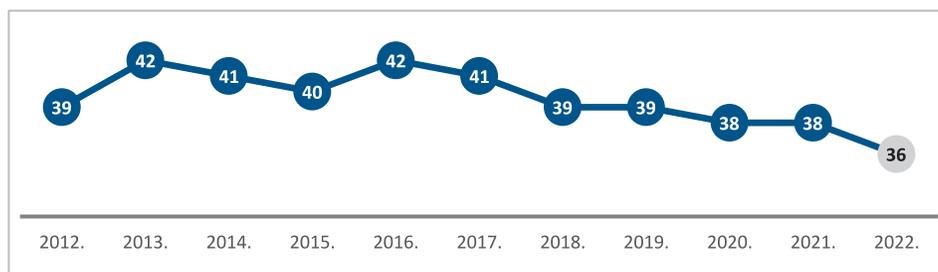
dropped seven places since the last reporting period (94th in 2020).

The reason for Serbia's worst result in the history of this measurement is the continuous weakening of the rule of law and growing autocracy. What is most evident is the passivity in the fight against organised crime and insufficient autonomy and resources of the responsible institutions. Serbian judiciary is under strong political pressure, especially

in cases involving high officials and organised crime. Other key problems that stand out concern inadequate management of public enterprises and direct negotiations about infrastructure development projects

without any public scrutiny. With a score of 36, Serbia ranks just above the average score for the group of Eastern European and Central Asian countries (35), but is still significantly below the global average (43).

Chart 5. CPI trends in the period 2012–2022.



* On a scale from 0 to 100 (0 being the lowest and 100 the highest score)

Source: Corruption Perceptions Index (CPI) by Transparency International, www.transparency.org/en/cpi/2021

It is important to emphasize that Serbia has made **significant progress** in the area of e-government development according to the **UN E-Government Development Index** for 2022.⁴³ It is ranked among the countries with a very high e-Government Development Index and is one of the ten countries that have made the most progress in the

area of digitalisation of public administration. Serbia currently ranks 40th and has moved up 18 places compared to the previous report (ranked 58th). It also achieved the highest e-Participation Index, which means that Serbia is at the very top in the use of electronic services, moving up by 26 places currently ranks 15th in the world.

Recommendations

No new recommendations were identified in the reporting period. Below is an overview of the recommendations from the previous report that have not yet been fulfilled.

1. Adopt new planning documents that will define a strategic framework in the area of combating violence and misconduct at sports events.
2. Adopt a completely new strategy or an action plan for the implementation of the Community Policing Strategy, as this Strategy is not usable since the expiry of the latest action plan.

43 According to the UN methodology, the E-Government Development Index is a composite index of three important dimensions of e-Government: provision of online services, telecommunication connectivity, and human capacity, while the e-participation index indicates the use of electronic services in UN member states. Available at: <https://desapublications.un.org/sites/default/files/publications/2022-09/Web%20version%20E-Government%202022.pdf>.

3. Adopt a new strategy for combating corruption, since the existing one expired in 2018.
4. Adopt a new strategy for combating organised crime.
5. In order to improve the efficiency of court proceedings in line with EU standards and the practice of the European Court of Human Rights, and in order to strengthen the independence of judges and prosecutors, a set of judicial laws should be aligned with the Constitution (laws on the organisation of courts, judges, public prosecutor's office, High Judicial Council, State Prosecutorial Council, Judicial Academy, etc.).
6. In order to improve the rights of persons in criminal proceedings, it is necessary to amend the Criminal Code and align it with a number of EU directives previously mentioned in the document.
7. Adopt a by-law based on the Law on organisation and jurisdiction of government authorities in suppression of organised crime, corruption, and other severe criminal offences in order to regulate official communication between the police and the public prosecutor's office in cases of organised crime and corruption.
8. Adopt amendments to the Law on Prohibition of Discrimination and fully align it with the EU acquis, in particular in terms of the scope of exceptions to the principle of equal treatment, the definition of indirect discrimination and the obligation to provide reasonable accommodation for employees with disabilities.
9. In order to strengthen systemic and institutional response mechanisms for all forms of violence against children, it is necessary to amend the Family Law to include provisions on explicit prohibition of corporal punishment.
10. There is a need for additional measures, including the improvement of by-laws, to ensure that children whose parents do not have personal documents are registered in registry books at birth, in accordance with Article 7 of the Convention on the Rights of the Child, and to grant citizenship to children born on their territory who would otherwise be stateless.
11. The Anti-Corruption Agency, the Commissioner for the Protection of Equality and the Commissioner for Information of Public Importance and Personal Data Protection should be involved in the work of the Inter-ministerial Working Group for the Implementation of the UN 2030 Agenda for Sustainable Development.
12. Revise the framework of indicators for monitoring progress towards the achievement of the SDG 16 by replacing inadequate indicators or adding new ones to the existing framework, in line with the findings presented in this document.

Priority Area 4: Competitive economy and productive jobs

Serbia needs to shift its focus from competitiveness based on low labour and energy costs to competitiveness based on knowledge and productive jobs. In this regard, it is important to promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation (target 8.3), achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value (target 8.5), enhance scientific research, upgrade the technological capabilities and encourage innovation, especially in the private sector (target 9.5).

Sustainable Development Goal 8:

DECENT WORK AND ECONOMIC GROWTH



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

In the domain of public policies, the previous report reiterated the same observations from previous years that the emphasis is still on economic growth and simple employment **growth**, while **not enough focus** is placed on the quality of jobs and decent work.⁴⁴ One of the identified problems in this field concerns inadequate budget allocations (which are decreasing each year) for measures related to active labour market policies (ALMPs). As con-

cerns the legislative framework, it was also noted that the focus was primarily on facilitating business,⁴⁵ which was followed by further steps towards creating a more flexible labour market,⁴⁶ which is a step backwards in terms of the set goals of decent employment.⁴⁷ In addition, the previous report did not identify any changes in the institutional framework, and reiterated the conclusion from the first Progress Report on the Implementation of the Sustainable

44 Which is actually in line with the current model of economic development, which is based on attracting foreign direct investments and with complete disregard for the issue of the quality of employment.

45 Law on Electronic Invoicing (NARS, 2021)

46 The Draft Law on Work Engagement due to Increased Workload in Certain Activities

47 This primarily concerns entrepreneurs (especially women due to unequal position in terms of child care leave, maternity leave, and childbirth).

Development Goals by 2030 in the Republic of Serbia that the existing resources are not adequate and that the work of the competent institutions⁴⁸ is insufficiently transparent.

A positive turn in terms of changes in the strategic framework is that the Government of the Republic of Serbia decided to finally adopt and start drafting key strategic documents such as the draft Plan to Support the Small and Medium Enterprises (SMEEs) Strategy in the Republic of Serbia for the period 2023 – 2027 (Ministry of Economy, 2023). However, the time of their adoption and their content had proved to be questionable. First, the LPS is treating the Development Plan as an umbrella document, meaning hierarchically the highest, long-term development planning document in the RS, that will serve as the basis for adoption of all other strategic documents. However, the Development Plan in Serbia has yet to be adopted, which can mean two things: 1) either this umbrella strategic document will have to be adapted to the existing, lower-ranking documents (whose quality and ambition are also questionable), and not the other way around; or 2) the Development Plan will become just another document of a declarative nature, without any significant impact on planning in Serbia. In addition, due to legal restrictions related to financing, the Action plan for the implementation of the Support Strategy for the SMEEs was drafted in an uncreative way – without any major changes and without the introduc-

tion of important new programs with any meaningful financial support.

In relation to the legislative framework, in December 2022 the NARS adopted amendments to the Law on Personal Income Tax, in effect from 1 January, 2023. The key change concerns the annual personal income tax.⁴⁹ The latest amendments to this law also regulate the taxation of “freelancers”, who can now opt for one of the two taxation models and are also allowed to switch between the two options each quarter (NARS, 2022). In practice, one option is aimed at those with lower income, and the other for those with higher income. Another novelty that indirectly affects economic growth is the announced amendment to the Law on Planning and Construction, which, among other things, introduces the possibility for public notaries to issue location information, establishes the register of brownfield sites, as well as appointment of a chief state urban planner (MCTI, 2023). The Ministry of Construction, Transport and Infrastructure stated that this law will be “the most ecological law and will contribute to the growth of construction in this [2023] year”⁵⁰ (Tanjug, 2023), but certain professional organizations, such as New Planning Practice, warn that the expected effect of these changes will be “a violation of legal security for investment, centralisation of decision-making power and further narrowing of the rights of citizens and local governments to participate in decision-making concerning the environment” (Vincan, 2023). The proposal of

48 Most of the responsibilities are assigned to the Ministry of Economy, as well as to the Ministry of Finance and the Ministry of Labour, Employment, Veteran and Social Affairs. Other bodies with important roles include the National Employment Service, the Council for Economic Development, and the Serbian Association of Economists.

49 All who earn in excess of three average annual salaries in one year period are subject to this tax.

50 Given that a 10% decline in construction activity was recorded in 2022.

the new Law on Safety and Health at Work is currently in the parliamentary procedure. Some of the most important novelties include the introduction of the concept of work from home and remote work and fines for employees who do not respect safety rules, introduction of licenses for occupational safety engineers, and the conditions for performing high-risk jobs, such as working at great heights, depths, and in confined space (NARS, 2023a).

As in the previous reporting period, there were **no changes** in the institutional framework. No new bodies were formed, nor

were the capacities of the existing bodies noticeably improved.

According to the 'Europe Sustainable Development Report 2022', **moderate progress has been achieved towards the SDG 8**. Progress has been recorded in the indicators concerning the protection of fundamental labour rights, the NEET rate, the unemployment and the risk of poverty rates, but no significant progress has been made in terms of regional disparities, while import-related occupational injury death rates have gone up (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority targets 8.3 i 8.5

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets, which should be achieved within the SDG 8 by 2030.

Priority target	8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services	8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	
Indicator	By 2022, reach the share of private investments in GDP of minimum 20%, and public of minimum 5% of GDP	Achieve employment rate of the population in the age group 20–64 of 75%, with median wage enabling buying an average market basket	Increase total labour productivity by 50% and increase labour productivity in the manufacturing industry by minimum 50%

According to the latest available data from 2020, Serbia has largely reached and surpassed the goal of 5% share of public investments in GDP (5.8%), ranking at the very top among European countries that year (Chart 6). However, since it was the year the COVID-19 pandemic outbreak, the main reason for such a high level of public investment are the extraordinary costs for the purchase of medical devices and equipment, as well as the construction of COVID hospitals. On the one hand, it is positive that the state managed to react to the crisis relatively quickly and divert large funds for these purposes. On the other hand, the question arises as to how did Serbia found itself in such a situation in the first place, or why there has not been sufficient investment in healthcare (as well as in education and communal infrastructure) for years.

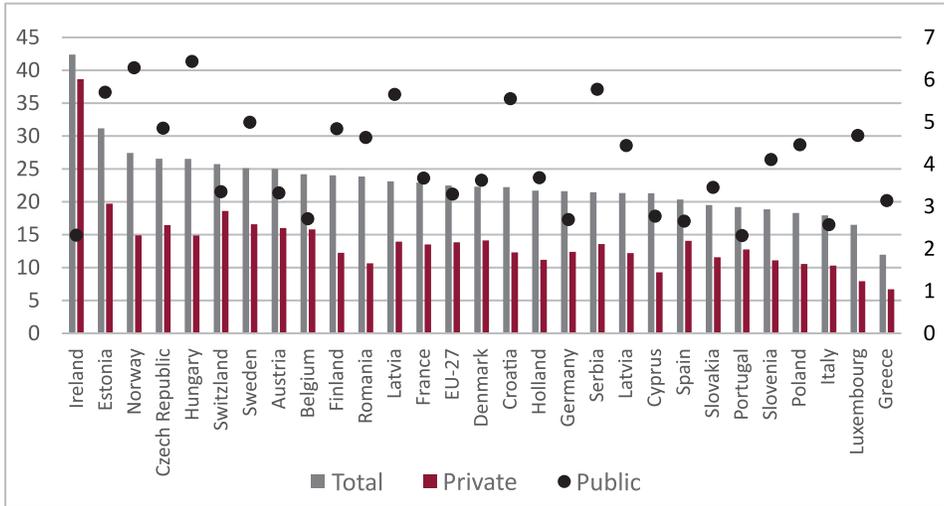
The construction of highways also contributed to the high level of public investments, which can be partially justified because it means improvement of public infrastructure in the country and lower transaction costs for the economy. However, the construction of highways does not contribute to decarbonisation and the green transition, but to further air pollution. Therefore, it is necessary to invest more in railways and non-polluting public transport, but the budget for 2023 is not promising in terms of the expediency of public investments. For example, the construction of the National Stadium is planned, which will cost as much as 65 million euros in 2023 alone. At the same time, its economic profitability was not explained to taxpayers (Fiscal Council, 2022). For example, even London's Wembley Stadium has difficulties with profitability (MacInnes, 2021), although it is one of the most sought-after facilities not only for

sport events but also for concerts of some of the biggest music stars, which will certainly not be the case with the stadium in Surčin. There is also a risk that even these planned investments will not be realised due to the lack of manpower of all profiles, both in the engineering profession and the one that is more important in this case – highly-skilled/skilled labour (a good example would be the delays in works on the public investment of the reconstruction of the Clinical Centre of Serbia).

When it comes to private investments, they are far below the planned 20% (13.6%), which testifies to an inadequate economic environment, meaning high level of corruption and insufficiently independent judiciary (Obradović, 2022). If foreign investments are excluded from private investments, which in recent years have been around 7% of GDP;⁵¹ it is evident that domestic private investments are even lower and probably among the lowest in Europe. This is a consequence of the reasons mentioned above, but also of wrong economic policies in recent years, such as the exclusive focus on attracting foreign direct investments and the absence of a real industrial and innovation policy. Private investments are low but still overestimated, since they include state-owned enterprises that are not financed directly from the budget. This may be justified in the case of Telekom, which generates all its revenues on the market, but the question is how justified it is for Serbian Railways, an enterprise that lives, for a large part, on state subsidies (Talas, 2019). Finally, a question remains as to how the investments by Elektroprivreda Srbije (EPS) will be viewed since the change of its legal form from a public company to a closed joint-stock company (EPS, 2023).

51 Which is one of the highest levels in the entire Europe.

Chart 6. Total public and private investments (% GDP) in 2020

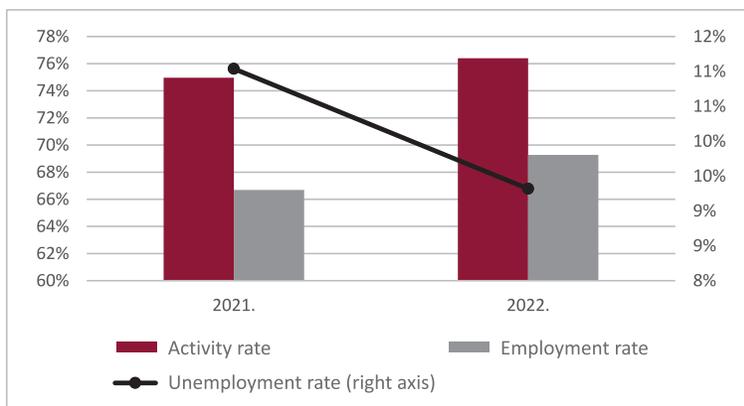


Source: calculations by authors based on Eurostat data

Priority target 8.5

According to the latest data from the Labor Force Survey (Chart 7), even though **some progress was achieved** compared to 2022 in terms of activity rates (+ 1 p.p.), employment (+ 2 p.p.) and unemployment (- 2 p.p.), Serbia has still not reached the planned 75% employment rate (for population 20 to 64 years of age) (69% in 2022). In addition, this **slight improvement** in labour market performance can be partly explained by a relatively large influx of migrants from Russia and Ukraine due to the war. In terms of median net earnings, high inflation devalued its nominal growth to the greatest extent (13.2%), and

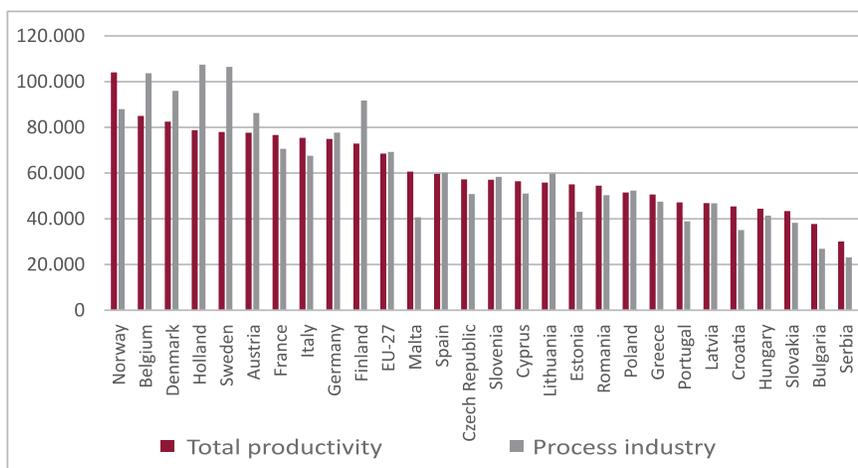
from December 2021 to December 2022, median earnings fell by around 2%. As expected, the share of median earnings in the average consumer basket in the same period fell by 2 percentage points, to 65%, which is still far from the set objective. It should be noted that regardless of the performance of the economy, the average wage inevitably increases every year, due to the now "traditional" practice of annual minimum wage increase. In 2023, this "non-market" growth of median wages will be even higher due to the 12.5% increase in wages in the public sector in January.

Chart 7. Activity, employment, and unemployment rates 2021–2022

Source: calculations by authors based on SORS data

Finally, when it comes to labour productivity, there was **no significant progress** in achieving the set goals in the period from 2019 to 2021. Total labour productivity, expressed as GVA per employee (excluding agriculture) in constant prices from 2015 in RSD, jumped by 6.7%, while in the man-

ufacturing industry by only 1.6%.⁵² It is not surprising then that when labour productivity is expressed in units of equal purchasing power, Serbia was the least productive country in Europe⁵³ in 2021 – both overall and when it comes to the processing industry.

Chart 8. Work productivity in 2020 – GVA per employee (PPP EUR from 2020)

Source: calculations by authors based on Eurostat data

52 Data for GVA and non-agricultural employment are used because in 2021 there was a change in methodology for the Labor Force Survey. Persons who produce agricultural goods and services intended for personal consumption, that is, without placing the product on the market, are excluded from the contingent of employees.

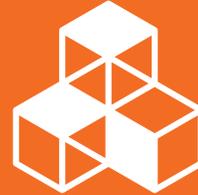
53 European countries entail those for which data are publicly available in the Eurostat database. Data for some of the potentially least productive countries, such as North Macedonia, Montenegro, Bosnia and Herzegovina, Albania, Ukraine, and Moldova, are not publicly available.

Recommendations

1. Adopt the Development Plan and, based on it, the Investment Plan, as the second strategic document in Serbia.
2. Revise all existing strategic documents in accordance with the Development Plan and the Investment Plan.
3. Amend the Labor Law (LL) to enable cities in Serbia to have own minimum labour wage, in accordance with the level of living standards, whereby the minimum labour wage at the city level cannot be lower than the national level.
4. Amend the Law on Personal Income Tax in accordance with the recommendations of the Fiscal Council, to increase the nominal tax rate from 10% to 20%, and the non-taxable portion from 18,300 to 40,000 dinars. This will reduce the tax burden on the lowest wages and have a positive impact on tax morale in society, which would also strengthen the efforts to combat the grey economy.
5. Amend the Labour Law to abolish work on Sundays, except for the catering and hotel sector (HORECA), in accordance with the practice of developed European countries. This reform would have a positive effect on improving the decency of work.
6. Target 8.5 – full and productive employment, decent work, and equal pay for work of equal value for all categories of the population, should be the starting point when formulating strategic documents in the field of economic development. It is necessary to develop special indicators for monitoring this target that would be adapted to the context of the Serbian labour market.
7. Amend the Labour Law to enable more adequate regulation of the work from home and better protection of workers.
8. The Ministry of Economy should, in cooperation with the academic community, international organizations (e.g., World Bank, International Monetary Fund, United Nations Conference on Trade and Development [UNCTAD], UN Department of Economic and Social Affairs [UN DESA]) and civil sector, prepare a study of the efficiency of public investments in Serbia in the last 10 years and make it the starting point for strategic planning in this area.
9. Amend the current Employment Strategy 2021–2026 to increase the budget allocations for active employment measures to 0.5% of GDP, and define activities for the motivation of the inactive and employment of the long-term unemployed population.

Sustainable Development Goal 9:

INDUSTRY, INNOVATION AND INFRASTRUCTURE⁵⁴



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Serbia has **not made a significant step forward** in achieving the SDG 9, but there is **noticeable progress** in the area of allocations for research and development. After the new Government was formed on October 26, 2022, the Ministry of Education, Science and Technological Development was divided into two ministries: the Ministry of Education and the Ministry of Science, Technological Development and Innovation. With the establishment of a special ministry in charge of science, innovation and technological development, a higher level of commitment and support to these areas is expected in the future.

The Ministry of Science, Technological Development and Innovation recognised the accelerated growth of the startup ecosystem over the last few years and created the Strategy for the Startup Ecosystem Development of the Republic of Serbia for the period from 2021 to 2025 and the related Action plan until the end of 2022. The new Action plan for the period 2023–2025 is currently being prepared, and the adoption is expected in September 2023. The Ministry of Science, Technological Development and Innovation is currently also drafting a new Action plan of the Smart Specialisation Strategy for the period 2023–2025, which

54 SDG 9 falls under two priority areas, so changes in the strategic, legislative, and institutional framework for its implementation were analysed twice, in accordance with the theme of the priority area. This area analyses the part related to encouraging investment in research and development and encouraging innovation.

should also be adopted in September, 2023. The new Law on Innovation Activities was adopted in December 2021, defining for the first time the terms startup and spinoff, and which includes a series of changes that are an important step towards the further development of the innovation ecosystem in the Republic of Serbia. The new law defines more closely the scope of key subjects of innovation activity, foresees the establishment of a network of science and technology parks, as well as an advisory body for monitoring and coordinating the work of science and technology parks and assessing the need for establishing new ones. The new law also foresees the establishment of a Register of Subjects of the National Innovation System, which will manage the Innovation Fund of the Republic of Serbia.

The Ministry of Economy has prepared a Strategy for the Development of Small and Medium Enterprises (SMEEs) in the Republic of Serbia for the period 2023 – 2027, together with the Action plan. The strategy aims to improve the business environment and access to funding sources, continuous development of human resources, strengthening competitiveness through digitalisation and greening, and more.

In terms of support to innovation infrastructure, after successful implementation of the Programme for the establishment of regional startup centres in the period 2018–2020, when nine regional startup innovation centres were established, the investment continued in the period 2020–2023. During this period, 11 new centres were opened – in Ivanjica, Kragujevac, Mali Zvornik, Priboj, Sokobanja, Svilajnac, Užice, Vrnjačka Banja, Zlatibor, Zubin Potok and Kanjiža, and three more startup centres are under construction in Novi Pazar, Bajina Bašta and Loznica. The Action Plan for the Implementation of the Smart Specialisation Strategy (2023–2025) foresees financial support for these institu-

tions in order to make them self-sustaining. A policy measure aimed at the development of the optical broadband network in rural areas will also be implemented according to the Strategy Action plan (2023–2025). This measure will improve the broadband communication infrastructure in terms of missing access points in rural settlements and connecting public institutions (mainly primary schools) and households to the broadband network by 2025, which will further strengthen the existing infrastructure.

There was **no significant progress** in inter-institutional cooperation, there is no inter-ministerial working body in place to coordinate policies in the field of science, technological development, and innovation. It is also evident that no progress has been made in establishing a more efficient system for monitoring, implementing, and evaluating strategic system-level policies.

According to the 'Europe Sustainable Development Report 2022', **moderate improvement** has been achieved towards the SDG 9. This is based on several factors, including the increase in households with broadband Internet access, the increase in the population with basic digital skills, the average tuition rates at the top three universities and the increase in the number of published papers per 1,000 inhabitants. The report states that total investments in research and development remained unchanged due to the use of data for the year 2020, which is not in accordance with the findings of the authors of this report, who used the 2021 data. Namely, in 2021, research and development expenditures as a percentage of GDP increased significantly compared to 2020. The report, also lacks indicators that would show real growth in labour productivity and export of high-tech products, which are important indicators for assessing progress in this priority area.

Progress assessment – Priority target 9.5

'Serbia 2030: Development priorities – the non-state sector report' defined one priority target, which should be achieved within the SDG 9 by 2030.

Priority target	9.5: By 2030 enhance investments in research and development, upgrade technological capabilities and encourage investments, particularly in the private sector		
Indicator	Double investments in research and development and achieve the level of 1.8% of GDP, of which private sector should account for 2/3	Achieve real labour productivity growth of 50% and achieve the productivity level of current 22,500 EUR per employee	Raise the share of export of high-tech products and knowledge-intensive services to 20% of total exports

In the previous period, there was a **significant progress** in total expenditures for research and development. According to the latest SORS data, the share of total research and development expenditures in GDP in 2021 was 0.99%, which is an increase of 8.7% compared to 2020 (0.91%). The increase in total expenditure on research and development is mainly the result of an increase in the investments from the business sector, from 0.35% to 0.45% of GDP, while investments of the government and higher education sector decreased from 0.27% to 0.26% and from 0.29% to 0.28% of GDP respectively (SORS, 2023). Although this is a significant progress, Serbia still lags behind the EU-27 average, where total average expenditure on research and development amounts to 2.26% of GDP in 2021, of which 2/3 are expenditures from the business sector (1.49 % of GDP) (Eurostat, 2023). In addition, the trend of increasing the number of researchers continued in 2021. Expressed as full-time employment equivalent, the number of researchers per million inhabitants increased from 2,415 in 2020 to 2,482 in 2021 (SORS,

2023). However, when we compare these numbers with data for the EU, we notice that Serbia still is still lagging. The share of the number of researchers in total employment in the EU-27 was 1.04% in 2021, and in Serbia that share was 0.55% in the same year (Eurostat, 2023).

No significant progress was made in the previous period related to the labour productivity per employee. Productivity growth of 1.2% in the manufacturing industry in 2021 compared to the previous year is not enough to achieve the desired goal (SORS, 2023).

The share of export of high-tech products in the total export in 2021 was 2.83%, which represents an increase of 0.93 percentage points compared to 2018 (1.9%). However, Serbia is still significantly behind compared to the EU-27 average (17.7% in 2021). Bearing in mind that this indicator is conditioned by the industry structure, where changes do not occur in short time intervals, no significant improvements should be expected in the coming years.

Recommendations

- 1.** Improve communication and coordination between line ministries in the field of industry and innovation by establishing an inter-ministerial working body (working group) in charge of innovation policy horizontal coordination and management. This body should be primarily focused on establishing a framework that will result in a greater contribution of science, technology, and innovation to the Sustainable Development Goals.
- 2.** The Government of the Republic of Serbia should intensify policies that facilitate access to financing and provide support for business development and adoption of new technologies by small and medium-sized enterprises, aimed at increasing productivity of the processing industry. Although some of the mentioned measures do exist, it is evident that their implementation does not contribute to the increase in productivity, and it is necessary to evaluate these measures and propose new ones, as well as to allocate greater budget funds for this purpose.
- 3.** Considering the evident delay, it is necessary to complete and adopt the following strategic documents in the first half of 2023: Strategy for the Development of Small and Medium Enterprises (SMEEs) in the Republic of Serbia for the period from 2023 to 2027, Action plan for the Smart Specialisation Strategy for the period 2023–2025, and Action plan for the Strategy for the Startup Ecosystem Development of the Republic of Serbia for the period 2023–2025.
- 4.** Increase the number of educational events about the measures launched in 2019: "R&D deduction" and "IP Box", which aim to encourage business sector investments in research and development. A significant number of small and medium-sized enterprises are not sufficiently familiar with the mentioned measures or with the conditions of their use.
- 5.** U In order to increase the efficiency of industrial policy implementation, it is necessary to identify industrial sectors in which Serbia achieves the greatest competitive advantages and in which it has significant market potential and sustainability, and create policy instruments and incentives to stimulate their accelerated growth and increase competitiveness.

Priority Area 5: Skills for sustainable and smart development and the future of labour

Education in the 21st century is key to achieving all other SDGs. It is therefore necessary to implement measures to ensure that all girls and boys complete free, equitable, and quality primary and secondary education leading to relevant and effective learning outcomes (target 4.1) and to increase the number of youth and adults with relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship (target 4.4).

Sustainable Development Goal 4:

QUALITY EDUCATION



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

In the reporting period (November 2021 to March 2023) amendments to several laws and close to 100 by-laws were adopted in the field of pre-university education. At the beginning of 2022, amendments to the Law on the Fundamentals of the Education System, the Law on Preschool Education, the Law on Primary Education, the Law on Secondary Education, and the Law on Educational Inspection⁵⁵ entered into force. Two by-laws on the Law on the National Qualifications Framework entered into force at the beginning of 2022: the Rule Book on detailed conditions regarding programs,

staff, space, equipment, and teaching aids for acquiring the status of a publicly recognized organiser of adult education activities⁵⁶ and the Rulebook on standards for self-evaluation and external evaluation of the quality of work of a publicly recognized organiser of adult education.⁵⁷

There were significant changes in the institutional framework in 2022. By the Law on Amendments to the Law on Ministries⁵⁸ the Ministry of Education, Science and Technological Development was divided into two separate ministries: the Ministry

55 The Official Gazette of the RS, no. 129/2021.

56 The Official Gazette of the RS, no. 130/2021.

57 The Official Gazette of the RS, no. 27/2022.

58 The Official Gazette of the RS, no. 112/2022.

of Education and the Ministry of Science, Technological Development and Innovation. The reasons for the separation and establishment of two ministries are not stated in the rationale. Only one month after the adoption of the Law on Amendments to the Law on Ministries, the Regulation on the Establishment of the Office for Dual Education and National Qualifications Framework (hereinafter referred to as the Office) was adopted by which the Government of the Republic of Serbia removed the tasks related to dual education and National Qualifications Framework (NQFS) from the Ministry of Education. In this way, a minor part of the secondary vocational education subsystem, such as dual education, was placed under a separate organizational structure. It is not clear why was NQFS placed under the same roof with dual education, which includes all levels and types of qualifications, regardless of the age at which they are acquired and regardless of the way they are acquired, and whose purpose is to organise and im-

prove the qualifications system.⁵⁹ Contrary to a number of educational laws (the Law on Secondary Education, the Law on the National Framework of Qualifications, the Law on Adult Education, etc.), the Office was assigned the competences previously exercised by the Ministry of Education.

According to the 'Europe Sustainable Development Report 2022', the Republic of Serbia achieved **moderate progress**, with a note that there are major challenges in achieving the SDG 4 by 2030. Serbia's performance is the worst in indicators related to the quality of education (participation rate of functionally illiterate persons) and the coverage of preschool education. Significant efforts are needed to increase adult participation in education. The target value for the indicator "early school leaving" was achieved. Regarding the indicator "participation rate of the highly educated persons", it was assessed that Serbia is on its way to achieve the target values in 2030.

Progress assessment – Priority targets 4.1 and 4.4

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets, which should be achieved within the SDG 4 by 2030.

Priority target	4.1: By 2030, ensure that all girls and boys complete free, equitable, and quality primary and secondary education leading to relevant and effective learning outcomes	4.4: By, 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	
Indicator	Reduce the share of students failing to achieve basic literacy to 8% in reading, mathematics, and science (baseline value 37.7% for reading and science, and 39.7% for mathematics)	Increase the parity index for vulnerable students to a value ranging between 0.9 and 1 (baseline value 0.62 for reading and 0.60 for mathematics).	Reduce the NEET (ages 15–29) to 8% (baseline 19%)

59 Draft report on human rights of youth 2022 in Serbia, The Belgrade Centre for Human Rights (in progress)

Below is an overview of the indicators for target 4.4, since the data for the first two in-

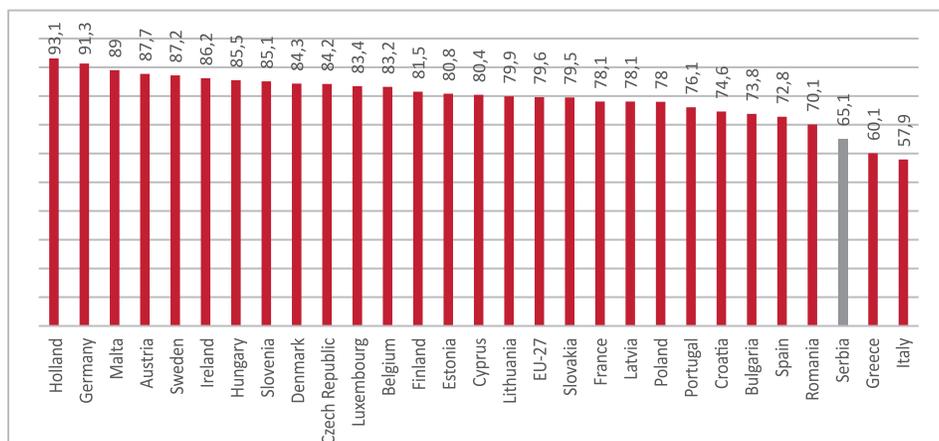
dicators are from the PISA assessment conducted in 2022, and are not yet available.

Priority target 4.4

Compared to 2020, there was an **improvement in 2021 in relation to the position of young people when transitioning from education to the labour market**: the employment rate in the period from one to three years after completing education increased by 2.8 percentage points, but is lower compared to 2019. The increase in the value of this indicator compared to

2020 is greater for men (3.9 percentage points) than for women (1.7 percentage points). Young people in Serbia, as in previous years, face greater difficulties when transitioning from education to the labour market than their peers in most EU countries (Chart 9), and only young people in Greece and Italy have lower employment rates.

Chart 9 Employment rates of the population 20–34 years of age who have recently completed education, 2021, Serbia and EU-27 (%)

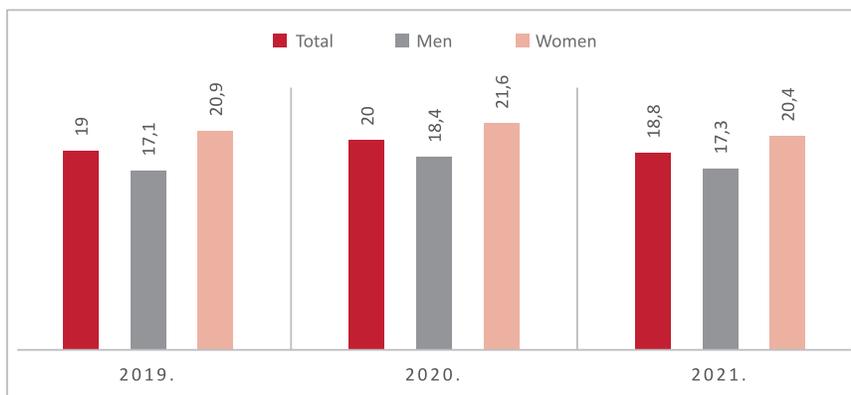


Source: Eurostat data, Transition from education to work

Another indicator for the transition from education to the labour market – NEET, also indicates a slightly more favourable position of young people in the age group 15–29 in 2021 compared to the previous one (Chart 10). The NEET rate was reduced by 1.2 percentage points (from 20% to 18.8%), so it is at the 2019 level. The biggest decrease compared to the previous year is among young people with higher education (from 23.8% to 18.8%), while among young people without qualifications there was a slight increase in the

value of this indicator (from 14.5% to 14.9%). Young people with completed secondary vocational education are in the most unfavourable position, where the rate is 23.5%, with pronounced gender differences (men 21%, women 27%). Gender differences persist: the NEET rate is higher for women than for men, and there are also differences in structure. Among young women who are neither employed nor in education, in 2021 the majority are out of the labour force (64.2%), whereas the majority of men are active, and unemployed (57.2%).

Chart 10. Young people 15–29 years of age who are neither employed nor in education or training (NEET) by gender (%), Serbia, 2019–2021.

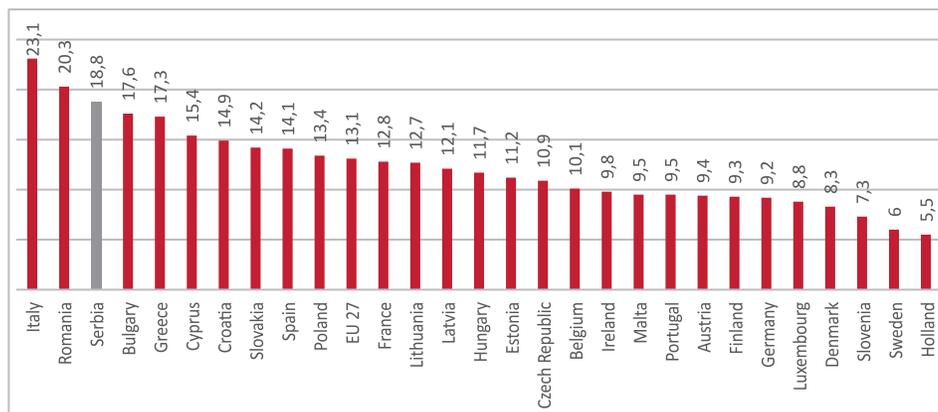


Source: Eurostat data, Transition from education to work

As in previous years, compared to EU countries, Serbia, along with Italy and Romania, has the highest NEET rate (Chart 11). In relation to the level of education, the largest differences are among the highly educated,

where the NEET rate in Serbia is twice as high as the EU-27 average (10.7%), and there are also significant differences among young people with secondary vocational education (Serbia: 23.5%, EU-27: 16.4%).

Chart 11. Young people 15–29 years of age who are neither employed nor in education or training (NEET), 2021, Serbia and EU-27 (%)



Source: Eurostat data, Transition from education to work

Recommendations

1. Redefine the Education and Training Strategy to include concrete measures that will lead to increased quality and relevance of education.
2. Increase allocations for education to at least 6% of GDP.

Priority Area 6: Responsible and efficient use of natural resources

Serbia has been facing numerous challenges in the area of responsible natural resource management for many years, that usually accompany other areas of environmental protection. The key is to upgrade infrastructure and retrofit industries to make them sustainable, with greater resource-use efficiency and adoption of clean and environmentally sound technologies and industrial processes (target 9.4), substantially increase the share of renewable energy in the energy mix (target 7.2), improve energy efficiency (target 7.3), and achieve sustainable management and efficient use of natural resources (target 12.2).

Sustainable Development Goal 7:

AFFORDABLE AND CLEAN ENERGY



Ensure access to affordable, reliable, sustainable and modern energy for all

At the beginning of 2021, the Ministry of Mining and Energy (MME) began preparation of the Energy Development Strategy of the Republic of Serbia until 2040 with projections until 2050 and the Strategy Implementation Program. Parallel to this, the Ministry started preparing the Integrated National Energy and Climate Plan for the period from 2021 to 2030 (INECP).

These documents should set new goals for energy development based on energy stability, sustainability, and climate neutrality until 2050, in accordance with the Green Agenda. None of the mentioned documents were completed during 2022, which is why Serbia still does not have officially set goals and policies in place that will lead to the realisation of the SDG 7.

In November 2022, the Ministerial Council of the Energy Community adopted the Decision on the Energy Community's 2030 targets for energy and climate (No. 2022/02/MC-EnC). Serbia committed to reducing greenhouse gas (GHG) emissions by 41% compared to 1990 emissions and increasing the share of RES in gross final consumption to 40.7%. In terms of energy efficiency, Serbia has set a target to achieve a maximum primary energy consumption of 14.94 million tons of oil equivalent (Mtoe) and a final energy consumption of 9.53 Mtoe by 2030. (Ministerial Council of the Energy Community, 2022).

The goals of INECP should be aligned with the set and accepted targets of the Energy Community. Since INECP is still not com-

pleted, it remains unclear whether these goals will be aligned.⁶⁰

After the adoption of the Law on Energy Efficiency and Rational Use of Energy, several related by-laws were passed, but apart from that there were no significant changes in the legislative and institutional framework in the period from November 2021 to February 2023. In the reporting period, there were no significant institutional changes for the implementation of the SDG 7.

According to the 'Europe Sustainable Development Report 2022', the Republic of Serbia achieved **moderate progress** related to the SDG 7. Progress has been achieved in relation to the decrease in the number of residents who cannot adequately heat their homes. On the other hand, there is a noticeable increase in CO₂ emissions from burning fuel in the production of electricity, so Serbia is practically stagnant in this regard (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority targets 7.2 and 7.3

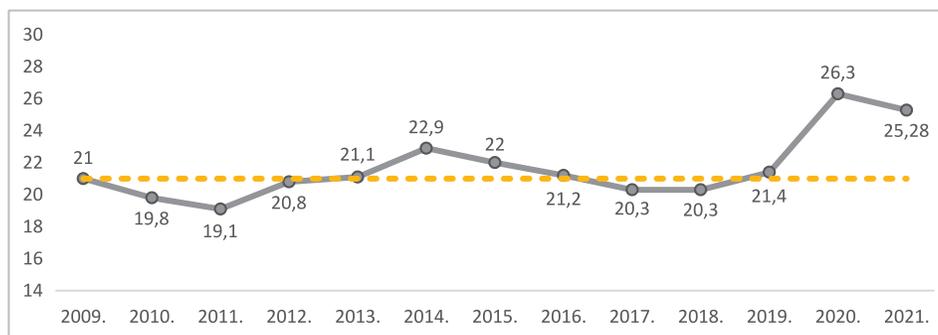
'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets, which should be achieved within the SDG 7 by 2030.

Priority target	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix		7.3: By 2030, double the global rate of improvement in energy efficiency	
Indicator	Total final energy consumption from RES at the national level, with target value of 27% for 2020	10% of the total energy consumption from RES in the transport sector at the national level for 2020	Significantly reduce the level of final energy consumption at the national level	Achieve the energy intensity level of 5 MJ/USD

Although the target value of 27% share of RES for 2020 was not reached, **some progress** was achieved in the period from November 2021 to February 2023. The

share of RES in gross final consumption increased from 21.4% in 2019 to 25.28% in 2021 (SORS, 2023).

⁶⁰ On 13 June, 2023, the Ministry of Mining and Energy announced the start of public discussion on INECP. The goals of INECP are aligned with the Low Carbon Development Strategy, which was adopted on 1 June, 2023. However, the goals in INECP for the share of RES in gross final energy consumption, as well as for energy efficiency, do not coincide with the goals from the latest decision of the Energy Community Ministerial Council. The target for the share of RES is 33.6%, which is contrary to the level of 40.7% from the decision of the European Community (EC).

Chart 12. Share of RES in the energy mix of the Republic of Serbia

Source: RZS SDG portal, indicator 7.2.1.

However, the increase in the share of RES does not represent a real change, since it did not occur due to real application of public policies, but as a consequence of the change in the methodology for calculating RES in gross final consumption (Energy Community, 2022b). The key provisions of the Directive 2018/2001, which revised the Directive 2009/28 on RES, entered into force in 2022, when biomass used for heating is included in the calculation of the share of RES. In order to increase the share of RES, MME must ensure the inclusion of producers from commercially viable RES in the electricity market. The Law on the Use of Renewable Energy Sources stipulates that MME will adopt a three-year incentive system plan, which should include a tentative time plan for holding auctions, expected new capacities and total incentive funds. The plan was

not adopted by February 2023. The target value of the share of RES in the transport sector of 10% in 2020 was not reached, since it was 1.17%. In 2021, the share of RES declined to 0.62% (SORS, 2023a). The component of the transport sector is excluded from the 2030 goals by the new decision of the Energy Community Ministerial Council. Increasing the share of RES in the transport sector requires additional investments and subsidies for biofuels and electric vehicles. This is foreseen in the budget of the Ministry of Environmental Protection, since 300 million dinars have been set aside for subsidies for the purchase of electric and hybrid, environmentally friendly vehicles. Although this seems like progress compared to 2022, it should be noted that the electricity used by these vehicles in Serbia is mostly produced from non-renewable energy sources.

Priority target 7.3

In the fourth Energy Efficiency Action Plan (MME, 2021), Serbia set and met unambitious goals for reducing total final con-

sumption.⁶¹ Final energy consumption remained below the target value of 13.10 Mtoe, but increased from 8.36 Mtoe to

61 Final energy consumption measures only the energy consumed by end users. On the other hand, primary energy consumption measures the total energy demand of a country. It covers consumption of the energy sector itself, losses during transformation (for example, from oil or gas to electricity) and distribution of energy, as well as final consumption by end users.

8.68 Mtoe between 2019 and 2021 (GRS, 2022a). Since the set goal was unambitious, and there was an increase in final consumption, there was no significant energy saving, that is, there was **no progress** in relation to target 7.3.

The trend of decreasing energy intensity continued,⁶² so it decreased from 6.2 MJ/USD in 2010 to 5.04 MJ/USD in 2019, which is very close to the target value of 5 MJ/USD (RZS, 2023b). Nevertheless,

Serbia is still quite far from the European average with economy that is 1.43 times more energy intensive (World Bank, 2023). One of the biggest reasons for this is the share of the household sector in gross final consumption with 40% (Eurostat, 2023a). In order to improve the situation, in 2022, the National Programme for Energy Rehabilitation of Residential Buildings was continued, with over 1.8 billion dinars allocated for that purpose (MME, 2022).

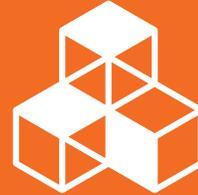
Recommendations

3. By the end of 2023, MME should adopt the Energy Development Strategy and the Integrated National Energy and Climate Plan, which set clear, measurable, and time-bound goals for decarbonisation and the country's (just) energy transition towards RES, as well as for the improvement of energy efficiency.
4. MME should without ado adopt the Incentive system plan for the use of renewable energy sources for a period of three years, which will enable progress monitoring towards the fulfilment of the set RES goals for 2030.
5. MME should, as soon as possible, increase the subsidies for the energy rehabilitation of residential buildings, family houses and apartments, which enables the improvement of the thermal envelope, the improvement or replacement of the heating system in buildings, the installation of solar collectors, and the installation of solar panels and accompanying installations for the production of electricity for own consumption.

62 It is expressed in megajoules per US dollar. Energy intensity shows how much energy is used to produce one unit of economic output and is expressed in megajoules per US dollar.

Sustainable Development Goal 9:

INDUSTRY, INNOVATION AND INFRASTRUCTURE⁶³



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

In the previous period, Serbia recorded a **certain progress** in terms of reaching the desired indicators related to the reduction of CO₂ emissions from the processing industry and the reduction of the share of electricity produced from solid fuels. This progress is not entirely related to the increase in efficient use of resources and adoption of clean technologies and industrial processes, but to other circumstances as well.

A solid legal framework has been established by the end of 2021, with the adoption of the Law on Climate Change (2021),

the Law on the Use of Renewable Energy Sources (2021) and the Law on Energy Efficiency and Rational Use of Energy (2021). The Law on Amendments to the Law on the Use of Renewable Energy Sources was adopted on 28 April, 2023, which further improved the terminology by introducing the term variable energy sources, which primarily refers to wind and solar energy. However, in the previous reporting period, no significant progress has been made in the creation of strategic framework or in the implementation of specific incentive measures to reduce GHG emissions in a cost-effective and economically efficient manner.

63 SDG 9 falls under two priority areas, so changes in the strategic, legislative, and institutional framework for its implementation were analysed twice, in accordance with the theme of the priority area. This area analyses the part related to efficient use of resources and implementing clean and ecologically sound technologies and industrial processes.

There was **no significant progress** in the institutional and organizational framework. Although Serbia signed the Action Plan for the implementation of the Green Agenda for the Western Balkans in 2021, by which it agreed to introduce measures that will contribute to decarbonisation, circular economy, pollution reduction and energy efficiency, there are still no clear institutional powers in the implementation of this Action plan. It is evident that there is no coordination between

the line ministries in the implementation of strategic documents in this area.

According to the 'Europe Sustainable Development Report 2022', the progress made in relation to the SDG 9 is assessed as "**moderately improving**". However, none of the stated indicators are relevant for the priority area 6, since this area refers to responsible and efficient use of natural resources.

Progress assessment – Priority target 9.4

'Serbia 2030: Development priorities – the non-state sector report' defined one priority target, which should be achieved within the SDG 9 by 2030.

Priority target	9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes	
Indicator	Reduce CO ₂ emissions per 1 EUR of GVA by 50%, namely reach the level of about 0.6 kg of CO ₂ per GVA unit, while maintaining or increasing the share of the manufacturing industry in the GVA	Reduce the share of electricity generated from solid fossil fuels by 20%, namely reach the level of about 50%, which is approximately the current level in North Macedonia

According to the latest available data, in 2019 Serbia recorded a decrease in CO₂ emissions from the fuel combustion (transport) both in the processing industry and the industry in general. CO₂ emissions from the manufacturing industry decreased from 0.61 kg CO₂ (at constant 2015 USD) in 2018 to 0.49 kg CO₂ in 2019. After a six-year period of oscillating CO₂ emission values in the range from 0.56 to 0.63, this represents a significant drop in CO₂ emissions. However, the share of GVA of the manufacturing industry in GDP decreased from 13.3% in 2020 to 13% in 2021, while the share of the manu-

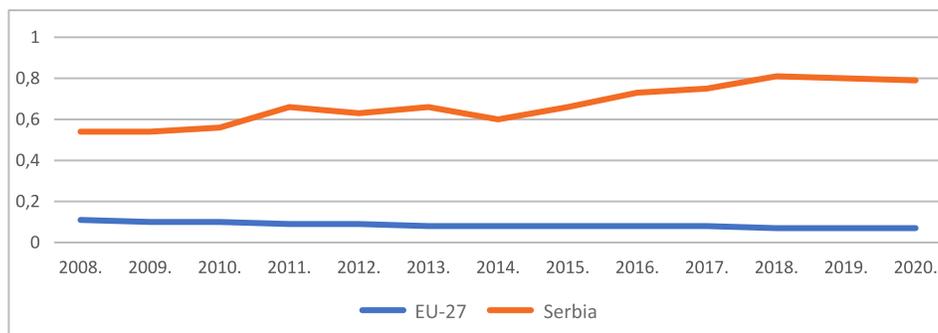
facturing industry in the total GVA decreased from 16% to 15.7 %. Therefore, the reduction of total CO₂ emissions from the processing industry cannot be directly attributed to the greater energy efficiency in the processing industry, bearing in mind the decline in its share in GDP. Although the overall reduction of CO₂ emissions is a positive step, this goal only makes sense if the share of the processing industry remains the same or increases, which is not the case in Serbia.

According to the intensity of PM_{2.5} emissions from the processing industry, Ser-

bia ranks at the very bottom of the scale among European countries (Eurostat database, 2023b). According to this indicator, the emission intensity of PM_{2.5} particles

from the processing industry in Serbia in 2020 was 0.79 grams per euro, which is ten times higher than the EU-27 average (0.079 grams per euro) (Chart 13).

Chart 13. Comparative presentation of the emission intensity of particulate matter PM_{2.5} from the processing industry in the period 2008–2020. Unit of measure: grams per euro, chain-linked volumes, 2010.



Source: Eurostat

Serbia **made progress** in 2021 in reducing the share of solid fossil fuels in electricity production. There was a **significant decrease** in the production of electricity

obtained from coal by 7.5% compared to 2020, while at the same time the share of hydropower production **increased** by 5.6% (SORS, 2023).

Recommendations

1. In order to accelerate the reduction of CO₂ emissions from the fuel burning process in industry, it is necessary to introduce incentive measures for the use of clean technologies in the processing industry and the use of RES. Some of the concrete measures to be considered include: establishing green investment fund, establishing guarantees for loans for green investments, introducing tax breaks for ecological investments and the like.
2. The Government of Republic of Serbia should consider allocating larger funds for financing projects in the field of green transformation. One of the ways is to introduce additional support programs through the existing Fund for Science and Innovation Fund, which focus specifically on green technologies and sustainable innovations.
3. It is necessary to adopt a new National Renewable Energy Action Plan (the previous one expired in 2020).
4. Bearing in mind that increasing the share of hydropower can have negative environmental consequences, the criteria for incentive measures should include the introduction of environmentally sound technologies. Encouraging more efficient models of transition to RES would simultaneously improve the energy sector and preserve the country's natural potential.

Sustainable Development Goal 12:

RESPONSIBLE CONSUMPTION AND PRODUCTION⁶⁴



Ensure sustainable consumption and production patterns

By the decision on the termination of application of certain public policy documents number 109/2021–34, the National Strategy for Sustainable Use of Natural Resources and Assets ceased to be implemented. Due to the lack of plans and programs to implement the Strategy and define each individual resource, the National Strategy for Sustainable Use of Natural Resources and Assets, which was the umbrella document for achieving target 12.2: Sustainable use of natural resources, was not implemented.

Serbian economy is currently mostly linear. It is necessary to improve the efficiency of resource use and introduce the concept of circular economy. The main weaknesses include insufficiently elaborated legal

regulations, inconsistency of public policy documents, poor waste management, inefficient energy consumption and inadequate inspection capacities (GRS, 2022a).

In 2022 the Government of the Republic of Serbia adopted the Circular Economy Development Programme in the Republic of Serbia for the period 2022 to 2024. This public policy document also contains Action plan with one general and five specific objectives, which define the measures and activities that will be implemented until the end of 2024. The general goal is to create a stimulating environment for the development of the circular economy in order to support the green transition in the Republic of Serbia. Among the special objectives of the program is support to busi-

64 SDG 12 falls under two priority areas, so changes in the strategic, legislative, and institutional framework for its implementation were treated twice, in accordance with the theme of the priority area. This area treats the part related to sustainable use of natural and the circular economy.

ness entities for improving the production efficiency, through the application of new technologies, energy efficiency and the use of RES and materials.

The Republic of Serbia is in the process of joining the EU and is obliged to align national strategic documents and legislation with the EU, among which is the Strategy of Industrial Policy of the Republic of Serbia 2021–2030, which aims to increase the competitiveness of the industry. The Strategy states, among other things, that due to the application of the linear economic model, there are significant losses in the flow of raw materials, materials, and products, which lead to irrational use of resources. One specific objective (objective 5) refers to the transformation of industry from linear to circular model (Ministry of Environmental Protection [IMEP], 2022).

The Ministries of Environmental Protection, Economy and Energy do not exercise inter-ministerial cooperation, which in this case is necessary in order to prepare strategic policies that are necessary to move towards sustainable management and efficient use of natural resources. Also, not **all relevant stakeholders** who could contribute to the SDG 12 have been identified.

In the reporting period, there were **no significant changes** in the institutional framework for the implementation of the SDG 12.

According to the 'Europe Sustainable Development Report 2022', the progress made in relation to the SDG 12 was assessed as **"stagnating progress"**. The progress made in GVA in the ecological goods and services sector was assessed as stagnating (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority target 12.2

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets, which should be achieved within the SDG 12 by 2030. The focus here is target 12.2.

Priority target	12.2: By 2030, achieve the sustainable management and efficient use of natural resources
Indicator	Resource productivity of 0.7 EUR/kg by 2030

Resource productivity is a measure of the total amount of materials directly used by the economy (measured as domestic material consumption [DMC⁶⁵] relative to GDP). According to the latest data published on the Eurostat website, Serbia is among the

last in terms of resource productivity, with only Turkey and Bosnia and Herzegovina behind it. Data for the indicator "resource productivity for the year 2021 for the Republic of Serbia" have not been submitted (Eurostat, 2023b).

65 The total amount of materials directly used by an economy, defined as the annual quantity of raw materials extracted from the domestic territory, plus all physical imports minus all physical exports.

The long-term compound annual growth rate⁶⁶ indicates **moderate**, and the short-term rate⁶⁷ indicates **significant progress** towards target 12.2. Expressed in euros, during the observed period there was an increase in the value of the produced output in relation to the used resources from 0.31 EUR/kg in 2010 to 0.33 EUR/kg

in 2019, with noticeable annual variations (Babović, 2022).

Resource productivity for the year 2021 for the was 0.34 EUR/kg. For 2020, it amounted to 0.31 EUR/kg, which points to a **slight increase** in productivity. (SORS, 2023).

Recommendations

1. The Ministry of Environmental Protection, which is currently preparing a new National Strategy for the Sustainable Use of Natural Resources and Assets, should align it with the adopted Circular Economy Development Programme in the Republic of Serbia for the period 2022 to 2024.
2. In order to increase the productivity of resources, the Government of the Republic of Serbia must set up official inter-ministerial cooperation between the ministries of environmental protection, economy, and energy, and define goals for strategic documents to cover the areas of sustainable use of natural resources.
3. The Government of the Republic of Serbia must bring together all stakeholders who would provide recommendations and solutions for sustainable and rational use of natural resources.
4. Competent institutions dealing with environmental protection must recognise the importance of creating incentives for companies and social actors whose business policy is oriented towards RES through changes in legislation, for example, by reducing taxes, providing subsidies, clearly defined regulations, and verification of standardisation.

66 The long-term compound growth rate is the calculated market growth rate over an observed period of three to five years for a given product/service.

67 The short-term compound growth rate is the calculated market growth rate over the observed period of one year for a given product/service.

Priority Area 7: Clean and resilient local communities

Serbia is one of the countries with rich water resources, while air pollution is a growing problem, and the amount of generated waste is increasing year by year. It is necessary to implement measures in order to achieve universal and equitable access to safe and affordable drinking water for all (target 6.1), improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials (target 6.3), reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management (target 11.6), significantly reduce waste production (target 12.5), and strengthen resilience and adaptive capacity to climate-related hazards and natural disasters. (target 13.1).

Sustainable Development Goal 6:

CLEAN WATER AND SANITATION



Ensure availability and sustainable management of water and sanitation for all

In the reporting period, no strategic document in the field of water management was adopted. Water management strategy of the territory of the Republic of Serbia until 2034, as a basic strategic document in the field of water and water management, was adopted in 2017, but the Action plan for its implementation was not adopted before August 2021.

Draft River Basin Management Plan for the Republic of Serbia (RBMP) for 2021–2027 was prepared in 2021. In December of the same year, a public discussion regarding the Draft Plan was completed, but the document has not been adopted to date. The plan is a key document for water management and enables alignment with the European strategic and legislative framework in the field of water management, primarily with the Water Framework Directive. The Plan also provides an overview of the basic

characteristics of surface and underground waters, identifies significant pressures on water, defines protected areas, including those intended for water abstraction for human consumption, and provides a framework for water monitoring and program of measures to achieve good water status. The adoption of this document will certainly create a better planning framework for reaching the SDG 6. It will also create opportunities for the adoption of other very important planning documents, primarily the Water Pollution Control Plan.

Since November 2021 until today, **there have been no significant changes** in the legal framework for water management. The announced amendments to the Water Law have not been adopted, nor has the process for their preparation been initiated. According to the latest revision of

the National Programme for the Adoption of the Acquis for the period 2022–2025 (Government of the Republic of Serbia, 2022b), drafting of the new Water Law is scheduled for the 4th quarter of 2023. In terms of the SDG 6, it is important that the drafting of the Law on Drinking Water was announced, which should enable better regulation of the water supply for the population and improve the availability and quality of drinking water.

In the reporting period there **were no significant changes** in the institutional

framework for the implementation of the SDG 6.

According to the 'Europe Sustainable Development Report 2022', the Republic of Serbia is **stagnating** in relation to the SDG 6 and the main challenges are still present. One of the key persisting problems is the very low percentage of the population connected to wastewater treatment systems, and no progress has been made in the percentage of the population with access to well-managed water supply systems (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority targets 6.1 and 6.3

'Serbia 2030: Development priorities – the non-state sector report' defined two priority targets, which should be achieved within the SDG 6 by 2030.

Priority target	6.1: By 2030, achieve universal and equitable access to safe and affordable drinking water for all		6.3: By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally	
Indicator	Percentage of population using drinking water from the public water supply systems 100%	Adequate water supply with target value of 100%	Percentage of treated wastewater	Percentage of water bodies with good quality status – target value 100%

The current percentage of the population with water supply from public waterworks is still **significantly below** the target value of 100%. In the national database of SDG indicators, the last available data refers to the year 2020 and amounts to 75% of the population (SORS, 2023). That percentage has not changed since 2004. In addition to being at a relatively low overall level, the

availability of public water supply is not uniform and varies significantly in urban and other areas. In urban areas, the percentage of the population with connection to the water supply systems is 82%, and in other areas only 68%. Other available statistical data show that in 2021, 1.4% more water was withdrawn for drinking water supply needs and 0.4% more consum-

ers were connected to the water supply network compared to 2020. In 2021, the length of the water supply network was increased by 1.0% compared to the previous year (SORS, 2022). The quality control of drinking water test from 2021 showed that 16.5% of the samples tested for physical and chemical quality were unsafe. In the microbiological testing of drinking water, 5.3% of samples tested unsafe for drinking (Institute for Public Health of Serbia, 2022). Both percentages have not changed significantly compared to previous years.

The above data shows that the connection to public water supply systems is constantly increasing, but at a **very slow**

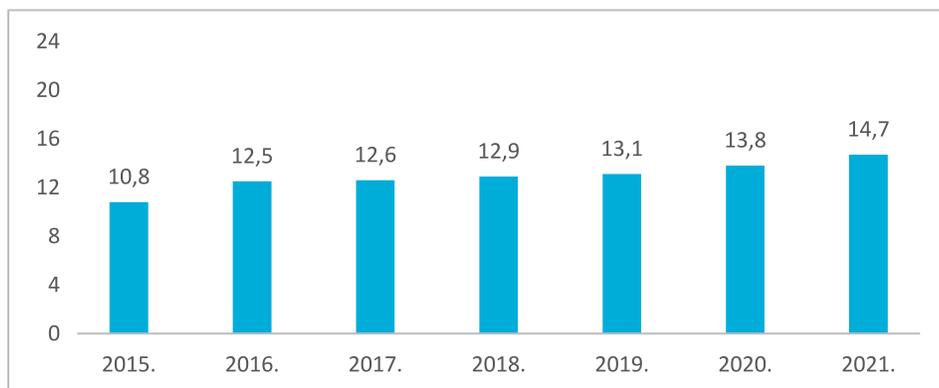
rate. In order to reach the goal of 100% by 2030, all relevant actors, including the Ministry of Construction, Transport and Infrastructure (MCTI), the Ministry of Environmental Protection, the Water Directorate of the Ministry of Agriculture, Water Management and Forestry and local governments, must significantly step up their efforts. The Government of the Republic of Serbia signed a loan agreement with the German Development Bank in 2022 (GRS, 2022a), which will enable the continuation of the long-term support programme for municipalities in solving the issue of water supply and municipal wastewater treatment.

Priority target 6.3

In 2021, the share of the population connected to urban wastewater treatment with at least secondary treatment⁶⁸ was 14.7% (SORS, 2023). This is a slight increase compared to 2020, when that percentage was 13.8%. Most agglomerations in Serbia still do not have functional water treat-

ment systems. The percentage of households connected to the sewage network is also low – in 2021, it amounted to about 63% (SORs, 2022). The data on the share of water bodies with good quality status has not been updated since 2020, when it amounted to 67.82% (SORS, 2023).

Chart 14. Population connected to the urban wastewater treatment facilities with at least secondary treatment



Source: SORS SDG portal, indicator 6.3.1.

68 Secondary wastewater treatment includes biological treatment that reduces the concentration of biodegradable organic matter.

Connection to municipal wastewater treatment systems has been **continuously growing over the past few years, but at a very slow rate**. Investments in the construction of municipal wastewater treatment systems have increased significantly. In 2021 and 2022, several plants were put into operation, and the Government plans to build and put into operation 26 plants

by 2025 (Government of the Republic of Serbia, 2023). A multi-year financial and investment plan for the water sector was prepared for the purposes of harmonisation in the EU accession process and defines priorities and deadlines for the construction of infrastructure for wastewater treatment until 2029.

Recommendations

1. By the end of 2023, prepare and adopt a new Water Law, fully aligned with European legislation. The Water Directorate and the Ministry of Agriculture, Forestry and Water Management are responsible for the implementation of this recommendation.
2. As soon as possible, after the adoption of the Water Law, adopt the River Basin Management Plan and the Water Pollution Control Plan. The Water Directorate and the Ministry of Agriculture, Forestry and Water Management are responsible for the implementation of this recommendation.
3. Accelerate the preparation of project documentation for the construction of wastewater treatment plants in priority agglomerations in accordance with the Multi-Annual Financial and Investment Plan until 2029. The main bodies responsible for the implementation of this recommendation are the Ministry of Environmental Protection and local governments.
4. Expand the surface and underground water quality monitoring network in accordance with the reporting requirements to the EU until 2025. The main bodies responsible for the implementation of this recommendation are the Ministry of Environmental Protection and the Serbian Environmental Protection Agency.

Sustainable Development Goal 11:

SUSTAINABLE CITIES AND COMMUNITIES⁶⁹



Make cities and human settlements inclusive, safe, resilient and sustainable

The issues regarding clean air and adequate waste collection and treatment remain among the pressing unresolved issues in Serbia, which require further efforts towards creating clean and resilient communities that have been defined as a priority by the non-state sector (Belgrade Open School et al., 2020). This assessment is supported by the facts that only 19% of the generated municipal waste ends up in sanitary landfills, while the rest is disposed of in unsanitary landfills (MEP, 2022d), and that in all eight agglomerations in 2021, the air quality was ranked as category III, meaning excessively polluted (SEPA, 2022c).

Within the framework of public policies relevant to this priority area, the Air Protection Programme for the period from 2022 to 2030 with the AP, the Waste Management Programme 2022–2031 with the Action Plan for the period 2022–2024 and Circular Economy Development Programme 2022–2024 have been adopted. It is positive that two long-term documents regulating important issues of air protection and waste treatment at the national level have been adopted. The Circular Economy Development Programme repeatedly references Agenda 2030, highlighting it as an important global document for sustainable development. The Waste Management

69 SDG 11 is included in two priority areas resulting so changes in the strategic, legislative and institutional framework for its implementation were analysed twice, in accordance with the theme of each priority area. Within this context, the segment referring to the adverse impacts of urban areas has been addressed, with a special focus on air quality and waste management.

Programme indirectly mentions target 12.3 of 2030 Agenda, which aims to halve per capita food waste by 2030, while the Air Protection Programme does not mention either 2030 Agenda or SDGs.

The only change in the legal framework regulating issues in the field of SDG 11 and priority area 7 is visible in the Law on Waste Management, which was amended at the end of 2022, resulting in additional harmonisation with regulations and more precise definition of certain terms. Public consultation was held from October to November 2021, and the report was published in August 2022. The report shows the participation of a large number of state authorities, public services, experts, businesses and associations. In addition, the Draft Law on Amendments to the Law on Packaging and Packaging Waste, as well as the Explanation of this draft Law are available on the website of the Ministry of Environmental Protection. The draft contains obligations regarding annual and daily reporting by producers and collectors of packaging waste to SEPA and envisions the introduction of a deposit system for single-use plastic, glass and aluminium packaging.

Regarding the institutional framework, **there have been no changes** compared

to the previous report, and the key institution for air and waste matters remains the MEP, within which the SEPA is responsible for data management, report preparation and similar tasks.

In the "Europe Sustainable Development Report 2022", the status of the Republic of Serbia regarding SDG 11 is assessed as "**on track or maintaining progress**" (Sustainable Development Solutions Network, 2022). This assessment is based on the increased level of municipal waste recycling; the reduction in the percentage of the population living in dwellings with leaking roofs, damp walls, floors or foundations, or rot in window frames or floors; and the reduction in the housing cost overburden. However, data on exposure to PM_{2.5} particles in urban areas, which is relevant to the context of the priority area of a clean and resilient community, is not available. Even though another indicator relevant to this priority area – municipal waste recycling rate – has shown an increase (from 1% in 2019 to 15.4% in 2020), the report indicates that key challenges still exist in achieving the desired value of this indicator. This confirms the findings of the authors that Serbia still faces the task of building an entire waste management infrastructure system.

Progress assessment – Priority target 11.6

Within SDG 11, the report "Serbia 2030: Development priorities – the non-state sector report" defined one priority target that, within priority area 7: "Clean and resilient communities", should be achieved by 2030.

Priority target	11.6: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	
Indicator	By 2024, reach 100% coverage of population of the Republic of Serbia by municipal waste collection services (in line with the draft National Waste Management Strategy in the Republic of Serbia 2019– 2024)	Reduce PM _{2.5} emission by 22% by 2030 (in line with Directive 2016/2284/EU INEC Directive)

There has been a slight increase in the coverage of the collection of generated municipal waste, from 86.4% in 2020 to 88% in 2021 (SEPA, 2022a). In Serbia, about 16% of waste was recycled in 2022, but due to different data sources, it is not possible to conclude when exactly this increase in recycling occurred. Data from Eurostat shows that the recycling rate of municipal waste increased from 0.3% in 2018 to 15.4% in 2020, while SEPA reports state that the recycling rate increased from 15.4% in 2018 to 16, 8% in 2021 (SEPA, 2022a). The European Commission, in its Annual Progress Report for Serbia in 2018, did not mention the recycling rate, while for 2021, it mentioned a rate of about 3%, and in the report for 2022, it cited a value of 15.5%.

In the field of waste management, Serbia has taken **significant steps** by adopting public policy documents and regulating the legislative framework to establish waste management infrastructure. The Waste Management Programme should enable the creation of preconditions for the use of waste in a circular economy, which is further regulated by the Circular Economy Development Programme. Further progress is needed to establish a functional system throughout the country, which implies inter-municipal cooperation and the implementation of instruments provided for in these programmes, such as the introduction of the pay-as-you-throw tariff scheme, fees for disposing waste in unsanitary landfills, subsidies for businesses to encourage reuse and utilization of waste as secondary raw materials. As envisaged, the integrated waste management system should include 26 regional waste management centres, with currently ten in existence. The adopted programmes specify the funding sources and timelines

for the construction of these facilities. The ultimate goal is to have all regional centres in operation by 2034 with all municipal waste being disposed of at regional sanitary landfills. The Waste Management Programme and AP envisages the gradual reaching of 100% coverage of the Republic of Serbia population with municipal waste collection services by 2031. In this regard, future progress should be measured based on this indicator, as it is certain that the previously set target of 100% coverage by 2024 will not be met. The biggest remaining challenge is the necessary institutional change at all levels to ensure that the envisaged system functions as required.

The latest available data on $PM_{2.5}$ particle emissions shows an increase of 2.3% in 2019 compared to 2015 (MEP, 2022e). In 2021, the air quality in all eight agglomerations was ranked as category III, indicating excessive pollution, so that, compared to the previous year, when this was the case in seven out of eight agglomerations, the Novi Sad agglomeration was added to the list. In agglomerations where the air quality falls into category III, there is an obligation to develop an air quality plan as prescribed by the Law on Air Protection. The air quality plans for the Belgrade and Kragujevac agglomerations were approved by the MEP in 2021, and for the Kosjerić and Novi Sad agglomerations in 2022. As for Short-term action plans, the cities of Bor, Kragujevac, Kruševac, Leskovac, Sremska Mitrovica and the Municipality of Trstenik received approval from the Ministry.

In the agglomerations of Niš, Pančevo, Užice, Smederevo and Kosjerić, the air was excessively polluted due to the exceedance of the limit values for suspended

PM_{2.5} and PM₁₀ particles, in the Bor agglomeration due to the exceedance of the limit value for SO₂, in the Novi Sad agglomeration due to the exceedance of the limit value for suspended PM₁₀ particles, and in the Belgrade agglomeration due to the exceedance of the limit values for suspended PM_{2.5} and PM₁₀ particles and the limit value for NO₂. Air quality was ranked as category III in the territories of the cities of Valjevo, Novi Pazar, Subotica, Kragujevac, Kraljevo, Loznica, Čačak, Zaječar, Paraćin (Popovac), Sremska Mitrovica, Sombor and Zrenjanin (SEPA, 2022c). Based on these data, it is evident that nearly four million people living in these territories were exposed to excessive air pollution in 2021 (BOŠ and RERI, 2022).

The Air Protection Programme predicts that, if the existing measures are implemented, there would be a reduction in PM_{2.5} particles by 13% by 2030, while achieving any of the three scenarios proposed by the Programme would lead to a reduction in PM_{2.5} particle emissions by

more than 22 % by 2030 (with the most ambitious scenario recommended by the Programme foreseeing a reduction of PM_{2.5} particles by 58.3% by 2030) (MEP, 2022). The Programme lists other stationary combustion facilities (where the heating sector of residential buildings plays a dominant role) as the largest producers of PM_{2.5} particles, which indicates the need for improving household energy efficiency.

Air quality monitoring improved in 2021 compared to 2020, but the area covered by official air quality monitoring in cities encompasses approximately 25% of the total territory of Serbia (BOŠ and RERI, 2022). In many areas on the territory of the RS, comprehensive air quality measurements do not exist, and there are no measurements of concentrations of PM_{2.5} or PM₁₀ particles. In some places, air quality is officially assessed as clean, although this cannot be definitely claimed due to the absence of data on the concentrations of these particles.

Recommendations

1. Enhance institutional and financial capacities for air pollution control at both the central and local levels, with a primary focus of strengthening SEPA's capacities.
2. Continue to improve the air quality monitoring network and data, with a particular emphasis on installing monitoring stations in areas where official measurements are currently lacking.
3. Increase the coverage of the population with municipal waste collection services.
4. Develop a network of regional waste treatment centres according to global standards.

Sustainable Development Goal 12:

RESPONSIBLE CONSUMPTION AND PRODUCTION⁷⁰



Ensure sustainable consumption and production patterns

With the enactment of the Law on Waste Management and the Law on Packaging and Packaging Waste, conditions were set for the establishment and development of an integrated waste management system in the RS, in accordance with the standards of the relevant EU legislation in this field (MEP, 2022d).

At the beginning of 2022, the Government of Serbia adopted the Waste Management Programme for the period 2022–2031. The Programme outlines strategic objectives for the improvement of the waste management system and the fundamental principles to be followed by all stakeholders in waste management to achieve those objectives in the RS.

The Government of Serbia adopted the Action Plan of the Waste Management Programme in the Republic of Serbia for the period 2022–2024. The 2022–2024 Action Plan for the implementation of the Waste Management Programme in the Republic of Serbia for the period 2022–2031 is a public policy document aimed at operationalising and achieving the general and specific objectives set out in the Waste Management Programme in the Republic of Serbia for the period 2022–2031.

The Law on Waste Management defines the “polluter pays” principle, but its implementation and control by responsible inspections remain contentious issues.

70 SDG 12 is included in two priority areas so changes in the strategic, legislative and institutional framework for its implementation were processed twice, in accordance with the theme of each priority area. Within this context, the segment referring to waste management has been addressed.

Another problem is the lack of cooperation between local authorities that should work together on developing regional infrastructure for municipal waste management. The recycling rate of municipal waste is low. Both businesses and individuals lack motivation, primarily due to a lack of financial resources they can rely on to boost the recycling rate.

During the reporting period, there were **no significant changes** in the institution-

al framework for the implementation of SDG 12.

In the "Europe Sustainable Development Report 2022", the status of SDG 12 in the Republic of Serbia was characterised as "**stagnant progress**". Regarding plastic waste exports, the Republic of Serbia is on the way to achieve the targeted SDG value, but there are still significant obstacles (Sustainable Development Solutions Network, 2022)

Progress assessment – Priority target 12.5

Within SDG 12, the report "Serbia 2030: Development priorities – the non-state sector report" defined two priority targets to be achieved by 2030, with the focus here being on target 12.5.

Priority target	12.5: By 2030 substantially reduce waste generation through prevention, reduction, recycling and reuse
Indicator	By 2029, achieve the packaging waste recycling/ reuse rate of 53%

The target indicator value to be achieved should align with the objectives for waste reduction and recycling in the RS, which are in accordance with specific plans for the implementation of the Waste Framework Directive 2008/98/EC, Directive 94/62/EC on Packaging and Packaging Waste and Directive 2012/19/EC on Waste Electrical and Electronic Equipment.

Through the Regulation on the establishment of the Packaging Waste Reduction Plan for the period 2020–2024, the Government of the Republic of Serbia established specific objectives related to the quantity of packaging waste that needs to be reused, the quantity of raw materials in packaging waste that must be recycled, and the quantity of some specific mate-

rials in the total mass of recyclable materials in packaging waste that also need to be recycled.

Based on the data from the SEPA report "Waste Management in the Republic of Serbia in the period 2011–2021", both general and specific national objectives for the Republic of Serbia were achieved in 2021. These targets were 63.7% for waste reuse and 61.1% for waste recycling.

In 2020, SEPA prepared the Methodology for calculating the total quantity of municipal waste and the recycling rate in the RS. The methodology complies with the requirements of Commission Implementing Decision (EU) 2019/1004 laying down rules for the calculation, verification and

reporting of data on waste in accordance with Directive 2008/98/EC, as well as for reporting to Eurostat. Directive 2008/98/EC and Implementing Decision 2019/1004 establish completely new reporting rules for municipal waste to clearly demonstrate

the achievement of objectives of managing this type of waste. According to the new methodology, the recycling rate was more than 13.6% for 2021 (SEPA, 2022a). Based on SORS data for 2021, the municipal waste recycling rate is 16.8%.

Recommendations

1. It is necessary to implement the “polluter pays” principle, which is clearly defined in the Law on Waste Management. Inspection authorities responsible for waste management should monitor and ensure that polluters bear the full costs of the consequences of their activities.
2. The Ministry of Environmental Protection, which is responsible for waste management, should establish waste management regions through cooperation of LSGUs. After defining these regions, it is necessary to develop regional infrastructures for municipal waste management.
3. Through legislation that defines the field of waste management, which is the responsibility of the MEP, it is necessary to introduce additional subsidies and support for businesses and individuals who engage in municipal waste sorting and thus increase the recycling rate index.

Sustainable Development Goal 13:

CLIMATE ACTION



Take urgent action to combat climate change and its impacts

In August 2022, the Government of Serbia adopted the updated National Determined Contribution (NDC), in accordance with Art. 3 and 4 of the Paris Agreement and para. 22 and 24 of the Decision CP/21.1 on Adoption of the Paris Agreement. With this document, Serbia increased its ambitions in terms of reducing GHG emissions by 13.2% compared to the 2010 levels and 33.3% (GHG emissions reduction target excluding land use, land-use change and forestry [LULUCF]) compared to 1990 (MEP, 2022b). These updated ambitions represent a significant increase compared to the originally set ambitions in 2015, when Serbia committed to reducing emissions by 9.8% by 2030 compared to 1990. On the other hand, in December 2022, at the Energy Community Ministerial Council, Serbia committed to reducing greenhouse gas emissions by 40.3% by 2030 (GHG emissions reduction target with LULUCF) compared to 1990 (Energy Community, 2022).

In 2021, the Government of Serbia adopted the Law on Climate Change (RSG, 2021). This Law regulates the system for limiting GHG emissions and climate change adaptation, monitoring and reporting on the implementation of Low-Carbon Development Strategy and its improvement. The Law introduced a system for monitoring, reporting and verifying GHG emissions, but the drawback is that it does not contain effective mechanisms for their reduction. A problem is also that the Republic of Serbia and SORS do not regularly publish data on GHG emissions, which is an activity defined not only by the Law but also by Regulation 691/2011. For a more efficient implementation of the Law, it is necessary to adopt and implement several by-laws. So far, the Regulation on GHG types and activities, the Rulebook on verification and accreditation of greenhouse gas emissions report verifiers, and the Rulebook on fuel

economy and CO₂ emissions data for new passenger cars have been adopted.

Serbia has not yet adopted the Low Carbon Development Strategy⁷¹ with an AP. This document should serve as the basis for reducing GHG emissions. Also, confirmation of the Second Biennial Update Report of the Republic of Serbia according to the UN Framework Convention on Climate Change, which was made available for public review in December 2020, is still pending (MEP, 2020).

Additionally, another important document for the Republic of Serbia is climate policies, which is still in the drafting process, is the INECP for the period 2021–2030.

This document should define specific steps that the Republic of Serbia will take to achieve climate neutrality by 2050. It is expected that the draft document will be subject to public consultation and adopted in 2023.⁷²

In the "Europe Sustainable Development Report 2022", it is stated that there has been a score decreasing in achieving SDG 13 and that achieving this goal continues to pose a significant challenge for Serbia. A setback is related to CO₂ emissions embedded into products for import,⁷³ while **stagnation** was observed in CO₂ emissions from fossil fuel combustion and operation of cement plants (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority target 13.1

Within SDG 13, the report "Serbia 2030: Development priorities – the non-state sector report" defined one priority target to be achieved by 2030.

Priority target	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	
Indicator	By the end of 2030, all local self- governments have adopted and implemented local disaster risk reduction strategies in line with national disaster risk reduction strategies	Reduce the number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population

Despite the adoption of umbrella international documents, the Republic of Serbia still has not adopted key strategic documents related to resilience and capacity

to adapt to climate-related hazards. The fundamental strategic document that will enable the implementation of target 13.1 in Serbia is the Climate Change Adapta-

71 The Low Carbon Development Strategy with the AP was adopted on 1 June 2023, which falls outside the analysed reporting period.

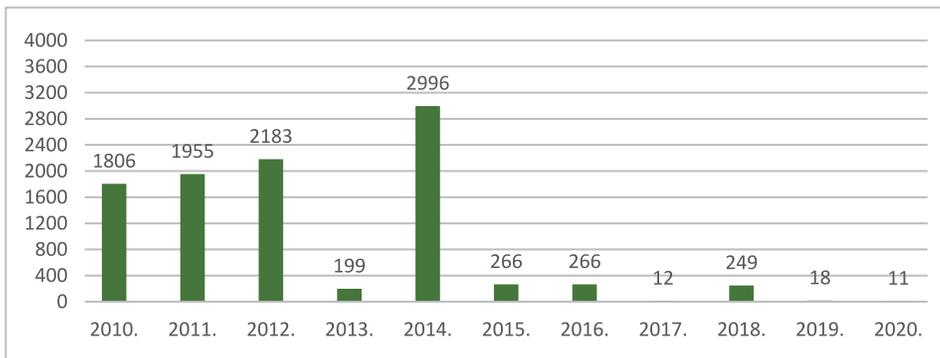
72 INECP has been open for public consultation since 13 June 2023, which also falls outside the reporting period.

73 The emissions that relate to CO₂ emissions generated during the production and transportation of goods, from the extraction of raw materials to the manufacturing process and final delivery to the consumer. They are expressed in tCO₂ per capita.

tion Programme with an AP,⁷⁴ which is in accordance with the Law on Climate Change. On the other hand, it is still **not possible to assess the progress** in the number of local self-governments adopting and implementing disaster risk reduction strategies at the local level in accordance with the national disaster risk reduction strategies, because the SORS only provides data for 2018 on its website. The goal is for all local self-governments to have adopted and implemented disas-

ter risk reduction strategy in accordance with the national disaster risk reduction strategy by the end of 2030 (PPS, 2020). According to the available data from the SORS for 2018, only eight out of a total of 174, i.e. only 4.6% of local self-governments have adopted and are implementing disaster risk reduction strategies at the local level in accordance with the National Disaster Risk Reduction Strategy (SORS, 2018). There are no available data for the period after 2018.

Chart 15. *Number of persons directly affected by disasters*



Source: SORS SDG portal, indicator 13.1.1.

Regarding the number of persons directly affected by disasters, SORS data show that in 2020 (the latest available data), 11

people were at risk, while there were no fatalities (SORS, 2020).

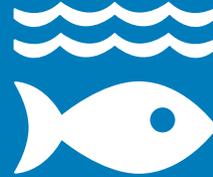
Recommendations

1. The Ministry of Mining and Energy should adopt the INECP for the period 2021–2030 by the end of 203.
2. The SORS should monitor, regularly publish and update indicators for SDG 13.
3. The Government of Serbia should define and adapt the legal and institutional framework related to climate change adaptation and integrate it into other sectors, primarily water management, agriculture, urban planning, construction, infrastructure, forestry, nature protection and energy.

74 The working version of this document was submitted for consultation with all interested parties in June 2023, which is beyond the reporting period.

Sustainable Development Goal 14:

LIFE BELOW WATER



Conserve and sustainably use the oceans, seas and marine resources for sustainable development

Sustainable Development Goal 14 refers to the conservation and sustainable use of oceans, seas and their resources. Since Serbia is a landlocked country, this SDG has never been considered a priority. However, every country in the world affects the seas and oceans, primarily through pollution originating in rivers and lakes which inevitably ends up in the seas and oceans. Another relevant aspect for most landlocked countries is the conservation of fish populations that migrate between freshwater and marine ecosystems in their life cycles. This aspect is also relevant for Serbia, since globally endangered sturgeon species live in the Danube, which migrate between the Black Sea and the Danube.

In the report "Serbia 2030: Development priorities – the non-state sector report" SDG 14 **was not recognised as a development priority of the Republic of Serbia** (Belgrade Open School et al., 2020).

In the case of a landlocked country like Serbia, the implementation of SDG 14 is directly related to the goals of water resources conservation and management (SDG 6), and especially to the targets related to water pollution. Reducing water pollution through activities aimed at achieving target 6.3 simultaneously contributes to the achievement of SDG 14, as it reduces emissions of polluting substances into the seas and ocean.

Serbia still faces challenges related to the pollution of watercourses with various types of contaminants (solid waste, nutrients, etc.). Municipal wastewater is mostly untreated, which causes large concentrations of nutrients to end up in recipients. rivers, which then carry the pollution to the sea. It should be noted that the majority of the territory of the Republic of Serbia (about 92%) belongs to the Danube River Basin, so most of pollution ends up downstream along the Danube and in the Black Sea.

Agriculture is also a major water polluter, causing emissions of nutrients (mineral fertilizers) and pesticides into watercourses. One of the mechanisms for reducing pollution from agricultural activities is the application of the EU Nitrate Directive. This Directive introduces mechanisms for better management of livestock manure and synthetic nitrogen fertilizers in order to reduce their emission into waters. Serbia has not yet fully transposed this Directive into national legislation.

Solid waste is also a prominent problem in watercourses on the territory of the RS. Only a relatively small portion of municipal and industrial waste is managed properly. In other words, a small number of municipalities and cities have sanitary land-

fills for waste management, so significant amounts of waste end up in rivers.

Regarding the protection of migratory fish species, the Republic of Serbia has a legal framework that enables the control of fishing on its territory (NARS, 2014). Sturgeon species (lat. Accipenseridae), which are particularly important in the context of this goal, are strictly protected in Serbia and their fishing is not allowed (RSG, 2016). The implementation of measures for the protection and sustainable use of the fish stock faces many problems, which primarily stem from the low capacities of the responsible inspection services and the insufficiently good legal provisions prescribing these measures. There are no reliable statistical data on illegal fishing in the territory of the RS, but most of the stakeholders agree in their assessments that its intensity is certainly not negligible and is very pronounced in certain areas.

During the reporting period, **there were no significant changes** in the institutional framework for the implementation of SDG 14.

In the "Europe Sustainable Development Report 2022" there is **no data** on Serbia's progress related to SDG 14 (Sustainable Development Solutions Network, 2022).

Recommendations

1. Improve the strategic and legal framework for water pollution control and waste management and improve the implementation and enforcement of legal acts and strategic documents, especially regarding plastic water pollution through amendments to the Water Law and the development of the Water Pollution Control Plan until the end of 2023. The primary responsibility for the implementation of this recommendation lies with the Water Directorate of the Ministry of Agriculture, Forestry and Water Management and the MEP.

2. Establish monitoring of floating plastic waste and waste on river banks by 2025. The primary responsibility for the implementation of this recommendation lies with the MEP and SEPA.
3. Fully transpose the EU Nitrate Directive into national legislation and enable its effective implementation by the end of 2023. The primary responsibility for the implementation of this recommendation lies with the MEP.
4. Improve the implementation of the legal framework for the protection and sustainable use of the fish stock in order to ensure effective protection of migratory fish species. The primary responsibility for the implementation of this recommendation lies with the MEP.
5. Adopt an AP for the protection of sturgeon fish species by the end of 2023. The primary responsibility for the implementation of this recommendation lies with the MEP.

Priority Area 8: Safeguarding natural and cultural heritage

Although afforestation has become very topical in the Serbian public discourse, in practice many forests are often threatened by conversion into construction land, and the practices for preserving cultural and historical monuments are inadequate. It is crucial to strengthen efforts to protect and safeguard the world's cultural and natural heritage (target 11.4) and take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity, protect and prevent the extinction of threatened species (target 15.5).

Sustainable Development Goal 11:

SUSTAINABLE CITIES AND COMMUNITIES⁷⁵



Make cities and human settlements inclusive, safe, resilient and sustainable

In the previous period, **there were no** significant changes regarding the preservation of natural and cultural heritage in Serbia. The last document adopted in the field of culture is the Strategic Priorities for the Development of Culture of the Republic of Serbia from 2021 to 2025, and there have been no other changes in public policies since then. The Strategic Priorities are a descriptive document without time limits and indicators on the basis of which it would be possible to monitor the success of achieving these priorities. Although a Draft Strategy for the Development of the Culture of the Republic of Serbia from 2020 to 2029 with an AP was developed a

few years ago, this strategy has not been adopted.

There have been no legislative changes in this area during the previous period. According to the Law on Ministries from 2022, the Ministry of Culture and Information is divided into two bodies – the Ministry of Culture, which remains responsible for this area, and the Ministry of Information and Telecommunications. The report on the work of the National Council for Culture, formed in 2021, was adopted by the National Assembly, but is not widely accessible to the public. For the year 2023, the planned funds for culture, communica-

75 SDG 11 is included in two priority areas, so changes in the strategic, legislative and institutional framework for its implementation were processed twice, in accordance with the theme of each priority area. Within this context, the section related to the preservation of the world's cultural and natural heritage has been addressed.

tions and media amount to 0.74% (Ministry of Finance, 2022), and the allocated funds for the Ministry of Culture amount to 0.88% of the country's GDP (NARS, 2022).

Regarding other areas within SDG 11, it is important to mention that the Draft National Housing Strategy for the period 2022–2032 with an AP for implementation for the period 2022–2024 was open for public consultation from December 2021 until January 2022. The civil sector expressed concerns that the strategy lacked ambition both in terms of the scope of topics and specific target values for the ten-year period. It is not known whether the strategy

has been adopted, as it is still available in a draft form on the MCTI website. In terms of traffic, although there was talk of adopting a new traffic safety strategy (RTV, 2021), since the previous one expired in 2020, a new one has not been adopted yet. There have been no changes in the legal and institutional framework in this period.

The "Europe Sustainable Development Report 2022", which assesses the situation of SDG 11 in the Republic of Serbia as "**on track or maintaining progress**", does not monitor any of the indicators that are relevant to priority area 8, i.e. the preservation of natural and cultural heritage.

Progress assessment – Priority target 11.4

Within SDG 11, the report "Serbia 2030: Development priorities – the non-state sector report" defined a priority target that needs to be achieved by 2030 within priority area 8: Safeguarding natural and cultural heritage.

Priority target	11.4: Strengthen efforts to protect and safeguard the world's cultural and natural heritage	
Indicator	Increase the natural area under protection to 20% of the Republic of Serbia's territory	Ensure conditions for including at least one more site from the proposed national list to the UNESCO heritage list

There has been a slight increase in the size of the protected area from 678,237 ha (7.66% of Serbia's territory) to 691,443 ha (7.81%). The increase refers to protected natural assets: natural monument "Drvored hrastova kod Bačkog Petrovog Sela (A row of oaks near Bačko Petrovo Selo)", natural monument "Kalemegdanski rt (Kalemegdan Sandbank)", area of outstanding features "Ade i odseci kod Slankamena (Ada and sections near Slankamen)", natural monument "Kovačevića pećina (Kovačević

Cave)", area of outstanding features "Ovčarsko-kablarska klisura (Ovčar-Kabalar Gorge)" and the "Maljen" area of outstanding features.

Between 2019 and 2021, a total of 277 potential sites of community interest and 85 special protected areas covering 38% of the territory of the Republic of Serbia were identified. This represents an important step towards protection within the Natura 2000 system.

In the meantime, no sites from the domestic tentative list have been added to the UNESCO list. On the UNESCO World Heritage List, the list of the most valuable assets of the world's cultural and natural heritage, there are still five sites from Serbia. The tentative list still contains 11

sites, that is, there have been no change in the number of sites compared to the previous reporting period. It is not known whether activities have been undertaken in the meantime to meet the conditions for inclusion of these sites on the mentioned list.

Recommendations

1. Adopt a cultural development strategy that would improve the opportunities for increased funding in this area and provide a monitoring system for achieving the set goals.
2. Continue efforts on the development of the ecological network in accordance with the standards of the EU Natura 2000 ecological network.
3. Improve activities aimed at including the sites from the domestic tentative list on the UNESCO list and keep the public informed about these efforts.

Sustainable Development Goal 15:

Life on land



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

The past year was characterised by a **lack of activities** to improve the areas covered by the SDG 15 in the Republic of Serbia, among which the most important are nature and environment protection, forestry, agriculture and water management.

Previous reports on Serbia's preparedness for the implementation of 2030 Agenda assessed that the legal framework for

achieving SDG 15 is **relatively well defined**. However, there are certain deficiencies in the legal framework related to the conservation of mountain ecosystems, fair distribution of genetic resources, suppression and control of invasive species, ecosystem services, economic valuation of ecosystems and directing financial resources towards ecosystems and natural resource protection (Bradaš et al., 2022).

However, these deficiencies were not corrected even in 2022.

In the field of nature protection and conservation of natural resources, **there were no significant activities** in the development of strategic documents during 2022. However, there was only one change related to the legal framework in the same period. Namely, in accordance with the amendments to the Law on Nature Protection adopted in 2021, the application of the amended Article 9 of this Law began on 1 January 2022. This article prescribes the jurisdiction and procedure for passing an act on nature conservation conditions in a different way than it was the case before the amendments to the Law. Now, instead of institutes for nature conservation, the act on nature protection conditions for protected areas declared by the GRS is adopted by the MEP, and the competent authority of the Autonomous Province of Vojvodina for the protected areas declared by this authority. Institutes for nature conservation continue to issue an act on nature conservation conditions for category III protected areas (MEP, 2022a). It remains to be seen in the future whether and how this change will affect the implementation of activities relevant for achieving SDG 15.

At the global level, important decisions for nature conservation were made in December 2022. As a result of the 15th United Nations Summit on Biodiversity, the Kunming-Montreal Global Biodiversity Framework until 2030 was adopted. Serbia was among the 196 UN member states that

supported this agreement. This framework includes four main goals and 23 specific targets, and the most important ones are to protect at least 30% of existing and restore at least 30% of degraded ecosystems globally by 2030. The text of this agreement defines that it represents a contribution to the achievement of the 2030 Agenda by placing the conservation of biodiversity at the very core of the Agenda, thus ensuring the achievement of other goals (Convention of Biological Diversity, 2022; Climate 101, 2022). Although the Global Biodiversity Framework is an agreement between the UN member states, it is not legally binding, which allows countries to implement it according to their capabilities and responsibilities. It remains to be seen whether and how the Republic of Serbia will incorporate these important goals for biodiversity conservation and achieving SDG 15 into its public policies.

During the reporting period, **there were no significant changes** in the institutional framework for the implementation of SDG 15.

The "Europe Sustainable Development Report 2022" assessed SDG 15 as **significantly challenging** for implementation in Serbia, while at the same time it was concluded that the implementation of this goal in our country is stagnating. Out of a total of six indicators used in this Report to assess **progress** of the Republic of Serbia in implementing SDG 15, four were marked as **very challenging** for implementation (Sustainable Development Solutions Network, 2022).

Progress assessment – Priority target 15.5

Within SDG 15, the report "Serbia 2030: Development priorities – the non-state sector report" defined one priority target to be achieved by 2030:

Priority target	15.5: Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and by 2020, protect and prevent the extinction of threatened species.	
Indicator	Protected areas managed according to the Law on Nature Protection account for minimum 20% of the total territory of the Republic of Serbia.	All protected areas in Serbia correspond to the IUCN classification of protected areas, in line with their ranking.

According to the publicly available data of the Central Register of Protected Natural Goods for the Territory of the Republic of Serbia, which is maintained by the Serbian Institute for Nature Conservation, **the area under protected status did not increase** in 2022. Namely, the MEP initiated the procedure for the designation of 18 protected areas of various categories during past year, including one national park. Additionally, the Ministry initiated a revision of the protection status for three existing protected areas, which envisages an expansion of their surface area, while a change of the category of the Stara Planina Nature Park is also proposed, i.e. to declare this area a national park. All initiated procedures envisage an increase in the protected area by about 64 thousand hectares, which is approximately 0.73% of the area of the Republic of Serbia. However, it should be noted that the process from the initiation of the protection procedure to the designation of protected areas is typically very lengthy. Thus, in 2022, no act on the designation of a protected area was adopted, so the total protected area in the Republic of Serbia remained unchanged at 691,443

hectares, i.e. 7.81% of the total area of our country (Institute for Nature Conservation, 2023; MEP, 2022b).

Regarding the improvement of categorisation of protected areas in Serbia according to the standards of the International Union for Conservation of Nature (IUCN), **no progress was made** in 2022 either. The International Union for Conservation of Nature developed a system of categorisation of protected areas in 2008, which is considered the global standard for defining and classifying protected areas (Dudley, 2008). The implementation of this model for area protection would ensure better recognition and conservation of natural values. For this system to be implemented in practice, it is necessary that its application in the designation of protected areas is defined through the Law on Nature Protection and relevant strategic documents, such as the Environmental Protection Strategy and the Nature Protection Programme of the Republic of Serbia. To date, there has been no change in the aforementioned law and strategic documents.

In 2022, the collection of data on flora and fauna continued for the purpose of establishing the Ecological Network of the Republic of Serbia and the EU NATURA 2000 ecological network in Serbia. This is a continuation of activities that have been managed by the Serbian Institute for Nature Conservation for years, and whose purpose is to increase the protection of species and habitats in our country.

Recommendations

1. Incorporate the decisions of the Kunming-Montreal Global Biodiversity Framework until 2030 in the legislative and strategic framework that regulates the field of nature protection and that affects the regulation of this field until 2024.
2. Redefine the management system for protected areas and the protection of species and habitats through the improvement of the Law on Nature Protection, and improve the subordinate regulations governing the functioning of the ecological network (the act that will regulate in detail eligibility assessment, etc.) until 2024.
3. Improve the Law on Environmental Impact Assessment and the Law on Strategic Environmental Impact Assessment to ensure that the procedures provided for by the law provide information on the actual state of nature at the relevant location at the time of procedure implementation by 2024.
4. Provide and purposefully allocate funds for the implementation of measures to protect endangered species and habitats in accordance with international standards on an annual basis, through the budget of the Republic of Serbia and the budgets of the managers of protected areas.
5. Increase activities of the MEP and RSG in investing funds to continue research for the purpose of establishing the Ecological Network of the Republic of Serbia and the EU NATURA 2000 ecological network in Serbia, and for the continuation of the preparation and updating of red books and lists of endangered species on an annual basis.
6. By 2024, develop a capacity-building plan for the authorities and institutions responsible for nature conservation at the local and national level (environmental protection inspection, institutes for nature conservation, LSGU environmental protection services) through the MEP and implement it on an annual basis.

Abbreviations

AMRES	Serbian Academic Network
AP	Action plan
AEP	Active employment policy
SEPA	Serbian Environmental Protection Agency
GDP	Gross Domestic Product
GVA	gross value added
CEFTA	Central European Free Trade Agreement
SDG	sustainable development goal / goals
CPI	Corruption Perceptions Index
DMC	domestic material consumption
EC	European Commission
EPS	Electric Power Industry of Serbia
ERP	<i>Economic Reform Programme</i>
ESRP	Employment and Social Reform Programme
EU	European Union
EC	European Communities
GHG	greenhouse gas
GRECO	Group of States against Corruption
GQII	Global Quality Infrastructure Index
HORECA	<i>Hotel/Restaurant/Café</i> sector
R&D	Research and Development
ICT	information-communication technologies
INECP	Integrated National Energy and Climate Plan
IP Box	Intellectual property (IP) box – tax relief
IUCN	<i>International Union for Conservation of Nature</i>
LSGU	Local Self-Government Unit
LULUCF	<i>Land use, land-use change, and forestry</i>
MCTI	Ministry of Construction, Transport and Infrastructure
MHMRSD	Ministry of Human and Minority Rights and Social Dialogue
MME	Ministry of Mining and Energy

SMEs	small and medium-sized enterprises
SMEEs	small and medium-sized enterprises and entrepreneurs
MEP	Ministry of Environmental Protection
NDC	Nationally determined contributions
NEET	young people neither in employment nor in education or training
NQFS	National Qualifications Framework of Serbia
NARS	National Assembly of the Republic of Serbia
NSP	financial social assistance beneficiary
NES	National Employment Service
CSOs	Civil society organisations
OSCE	Organization for Security and Co-operation in Europe
RES	renewable energy sources
SOEs	state-owned enterprises
TA	Tax Administration
RIA	Rapid Integration Assessment
PAR	Public Administration Reform
RS	Republic of Serbia
PPS	Public Policy Secretariat of the Republic of Serbia
SORS	Statistical Office of the Republic of Serbia
SEC	Social and Economic Council
SCTM	Standing Conference of Towns and Municipalities
WTO	World Trade Organization
UN	United Nations
UN DESA	UN Department of Social and Economic Affairs
UNCTAD	<i>United Nations Conference on Trade and Development</i>
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
GRS	Government of the Republic of Serbia
WGI	<i>The Worldwide Governance Indicators</i>
LL	Labour Law
LPS	Law on Planning System

References

General References

- Belgrade Open School, Belgrade Fund for Political Excellence, Centre for Advanced Economic Studies, Ana and Vlade Divac Foundation, Center for Democracy Foundation, Timok Youth Center (2020). *Serbia 2030 – Development Priorities – the Non-State Sector Report*, Belgrade: Center for Advanced Economic Studies.
- Belgrade Open School, Belgrade Fund for Political Excellence, Centre for Advanced Economic Studies, Ana and Vlade Divac Foundation, Center for Democracy Foundation, Timok Youth Center (2020). *Serbia 2030: Is Serbia managing its (sustainable) development?* Belgrade: Belgrade Open School.
- Bradaš, S., Danon, M., Đurović, A., Ilić, S., Jovančević, I., Momčilović, P., Nenadović, N., Pantić, O., Radanović, M., Savković, M., Sekulić, G., Sekulović, I. & Šormaz, N. (2020), *Serbia 2030 – Rediness for implementation of the 2030 Agenda*, Belgrade: Belgrade Open School.
- Government of the Republic of Serbia (2023). *Economic Reform Program 2023 – 2025*.
- Statistical Office of the Republic of Serbia (2023). *Sustainable Development Goals*. Available at: <https://sdg.indikatori.rs/sr-Latn/> [10. 3. 2023].
- Sustainable Development Solutions Network (2022), *Europe Sustainable Development Report 2022*. Available at: <https://s3.amazonaws.com/sustainabledevelopmentreport/2022/europe-sustainable-development-report-2022.pdf> [10. 3. 2023].

Introduction

- Babović, M. (2022), *Progress report on the implementation of Sustainable Development Goals by 2030 in the Republic of Serbia*, Belgrade: Statistical Office of the Republic of Serbia. Available at: <https://sdg.indikatori.rs/media/1621/izvestaj-o-napretku-u-ostvarivanju-ciljeva-odrzivog-razvoja-do-2030-godine-u-srbiji-2022.pdf> [10. 3. 2023].
- European Commission (2016), *Next steps for a sustainable European future: European action for sustainability*. Available at: https://ec.europa.eu/commission/presscorner/detail/en/MEMO_16_3886 [9. 3. 2023].
- National Assembly of the Republic of Serbia (2022a), *Law on Ministries*, The Official Gazette of the Republic of Serbia, no. 128/2020 i 116/2022.
- National Assembly of the Republic of Serbia (2022b), *Program of the Government of the Republic of Serbia*. Available at: https://rsjp.gov.rs/wp-content/uploads/ana-brnabic-ekspoze-1022_cyr.pdf [10. 3. 2022].
- National Assembly of the Republic of Serbia (2018), *Law on the Planning System of the Republic of Serbia*, The Official Gazette of the Republic of Serbia, no. 30/2018.
- National Assembly of the Republic of Serbia (2017), *A public hearing held on the topic "Implementation of sustainable development goals: Role of the National Assembly"*. Available at: <https://shorturl.at/ikrsX>, [13. 3. 2022].

- Prorok T., Todorović, A., Pihler, D., Ivanović, M., Riker, L. & Pejčić, M. (2019) *Agenda 2030 in my municipality: A handbook for practitioners for localizing the Sustainable Development Goals*, Skopje: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. Available at: <http://skgo.org/storage/app/media/uploaded-files/Prirucnik%20-%20Agenda%202030%20u%20mojoj%20opstini.pdf> [10. 3. 2023].
- Government of the Republic of Serbia: Public Policy Secretariat of the Republic of Serbia (2023a), *Work on Regulation on the procedure for preparing the Draft Development Plan of the Republic of Serbia has started*. Available at: <https://shorturl.at/gkE23> [10. 3. 2023].
- Government of the Republic of Serbia: Public Policy Secretariat of the Republic of Serbia (2023b), *2023 – 2026 Action Plan for the implementation of the Government Program*. Available at: <https://rsjp.gov.rs/wp-content/uploads/APSPV-2023-2026-1.pdf> [10. 3. 2023].
- Government of the Republic of Serbia: Public Policy Secretariat of the Republic of Serbia (2022), *Serbia and 2030 Agenda: Mapping the National Strategic Framework vis-a-vis the Sustainable Development Goals*. Available at: <https://rsjp.gov.rs/wp-content/uploads/Srbija-i-Agenda-2030-novembar-2017-lat.pdf> [10. 3. 2023].
- Government of the Republic of Serbia (2019), *Voluntary National Review of the Republic of Serbia on the Implementation of the 2030 Agenda for Sustainable Development*.
- Government of the Republic of Serbia (2015), *Decision on the establishment of the Inter-Ministerial Working Group for the Implementation of the 2030 Agenda*, The Official Gazette of the Republic of Serbia, no. 113/2015–33, 67/2017–3, 95/2017–4, 120/2017–145, 104/2018–49, 8/2019–102.

Analysis of the Economic Reform Program

- Delegacija EU u Srbiji (2021), *Trans-Balkan Electricity Corridor*. Available at: <https://www.eu-zatebe.rs/rs/projekti/transbalkanski-elektroenergetski-koridor>, [9. 3. 2023].
- Eurostat (2023a), *Employment rates of recent graduates*. Available at: <https://ec.europa.eu/eurostat/databrowser/view/tps00053/default/table?lang=en> [10. 4. 2023].
- Eurostat (2023b), *ICT usage in households and by individuals*. Available at: <https://ec.europa.eu/eurostat/web/digital-economy-and-society/data/database> [10. 4. 2023].
- European Commission (2022), *Republic of Serbia: Serbia Report 2022*. Available at: https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/Serbia_Report_2022_SR.%5B1%5D.pdf [27. 4. 2023].
- Fiscal Council (2022), *Opinion of the Draft 2024 Fiscal Strategy with Forecasts for 2025 and 2026*. Available at https://www.fiskalnissavet.rs/doc/FS_%20Misljenje-na-Nacrt-Fiskalne-strategije-2024-2026_090623.pdf [27. 4. 2023].
- Fund for Young Talents of the Republic of Serbia (2023), *About the open competition*. Available at: <https://fondzamladetalente.gov.rs/> [10. 4. 2023].
- Government of the Republic of Serbia (2020), *Employment Strategy in the Republic of Serbia for the period 2021 – 2026*. The Official Gazette of the Republic of Serbia, no. 18/2021–4, 36/2021–45.
- Statistical Office of the Republic of Serbia (2023), *Progress Report on the Implementation of the Sustainable Development Goals by 2030 in the Republic of Serbia*. Available at: <https://sdg.indikator.rs/media/1621/izvestaj-o-napretku-u-ostvarivanju-ciljeva-odrzivog-razvoja-do-2030-godine-u-srbiji-2022.pdf> [27. 4. 2023].
- Statistical Office of the Republic of Serbia. Available at: <https://www.stat.gov.rs/> [27. 4. 2023].

UNESCO Institute for statistics (2023), *Official List of SDG 4 Indicators*. Available at: https://gaml.uis.unesco.org/wp-content/uploads/sites/4/2020/09/SDG4_indicator_list.pdf [10. 4. 2023].

UN HABITAT (2018), *Metadata on SDGs Indicator 11.3.1*. Available at: https://unhabitat.org/sites/default/files/2020/07/metadata_on_sdg_indicator_11.3.1.pdf [27. 4. 2023].

Priority Area 1

Eurostat (2023), *Eurostat database*. Available at: <https://ec.europa.eu/eurostat> [30. 3. 2023].

Ministry of Finance, Government of the Republic of Serbia (2023), *Economic Reform Program (ERP) 2023–2025*. Available at: <https://www.mfin.gov.rs/dokumentiz/program-ekonomskih-reformi-erp> [30. 3. 2023].

Statistical Office of the Republic of Serbia (2023), *Progress Report on the Implementation of the Sustainable Development Goals by 2030 in the Republic of Serbia*. Available at: <https://sdg.indikatori.rs/media/1621/izvestaj-o-napretku-u-ostvarivanju-ciljeva-odrzivog-razvoja-do-2030-godine-u-srbiji-2022.pdf> [27. 4. 2023].

Statistical Office of the Republic of Serbia. Available at: <https://www.stat.gov.rs/> [27. 4. 2023].

Government of the Republic of Serbia (2022a), *Action plan for the period 2022–2024 for the implementation of the Strategy for social inclusion of Roma and Roma women in the Republic of Serbia for the period 2022–2030*, The Official Gazette of the Republic of Serbia, no. 115/2022.

Government of the Republic of Serbia (2022b), *Action plan for the period 2022 – 2023 for the implementation of the Strategy for Gender Equality for the period from. 2021 t 2030*, The Official Gazette of the Republic of Serbia, no. 99/2022.

Government of the Republic of Serbia (2022c), *Circular Economy Development. Programme in the Republic of Serbia 2022–2024*, The Official Gazette of the Republic of Serbia, no. 137/2022.

World Bank database. Available at: <https://data.worldbank.org/> [29. 3. 2023].

Priority Area 2

Ministry of Finance, Government of the Republic of Serbia (2023), *Economic Reform Program (ERP) 2023–2025*. Available at: <https://www.mfin.gov.rs/dokumentiz/program-ekonomskih-reformi-erp> [30. 3. 2023].

Ministry of Human and Minority Rights and Social Dialogue (2022a), *Information booklet*. Available at: <https://informator.poverenik.rs/informator?org=73ALjNvsT4b8Muwpu> [15. 3. 2023].

Ministry of Human and Minority Rights and Social Dialogue (2022b), *Rulebook on the preparation and implementation of the risk management plan concerning violation of the principle of gender equality*, The Official Gazette of the Republic of Serbia, no. 67/2022.

Ministry of Human and Minority Rights and Social Dialogue (2022c), *Rulebook on Keeping Records and Reporting on Achieving Gender Equality*, The Official Gazette of the Republic of Serbia, br. 67/2022.

National Assembly of the Republic of Serbia (2022), *Law on Social Entrepreneurship*. Available at: <https://www.paragraf.rs/propisi/zakon-o-socijalnom-preduzetnistvu.html> [30. 3. 2023].

- Weekly Vreme (2022), *New strategy for Roma population: Old unfulfilled promises*. Available at: <https://www.vreme.com/vesti/nova-strategija-za-rome-stara-neispunjena-obecanja/>, [30. 3. 2023].
- Statistical Office of the Republic of Serbia. Available at: <https://www.stat.gov.rs/> [30. 3. 2023].
- Statistical Office of the Republic of Serbia (2023a), *Progress Report on the Implementation of the Sustainable Development Goals by 2030 in the Republic of Serbia*. Available at: <https://sdg.indikatori.rs/media/1621/izvestaj-o-napretku-u-ostvarivanju-ciljeva-odrzivog-razvoja-do-2030-godine-u-srbiji-2022.pdf> [27. 4. 2023].
- Statistical Office of the Republic of Serbia (2023b), *Time use in the Republic of Serbia, 2021 – Statistical release*. Available at: <https://publikacije.stat.gov.rs/G2023/Html/G20231018.html> [31. 3. 2023].
- Statistical Office of the Republic of Serbia (2023c), *Medium-term plan of the Statistical Office of the Republic of Serbia for the period from 2023 to 2025*. Available at: https://www.stat.gov.rs/media/358486/srednjorocni-plan-rzs_2023-2025_23012023-sajt-konacno.pdf [16. 2. 2023].
- Government of the Republic of Serbia (2022a), *Law on Ministries*, The Official Gazette of the Republic of Serbia, no. 116/2022.
- Government of the Republic of Serbia (2022b), *Action plan for 2022 and 2023 for the implementation of the Strategy for Gender Equality for the period from 2021 to 2030*, The Official Gazette of the Republic of Serbia, no. 99/2022–10.
- Government of the Republic of Serbia (2021), *Law on the Social Cards*, The Official Gazette of the Republic of Serbia, no. 14/2021.
- Government of the Republic of Serbia, Coordination Body for Gender Equality (2022a), *Action Plan for 2022 and 2023 for the implementation of the Strategy for Gender Equality for the period from 2021 to 2030*. Available at: <https://www.rodnaravnopravnost.gov.rs/sites/default/files/2022-08/Akcioni%20plan%20za%20period%20od%202022-2023%20za%20sprovedjenje%20Strategije%20za%20rodnu%20ravnopravnost%202021-2030.pdf> [27. 4. 2023].
- Government of the Republic of Serbia, Coordination Body for Gender Equality (2022b), *Strategy for Prevention and Protection against Discrimination for the period 2022 – 2030*. Available at: <https://www.rodnaravnopravnost.gov.rs/index.php/sr/dokumenti/strategije-i-akcioni-planovi/nacionalna-strategija-prevencije-i-zastite-od-diskriminacije> [27. 4. 2023].
- Government of the Republic of Serbia, Ministry of Human and Minority Rights and Social Dialogue (2022), *Strategy for Social Inclusion of Roma in the Republic of Serbia for the period 2021–2030*. Available at: <https://www.minljmpdd.gov.rs/doc/strateska-dokumenta/Strategija-za-socijalno-ukljucivanje-Roma-i-Romkinja-2022-2030.pdf> [27. 4. 2023].
- World Bank Group, UNICEF (2022), *Review of public expenditures on social assistance in Serbia*. Available at: <https://www.unicef.org/serbia/media/23181/file/Pregled%20javnih%20rashoda%20za%20socijalnu%20pomo%20C4%87%20u%20Srbiji.pdf> [25. 4. 2023].

Priority Area 3

- European Commission (2022), *Serbia Report 2022*. Available at: https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/Serbia_Report_2022_SR.%5B1%5D.pdf [25. 4. 2023].
- European Commission (2021), *Serbia Report 2021*. Available at: https://www.mei.gov.rs/upload/documents/eu_dokumenta/godisnji_izvestaji_ek_o_napretku/izvestaj_ek_okto-bar_21.PDF [25. 4. 2023].

- Freedom House (2023), *Freedom in the World 2023 Serbia*. Available at: <https://freedom-house.org/country/serbia/freedom-world/2023> [25. 4. 2023].
- Freedom House (2022), *Nations in Transit 2022 Serbia*. Available at: <https://freedomhouse.org/country/serbia/nations-transit/2022> [25. 4. 2023].
- National Assembly of the Republic of Serbia (2022a), *Law on the Financing of Political Activities*, The Official Gazette of the Republic of Serbia, no. 14/2022–40.
- National Assembly of the Republic of Serbia (2022b), *Law on the Prohibition of Discrimination*, The Official Gazette of the Republic of Serbia, no. 22/2009–3, 52/2021–4.
- National Assembly of the Republic of Serbia (2022c), *Law on Prevention of Corruption*, The Official Gazette of the Republic of Serbia, no. 35/2019–6, 88/2019–3, 11/2021–3 (authentic interpretation), 94/2021–3, 14/2022–47.
- National Assembly of the Republic of Serbia (2022d), *The Law on Ministries*, The Official Gazette of the Republic of Serbia, no. 128/2020, 116/2022–3.
- National Assembly of the Republic of Serbia (2021), *Law on Gender Equality*, The Official Gazette of the Republic of Serbia, no. 52/2021–7.
- SIGMA/OECD (2017), *The Principles of Public Administration*.
- The World Bank, *The Worldwide Governance Indicators*. Available at: <https://info.worldbank.org/governance/wgi/Home/Report> [25. 4. 2023].
- Transparency International (2022), *Corruption Perception Index*. Available at: <https://www.transparency.org/en/cpi/2022/index/srb> [25. 4. 2023].
- Government of the Republic of Serbia (2022), *Strategy for Prevention and Protection against Discrimination for the period from 2022 to 2030*, The Official Gazette of the Republic of Serbia, br. 12/2022–58.
- Government of the Republic of Serbia (2021a), *Operational Plan for the prevention of corruption in areas of special risk*.
- Government of the Republic of Serbia (2021b), *Program for the Reform of the Local Self – Government System in the Republic of Serbia for the period from 2021 to 2025*.
- Government of the Republic of Serbia (2021c), *Gender Equality Strategy for the period from 2021 to 2030*, The Official Gazette of the Republic of Serbia, 103/2021–4.
- Government of the Republic of Serbia (2021d), *Public Administration Reform Strategy of the Republic of Serbia for the period 2021–2030*, The Official Gazette of the Republic of Serbia, br. 42/2021.
- Government of the Republic of Serbia (2020a), *Action plan for the implementation of the Open Government Partnership initiative in the Republic of Serbia for 2020–2022*.
- Government of the Republic of Serbia (2020b), *Action Plan for the Strategy for the Development of the Public Information System in the Republic of Serbia for the period from 2020 to 2025*, The Official Gazette of the Republic of Serbia, br. 148/2020–3.
- Government of the Republic of Serbia (2015), *Decision on the establishment of the Inter-Ministerial Working Group for the Implementation of the 2030 Agenda*, The Official Gazette of the Republic of Serbia, no. 113/2015–33, 67/2017–3, 95/2017–4, 120/2017–145, 104/2018–49, 8/2019–102.
- Government of the Republic of Serbia: Public Policy Secretariat of the Republic of Serbia (2021), *Draft Programme for the Improvement of Policy Management and Regulatory Reform with accompanying Action Plan 2021–2025*.

World Justice Project (2023), *Rule of Law Index*. Available at: <https://worldjusticeproject.org/rule-of-law-index/global/2022/Serbia/> [25. 4. 2023].

Priority Area 4

Electric Power Industry of Serbia (2023), „The Government adopts the decision on transition of EPS to JSC“. Available at: <https://www.eps.rs/lat/vesti/Stranice/19-23.aspx> [25. 4. 2023].

Eurostat (2023), *Eurostat database*. Available at: <https://ec.europa.eu/eurostat/data/database> [10. 4. 2023].

Fiscal Council (2022), *Assessment of the Proposed Budget Law of the Republic of Serbia for 2023 – Summary*. Available at: https://www.fiskalniasvet.rs/doc/ocene-i-misljenja/2022/FS-Rezime_Ocena_budzeta_2023.pdf [11. 4. 2023].

International Energy Agency (2023). Available at: <https://www.iea.org/>, [11. 4. 2023].

Julijana Vincan (2023), „Amendments to the Law on Planning and Construction are reducing citizens' participation in decision-making“, *Biznis.rs*. Available at: <https://biznis.rs/vesti/srbija/izmenama-zakona-o-planiranju-i-izgradnji-smanjeno-ucesce-gradjana-u-odlu-civanju/>, [11. 4. 2023].

MacInnes, P. (2021), „Wembley the headline act at Euro 2020 but ailing finances cast a shadow“, *The Guardian*. Available at: <https://www.theguardian.com/football/2021/jun/12/wembley-the-headline-act-at-euro-2020-but-ailing-finances-cast-a-shadow> [11. 4. 2023].

Ministry of Construction, Transport and Infrastructure (2023), *Draft law on Amendments to the Law on Planning and Construction*. Available at: <https://www.mgsi.gov.rs/cir/dokumenti/nact-zakona-o-izmenama-i-dopunama-zakona-o-planiranju-i-izgradnji> [11. 4. 2023].

Ministry of Economy, *Small and Medium Enterprises (SME) Strategy in the Republic of Serbia for the period 2023 – 2027 – proposal* (2023). Available at: <https://www.privreda.gov.rs/sites/default/files/documents/2023-01/finalna%20Strategija%20mspp%202023-2027%20za%20javnu%20raspravu.pdf> [11. 4. 2023].

National Assembly of the Republic of Serbia (2023a), *Draft Law on Occupational Health and Safety*. Available at: http://www.parlament.gov.rs/upload/archive/files/lat/pdf/predlozi_zakona/13_saziv/295-23%20-%20LAT.pdf [11. 4. 2023].

National Assembly of the Republic of Serbia (2023b), *Law on Innovation Activity*, The Official Gazette of the Republic of Serbia, no. 129/2021.

National Assembly of the Republic of Serbia (2023c), *Law amending the Personal Income Tax Law*. Available at: http://www.parlament.gov.rs/upload/archive/files/cir/pdf/zakoni/13_saziv/2510-22.pdf [11. 4. 2023].

National Assembly of the Republic of Serbia (2021), *The Law on Electronic Invoicing*. The Official Gazette of the Republic of Serbia, no. 44/2021, 129/2021 and 138/2022.

Obradović, M. (2022), „Is Serbia able to pay its loans“, *Nova ekonomija*. Available at: <https://novaekonomija.rs/vesti-iz-izdanja/moze-li-srbija-da-placa-svoje-kredite> [11. 4. 2023].

The Public Policy Secretariat of the Republic of Serbia (2023), „Preparation of the Draft Decree on the Procedure for the Preparation of the Draft Development Plan begun. Available at: <https://rsjp.gov.rs/sr/vesti/zapocet-rad-na-izradi-uredbe-o-postupku-pripreme-plana-razvoja/> [23. 3. 2023].

Statistical Office of the Republic of Serbia (2023), *Research and development activity, 2021*, Statistical release number 231. Available at: <https://publikacije.stat.gov.rs/G2022/Pdf/G20221231.pdf> [23. 3. 2023].

Talas (2019), „Low private investments in Serbia are lower than indicated“. Available at: <https://talas.rs/2019/08/16/niske-privatne-investicije-u-srbiji-nize-su-nego-sto-se-vidi/> [11. 4. 2023].

Priority Area 5

Belgrade Center for Human Rights (2023), *Report on the human rights of young people in the Republic of Serbia in 2022* (report is being prepared).

Eurostat (2023a), *Employment rates of recent graduates*. Available at: <https://ec.europa.eu/eurostat/databrowser/view/tps00053/default/table?lang=en> [10. 4. 2023].

Eurostat (2023b), *Young people neither in employment nor in education and training by sex, age and educational attainment level (NEET rates)*. Available at: https://ec.europa.eu/eurostat/databrowser/view/EDAT_LFSE_21__custom_5878908/default/table?lang=en [10. 4. 2023].

Priority Area 6

Energy Community Secretariat (2022), *Annual Implementation Report 2022*. Available at: <https://www.energy-community.org/news/Energy-Community-News/2022/12/07.html> [23. 2. 2023].

Eurostat (2023a), *Final energy consumption by sector*. Available at: <https://ec.europa.eu/eurostat/databrowser/view/ten00124/default/table?lang=en> [23. 2. 2023].

Eurostat (2023b), *Resource productivity*. Available at: https://ec.europa.eu/eurostat/databrowser/view/ENV_AC_RP/default/table?lang=en&category=env.env_mrp [23. 2. 2023].

International Energy Agency (2023). Available at: <https://www.iea.org/> [11. 4. 2023].

Ministerial Council of the Energy Community (2022), *Decision of the Ministerial Council of the Energy Community No 2022/02/MC-EnC on amending Ministerial Council Decision No 2021/14/MC- EnC amending Annex I to the Treaty Establishing the Energy Community and incorporating Directive (EU) 2018/2001, Directive (EU) 2018/2002, Regulation (EU) 2018/1999, Delegated Regulation (EU) 2020/1044, and Implementing Regulation (EU) 2020/1208 in the Energy Community acquis communautaire*.

Ministry of Mining and Energy (2022), Public calls. Available at: <https://www.mre.gov.rs/tekst/94/javni-pozivi.php> [23. 2. 2023].

Ministry of Mining and Energy (2021), *The Fourth Energy Efficiency Action Plan of the Republic of Serbia for the period until 31 December 2021*, The Official Gazette of the Republic of Serbia, no. 86/21.

Ministry of Environmental Protection (2022), „Circular Economy Development Programme in the Republic of Serbia with Action plan adopted“. Available at: <https://www.ekologija.gov.rs/saopstenja/vesti/usvojen-program-razvoja-cirkularne-ekonomije-u-republici-srbiji-sa-akcionim-planom> [23. 2. 2023].

Statistical Office of the Republic of Serbia (2023), *Bulletin – Energy balances 2021*. Available at: <https://publikacije.stat.gov.rs/G2023/Pdf/G20235693.pdf> [23. 2. 2023].

Government of the Republic of Serbia (2022a), *Energy balance of the Republic of Serbia 2022*, The Official Gazette of the Republic of Serbia, br. 4/2022.

- Government of the Republic of Serbia (2022b), *Economic Reform Programme (ERP) 2022–2024*. Available at: https://www.mfin.gov.rs/upload/media/1Maq2a_6246eba00ce4e.pdf [23. 2. 2023].
- Government of the Republic of Serbia (2021), *Decision on the cessation of application of certain public policy documents*, The Official Gazette of the Republic of Serbia, no. 109/2021). Available at http://demo.paragraf.rs/demo/combined/Old/t/t2021_11/SG_109_2021_010.htm [23. 2. 2023].
- Government of the Republic of Serbia (2020), *Industrial policy strategy of the Republic of Serbia from 2021 to 2030*, The Official Gazette of the Republic of Serbia, no. 35/2020–3.
- World Bank (2023), *Energy intensity level of primary energy (MJ/\$2017 PPP GDP) – Europe & Central Asia*. Available at: <https://data.worldbank.org/indicator/EG.EGY.PRIM.PP.KD?locations=Z7> [23. 2. 2023].

Priority Area 7

- Serbian Environmental Protection Agency (2022a), *Waste Management in the Republic of Serbia in the period 2011–2020*. Available at: http://www.sepa.gov.rs/download/Upravljanje_otpadom_2011–2021.pdf [23. 2. 2023].
- Serbian Environmental Protection Agency (2022b), *State of the Environment Report in the Republic of Serbia 2021*.
- Serbian Environmental Protection Agency (2022c), *Annual Report of the Republic of Serbia on Air Quality 2021*.
- Belgrade Open School (BOŠ) and Renewables and Environmental Regulatory Institute (RERI) (2022), *The air is clean until proven otherwise: Analysis of the report on the state of air quality in Serbia for the year 2021*. Available at: https://www.bos.rs/ekz/uploaded/BOS_RERI_Kvalitet%20vazduha%202021_Publikacija.pdf, [23. 2. 2023].
- Institute of Public Health of Serbia (2022), *Report on drinking water quality from public waterworks and public water facilities in the Republic of Serbia 2021*. Available at: <https://www.batut.org.rs/download/izvestaji/higijena/Godisnji%20vode%20za%20pice%202021.pdf> [23. 2. 2023].
- Ministry of Environmental Protection (2022a), *Action Plan for the Waste Management Program in the Republic of Serbia in the period 2022 to 2024*. Available at: <https://bit.ly/3JgLzUK> [23. 2. 2023].
- Ministry of Environmental Protection (2022b), *National Determined Contribution (NDC) of the Republic of Serbia for the period 2021 – 2030*. Available at: https://www.klimatskepromene.rs/ndc_serbia_serbian/ [4. 4. 2023].
- Ministry of Environmental Protection (2022c), *Circular economy development programme in the Republic of Serbia for the period 2022–2024*.
- Ministry of Environmental Protection (2022d), *The Waste Management Program in the Republic of Serbia for the period 2022 – 2031*. Available at: <https://srd.rs/wp-content/uploads/2022/02/Program-upravljanja-otpadom-u-Republici-Srbiji-za-period-2022–2031.-godine.pdf> [23. 2. 2023].
- Ministry of Environmental Protection (2022e), *Programme of Air Protection of the Republic of Serbia for the period from 2022 to 2030 with the Action Plan*.

- Ministry of Environmental Protection (2020), *Public review of the draft Second National Communication of the Republic of Serbia under the United Nations Framework Convention on Climate Change*. Available at: <https://www.ekologija.gov.rs/informacije-od-javnog-znacaja/javne-rasprave/javni-uid-na-nacrt-drugog-dvogodisnjeg-azuriranog-izvestaja-prema-okvirnoj-konvenciji-un-o-promeni-klime> [4. 4. 2023].
- Ministerial Council of the Energy Community (2022), *Decision of the Ministerial Council of the Energy Community No 2022/02/MC-EnC on amending Ministerial Council Decision No 2021/14/MC- EnC amending Annex I to the Treaty Establishing the Energy Community and incorporating Directive (EU) 2018/2001, Directive (EU) 2018/2002, Regulation (EU) 2018/1999, Delegated Regulation (EU) 2020/1044, and Implementing Regulation (EU) 2020/1208 in the Energy Community acquis communautaire*.
- National Assembly of the Republic of Serbia (2014), *Law on protection and sustainable use of fish stock*, The Official Gazette of the Republic of Serbia, no. 128/2014.
- The Public Policy Secretariat of the Republic of Serbia (2020), *Serbia and public policy – Mapping the National Strategic Framework vis-a-vis the Sustainable Development Goals*. Available at: <https://rsjp.gov.rs/wp-content/uploads/Srbija-i-Agenda-2030-novembar-2020.-lat.pdf> [4. 4. 2023].
- Statistical Office of the Republic of Serbia (2022), *Drinking water supply and urban wastewater*. Available at: <https://publikacije.stat.gov.rs/G2022/Html/G2022129.html> [6. 4. 2023].
- Statistical Office of the Republic of Serbia (2020), Table 13.1.1a „Deaths, missing persons and directly affected persons attributed to disasters per 100,000 population”. Available at: Statistical Office of the Republic of Serbia (2018), Table 13.1.3b „Number of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies”. Available at: <https://data.stat.gov.rs/Home/Result/SDGUN13010302?caller=SDGUN&languageCode=sr-Latn#> [4. 4. 2023].
- <https://data.stat.gov.rs/Home/Result/SDGUN13010101?caller=SDGUN&languageCode=sr-Cyrl> [20. 4. 2023].
- Government of the Republic of Serbia (2023), *2023 – 2026 Action Plan for the implementation of the Government Program*. Available at: https://www.srbija.gov.rs/extfile/sr/686961/akcioni_plan_za_sprovodjenje_programa_vlade_2023-2026_cyr8.pdf [5. 4. 2023].
- Government of the Republic of Serbia (2022a), *Law on the Ratification of the Loan and Financing Agreement between KfW, Frankfurt am Main and the Republic of Serbia for the “Water and Sewerage Programme in Medium-Sized Municipalities in Serbia (phase II)”*, The Official Gazette of the Republic of Serbia – International agreements”, no. 4/2022.
- Government of the Republic of Serbia (2022b), *National Programme for the Adoption of the European Union acquis 2022–2025*. Available at: https://www.mei.gov.rs/upload/documents/nacionalna_dokumenta/npaa/NPAA_2022-2025_002.pdf [23. 2. 2023].
- Government of the Republic of Serbia (2021), *Law on Climate Change*, The Official Gazette of the Republic of Serbia, 26/2021.
- Government of the Republic of Serbia (2020a), *Regulation on the establishment of the Packaging Waste Reduction Plan for the period from 2020 to 2024*. Available at: <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/81/3/reg> [23. 2. 2023].
- Government of the Republic of Serbia (2020b), *Regulation on the establishment of the Packaging Waste Reduction Plan for the period from 2020 to 2024*. Available at: <http://www.pravno-informacioni-sistem.rs/SlGlasnikPortal/eli/rep/sgrs/vlada/uredba/2020/81/3/reg> [23. 2. 2023].

Government of the Republic of Serbia (2016), *Rulebook on declaration and protection of strictly protected and protected wild species of plants, animals and fungi*, The Official Gazette of the Republic of Serbia, no. 98/2016.

Priority area 8

Convention on Biological Diversity (2022), *Decision adopted by the Conference of the Parties to the Convention on Biological Diversity – Kunming-Montreal Biodiversity Framework*. Available at: <https://www.cbd.int/doc/decisions/cop-15/cop-15-dec-04-en.pdf> [3. 4. 2023].

Dudley, N. (2008). *Guidelines for Applying Protected Area Management Categories*, Gland: IUCN. WITH Stolton, S., P. Shadie and N. Dudley (2013). *IUCN WCPA Best Practice Guidance on Recognising Protected Areas and Assigning Management Categories and Governance Types, Best Practice Protected Area Guidelines Series No. 21*, Gland: IUCN. Available at: <https://portals.iucn.org/library/sites/library/files/documents/pag-021.pdf> [2. 4. 2023].

Klima 101 (2022), *A historic decision: UN Summit concludes with 'historic' deal to protect a third of the world's biodiversity land and oceans by 2030*. Available at: <https://klima101.rs/un-samit-o-biodiverzitetu-sporazum-kunming-montreal/> [3. 4. 2023].

Ministry of Finance (2023), *Citizens' Guide to the Budget of the Republic of Serbia*. Available at: <https://mfin.gov.rs/dokumentiz/gradjanski-budzet> [31. 3. 2023].

Ministry of Environmental Protection (2022a), „Information regarding the application of Article 9 of the Law on Nature Protection as of 1. January 2022“. Available at: <https://bit.ly/3CwwlHl> [3. 4. 2023].

Ministry of Environmental Protection (2022b), „Announcements – Nature protection“. Available at: <https://www.ekologija.gov.rs/obavestjenja/zastita-prirode?page=0> [31. 3. 2023].

National Assembly of the Republic of Serbia (2022), *Third session of the Culture and Information Committee*. Available at: http://www.parlament.gov.rs/Tre%C4%87a_sednica_Odbora_za_kulturu_i_informisanje.45964.941.html [31. 3. 2023].

The Public Broadcasting Service of Vojvodina (2021), „Preparation of the National Road Safety Strategy started“. Available at: https://www.rtv.rs/sr_lat/drustvo/pocela-izrada-nacionalne-strategije-o-bezbednosti-saobracaja_1285291.html [31. 3. 2023].

Institute for Nature Conservation of Serbia (2023), *Central Register of Protected Natural Resources*. Available at: <https://www.zzps.rs/wp/centralni-registar/> [31. 3. 2023].



This report was produced within the "SDGs For All" Platform, supported by the Governments of Switzerland and Germany and implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. For further information, please contact us by email at info@sdgs4all.rs



ISBN 978-86-81402-24-5



9 788681 402245