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## **EUROPEAN SOCIAL CHARTER**

2<sup>nd</sup> National Report on the implementation of  
the European Social Charter

submitted by

**THE GOVERNMENT OF BOSNIA & HERZEGOVINA**

(Articles 1, 9 and 20  
for the period 01/12/2008 – 31/12/2010)

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**CYCLE 2012**



**BOSNIA AND HERZEGOVINA**

**THE SECOND REPORT OF BOSNIA AND HERZEGOVINA ON  
IMPLEMENTATION OF THE EUROPEAN SOCIAL CHARTER  
/REVISED/**

**ARTICLES 1, 9 AND 20  
(GROUP I: EMPLOYMENT, TRAINING AND EQUAL  
OPPORTUNITIES)**

**REPORTING PERIOD:  
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## **INTRODUCTION**

Bosnia and Herzegovina ratified the European Social Charter (revised) on 7 October 2008 and delivers its second Report on implementation of accepted provisions of the European Social Charter (revised) in accordance with Article 21 thereof.

This Report includes provisions of the European Social Charter (revised) from the first thematic group (employment, training and equal opportunities), specifically relating to Articles 1, 9 and 20, which Bosnia and Herzegovina accepted by ratifying the Charter, for the period 2008 – 2010.

The Report was prepared in accordance with the new reporting system, which was adopted by the Committee of Ministers of the Council of Europe on 31 October 2007, and in accordance with the form for reports to be submitted on the implementation of accepted provisions of the European Social Charter (revised)<sup>1</sup> and concentrates on all relevant information on adopted measures for the purpose of its implementation, on the following in particular:

- 1) the legal framework – any laws or regulations, collective agreements or other provisions that contribute to such application;
- 2) measures taken (administrative arrangements, programmes, action plans, projects etc.) to implement the legal framework;
- 3) pertinent figures, statistics or any other relevant information enabling an evaluation of the extent to which these provisions are applied.

All instructions derived from the interpretation of articles of the Charter given by the European Committee for Social Right and summed up as the Digest of the Case Law were taken into account so that the subject-matter of the provisions can be fully clear.

The Report is accompanied with the annex consisting of the main laws and regulations forming a foundation for implementation of the accepted provisions of the Charter, in the electronic version and in the language of the original.

- In its responses, Bosnia and Herzegovina, whenever appropriate, was explicit in explaining:
- a. whether provisions concern the situation of nationals or whether they apply equally to the nationals of the other Parties;
  - b. whether they are valid for the national territory in its entirety;
  - c. whether they apply to all categories of persons included in the scope of the provisions.

The required information, statistical data in particular, is presented for the reporting period (2008 – 2010).

In accordance with Article 23 of the European Social Charter (revised), copies of this Report have been communicated to relevant employers' organizations and trade unions:

- The Confederation of Independent Trade Unions of Bosnia and Herzegovina,
- The Confederation of Trade Unions of the Republika Srpska,
- The Trade Union of Brčko District of Bosnia and Herzegovina,
- The Association of Employers of Bosnia and Herzegovina,
- The Association of Employers of the Federation of Bosnia and Herzegovina,
- The Association of Employers of the Republika Srpska,
- The Association of Employers of Brčko District of Bosnia and Herzegovina.

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<sup>1</sup>Adopted by the Council of Europe Committee of Ministers on 26 March 2008.

### **Article 1 – The right to work**

With a view to ensuring the effective exercise of the right to work, the Parties undertake:

1. to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;
2. to protect effectively the right of the worker to earn his living in an occupation freely entered upon;
3. to establish or maintain free employment services for all workers;
4. to provide or promote appropriate vocational guidance, training and rehabilitation.

### **Article 1, paragraph 1 – The right to work**

With a view to ensuring the effective exercise of the right to work, the Parties undertake:

1. to accept as one of their primary aims and responsibilities the achievement and maintenance of as high and stable a level of employment as possible, with a view to the attainment of full employment;

### **Question 1. Please describe national employment policy and the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

#### **Answer:**

Pursuant to Article I, paragraph 2 and 3 of the Constitution of Bosnia and Herzegovina, (hereafter: BiH), BiH is a complex democratic country consisting of two entities: the Federation of Bosnia and Herzegovina (hereinafter: the FBiH) and the Republika Srpska (hereinafter: the RS) and Brčko District of Bosnia and Herzegovina (hereinafter: the BD) as an autonomous administrative unit founded by the International Arbitration in 2000.

The whole country consists of 14 administrative and governing units, with five levels of administration.

The FBiH consists of 10 Cantons. The Cantons consist of municipalities. There are 79 municipalities in the FBiH.

The RS consists of 62 municipalities.

Pursuant to Article III, paragraph 3 of the Constitution Bosnia and Herzegovina, entities (FBiH and RS) and BD are responsible for regulating independently labour and employment as an inherent part of social policy.

Article II of the Constitution of Bosnia and Herzegovina provides the following:

1. Human Rights: Bosnia and Herzegovina and both Entities shall ensure the highest level of internationally recognized human rights and fundamental freedoms.

2. International Standards: The rights and freedoms set forth in the European Convention for the Protection of Human Rights and Fundamental Freedoms and its Protocols shall apply directly in Bosnia and Herzegovina. These shall have priority over all other law.

3. Enumeration of Rights: All persons within the territory of Bosnia and Herzegovina shall enjoy the human rights and fundamental freedoms referred to in paragraph 2 above; including, inter alia, e:

- The Constitution of the Federation of Bosnia and Herzegovina, Title II – Human Rights and Fundamental Freedoms, Article 1 prescribes that principles, rights and freedoms as stated in Article II of the BiH Constitution shall be applied throughout the territory of BiH and that FBiH shall ensure the application of the highest level of internationally recognized rights and freedoms for all persons living within the territory of FBiH, the right to work being among the listed rights (Article II, paragraph 2. I).

Pursuant to the provisions of Article III, paragraph 2 e) the FBiH and Cantons are responsible for social policy, i.e. FBiH authorities have the right to make policies and enact laws.

- The Constitution of the Republika Srpska Title II, with the same title as in the Constitution of the FBiH: Human Rights and Fundamental Freedoms, Articles 10 – 49 regulate human rights and fundamental freedoms.

Articles 30 – 40 regulate the right to work, freedom to work, right to limited working hours, holidays and leave in accordance with the law and collective agreement, safety at work, while children, women and persons with disabilities enjoy special protection.

- The Brčko District of Bosnia and Herzegovina Statute in Title I, Article 13 provides that rights and freedoms shall be guaranteed to all people without discrimination by the Constitution of BiH, laws in BiH, the European Convention on Human Rights, the Statute and laws of BD.

### **Active Employment Policy Measures**

BiH has a complex system of labour and employment authorities following the constitutional and legal structure of the country. Pursuant to the valid legislation, the following authorities implement employment policies:

- FBiH Institute of Employment and Cantonal Employment Offices,
- Employment Institute of RS
- Employment Institute of BD.

All activities carried out, especially active employment policy measures, are in line with the basic objective of the 2010-2014 Employment Strategy of BiH. The objective is to increase the quality and quantity of jobs while promoting social inclusion and the fight against gender inequalities. The 2010-2014 Employment Strategy of BiH identifies priority goals and they are:

1. Promotion of inclusive and employment-rich growth and deficit reduction of productive employment and decent work,
2. Improving the employability of women and men, especially in the most vulnerable groups,
3. Improving the effectiveness, efficiency and policy management and labour market institutions management.

The third objective includes the measures related to increasing the availability of active

measures, especially for the long-term unemployed, disadvantaged youth and unqualified people and a proposed programme of active measures which would include:

-Subsidized employment to facilitate acquisition of work experience by the long term unemployed and groups that are remote from the labour market;

-Self-employment programmes targeted at disadvantaged youth and women supported by tax breaks and other incentives such as business counselling and training;

-Intervention in vocational training for skill development and facilitation of integration into the labour market of persons with low educational levels;

In the FBiH, an active employment policy is implemented in accordance with Article 50 of the Law on Mediation in Employment and Social Security of Unemployed Persons, the 2009-2013 FBiH Employment Strategy and 2009-2013 Action Plan for Employment in the FBiH, the annual programmes of the FBiH Employment Agency and Cantonal Employment Offices and the Decision on Allocation of the FBiH Employment Institute to Meet Needs in Employment.

Action Plan was adopted by the Government of the FBiH in August. It includes measures that are derived from the situation analysis and objectives defined in the Employment Strategy of FBiH.

Measures from the Action Plan will result, primarily, in reduction of the rate of long-term unemployment and the number of other hard-to-employ unemployed people.

Measures that should lead to fulfilling this objective are set forth in four chapters and include institutional measures, the establishment of coordinating mechanisms between institutions and stakeholders to improve the education system and establishment of lifelong learning, and measures that target the whole population of unemployed people and specific subgroups, such as unemployed women, youth, disabled persons, members of the Roma community and the long-term unemployed.

*Measures to prevent long-term unemployment, inactivity and social exclusion and poverty of the working-age population are:*

- providing education and training, vocational training and retraining of the long-term unemployed;
- providing entrepreneurial training of and consulting services in support of entrepreneurship to the long-term unemployed;
- providing net wage subsidies to employers who employ persons with disabilities, Roma, women and older work force with completed secondary vocational school;
- providing subsidies for taxes and contributions for employers that employ persons with disabilities, Roma, women and older work force with completed secondary vocational school;
- providing support to self-employment, i.e. support for establishing one's own business to people with disabilities, Roma, women and older work force with completed secondary vocational school.

*Measures to improve the match of labour supply and demand are:*

- Establishing a system of labour demand monitoring;

- Involvement of NGOs in the design of active labour market measures;
- Providing the institutions for education and training with the information on demand in the labour market;
- Improving internal capacities of employment services;
- Improving cooperation with private agencies for mediation in employment;
- Introduction of compulsory internship in the curricula of higher education institutions, increase the number of required hours of practical work teaching in secondary schools.

*Measures to expand and improve investments in human resources and adapting the educational and training system to labour market demands:*

- Establishing a system for providing guidelines for the career development and education;
- Reform of the curriculum of secondary vocational schools in order to increase the number of required hours of practical work adapted to labour market demands;
- Creating a unified system of education and training of adults, with adequate recognition of achievement in education and training;
- Improvement of training in basic skills and general education for people with low- and middle-level education;
- Establishing a cross-sector group to create a formal forum and cooperation procedures;
- Training by the employment services in order for people who are actively seeking a job to acquire computer skills;
- Organizing training for job search and labour market information for high school seniors and graduates at universities;
- Providing improving of the relevant knowledge and skills for young people leaving school and who have not found a job in the next 6 months;
- Designing an efficient information system of the labour market (vacancies) for high school seniors and graduates at universities;
- Create a system of detection and tracking of graduates and those who are leaving primary school, secondary and higher education.

*Measures to strengthen social and territorial integrity and integration through entrepreneurship are:*

- Promoting a system of learning about entrepreneurship; support to developing and evaluating business plans and training for entrepreneurship;
- Providing easier access to finance sources for entrepreneurship at an early stage of development, by allocating loans and grants.

Measures under Action Plan will be implemented by the FBiH Employment Service in cooperation with the cantonal employment services.

In accordance with the Law on Mediation in Employment and Entitlements During Unemployment, the RS defines employment policies in planning and development documents of the RS. These documents are:

- Economic Policy of the Government of RS for each calendar year
- Work plan and programme of the Employment Service.

Efficient efforts in the labour market imply further development of active policies,

employment projects being a significant part of the activities. When it comes to the implementation of projects, we should underline that the activities were implemented in two directions: employment projects prepared and implemented by the Employment Service of Republika Srpska and projects implemented in cooperation with other partners and organizations, mainly international ones.

In the course of these activities over 30 workshops with the unemployed and several round tables with employers were held. In cooperation with the Spectar Agency and other partners in the implementation of the "Youth Employment Project - YEP", workshops were organized in the branches of Eastern Sarajevo, Bijeljina and Trebinje. In the course of implementation of the "Youth Employment Project - YEP" in Banja Luka, the first job search club - Job Club (first-ever in Bosnia and Herzegovina) was equipped and opened. The main function of the Club is to provide unemployed people aged 18-30 years who have been registered for more than one year with assistance and guidance in job seeking. Unemployed people who are members of the Club have access to Internet and databases of businesses, they are trained in actively searching for work and writing a CV. Advisory services by employees of the club and educational materials are also available to them.

In the course of the implementation of active measures in 2010, some progress in matters relating to professional information and advice, i.e. in the function of career orientation, was achieved. In cooperation with German Technical Cooperation (GTZ) for vocational education and training, a pilot project at the regional level titled "Creating the conditions for the transfer of the young to the world of employment in the Western Balkans" (West Balkan Project) was implemented. The goal of the project is enhancement of vocational guidance in the Western Balkans, where the process of professional guidance takes place in five stages, i.e. "Five-staged model". A "Multiplier's Manual" and "Teacher's Manual" were prepared as a result of the training and work with teachers. The manuals were distributed to schools that participated in the project and will certainly contribute to the successful development of professional orientation. Implementation of the project in schools in East Sarajevo began in November 2009 and was completed in May 2010.

in the past year, the Institute took active part in creating the enrolment policy, especially from the aspect of labour market demands in the RS. Anyway, cooperation with institutions of education and other entities contributes to prevention of unemployment and timely taking of measures in the labour market.

Articles 15-22 of the BD Law on Mediation in Employment and the Rights during Unemployment regulate the matter of active employment policy and other measures and activities relevant to this matter.

An active employment policy programme is issued by the Mayor and implemented by the Employment Institute. The programme regulates priorities, measures and funds for its implementation, particularly measures to encourage new employment, employment of the disabled, self-employment ... The programme can be funded from the BD budget, gifts, grants, loans, contributions and other funds of the Institute.

Article 18 Paragraph 1 of the Employment Law provides: "The Institute may participate in the implementation of employment programmes funded by foreign countries and local and international specialized organizations."

Article 20 of the Employment Law provides for the possibility of incentives and benefits for

employers who create new jobs and employ a large number of unemployed, with the aim of maximizing efficiency in achieving higher employment rates.

In BD, implementing of programmes and measures of active employment policy is one of the key activities of the BD Employment Institute, which aims at reducing unemployment by supporting the programmes of employers for new employment and professional development, training and preparation for employment. In previous years the Employment Institute of BD implemented active measures under work programmes and measures of active employment policy, which was funded by BD from the budget grant. 843 persons got employment on the basis of active measures funding new jobs.

Programmes implemented by the Employment Institute of BD in the reporting period, which are partly or entirely related to employment, are:

Employment Programme for Older Persons,  
Employment Programme for Persons with Special Needs,  
The employment of apprentices/interns,  
Programme of Preparation for the Labour Market  
Employment Programme for Older Persons  
Employment Programme for Persons on the records of the Employment Institute, waiting for a job for more than five years  
Employment Programme for Roma.

### **Rights during unemployment (passive measures)**

In BiH (FBiH, RS and BD), rights of the unemployed are regulated by Laws on Mediation in Employment and Social Security of Unemployed Persons.

The FBiH Law on Mediation in Employment and Social Security of Unemployed Persons („Official Gazette of FBiH“ 55/00, 41/01, 22/05, 9/08) provides for rights and duties of the FBiH in determining and implementing all measures for encouragement and improvement of conditions of employment, basic principles of mediation in employment, financial and social security of unemployed persons during temporary unemployment, establishment, organization and operation of the FBiH Employment Service and Public Employment Services in Canton, funding of all employment-related activities and other issues, while respecting the jurisdiction of the cantons and their differences.

Pursuant to the Law on Mediation in Employment and Social Security of Unemployed Persons of FBiH, all unemployed persons are entitled to register with the Employment Service and to exercise their rights in the FBiH under equal conditions. The FBiH Institute and cantonal employment services perform their statutory duty not to discriminate anyone, so unemployed persons are registered by the Institute without regard to ethnic, religious or other affiliation, and all persons are equal in obtaining employment, either in the regular course of playing the role of intermediary, either within co-funding of new employment.

An unemployed person in the sense of this Law is a person capable of work and not employed, provided that:

- a) he/she has not registered a company or other legal entity, or does not get dividends on the grounds of ownership stake in a company or some other legal entity;
- b) he/she has not registered a craft;
- c) he/she does not work in agriculture;

- d) he/she does not draw a pension in accordance with the legislation on a pension scheme and disability insurance;
- e) he/she is not a full-time pupil or student;
- f) he/she does not receive any income;
- g) he/she actively seeks job.

Persons under points a) and f) are considered unemployed when their monthly income does not exceed 25% of the last year's average salary according to the FBiH Statistics Institute.

Pursuant to Article 3.b of this Law, the Employment Service shall cease keeping an unemployed person in the main registration files if this person: enters into an employment contract; refuses an adequate job; is found working without employment contract or written statement of the employer, registers a company or some other legal entity or gets dividends on the grounds of ownership stake in a company or some other legal entity in an amount above 25% of average salary in the previous year released by the FBiH Institute of Statistics; registers a craft and gets an income on whatever grounds in a monthly amount above 25% of average salary in the previous year released by the FBiH Institute of Statistics; starts working in agriculture; meets requirements for pension under the pension scheme and disability insurance; enters the military service; begins serving a prison sentence, a security, protection or correctional measure in duration of more than 6 months; reaches the age of 65; refuses to take part in an educational programme organized and paid by the Employment Service for persons of his or her qualification level aimed at increasing his or her employability, or if he or she quits or fails to finish such an educational programme without any justified reason; fails to report to the Employment Service without a justified reason for two continuous months and does not inform the Employment Service on the justified reasons for non-reporting; fails to meet the active job-seeking requirements; cancels his/her registration with the Employment Service; receives monetary compensation at his/her request in a lump sum which is paid in an amount depending on the specified duration of entitlement to compensation under this law for the establishment of a company, workshop or other form of self-employment individually or with another person; the status of a regular pupil or student;

Persons whose name the Employment Service ceased to keep in the main registration files pursuant to Article 3.b may re-apply for registration in the main registration files after cessation of the circumstances that led to their striking off, except in cases where an unemployed person is found to be working without an employment contract or written statement by the employer, i.e. decision on employment or appointment or when he/she fails to report to the Employment Service two consecutive times, not having informed the Employment Service about justified reasons for non-reporting, when the deadline for re-registration is six months from the date of striking off.

Also, an unemployed person who has received unemployment compensation in a lump sum under Article 30a, paragraph 2 of this law cannot apply for registration with the Employment Services before the expiry of the period for which he/she received the compensation.

Employees ensure their financial and social security in the period of unemployment under Article 28 this Law primarily by paying for unemployment insurance. The financial and social security includes the right to:

- financial compensation;
- contributions to Health Insurance;
- contributions to Pension Insurance;

### Financial compensation

An unemployed person shall be entitled to financial compensation under Article 29 of the Law on Mediation in Employment and Social Security of Unemployed Persons if he/ she has at the moment of termination of his/her employment he/she has been working for at least eight months uninterruptedly or eight months with interruptions in the last 18 months, provided that the required time at work includes only the pensionable service as governed by the legislation on the system of taxes and mandatory contributions. When determining eligibility for unemployment compensation a period of 12 months is counted as a year of work and part-time work is converted into full time work.

In order to exercise the entitlement to financial compensation under Article 33, an unemployed person has to report to the Employment Service and submit an application within 30 days after the termination of his/her employment contract or de-registration of self-employment. An unemployed person that misses the application deadline for a justified reason may report and submit an application to the Employment Service within 30 days from the day the reasons for missing the deadline have been terminated. The justified reason is any temporary inability to work according to the legislation on health insurance. This article also provides that an unemployed person will not be afforded financial compensation if he/she files an application after the expiry of the period covered by the entitlement to financial compensation under this Law.

Article 36 of the Law determines that an unemployed person shall not be entitled to financial compensation if he/she terminates employment contract on his/her own accord or if he/she is found to have voluntarily terminated the employment without any justified reason.

According to Article 30 of the Law, an unemployment benefit amounts to 40% of the average net salary paid in the FBiH in the last three months before the termination of employment of the unemployed person, which is published by the FBiH Statistics Institute, and is paid 3-24 months depending on the period of employment in the following manner:

- a) 3 months if he/she has been employed for 8 months to 5 years;
- b) 6 months if he/she has been employed for 5 to 10 years;
- c) 9 months if he/she has been employed for 10 to 15 years;
- d) 12 months if he/she has been employed for 15 to 25 years;
- e) 15 months if he/she has been employed for 25 to 30 years;
- f) 18 months if he/she has been employed for 30 to 35 years and
- g) 24 months if he/she has been employed for 35 years.

An unemployed person who received full financial compensation once can regain the right to financial compensation after having been employed anew but, in pursuance of Article 29 of this Law, only for the period of employment after the expiration of the right to financial compensation.

An unemployed person whose entitlement to unemployment benefit stopped because of new employment before the expiry of the period of entitlement to financial compensation, who again became unemployed, except for reasons specified in Article 36 of this Law, continues receiving the financial compensation for the remaining period if it is more favourable for him/her.

Article 38 determines that the payment of compensation to an unemployed person interrupts:

- a) while serving military service or a part of military service;

- b) while serving a prison sentence in duration of more than six months.

Paragraph 2 of this Article provides that the payment of financial compensation to an unemployed person shall resume for the remaining period a person is entitled to receive financial compensation, provided he/she reports to the Employment Service within 30 days after the circumstances that led to the suspension came to an end.

Article 44 provides that entitlements of an unemployed person under this Law shall cease if he/she:

- a) fails to take up an adequate job without a justified reason;
- b) gave false information when applying for financial compensation;
- c) enters into an employment contract; refuses an adequate job; is found working without employment contract or written statement of the employer, i.e. decision on employment or appointment; registers a company or some other legal entity or gets dividends on the grounds of ownership stake in accompany or some other legal entity in an amount above 25% of average salary in the previous year released by the FBiH Institute of Statistics; registers a craft and gets an income on whatever grounds in a monthly amount set forth in Article 3(2) of this Law; starts working in agriculture; meets requirements for pension under the pension scheme and disability insurance; enters the military service; begins serving a prison sentence, a security, protection or correctional measure in duration of more than 6 months; reaches the age of 65; refuses to take part in an educational programme organized and paid by the Employment Service for persons of his or her qualification level aimed at increasing his or her employability, or if he or she quits or fails to finish such an educational programme without any justified reason; fails to report to the Employment Service without a justified reason for two continuous months and does not inform the Employment Service on the justified reasons for non-reporting; fails to meet the active job-seeking requirements; cancels his/her registration with the Employment Service; receives monetary compensation; the status of a regular pupil or student;
- d) acts contrary to Article 39 of this Law providing for an obligation to report changes or changed circumstances which result in a change or the cessation of the rights within 15 days of the change.

Article 36 provides that an unemployed person shall not be entitled to financial compensation: a) if he/she terminates employment contract on his/her own accord; b) if he/she is found to have voluntarily terminated the employment without any justified reason.

Article 37 provides that a justified reason for voluntarily termination of the employment for the purpose of Article 36 of this Law is when, taken all circumstances into consideration, an employed person has no other possibility but to terminate the employment. This includes but is not limited to: sexual or other harassment; discrimination under Article 5 of the Labour Law; working conditions threatening health and security at work; employers' conduct in contravention of law; victimisation on the grounds of trade union or other employees' associations membership or non-membership."

In 2008, in FBiH, monthly financial compensation was paid to 5,361 unemployed persons on average. In comparison to 2007, the number of financial compensation beneficiaries decreased by 7.39%. For realization of this right, cantonal employment services paid BAM 22,927,081.93, which was BAM 1,808,871 more than in 2007, because a larger number of people received the unemployment benefit for a long period of time and because the average net salary recorded steady growth.

In 2009, in FBiH, monthly financial compensation was paid to 8,162 unemployed persons. In comparison to 2008, the number of financial compensation beneficiaries increased by 49.9%. For realization of this right, cantonal employment services spent BAM 35,136,897.80, which was BAM 12,209,816.43 KM more than in 2008, not only because the number of unemployment benefit beneficiaries increased but also a larger number of people received the unemployment benefit for a long period of time. Due to the fact that cantonal employment services did not have sufficient funds for payment of benefits, they were forced to reduce the amount of monthly benefits to unemployed persons, in accordance with statutory provisions, in a ratio that would allow payment of compensation to all unemployed persons who are eligible for this compensation.

In 2010, in FBiH, monthly financial compensation was paid to 9,305 unemployed persons and cantonal employment services paid BAM 36,905,031.79.

#### Health insurance

Unemployed persons are provided with health and pension and disability insurance in the manner prescribed in Article 31 of the Law. Health insurance is provided to unemployed persons in accordance with the regulations on health insurance and pension and disability insurance is provided to an unemployed person who lacks up to three years of pensionable service, i.e. three years to meet requirements for old-age pension, in accordance with the regulations on pension and disability insurance. Article 31(1) of the Law on Mediation in Employment and Social Security of Unemployed Persons provides that health insurance is provided to unemployed persons in accordance with the regulations on health insurance, while Article 19 (12), 19(13) and 19(14) of the Law on Health Insurance provide under which circumstances an unemployed person registered with the Employment Service has obligatory health insurance.

Article 84 of the Health Insurance Law provides that the base, the method of calculation and payment of contributions for the unemployed shall be determined by regulations passed by the cantonal legislature on the proposal of Cantonal Health Insurance Fund.

In 2008, in FBiH, health insurance was paid to 193,572 unemployed persons on average per month. In comparison to 2007, the number of beneficiaries of this entitlement decreased by 9,17%. For realization of this right, cantonal employment services paid BAM 17,783,137.89.

In 2009, in FBiH, health insurance was paid to 193,309 unemployed persons on average per month. In comparison to 2008, the number of beneficiaries of this entitlement decreased by 0.14%. For realization of this right, cantonal employment services paid BAM 17,723,483.38.

In 2010, health insurance was paid to 206,739 unemployed persons and BAM 19,457,666.98 was spent.

#### Pension and disability insurance

Article 31 (2) of the Law on Mediation in Employment and Social Security of Unemployed Persons provides that the pension and disability insurance is provided to an unemployed person who lacks up to three years of pensionable service, i.e. three years to meet requirements for old-age pension, in accordance with the regulations on pension and disability insurance.

In 2008, in FBiH, this entitlement was exercised by 2,656 unemployed persons, which was 1,750 persons more than in the preceding year. For realization of this right, cantonal employment services paid BAM 2,221,322.27, which was BAM 1,007,839 more than in the preceding year.

In 2009, in FBiH, this entitlement was exercised by 1,786 unemployed persons, which was 870 less than in the preceding year. For realization of this right, cantonal employment

services paid BAM 1,292,828.26, which was less by BAM 928,494.01 than in the preceding year.

In 2010, in FBiH, this entitlement was exercised by 2,154 unemployed persons and BAM 1,196,009.06 was spent.

An overview of social security provided in FBiH, 2007-2010 (passive measures)

Year	Number of beneficiaries	BAM paid for financial compensation	Number of beneficiaries	BAM paid for health insurance	Number of beneficiaries	BAM paid for contributions to pension fund
2007	5,789	21,118,210	213,111	20,631,990	906	1,213,933
2008	5,361	22,927,081.93	193,572	17,783,137.89	2,656	2,221,322.27
2009	8,162	35,136,897.80	193,309	17,723,483.38	1,786	1,292,828.26
2010	9,305	36,905,031.79	206,739	19,457,666.98	2,154	1,196,009.06
<b>Total</b>	<b>28,617</b>	<b>116,087,222</b>	<b>806,731</b>	<b>75,596,278</b>	<b>7,502</b>	<b>5,924,093</b>

Source: FBiH Employment Institute

In RS, Article 3 of the Law on Mediation in Employment and Social Security of Unemployed Persons („Official Gazette of RS“ 24/09) provides that unemployed persons regardless of their race, colour, sex, religion, political or other opinion or conviction, national, ethnic or social affiliation or origin, property, trade union or political organisation or association membership or non-membership or physical or mental condition are guaranteed equal employment opportunity. This Article prohibits any discrimination on grounds of sex in the procedure of offering employment, open competition for vacancies, job vacancy offering, employment contract and cancellation of employment contract.

The Law on Mediation in Employment and Rights during Unemployment regulate mediation in employment, entities responsible for mediation in employment, recruitment in public works, insurance in the event of unemployment, entitlements of unemployed persons and requirements for the exercise and other issues important for structured employment in RS.

The Law clearly defines entitlements of the unemployed. According to the provisions of Article 35, any person who has registered with the Employment Service to seek a job has the right to information about employment opportunities, mediation in employment, vocational guidance, professional development and preparation for employment.

For the purpose of this Law, an unemployed person shall be a person who has registered with the Employment Service and who is fully or partly capable of work, aged between 15 and 65, not employed under employment contract or otherwise, actively seeks employment and is available for employment.

- It is considered that an unemployed person actively seeks job if he/she:

- a) reports to the Employment Service once in 60 days to get information about opportunities and conditions for and mediation in employment,
- b) does not refuse an adequate job or to take part in training and additional training under this Law,
- v) applies for vacancies reported to the Employment Service and
- g) seeks employment through the Employment Service and applies for employment directly to the employer.

The Employment Service keeps records on persons who do not actively seek employment but who registered with the Employment Service in order to exercise other rights.

Secondary school students, full-time university students, retired persons, owners of commercial farms and those whose labour rights rest are not considered the unemployed according to this law.

Article 36 of the Law on Mediation in Employment and Rights during Unemployment provides that an unemployed person whose employment was terminated without his request, consent or fault under the Labour Law and who, at the moment of termination of his/her employment, has been working for at least eight months uninterruptedly in the last 12 months or eight months with interruptions in the last 18 months, shall be entitled to

- financial compensation,
- Health Insurance and
- Pension and Disability Insurance.

The entitlements are exercised in the Institute and authorized funds on equal footing by both an unemployed person and a self-employed person who has ceased to perform an activity due to economic or technological reasons.

The entitlements above can be exercised by an unemployed person provided that contributions for unemployment insurance were paid for all workers during the prescribed minimum periods of insurance.

The entitlements under Articles 35 and 36 of this Law are exercised by a foreign citizen and stateless person under conditions set forth in this Law and the Law on Employment of Foreign Nationals and Stateless Persons („Official Gazette of RS“ 24/09).

The entitlements under Article 36 of this Law are exercised by an unemployed person from the first day of termination of his/her employment contract provided that he/she reports to the Employment Service and submit an application within 30 days after the termination of his/her employment contract. If he/she reports after an expiry of the deadline, he/she exercises the entitlements from the date of reporting to the Employment Service, benefits being reduced for the period of non-reporting.

Financial compensation is exercised by an unemployed person in the Employment Institute, while Health Insurance and Pension and Disability Insurance are exercised by authorized funds in accordance with the law.

These entitlements are exercised by an unemployed person provided that contributions for unemployment insurance were paid for all workers or the contributions are paid from the government budget, i.e. specific-purpose funds and other sources, during the prescribed minimum periods of insurance.

The period of payment of unemployment benefit depends on the years of pensionable service an unemployed person has, ranging from the minimum of one month and the maximum of 12 months.

Article 47 of the Law determines the amounts of unemployment benefit and they are:

- a) 35% of the average net salary paid to the unemployed person in the last three months of his/her employment, if he/she has up to 15 years of pensionable service

- b) 40% of the average net salary paid to the unemployed person in the last three months of his/her employment, if he/she has more than 15 years of pensionable service.

The amounts of unemployment benefit cannot be lower than 20% or higher of one average net salary paid in the RS in the last year according to the RS Statistics Institute data published in „Official Gazette of RS“.

The financial compensation is paid on a monthly basis.

The entitlements under Articles 35 and 36 of this Law are exercised by a foreign citizen and stateless person under conditions set forth in this Law and the Law on Employment of Foreign Nationals and Stateless Persons („Official Gazette of RS“ 24/09).

According to Article 36 of this Law an unemployed person is entitled to the financial compensation from the first day of termination of his/her employment contract provided that he/she reports to the Employment Service and submit an application within 30 days after the termination of his/her employment contract. If he/she reports after an expiry of the deadline, he/she exercises the entitlements from the date of reporting to the Employment Service, benefits being reduced for the period of non-reporting.

According to Article 39 of the Law, the period of payment of unemployment benefit under Article 36 of this law depends on the years of pensionable service an unemployed person has and can amount to a maximum of :

- a) one month if he/she has up to 12 months of pensionable service,
- b) two months if he/she has from one to two years of pensionable service,
- v) three months if he/she has from two to five years of pensionable service,
- g) six months if he/she has from five to 15 years of pensionable service,
- d) nine months if he/she has from 15 to 30 years of pensionable service and
- đ) 12 months if he/she has more than 30 years of pensionable service.

When regaining the right to financial compensation, only the period of employment after payment of the last financial compensation.

According to Article 40, if an unemployed person enters into employment contract or is granted salary compensation on any grounds, payment of financial compensation and other entitlements under Article 36 of this Law are suspended as of the date of exercising the entitlements on other grounds.

An unemployed person who has terminated employment contract with a written agreement is entitled to financial compensation if the termination of employment contract was brought about:

- a) transfer of his/her spouse to another place of residence and
- b) re-union of the family after the conclusion of marriage dictating the change of place of residence.

Article 43 provides that entitlements to an unemployed person set forth in this Law shall cease and the beneficiary shall be struck off the unemployment records if this person: a) has entered into an employment contract; b) has registered a company or some other form of entrepreneurship individually or with other persons; v) has started a registered business in agriculture; g) has met requirements for old-age or disability pension or acquires family pension; d) has begun serving a prison sentence, a security, protection or correctional measure in duration of more than three months; đ) has refused without a justified reason an

offered job in the place of adobe or 50 km away from the place of adobe, which suits his professional qualifications and working ability; e) has refused without a justified reason an invitation of the competent authority to engage in public works or in remedying consequences of acts of God; ž) has refused without a justified reason a request of the Institute or Pension and Disability Pension Fund to take part in training, re-training or additional training in an occupation that corresponds to his level of education, if this will insure an employment contract for him/her; z) has failed to report to the Employment Service for 60 days; i) has refused without a justified reason an invitation of the Employment Institute to inform him/her about employment opportunities; j) has gained the status of a full-time pupil or student; k) is found to have acquired the entitlement after having given false information or counterfeited documents or has provided the Institute with false telephone numbers or contact details; l) had de-registered with the Employment Institute; lj) is found to work or is self-employed without statutory registration with insurance funds, which is evidenced by an inspection report; m) has moved out from the RS territory, unless otherwise provided in Article 41 of this Law and n) has died.

In 2008, 46.077 payments were made, which was a slight decrease in comparison with 2007. In 2008, a total of BAM 14,011,631.67 was paid for financial compensation which was by BAM 1,048,269.14 or 8.1% more than in 2007. Of the total amount paid for financial compensation, 4,631 people who had been laid off after bankruptcy of their companies received BAM 5,948,389.00.

In 2009, monthly financial compensation was paid to 4,047 unemployed persons on average, while in 2008, this entitlement was exercised by 2,757 persons, which was an increase by 1,290 persons in comparison with the preceding year, the number of beneficiaries having increased as a direct result of the world's economic crisis. This entitlement alone consumed BAM 19,358,238.14 in 2009, which was an increase by 5,346,606.47 or 38% in comparison with 2008. Of the total amount paid for financial compensation, BAM 16,737,064.07 were paid for regular financial compensation, while BAM 2,621,174.07 were paid as compensation on the grounds of bankruptcy.

In 2010, a total of BAM 16,245,296.54 was paid for financial compensation.

Of the total amount paid for financial compensation, BAM 13,529,485.41, were paid for regular financial compensation, while BAM 2,715,811.13 were paid as compensation on the grounds of bankruptcy, which was a slight increase in comparison with 2009, when BAM 2,621,174.07 were paid as compensation on the grounds of bankruptcy.

#### Pension and disability insurance

Article 37 of the Law on Mediation in Employment and Rights during Unemployment provides that the pension and disability insurance is provided to an unemployed person for up to three years, if these pensionable years will make the requirement for old-age pension fulfilled. This entitlement is exercised by an unemployed person in accordance with the Law. In 2008, this entitlement was exercised at the expense of the RS Employment Institute by 1,374 persons and a total of BAM 2,296,015.00 was spent for it. Analysing the trend of this entitlement, we can see that in recent years the number of persons who are granted this entitlement has been increasing, mostly because of workers whose companies went bankrupt and they were laid off. In this regard, the 2009 Financial Plan of the Institute appropriated around BAM 3,000,000.00 for this purpose.

In 2009, this entitlement was exercised by 1,335 unemployed persons, which was by 2.7% more than in 2008. For realization of this right, the Employment Institute paid BAM 2,495,782.41, which was by 9% more than in the preceding year.

In 2010, this entitlement was exercised by 1,352 unemployed persons on average, which was a slight increase in comparison with 2009. For realization of this right in 2010, the Employment Institute paid BAM 2,209,129.03.

### Health insurance

Article 50 of the Law on Mediation in Employment and Rights during Unemployment provides that the entitlement to health insurance of an unemployed person and his family if he/she was the holder of health insurance, as well as rights to pension and disability insurance are exercised in accordance with the regulations on health insurance and pension and disability insurance.

In 2008, the entitlement to health insurance was exercised by more than 114,000 unemployed persons, of which the entitlement for 110,000 persons was paid from the government's budget.

In 2009, the entitlement to health insurance was exercised by 120,418 unemployed persons on average, of which the entitlement for 116,367 persons was paid from the government's budget and for 4,051 persons it was paid by the Employment Institute.

In 2010, the entitlement to health insurance was exercised by 133,245 unemployed persons at the expense of the government's budget. According to the statistics it is evident that, for entitlements on the grounds of unemployment, in 2010, a total of BAM 18,454,425.57, which was by 16% less in comparison with 2009.

The Articles of Association and by-laws of the Employment Institute may prescribe other entitlements of the unemployed, as well as the conditions and procedure for their realization.

In BD, the Law on Mediation in Employment and Rights During Unemployment ("Official Gazette of BD BiH" 33/04, 19/07, 25/08) governs the matter of employment and rights in the event of unemployment.

Article 5 of the Law on Employment and Rights During Unemployment provides for equality of all persons seeking a job regardless of race, ethnic origin, colour, sex, language, religion, political or other opinion or conviction, social affiliation or origin, financial situation, trade union or political association membership or non-membership.

According to Article 2 of the Law, the activity of employment is the following:

- 1) mediation in employment;
- 2) information about employment conditions and opportunities;
- 3) vocational guidance and counselling in choosing an occupation;
- 4) organization of occupational development, training and preparation for employment;
- 5) implementation of programmes and measures of active employment policy;
- 6) jobs of organization, management and administration of the exercise of unemployment-related entitlements under this Law.

According to Article 4(1) of the Law, an unemployed person is: " a person who has been not employed under employment contract or otherwise, who is capable of work and can take up

a job in accordance with the labour legislation, who has registered with the Employment Service and actively seeks employment.”

Article 27(1) of the Law on Mediation in Employment and Rights During Unemployment governs benefits, i.e., more precisely, financial compensation and health and pension and disability insurance of people who lost their jobs: „An unemployed person whose employment was terminated without his request, consent or fault under the Labour Law or whose insurance terminated otherwise and who, at the moment of termination of his/her employment, has been working for at least eight months uninterrupted in the last 12 months or 12 months with interruptions in the last 18 months, shall be entitled to

- financial compensation,
  - Health Insurance and
  - Pension and Disability Insurance.

#### Financial compensation

Financial compensation on the grounds of unemployment is provided to an unemployed person whose employment was terminated without his request, consent or fault and who, at the moment of termination of his/her employment, has been working for at least eight months uninterrupted in the last 12 months or 12 months with interruptions in the last 18 months, provided that contributions for unemployment insurance were paid for all workers during the prescribed minimum periods of insurance.

The period of payment of unemployment benefit depends on the years of pensionable service. If an unemployed person has up to five years of pensionable service, he/she is entitled to financial compensation and other entitlements for a period of three months. If an unemployed person has

- 5 to 15 years - 6 months;
- 15 to 25 years - 9 months;
- over 25 years - 12 months.

Article 36(1) of the Law on Employment determines the amounts of unemployment benefit and they are:

- 1) 35% of the average net salary paid to the unemployed person in the last three months of his/her employment, if he/she has up to 10 years of pensionable service;
- 2) 40% of the average net salary paid to the unemployed person in the last three months of his/her employment, if he/she has more than 10 years of pensionable service.

Paragraph (2) of this Article provides for a limitation, determining that the amounts of unemployment benefit cannot be lower than 20% or higher of one average net salary paid in the BD in the last year according to the data published by appropriate statistics authority in BD.

In 2008, the number of beneficiaries of financial compensation increased from 493 to 536 persons in comparison with 2007, which was a rise by 9%, while the number of beneficiaries of financial compensation in 2008 was higher by 79% in comparison with the plan.

In 2008, due to the increased number of beneficiaries and the amendments to the Law on Employment of BD respecting the insured in the Pension and Disability Insurance Fund of FBiH, gross financial ramifications amounted to BAM 672,018, which was by about 51% higher than in the previous year.

In 2009, 896 unemployed persons were granted the entitlement in decisions, which was an increase by 360 beneficiaries in comparison with 2008. A total gross amount of BAM 1,132,514 was appropriated for this purpose.

The average number of months in which this right was exercised was 4.31 months, which means that the average gross monthly amount per beneficiary was about BAM 263.

Of the total amount paid for this purpose, BAM 767,371.96 was paid for net financial compensation, BAM 137,686.08 was paid for contributions into the RS Pension and Disability Fund and BAM 131,252.21 was paid for contributions into the RS Health Insurance Fund, BAM 16,406.94 was paid for unemployment contributions and BAM 7,840.79 for taxes.

Given that the FBiH legislation governing pension and disability insurance does not allow the payment of contributions into the Pension and Disability Insurance Fund for beneficiaries of unemployment benefits, the net amount of financial compensation paid to them was increased by an amount of BAM 67,194.21, with an expressed intention that the beneficiaries should use them to pay for voluntary insurance with the Pension and Disability Insurance Fund of FBiH.

In 2010, monthly financial compensation was paid to 1028 unemployed persons and a gross amount of BAM 1,654,515 was appropriated and earmarked for this purpose. Of the total liabilities for this purpose in fiscal 2010, net unemployment benefits were increased by an amount of BAM 837.791 to pay for: contributions to the RS Pension and Disability Insurance Fund - BAM 146,087, contributions to the health insurance Fund – BAM 143,689, for contributions for the unemployed - BAM 17,960 and for taxes – BAM 5,932.

Given that the FBiH legislation governing pension and disability insurance does not allow the payment of contributions into the Pension and Disability Insurance Fund for beneficiaries of unemployment benefits, the net amount of financial compensation paid to them was increased by an amount of BAM 86,822 with an expressed intention that the beneficiaries should use them to pay for voluntary insurance with the Pension and Disability Insurance Fund of FBiH.

every year the Employment Institute of BD makes a summary report/ review of employment of persons seeking employment. The situation was as follows:

-as of 31 December 2007, the register contained 13,969 persons. Of that number, 7,614 persons were female and 6355 persons were male.

- as of 31 December 2008, the register contained 11,404 persons. Of that number, 6,388 persons were female and 5,016 persons were male.

- as of 31 December 2009, the register contained 10,607 persons seeking job and regularly reporting to the Employment Institute. Of that number, 5,666 persons were female and 4,941 persons were male.

- as of 31 December 2010, the register contained 11,503 persons. Of that number, 6,058 persons were female and 5,445 persons were male, including 7,096 persons younger than 30 years whose gender structure was 3,357 men and 3,739 women.

#### Health insurance

In 2009, monthly financial compensation was paid to 5,462 unemployed persons on average.

In 2010, monthly financial compensation was paid to 6,061 unemployed persons, which was an increase by 599 or 10.97% in comparison with 2009 (5,462).

### Pension and disability insurance

Article 27(3) of the Law on Employment provides that the pension and disability insurance is provided to an unemployed person who lacks up to three years of pensionable service who is registered with the Employment Institute of BD regardless of whether he/she receives financial compensation or not.

The entitlement under Article 27 can be exercised by an unemployed person provided that contributions for unemployment insurance were paid for all workers during the prescribed minimum periods of insurance.

Pursuant to Article 15 of the Law on Employment and Rights During Unemployment, in order to exercise this entitlement, the BD Government appropriated in its 2008 Programme an amount of BAM 600,000.00 for „pension and disability insurance of unemployed persons who lack up to three years of pensionable service to fulfil requirements for old-age pension.

A total of 73 beneficiaries were qualified to buy years of pensionable service in 2008, which was an increase of about 135% in comparison with 2007.

In 2009, this entitlement was exercised by 72 persons (in 2008, by 73 persons), financial ramifications amounting to BAM 600,023, i.e. an average amount of BAM 8,334 per beneficiary.

In 2010, this entitlement was exercised by 49 persons (in 2009, by 72 persons), financial ramifications amounting to BAM 316,723, i.e. an average amount of BAM 6,463 per beneficiary.

### **Question 2. List the measures taken (administrative arrangements, programmes action plans, projects etc.) to implement the legal framework.**

#### **Answer:**

The national employment policy in BiH is defined in „2010-2014 BiH Employment Strategy“, employment projects and „BiH People with Disabilities Policy“.

2010 – 2014 BiH Employment Strategy („Official Gazette of BiH“, 77/10) was adopted on 14 July 2010 at 128th meeting of the Council of Ministers of BiH.

The purpose of BiH Employment Strategy is to promote full, productive and freely chosen employment for all, in accordance with the ILO Employment Policy Convention, no. 122, which was ratified by BiH in 1964. The goal of BiH Employment Strategy is to increase the quality and quantity of jobs and at the same time promote social inclusion and fight against gender inequalities. Under the auspices and with the coordination of the Ministry of Civil Affairs, this Strategy has been prepared by the Co-ordinating Committee composed of representatives of relevant institutions of BiH, its Entities and BD, as well as representatives of employers and workers. The Co-ordinating Committee will discuss joint issues and measures to address these issues in the area of employment as well as joint issues during the implementation of this strategy.

The Action Plan for the implementation of Employment Strategy in BiH is being drafted.

Projects in the field of labour and employment that were implemented in the reporting period:

*Strengthening National Capacities for Strategic Planning and Policy Development (SPPD) – UNDP-funded project*

Goal: The establishment of a strategic planning system at the state and entity levels with a view to establishing an efficient, effective, professional and accountable public administration in accordance with Public Administration Reform

Beneficiaries: National and entity institutions in charge of the following sectors: (1) Labour and employment; (2) Energy Industry; (3) Environment; (4) Refugees and displaced persons; (5) Transport and communications; (6) Social protection and (7) Economic development.

*Improving the Development and Capacity of Social Dialogue and Social Partners - IPA 2007*

Goal: Development of the effective and active institutions (social partners including the private sector) and labour practices in industrial and labour relations.

Beneficiaries: Major beneficiaries are social partners, including the Confederation of Trade Unions in Bosnia and Herzegovina and Employers' Association of BiH, Ministry of Civil Affairs of BiH. A potential beneficiary will be Economic and Social Council of BiH.

*Youth Employment Project (YEP) –Project of the Agency for Development and Cooperation (SDC) and the Austrian Development Agency (ADC)*

Beneficiaries: This project was developed as a "pilot" project for the implementation of "YERP" project. This project is implemented by NGOs. The first component of this project aims to carry out activities to prepare young people who have just entered the labour market. The aim of the second component is to reduce the marginalization, demotivation and anti-social behaviour. The third component envisages the institutional development of public and private employment services.

*Youth Employability and Retention Programme (YERP) – Project is a donation of the Kingdom of Spain*

Goal: This project has been developed and made in cooperation by UNDP and other international organizations (UNICEF and UNFPA, UNV and IOM), which is funded by the Kingdom of Spain. It has three goals. The first goal of this project is to increase the capacity of the education system and the role of local communities to improve youth employment. The second goal is capacity building of the Employment Services and civil society for development and implementation of integrated packages for employment of the youth. The third goal is maximized positive impact of migration and minimalized negative impact of irregular migration.

Beneficiaries: State and entity institutions responsible for the sectors of labour and employment, education, migration and the relevant municipal services in charge of the enumerated areas (employment agencies, schools).

*Promotion of competitiveness of BiH through better employment and human resources – IPA 2009*

Goal: Human resources capacity building and achieving of successful labour markets that will contribute to the overall development of society and promotion of economic and social cohesion. This project improves the institutional capacity to govern the labour market and employment services at state, entity and sub-entity level.

Beneficiaries: Labour and Employment Agency, the relevant entity ministries of labour, entity employment institutes and the Employment Institute of Brcko District of BiH, sub-entity offices, employers, stakeholders in the field of education and training, social partners, NGOs, Entity and Cantonal Ministries of Education of Bosnia and Herzegovina, Department for Education of Brcko District of BiH, Statistics Institutes (Agency for Statistics, Statistics Institute of FBiH, Statistics Institute of RS).

#### *Improvement of active labour markets – IPA 2007*

Goal: Economic reconstruction of BiH and improved adaptability to economic and social changes through an effective, flexible employment and labour market policy, instruments and the provision of public services.

Beneficiaries: State and entity, and sub-entity agencies / offices of labour and employment, the Ministry of Civil Affairs and social partners.

#### *ILO's Decent Work Country Programme- 2008-2010*

Goal: Improving opportunities for women and men to obtain decent and productive work in freedom, equity, security and human dignity. The Decent Work Country promote decent work as a key component of development policies and also as a national policy objective of governments and social partners.

Beneficiaries: Ministry of Civil Affairs, Ministry of Labour, Government of the BD District and the social partners.

"Disability Policy in BiH" was adopted by the Council of Ministers at the 46th meeting held on 8 May 2008 ("Official Gazette of BiH" 76/08).

This document expressed the commitment of BiH to create a different human rights-based and social model-based approach to disability, which represents a comprehensive approach to disability issues.

Creating this document involved over one hundred eminent experts from government institutions and NGOs, of which more than a third were people with disabilities, so that it is an expression of full consensus of all stakeholders of social care for people with disabilities in BiH.

#### FBiH - Strategies and Action Plans

- FBiH Employment Strategy (2009-2013)
- FBiH Employment Action Plan (2010-2013)

The FBiH biggest socio-economic problem is the high unemployment rate, which has a steady upward tendency.

In order to reform the labour market BiH launched the "Employment Policy Reform and the Establishment Of Labour Market Information System" project, funded by the European Union. The FBiH Employment Strategy (2009 -2013) was designed as part of this project.

This document is a structured and strategic approach of the Government of the FBiH of the problem of unemployment and fully complies with the policies and strategic objectives of the FBiH, where employment growth has a significant place.

While designing the Employment Strategy of FBiH, the compliance of its objectives with the European Union's guidelines in the employment policies was taken into account and an emphasis was placed on developing of and investing in the skills of the workforce especially regarding the need for lifelong learning, retraining the workforce and raising knowledge and skills.

A large part of the working age population is not active in the labour market, which directly affects the very low employment rates, especially of women and youth.

One of the factors that disturb the labour market and has an impact on heavy unemployment is a high share of informal economy, especially prevailing in agriculture, construction, trade and catering (tourism).

In addition, long-term unemployment indicates low dynamics and a lack of contacts between the unemployed and the labour markets a key problem in the labour market. Also, there is a mismatch between the education system and labour market demands.

Key problems related to the structure of the working-age population, labour force and labour markets are: high unemployment rate (especially of youth and women), low employment rate, high rate of inactivity especially among women, high rate of inactivity among older workforce, extremely high level of long-term unemployment and a very low level of involvement of vulnerable groups in the labour market (particularly Roma and persons with special needs).

Due to the aforementioned problems, the Employment Strategy focuses particularly on youth, women, older workers, long-term unemployed and inactive persons and persons with special needs and Roma.

The Strategy aims: to achieve maximum employment and utilization of existing human resources that are constantly developed, full activity and involvement in the labour market by providing equal opportunities for all unemployed for a fresh start and improve their skills, abilities and skills that will enable them to get employment in high-quality and productive jobs.

The FBiH - Programmes in the field of labour and employment that were implemented in the reporting period in the FBiH, as planned in the Work Programme of the FBiH Employment Service, include the implementation of co-financing of employment and training of special groups of unemployed people: young people without work experience; returnees to pre-war homes, unemployed Roma, persons with disabilities, women, which are also in the Action Plan for Employment identified as target groups in the future. Also, in addition to the programmes, which included the target groups above, a public call to employers to participate in co-financing of employment of young people without work experience was published at the end of the year, which aroused great interest of employers and unemployed youth.

Throughout the year, despite commitments in the provision of funds for the implementation of passive measures, efforts were made to strengthen key components of active employment policy: mediation - an active connection and synchronization of supply and demand in the labour market, training and preparation for the labour market, in order to improve and adapt

knowledge and skills of job seekers, encouraging of self-employment and employment by employers.

*Programme of co-financing of training, additional training and retraining in FBiH*

Within the Employment Promotion Programme of the cantonal employment services, programmes of training, additional training and retraining were implemented for a specified employer in order to train, additionally train and retraining persons registered with the employment services, as well as already employed persons in order to prevent an increase in unemployment. General training in additional skills (foreign language, computer literacy etc.), additional training and retraining (acquisition of technical knowledge regarding the profession / occupation, further training in the same profession or in another occupation additional to the first one, at the same or higher level of education) aim to increase the market competitiveness of a number of skilled people and people with secondary school education.

Subsidies of up to BAM 1,500 (teaching and supplies costs, costs for food, transportation, insurance at work etc.) for training that lasts no longer than three months. This programme was initiated in 2009, but due to the dynamics of implementation it was continued in 2010.

An overview of co-funding of training, additional training and re-training programmes in the FBiH					
No.	Canton	Name of the programme	Number of persons included	Amount paid in BAM	Amount paid in BAM in 2010
1.	Una-Sana	Additional training, re-training and training programmes	100	150,000.00	75,000.00
2.	Posavina	Employment programme for unemployed workers	131	196,500.00	0
3.	Tuzla	-	-	-	-
4.	Zenica-Doboj	1. Through training to employment 2. Vocational Training Programme for Meeting the Craftsmen Shortage (welders) 3. Vocational training – Operation and programming of CNC lathes	270	405,500.00	202,500.00
5.	Bosnia-Drina	Programme of employment co-funding through vocational training, additional training and re-training of unemployed persons	60	78,000.00	33,000.00
6.	Middle Bosnia	Re-training, additional training and training programmes for target groups registered with the Employment Service	150	225,000.00	112,500.00

An overview of co-funding of training, additional training and re-training programmes in the FBiH					
No.	Canton	Name of the programme	Number of persons included	Amount paid in BAM	Amount paid in BAM in 2010
7.	Herzegovina-Neretva	Programme of employment co-funding through vocational training, additional training and re-training of unemployed persons	100	150,000.00	75,000.00
8.	Western Herzegovina	Programme of co-funding of re-training, additional training and professional development	50	75,000.00	37,500.00
9.	Sarajevo Canton	Programme of funding and co-funding through vocational training, additional training and re-training of unemployed persons	140	210,000.00	105,000.00
10.	Canton 10 (Livno)	Programme of re-training, additional training and professional development	100	75,000.00	0
TOTAL			1,101	1.565,000.00	640,500.00

Source: FBiH Employment Institute

*Employment Co-funding Programme for young people without work experience directly implemented by the Institute*

The 2009 Programme of Employment Co-funding for young people without work experience<sup>2</sup> enabled employment of, i.e. acquire the first work experience for 291 young adults (160 ones with four-year university education, nine ones with two-year university education, 67 ones with secondary education - level III and 55 ones with secondary education - level IV) with 167 employers. In 2010, BAM 968,751 was spent in the implementation of this programme.

*Programme of Employment Co-funding for persons with disabilities and other hard-to-employ groups of unemployed persons directly implemented by the Institute*

This programme provides employment for persons with a disability percentage of more than 60%, persons with developmental disorders / mental retardation and women victims of violence, on the basis of employment and self employment by employers.

For these purposes, grant funds of the FBiH Institute were appropriated and they include:

- co-funding of employment of unemployed persons with disabilities and women victims of violence by employers in the amount of BAM 700 per month per person for a period of 12

<sup>2</sup> A public call for the Programme was published on 1 June 2009.

months and the employer's obligation to continue the employment of the person employed in the programme for at least another 12 months;

- co-funding of self-employment in the amount of BAM 8,400 provided that the person will continue doing the business for at least another 12 months.

The Programme of Employment Co-funding for persons with disabilities and other hard-to-employ groups of unemployed persons was launched in late 2009, continued in 2010 and will end in mid-2011. The programme has employed 167 unemployed persons: 53 ones have been self-employed and 114 have been employed by 83 legal persons. Among them there are 90 men (54%) and 77 women (46%). The average disability is 70% and the average period they were on the records of the employment service is 44 months (3.8 years). According to the qualification structure, in the programme people with secondary education prevail (36%), they are followed by skilled workers (32%) and unskilled workers (17%), while the number of people with university degree is the least (5%). Among the beneficiaries of funds for self-employment there are two women victims of violence. In 2010, an amount of BAM 1,149,400.00 was paid for the implementation of the Programme.

An overview of newly-employed and self-employed persons by Cantons in FBiH					
No.	Canton	Number of employers	Number of employees	Number of the self-employed	Appropriated BAM
1.	Una-Sana	7	9	8	142,800
2.	Posavina	13	15	4	159,600
3.	Tuzla	16	18	7	210,000
4.	Zenica-Doboj	5	5	7	100,800
5.	Bosnia-Drina	9	9	5	117,600
6.	Middle Bosnia	1	2	1	25,200
7.	Herzegovina-Neretva	6	22	0	184,800
8.	Western Herzegovina	13	13	3	134,400
9.	Sarajevo Canton	13	21	13	285,600
10.	Canton 10 (Livno)	0	0	5	42,000
TOTAL		83	114	53	1,402,800

Source: FBiH Employment Institute

#### *Employment and self-employment programmes for returnees*

The 2010 Self-employment and employment programmes for returnees supported creating of conditions for sustainable return and provided employment for unemployed persons (returnees) on two grounds:

-Co-funding of employers to facilitate employment of returnees who are registered with the employment service in the amount of BAM 3,000 per person as a grant, provided that the employer continue the employment of the person employed in the programme for at least

another 12 months;

-Co-funding for self-employment of returnees in the amount of BAM 4,000 to 5,000 per person as a grant, provided that he/she cannot register with the employment service for the next 12 months from the date of obtaining the approved funds, and self-employment may be in agriculture (BAM 5,000); crafts (BAM 4,500), rural tourism or other types of small business (BAM 4,000).

In 2010 the following amounts were earmarked for the Programme implementation: BAM 2,189 million, of which BAM 899,000 for self-employment of 185 persons registered with the employment service and BAM 1.29 million for employment of 430 people with 100 employers. The programme was given up by 11 returnees (who were granted BAM 53,000) and four employers (which were granted BAM 12,000 to employ four returnees). One employer has hired three instead of 40 returnees. Jobs were given to 563 returnees. By the end of 2010, BAM 938,210 were spent or a total of BAM 2.29 million including contractual liabilities under such programmes in 2009. The rest of earmarked and unspent funds will be directed to the encouragement of employment on the basis of new programmes in 2011.

*Employment and self-employment programme for Roma*

In accordance with the Memorandum of Understanding for the implementation of the Action plan for Roma employment, the FBiH Employment Service adopted the employment and self-employment Programme for Roma in 2009. In 2010 the implementation of the programme continued, i.e. spending of the funds earmarked.

An overview of newly-employed and self-employed Roma by Cantons					
No.	Canton	Number of employers	Number of employees	Number of the self-employed	Appropriated BAM
1.	Una-Sana	7	8	30	176,000
2.	Posavina	2	2	13	62,000
3.	Tuzla	11	17	3	91,500
4.	Zenica-Doboj	2	3	0	13,500
5.	Bosnia-Drina	0	0	0	0
6.	Middle Bosnia	2	2	6	33,000
7.	Herzegovina-Neretva	0	0	0	0
8.	Western Herzegovina	0	0	0	0
9.	Sarajevo Canton	5	7	7	64,000
10.	Canton 10 (Livno)	0	0	0	0
TOTAL		29	39	59	440,000

Source: FBiH Employment Institute

Available funds in the amount of BAM 440,000 designed to support employment and self-employment of Roma in the FBiH are directed to:

1. co-funding of employers for employment of Roma registered with the employment service in the amount of BAM 4,500 per person, including BAM 3,000 for equipment of the work station and BAM 1,500 for training;
2. co-funding of self-employment of Roma in the amount of BAM 4,000 KM to 5,000 per person:
  - crafts or crafts-related activities (old crafts, cottage industry, manufacturing and service trades) in the amount of BAM 5,000 KM,
  - collection of secondary raw materials in the amount of BAM 4,500,
  - agriculture (greenhouse production, beekeeping and other sectors of agriculture) or other activities in the amount of BAM 4,000. In 2010, a total of BAM 346,050 was spent in this programme to employ 98 members of the target group, including 27 women.

On 15 November 2011 the Ministry of Human Rights and Refugees, Entity Employment Institutes and BD Employment Institute signed the Memorandum of Understanding for the implementation of the Action plan for Roma employment in 2010, whereby the FBiH provided funds amounting to BAM 440,000 and the Decision of the Government for Roma employment earmarked funds amounting to BAM 100,000.

#### *Social Security Network and Employment Support Project (SSNESP)*

The aim of the *Social Security Network and Employment Support Project (SSNESP)* provides support to mediation services for those who are actively seeking a job and lose the right to unemployment benefits or are vulnerable. In the period from 2010 to 2014, it is planned that this project comprises about 6,000 disadvantaged unemployed persons, namely: unemployed persons registered with employment services in the FBiH who ceases to be entitled to receive cash transfers, such as persons with disabilities (peacetime, wartime military and civilian casualties), veterans, and persons who are actively seeking jobs, registered with employment services in the FBiH and identified as vulnerable and hard-to-find-job categories (women and men that have been unemployed for more than 15 months, women and men aged over 40 years, the young aged 15-24 years with low education levels or discontinued secondary education, young people aged 15-24 years with low and medium level of education unemployed for more than six months, people completed four-year or two-year university education unemployed for more than 12 months; returnees, vulnerable individuals, i.e. individuals receiving social security benefits).

The project is funded by the FBiH Institute and loans from the International Development Association (IDA), in cooperation with the FBiH Ministry of Labour and Social Security Policy–Project Implementation Unit for Socio-Economic Support, Training and Re-Employment (PIU SESER) and implemented by the cantonal employment services. In a total of 1,233 persons included in this project, 62% are men and 38% are women. By 31 December 2010, the FBiH Employment Institute paid BAM 250,000, while the total liabilities under the Project in 2010 for self-employment, in-service training, training of the unemployed and labour mobility are BAM 1,972,605.70.

#### *The long-term investment programme to encourage employment*

The Long-term investment programme to encourage employment from the revolving credit line changed the approach and concept of lending from its own dedicated resources, whereby the funds are made available to a larger number of users. Funds from the revolving

credit line are used through the Development Bank of the FBiH in order to provide special conditions for those users who have the ability and the need for new labour force or for self-employment, contributing to alleviating the problem of unemployment. The loan amount is:

- for industries, BAM 25,000 per newly employed worker
- for trades and services, BAM 15,000 per newly employed worker
- for agricultural production, BAM 10,000 per newly employed worker.

Repayment period is up to seven years for the industry, trades, services and agricultural production, including a grace period. At the request of the borrower, the loan repayment period may be shorter. The grace period is up to 12 months for the industries, trades, services and agricultural production, and two years for agricultural production - crops. Interest rates for credit lines, where the risk is borne by the bank, are 4% for industries, trades and services (2% interest rate charged by the FBiH DB + 2% interest rate charged by commercial banks) and 3% for agricultural production (1.5% interest rate charged by the FBiH DB + 1.5% interest rate charged by commercial banks). Interest rates for credit lines used for the employment of unemployed demobilized soldiers, where the risk is borne by the FBiH Employment Institute, are 4% for industries, trades and services (the interest rate charged by the FBiH DP is stipulated in the Contract for Commission Jobs) and 3% for agricultural production (the interest rate charged by the FBiH DP is stipulated in the Contract for Commission Jobs).

During the reporting period, the *ZZ-260/revolving* credit line realized six new loans, totalling to BAM 1.71 million (with an obligation to employ 70 new people) and the *ZZ-266/employment of veterans* credit line realised none. From the beginning of the implementation of the Programme until 2010, the *ZZ-260/revolving* credit line approved 140 loans for 1224 new employment and retention of 4194 workers. By the end of 2010, under this credit line, 39 loans totalling BAM 4,574,143.21 with regular and default interest of BAM 377,456.80 were repaid. At the same time, the *ZZ-266/employment of veterans* credit line granted 46 loans for employment of 171 new and retaining of 171 employees. Until 31 December 2010, under this credit line, three loans totalling BAM 45,000 as principal plus BAM 3,405.31 in regular and default interest were repaid.

*Employment Co-funding Programme for young people without work experience implemented through the cantonal employment services*

This programme is planned to employ the unemployed with no work experience under age of 30 who have four- and two-year university education or secondary school education - level III and level IV. The employers are stimulated to employ them in the following way:

- co-funding of employment of 250 persons with secondary school education - III level for a period of six months in the gross amount of BAM 450 per month;
- co-funding of employment of 151 persons with secondary school education - IV level for a period of six months in the gross amount of BAM 500 per month;
- co-funding of employment of 23 people who have two-year university education for a period of 12 months in the gross amount of BAM 550 per month;
- co-funding of employment of 100 persons who have four-year university education for a period of 12 months in the gross amount of BAM 600 per month.

A total of 869 persons were employed, including 487 ones with four-year university education, 57 ones with two-year university education, 181 ones with secondary school

education - level IV and 144 ones with secondary school education - III level until 31 December 2010. The funds in the amount of BAM 2,577,050 were spent.

Employment Programme for Persons with Disabilities and other hard-to-get-job groups of the unemployed, which is implemented through the cantonal employment services

The programme envisages that in 2010 co-funding of employment of unemployed persons with a disability percentage of more than 60%, persons with developmental disorders / mental retardation and women victims of violence, on the basis of employment by employers and self-employment.

Grants of the FBiH Institute facilitated the following:

- co-funding of employment of persons from the target group by employers in the amount of BAM 700 per month per person for a period of 12 months and the employer's obligation to continue the employment of the person employed in the programme for at least another 12 months;

- co-funding of self-employment in the amount of BAM 8,400 provided that the person will continue doing the business for at least another 12 months, provided that the business is in agriculture, crafts, rural tourism or other activities.

An overview of newly-employed and self-employed persons by Cantons in FBiH						
No.	Canton	Number of employers	Number of employees	Number of the self-employed	Appropriated BAM	Paid in BAM
1.	Una-Sana	7	7	5	100,800.00	50,400.00
2.	Posavina	8	8	0	67,200.00	67,200.00
3.	Tuzla	21	37	7	193,200.00	193,200.00
4.	Zenica-Doboj	20	21	15	336,000.00	168,000.00
5.	Bosnia-Drina	8	8	3	92,400.00	46,200.00
6.	Middle Bosnia	4	4	8	100,600.00	100,600.00
7.	Herzegovina-Neretva	7	18	0	159,600.00	79,800.00
8.	Western Herzegovina	10	10	0	84,000.00	42,100.00
9.	Sarajevo Canton	20	20	5	210,000.00	105,000.00
10.	Canton 10 (Livno)	1	2	2	336,000.00	16,800.00
TOTAL		106	135	45	1,679,800.00	869,300.00

Source: FBiH Employment Institute

A total of 180 persons from the target group, including three women victims of violence, were employed. Until 31 December 2010 a total amount of BAM 869,300 was spent.

*Employment and self-employment programme for women, which is implemented through the cantonal employment services*

The programme envisages that in 2010 support will be provided to the employment of unemployed women aged over 30 years, regardless of the level of education, who are registered with the Employment Service of the FBiH at least six months. For the implementation of this programme, grants are provided for as follows:

- co-funding of employment of women from the target group by employers in the amount of BAM 3,000 per person, with the employer's obligation to continue the employment of the person employed in the programme for at least 12 months,
- Co-funding of self-employment of women in the amount of BAM 4,000 KM to 5,000 per person to do the registered activity, with an obligation to do the business for a minimum period of 12 months (in agriculture (BAM 5,000); crafts (BAM 4,500), rural tourism or other types of small business (BAM 4,000)).

An overview of newly-employed and self-employed women by Cantons in FBiH						
No.	Canton	Number of employers	Number of employees	Number of the self-employed	Appropriated BAM	Paid in BAM
1.	Una-Sana	15	29	22	197,000.00	197,000.00
2.	Posavina	15	29	5	112,000.00	112,000.00
3.	Tuzla	21	44	17	208,500.00	191,500.00
4.	Zenica-Doboj	54	77	60	485,500.00	485,500.00
5.	Bosnia-Drina	8	13	19	171,500.00	171,500.00
6.	Middle Bosnia	22	42	30	257,500.00	257,500.00
7.	Herzegovina-Neretva	11	23	21	189,000.00	189,000.00
8.	Western Herzegovina	10	10	2	39,500.00	39,500.00
9.	Sarajevo Canton	14	33	56	440,000.00	440,000.00
10.	Canton 10 (Livno)	9	9	38	214,000.00	107,000.00
TOTAL		179	309	270	2,314,500.00	2,190,500.00

Source: FBiH Employment Institute

*Programmes of training, additional training and retraining implemented through cantonal employment services*

Co-funding of programmes of training, additional training and retraining for a known employer and the unemployed for the labour market is one of the most important activities carried out by public employment services. For this purpose, grants were provided in the following way: co-funding of IT training in the amount of BAM 300.00 per person, and co-funding of training, additional training and retraining in the amount of BAM 1,500.00 per person for up to three months, for a known employer, with the employer's obligation to

employ any person whose training, retraining and re-training was co-funded and retain any person already in employment after the training for at least 12 months (if new technologies are introduced etc.). Last year the FBiH Employment Service co-funded such programmes in the amount of BAM 962,977 through cantonal employment services. As of 31 December 2010 the IT training programme covered 901 unemployed persons, while 287 people registered with the Employment Service were employed and 167 employees retained their jobs after the vocational training.

*Programmes of the cantonal employment services*

In addition to funds provided by the FBiH Employment Institute for the implementation of active employment policy in 2010, the cantonal employment services used their own means or were helped by other institutions have implemented programmes presented in this review.

An overview of activities by cantonal employment services of the FBiH					
	Employment Service (Canton)	Type of measures/incentives – Name of the programme	Target group	Source of funding	Number
1	Zenica-Doboj	Employment Incentive Programme for interns with four-year university education	All people, Article 28 Labour Law	Government of Zenica-Doboj Canton	100
2	Bosnia-Drina	Employment Programme for unemployed persons registered with Employment Service without work experience with four- and two-year university education through volunteering	Unemployed persons with four- and two-year university education	Employment Service of Bosnia-Drina Canton	24
		Employment Incentive for the unemployed registered with the Employment Service of Bosnia-Drina Canton without work experience with four- and two-year university education through volunteering	Unemployed persons with four- and two-year university education	Government of Bosnia-Drina Canton	22
3	Middle Bosnia	Employment and Volunteering Incentive Programme for young people in 2010	Unemployed persons with four- and two-year university education	Employment Service of Middle Bosnia Canton	38

An overview of activities by cantonal employment services of the FBiH					
	Employment Service (Canton)	Type of measures/incentives – Name of the programme	Target group	Source of funding	Number
4	Herzegovina -Neretva	„Job for People with Disabilities“ Employment Incentive Programme	People with disabilities, registered with the Employment Service	Employment Service of Herzegovina-Neretva Canton	6
		Employment Incentive Programme for young people with four-year university education without work experience	Unemployed persons with four-year university education		85
		Employment Incentive Programme for young people with four-year university education without work experience	Unemployed persons with four-year university education		43
5	Sarajevo Canton	Employment Incentive Programme for interns with four-year university education	Interns	PI „Employment Service of Sarajevo Canton“	418
		Job for All	Unemployed persons with work experience		383
		Public works	People in need, persons with slight retardation and people who have not been employed for a long while		519
		Employment Co-funding Programme for People with disabilities	People with disabilities, registered with the Employment Service		10

An overview of activities by cantonal employment services of the FBiH					
	Employment Service (Canton)	Type of measures/incentives – Name of the programme	Target group	Source of funding	Number
6	Canton 10 (Livno)	Employment Incentive Programme for interns with four-year university education	Young people without work experience, registered with the Employment Service	Cantonal Employment Institute	15
		Employment Incentive Programme for interns with four-year university education	Young people without work experience, registered with the Employment Service		4
TOTAL					1,667

Source: FBiH Employment Institute

*"Social, entrepreneurial and e-inclusion of women 40+" Project*

The FBiH Employment Institute, together with the Foreign Trade Chamber of Bosnia and Herzegovina - Institute for Training (ECOS) and the Foundation for Social Inclusion funded and implemented the "Social, company and e-inclusion of women 40+" project. The aim of the project, covering 200 women older than 40 years registered with the Employment of Canton Sarajevo from the four municipalities of the City of Sarajevo, Ilidza and Vogosca, was the reduction of exclusion of women from the labour market. Within the project there were two types of training: ICT literacy through the ECDL Start computer school, which aims at training of participants in and fully mastering of computer skills, and attendance of a small business school, through which they gain knowledge on how to register a company or craft, make business plan, get the money to implement ideas and to actively seek business deals. The total value of the project was BAM 126,500 and the FBiH Employment Institute provided BAM 37,500, of which in 2010, BAM 30,000 KM was implemented and the implementation of the project continued in 2011.

*Virtual Company Pilot Project*

The Virtual Company Project was implemented in Sarajevo Canton as a pilot project that was successfully completed by 15 unemployed persons. This project involved 10-week training for young unemployed people within a virtual company in which they gained, through practical work and assistance of a mentor company in the real sector, experience and practical knowledge to facilitate inclusion in the labour market in areas such as sale, basic accounting, marketing, procurement etc. The virtual company operated within a network of approximately 6,500 virtual companies around the world. This method of training of

unemployed youth is common in the countries of the European Union and has proved successful. In the coming period this project is expected to implement in other cantons.

#### *Youth Employability and Retention Programme in BiH (YERP)*

In 2010 the Youth Employability and Retention Programme in BiH (YERP) was launched and implemented as a joint effort of the public employment services by: the United Nations Development Programme (UNDP), the United Nations Fund for Children (UNICEF), the United Nations Volunteers (UNV), the International Organization for Migration (IOM), the United Nations Fund for Population (UNFPA), the Fund for the Achievement of the Millennium Development Goals (MDG-F). One of the objectives of the Programme is to strengthen the capacity of public employment services and create conditions for providing professional and effective services to young unemployed people. The FBiH Employment Institute and cantonal employment services signed with the United Nations Development Programme (UNDP) a Memorandum of Understanding which defines the activities and responsibilities of all parties within the second components of the Youth Employability and Retention Programme in BiH (YERP). As part of this project, it is planned to establish Information, Counselling and Training Centres (ICTC) in the employment services of the FBiH. In 2010 the locations were determined and they were reconstructed and furnished to make seven ICTCs (Sarajevo, Bihac, Mostar, Zenica, Vitez, Tuzla, Orašje). In 2011 offices in Gorazde and Livno are expected to be reconstructed. Multi-day training for ICTC employees in giving information and advice on employment was organized.

Users of ICTC services are unemployed persons under 30 years of age, students facing a choice of further education and profession, employers and other interested parties. Any ICTC will provide information about the education system, employment programmes, job vacancies, employers, legal migration and will organize group and individual counselling on active job seeking, career development, development of individual employment plans, training in using computers and foreign language courses etc. The official opening of these centres is scheduled for early March 2011, when support to employment of hundreds of young people without work experience with an employer will be launched.

#### *Youth Employment Project (YEP)*

The Youth Employment Project in BiH (YEP) funded by the Swiss Agency for Development and Cooperation (SDC) and the Austrian Development Agency (ADC) and implemented by a German consulting firm, GOPA, with four partner companies in BiH (Spektar Agency of Banja Luka, Development Studio Ltd., known as [www.posao.ba](http://www.posao.ba), Promente of Sarajevo and Taldi of Tuzla), in cooperation with the FBiH Employment Institute and Employment Institute of Republika Srpska. The project consists of four components focused on active employment measures, primarily through career centres at selected schools, entrepreneurial training, counselling of young people seeking employment and development of cooperation between employment services and private agencies involved in employment, which should lead to positive changes in the labour market. Starting from the fact that the employment of young people is one of top priority actions by the public and private entities in the area of employment, activities were launched to establish clubs for job seeking, whose main purpose is to enable young people who have been registered as unemployed for at least six months, helping them to as soon as possible master the techniques of active job search and gain self-confidence necessary for successful job seeking. By the end of 2010 the project helped 450 young people to get job, while in the interactive workshops visitors were trained in self-employment, job search, youth businesses and career advancement.

### *Job Fairs*

In 2010, the FBiH Institute supported the Job Fair organized in Vitez, in which 50 companies from the territory of Middle Bosnia Canton participated, and 150 unemployed persons got job. Also, organized by the Employment Services of Sarajevo Canton, a job fair was held in Sarajevo, which was visited by more than 7,000 unemployed persons. About 50 employers at this fair offered 380 vacancies. Most employers were searching for sale staff. Among the visitors, most people were graduated humanities and social sciences students, while demand was negligible. In order to strengthen cooperation with employers and other social partners, the FBiH Employment Institute together with the Employers' Association of the FBiH, in accordance with the Agreement on Cooperation, prepared a job fair in FBiH in 2011 project to promote supply and demand in the labour market, cooperation with employers and educational institutions and general economic development in BiH.

### *Professional guidance and selection*

Professional orientation in the FBiH Employment Institute and cantonal employment services is based on the principles of the Resolution on lifelong career guidance, according to which career guidance refers to a range of activities that make possible for citizens of any age at any time in their lives to identify their skills, competencies and interests. Users of the services of career guidance are unemployed persons actively seeking job or preparing for employment and training programmes, students facing a choice of further education and employers wishing to hire new workers.

As a follow-up of activities initiated and funded by the FBiH Employment Institute within the Centre for training skilled workers and the development and implementation of active employment policy project, in 2010, the Public Employment Services in FBiH intensified work with unemployed people and job seekers through three types of seminars: one-day informative seminars, a two-day motivational seminars and "I will succeed" preparation for employment programme. In 2010, 1210 one-day informative seminar were attended by 15,013 unemployed persons (including 7102 men and 7911 women) with an intention to acquire good knowledge of the rights and obligations the unemployed have on the grounds of their status of the unemployed, as well as of the current employment programmes. 789 unemployed persons (321 men and 468 women) attended 75 two-day motivational seminars, intended for easy-to-get-job unemployed people. The two-day programme sought to deepen the knowledge about the skills of unemployed persons actively seeking employment, such as: self-assessment, developing a network of social contacts, skills in writing resumes and cover letters, self-presentation skills before potential employers etc. The "I will succeed" programme was intended for hard-to-get-job groups of the unemployed. Individual courses lasted for four weeks, during which, in addition to active job searching skills training, an unemployed person underwent a special psychosocial programme which sought to reintegrate him/her in the labour market. In 2010, the FBiH Employment Institute co-funded the implementation of this programme in the employment services of the Middle Bosnia Canton and Herzegovina-Neretva Canton and the Employment Service of Sarajevo Canton continued implementing and funding this programme on its own. For the implementation of this programme BAM 131,864 were spent. 123 seminars held were attended by 1374 unemployed persons (542 men and 832 women).

In recent years, in cooperation with the cantonal employment services, the FBiH Employment Institute, has coordinated and worked on establishing a system of regular vocational information giving in primary and secondary schools in FBiH. These activities are preventive actions aimed at informing students about the importance of choice of further education and inclusion in the labour market. In 2010, 196 primary and 113 secondary schools and about 20,000 pupils in the final grades of primary and secondary schools were involved in the activities of vocational information giving.

The coordinators of the activities of vocational guidance from the FBiH Employment Institute and Employment Service of Middle Bosnia Canton participated in the continued regional project titled "Creating the conditions for the transfer of the young to the world of employment in the Western Balkans ". The goal of the project is enhancement of vocational guidance in the Western Balkans, modelled on the Austrian system, and was funded by the German Technical Cooperation (GTZ). Within this project, there was training in five-stage model for 16 teachers and educators from four pilot schools in the FBiH. The teachers and educators implemented these activities in primary schools where they are employed. We also made the "Handbook for primary school teachers and youth leaders - five-stage model of career guidance" and "Career guidance - five steps to a decision on school and profession."

### *Labour Market Surveys*

As regular activities of the FBiH Employment Institute and cantonal employment services, in late 2010 all the cantons of FBiH carried out a survey of the labour market. 2569 employers who employ ten or more employees were surveyed. The survey results will serve as a basis for planning appropriate measures and actions to enhance the sector of the labour market and employment and to strengthen cooperation with educational institutions. The analysis of labour market research will be published in the first half of 2011.

### *"Improvement of Active Labour Market Measures in BiH" (IALM) Project*

In 2010 the "Improvement of active labour market measures in BiH" - IALM Project (EuropeAid/127017/C/SER/BA) was launched with a view to improving the situation in the field of active employment measures in BiH. The project has included a number of activities - training in entrepreneurship, change management, designing and implementing of active employment measures and so far it has covered about 100 employees of the FBiH Employment Institute and cantonal employment services. Training of counsellors is under way for the general improvement of counselling in the employment offices and the strengthening of cooperation with employers.<sup>3</sup>

### *Work of migration service centre - the promotion of regular migration in the Western Balkans*

Within the Migration Service Centre opened within the FBiH Employment Institute as part of a regional network of migration service centres, the information about the promotion of regular migration in countries of the European Union and other countries, as well as mobility between countries in the Balkans are provided. Clients are mostly interested in information about the possibilities of migration to other countries on the basis of employment and education. The Migration Service Centre provides information about the possibility of emigration to countries of the European Union, the United States, Australia, New Zealand and Canada. After the introduction of visa-free regime for BiH, an update of information on countries of the European Union was launched in cooperation with the International Organization for Migration. The new project (MIDWEB), as a follow-up of AENEAS, within which the Migration Service Centre was established, will continue activities to open new centres in Bihac and Sarajevo.

In RS, the implementation of programme activities of the RS Employment Institute in the past year took place in rather complex circumstances in which the economy was strongly influenced by the consequences of economic recession. This is certainly reflected in the possibility of creating new jobs and the overall labour demand. Under these conditions, the RS Employment Institute shifted the focus of activities on the implementation of active policy

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<sup>3</sup> The Employment Office of Zenica was chosen as an example in which technologies will be established and applied in accordance with the standards and requirements of the European Union.

measures and improvement of services to employers and unemployed persons. One of key activities of the Institute related to the implementation of the function of mediation which is one of the most extensive and complex tasks of the Institute. In addition to mediation in individual cases (getting an employer and an unemployed person to get in touch) that was a response to clearly identified needs, the mediation function is carried out through other activities that are primarily related to measures of active policy. Quick changes in the labour market and the need to adapt to European standards have prompted intensive activities in this part, which have brought about proactive actions and contributed to raising the quality of services to employers and unemployed persons. In 2010, through the RS Employment Institute, a total of 25,054 persons registered, which is actually 11% more persons than in 2009, when a total of 22,575 persons was employed.

An overview of newly employed persons registered with the RS Employment Institute in 2009 and 2010			
Month	2009	2010	Index 2:1
	1	2	
January	1,505	1,002	66.58
February	1,955	1,375	70.33
March	2,192	2,014	91.88
April	2,341	2,125	90.77
May	1,968	2,156	109.55
June	2,117	2,990	141.24
July	1,796	2,270	126.39
August	1.602	1.957	122.16
September	2.267	3.010	132.77
October	1.788	2.716	151.90
November	1.546	1.961	126.84
December	1.498	1.478	98.66
<b>Total</b>	<b>22.575</b>	<b>25.054</b>	<b>110,98</b>

Source: Republika Srpska Employment Institute

Of the total number of newly employed persons, 24,477 ones were employed in different sectors, while 577 persons were self-employed. Analysing the period of time employment contracts are made for, we can see that 13,895 persons or 56.8% are employed for a fixed period of time and 36% of 8821 ones for an indefinite period of time. Only 0.3% ones are seasonally employed and 6.9% or 1,698 persons started working as interns. These indicators point that employers still exercise caution when hiring people for an indefinite period of time so that considerably more persons are employed for a fixed period of time.

An analysis of employment by level of education and qualification structure shows that the largest number of persons employed have secondary education – level III- 9,200 skilled workers (36.7%) and persons with secondary school education 7,136 (28.5%) who were most numerous in the total number of unemployed registered people. Compared with previous years, the trend of employment by level of education remained almost the same, except in level VII, where a significant increase in employment of persons with university degree was recorded. The number of newly-employed persons with university degree in

2010 increased by 9.6% compared to 2007 when the share of university graduates in the total number of unemployed registered people was 8%, and in 2010 it was 17.6%.

Analysing employment by the type of activity, one can note that in 2010 the largest number of persons was employed in the field of processing industry – 6,020, followed by trade – 4,675 and construction – 2,506. The community, social, service and other public services employed 2,274 workers, while hospitality and education employed 1,889 and 1,759 persons respectively. The employment rate by education level in 2010 shows that the highest rate of employment was of people with four- and two-year university education (41.8% and 19.2%) and lowest of unskilled and moderately skilled workers. The employment rate of skilled workers (14.9%) and persons with secondary school education (16.02%) is proportional to the relative participation of persons with this level of education in the total number of unemployed.

In RS - More efficient operation of the labour market implies further development of active policies, including employment projects which make a significant part of these activities. Last year the RS Employment Service prepared and implemented the following projects:

- Employment Project for interns with four-year university education in RS titled "First Job";
- Employment Support Project for Roma in RS,
- Employment Support Programme for returnees in RS.

*Employment Project for interns with four-year university education in RS titled "First Job"*

In 2010, with financial support from the Government of the RS, the Institute prepared and started implementation of the Employment Project for interns with four-year university education in RS titled "First Job". The above-mentioned project aroused great interest of both employers and the unemployed in the RS. The proposed project was approved and funded by the RS Government. The goal of project is employment as interns of 1500 young qualified persons registered with the Employment Service, i.e. persons who did not have work experience in their profession they need as a requirement for employment and taking the qualification exam. Also, the project allowed a faster process of labour and social integration of young people and their stay in the RS as well as raising the quality of labour supply in the labour market. The Project's target group was persons with four-year university education registered with the Employment Service of RS who had no work experience.

The total value of funds required for implementation of the project amounted to BAM 14,874,120.00 KM, of which the Government appropriated 60% or BAM 8,924,400.00, while the remaining 40% amounting to BAM 5,949,720.00 was provided by employers who hired the interns. The Project, inter alia, co-funded pays for trainees in the amount of 70% of the average wage earned in the RS in 2009 plus an appropriate amount of taxes and contributions on personal income. A total of 1491 persons were employed as interns under this project as of 31 December 2010.

An overview of applications by employers for funding employment of interns in 2010 by branch offices of RS			
Branch office	Implemented		
	Employers	Interns	Funds (BAM)
Banja Luka	210	475	2,636,154.46
Bijeljina	111	299	1,714,693.35
Doboj	58	178	1,021,531.87
I.Sarajevo	124	321	1,854,847.78
Prijedor	42	85	432,886.23
Trebinje	56	133	771,323.94
TOTAL	601	1491	3586,659

Source: Republika Srpska Employment Institute

#### *Employment Support Project for Roma in RS*

In 2010 the RS Employment Institute completed the implementation of "Employment Support Project of Roma in RS". For this project, the Ministry of Human Rights and Refugees provided funds in the amount of BAM 702,000.00 within the "Action Plan for Roma in Employment, Housing and Health Care", in which BAM 220,000.00 pertained to RS. The implementing authority was the RS Employment Institute.

The project aims at creating favourable conditions for the Roma self-employment, at stimulating employers to hire Roma, at economic and social integration of Roma in the entire RS. Implementation of the project began in August 2009 and in the same year, due to non-spending of funds, a public invitation was re-announced to be open until the funds are spent. Out of the total of BAM 220,000.00, BAM 200,500.00 were approved as follows: six individuals were self-employed and 73 persons were employed by employers which made a total of 79 persons employed from the target group.

Of that number, 18 persons were employed (five ones were self-employed and 13 persons were employed by employers) and funds in the amount of BAM 47,500.00 were spent.

An overview of applications by employers for funding employment of Roma in RS that were granted and implemented								
Branch office	GRANTED				IMPLEMENTED			
	Self-employment		Employment by employers		Self-employment		Employment by employers	
	People	Funds	People	Funds	People	Funds	People	Funds
Banja Luka	-	-	64	160.000,00	-	-	6	15.000,00
Bijeljina	2	6.000,00	1	2.500,00	1	3.000,00	-	-
Doboj	-	-	-	-	-	-	-	-
I.Sarajevo	-	-	1	2.500,00	-	-	-	-
Prijedor	4	12.000,00	7	17.500,00	4	12.000,00	7	17.500,00
Trebinje	-	-	-	-	-	-	-	-
TOTAL	6	18.000,00	73	182.500,00	5	15.000,00	13	32.500,00

Source: Republika Srpska Employment Institute

From the tabular overview, we can see that the approved funds for co-funding of employment of 79 Roma were the total amount of BAM 200,500.00, and they are: six individuals for self-employment in the amount of BAM 18.000,00 and 73 persons for employment by employers in the amount of BAM 182,500.00 KM. According to the project 18 people were employed and a total of BAM 47,500.00 were spent: five ones were self-employed and an amount of BAM 15,000.00 was spent and 13 ones were employed by employers and an amount of BAM 32,500.00 was spent.

The main difficulty in the implementation of the project was, as already mentioned, the complexity of the target group as seen through its low and extremely unfavourable qualification structure and that Roma people do not register with the employment service or when they register they do not identify themselves as members of the Roma. Also, one should take into account that the implementation started at a time when the global economic crisis was at the peak and when the recession trends dictated trends in employment. In accordance with the "Employment Action Plan for Roma", the activities will continue in 2011, and for the foregoing reasons, in 2010 a new project was prepared and new criteria for the grants allocated for the employment of Roma were proposed.

On 18 November 2010 the RS Employment Institute together with the Ministry of Human Rights and Refugees signed a new Memorandum of Understanding on the implementation of the "Employment Action Plan for Roma." This Memorandum committed the Ministry for Human Rights and Refugees that it will earmark in 2010 BAM 220,000.00, which will be increased by the amount of funds unspent in 2009 and 2010 in the amount of BAM 173,541.66, which will make a total of 393,541.66 to meet employment needs of Roma in RS.

b) Co-funding of Roma self-employment for a period of 24 months in the amount of BAM 12,000.00.

*Employment Support Programme for returnees in RS*

An overview of applications by employers under „Employment Support Programme for Returnees in RS“ that were granted and implemented								
Branch office	GRANTED				IMPLEMENTED			
	Self-employment		Employment by employers		Self-employment		Employment by employers	
	People	Funds	People	Funds	People	Funds	People	Funds
Banja Luka	9	27,000.00	34	68,000.00	7	21,000.00	24	48,000.00
Bijeljina	21	63,000.00	151	302,000.00	18	53,400.00	59	112,966.67
Doboj	18	54,000.00	68	136,000.00	18	54,000.00	67	132,900.00
I.Sarajevo	4	12,000.00	4	8,000.00	4	12,000.00	4	8,000.00
Prijedor	13	39,000.00	88	176,000.00	13	39,000.00	43	82,400.00
<b>TOTAL</b>	<b>65</b>	<b>195,000.00</b>	<b>345</b>	<b>690,000.00</b>	<b>60</b>	<b>179,400.00</b>	<b>197</b>	<b>384,266.67</b>

Source: Republika Srpska Employment Institute

In December 2008 the RS Employment Institute prepared the „Employment Support Programme for Returnees in RS“ and finished the implementation in 2010.

For the programme, the RS Government approved and earmarked funds in the amount of BAM 1,000,000.00 within the Economic and Social component of the Development Programme of RS. The goal of this programme is *inter alia* the implementation of Annex 7 to Dayton Peace Accords, creating favourable conditions for self-employment of returnees, encouragement of employers to employ returnees and economic sustainability of return on the entire territory of RS.

The project included 400 persons - returnees who are registered as unemployed and they are: 200 returnees whose self-employment was co-funded in the amount of BAM 3,000.00 and 200 returnees whose employment by employers was co-funded in the amount of BAM 2,000.00 per unemployed person. From the tabular overview, it is evident that funds were granted for co-funding of employment of 410 returnees in the total amount of BAM 885,000.00, specifically for

- self-employment of 65 persons in the amount of BAM 195,000.00,
- employment of 345 returnees by employers in the amount of BAM 690,000.00.

The implementation of the programme generated effects that are reflected in the following:

- the programme employed 257 returnees;
- the programme enabled employment of returnees of different age and qualifications;
- the employment of a number of persons from the target group enabled the economic reintegration of returnees and provided the possibility of further economic development;
- Implementation of the Programme contributed to the creation of favourable conditions for self-employment and entrepreneurship development.

### *„Youth Employment Project in BiH „ - YEP*

Apart from the employment projects above, the Employment Institute in cooperation with other organizations and partners implements the following projects: Youth Employment Project is a three-year project (2009-2011), funded by the Swiss Agency for Development and Cooperation (SDC) and the Austrian Development Agency (ADC) and implemented by a German consulting firm, GOPA. The project consists of four components focused on active employment measures, primarily through career centres at selected schools, entrepreneurial training, counselling of young people seeking employment and development of cooperation between employment services and private agencies involved in employment. The project aims at creating favourable conditions for employment of young people through strengthening the capacity of employment services through partnerships with the private employment agencies.

So far the project achieved effects are reflected in:

- Opening of the Club for Job Seeking in Banja Luka, which represents a new and special approach to the unemployed;
- Creating a new web-site of the RS Employment Institute that will provide quality and effective cooperation with employers and better informing of the unemployed;
- Training of staff of the Institute in counselling the unemployed and preparation of materials.

### *Youth Employability and Retention Programme (YERP)*

The Youth Employability and Retention Programme is a joint effort of the United Nations Development Programme (UNDP), the United Nations Fund for Children (UNICEF), the United Nations Volunteers (UNV), the United Nations Fund for Population (UNFPA) and the International Organization for Migration (IOM) in partnership with the Ministry of Civil Affairs of BiH, entity ministries in charge of labour and employment, employment institutes, primary and secondary schools, municipalities, companies and associations from the private sector, and civil society organizations from the level of local communities to Diaspora. The government of RS gave approval for this programme. The project will last for 3 years with an approximate amount of the budget of USD 6,000,000. The target group is young people of between 15 and 30 years of age (unemployed young people with secondary education or lower education).

The aim of this project is to increase the capacity of the education system and the role of local communities to improve youth employment and to strengthen the capacity of the Employment Service. Activities of the RS Employment Institute in the past year were related to the preparation for starting centres for information, counselling and training (CICT) of young people.

The Institute has provided offices for five CICT centres in the branches in East Sarajevo, Banja Luka, Dobož, Prijedor and Bijeljina, while preparations for finding offices for a branch office of Trebinje is in progress. Each centre has space for information, space for counselling and training facility. Centres have 10-15 computers, Internet access, furniture and other equipment needed. In preparation for the commencement of work counsellors who will be the primary support for the unemployed were trained in necessary knowledge and skills.

### *Job Fairs*

One way of improving the function of mediation is organizing job fairs. The job fairs as one of the active measures allow the unemployed to contact a large number of employers at a time, as well as the ability to be interviewed by them and give their CV. In addition to promoting its activities, employers were able to directly elect candidates for vacancies, and these activities certainly work for faster recruitment. The 2010 Work Programme envisaged to organize job fairs in all branch offices of the Institute which was not fully implemented. Due to the limited number of vacancies in different sectors and inability to collect at the same time a lot of vacancies, a job fair was organized only in the branch office of Eastern Sarajevo last year. This fair was attended by 16 employers who had reported the need to recruit about 150 persons, mostly in hospitality industry and tourism. The fair was visited by over 500 unemployed persons and employers received about 400 CVs of the unemployed persons who applied for individual positions.

### *Labour market surveys*

Following the directions of development set forth in the 2010-2014 Proposed Employment Strategy of RS and the directions of development of employment services in developed countries, the Employment Institute opted for a survey of employers to come to annual number of vacancies in the RS in order to analyse the situation and take measures in the labour market. Research and monitoring of the market is set forth as a programme activity of the Employment Institute because they provide in a timely manner information about the labour market situation, and the findings are the basis of measures and activities taken by the Institute as one of the most important actors in the labour market.

The goal of the survey of employers is to have an insight into the labour market situation from the aspect of needs and opportunities, finding possible labour redundancies and taking timely measures whose ultimate goal is to raise efficiency and create active measures in the labour market.

In BD- Programme implementation and active policy measures

### *Preparation for the Labour Market*

The planned preparation for the labour market performed through informal courses of training was intended for empowering of unemployed persons through the acquisition of new knowledge and skills primarily through computer literacy and English language learning.

### *Training Programme for Interns*

Young people, as a particularly singled out target group, were given, through this programme, a chance to acquire the necessary knowledge and experience in their profession through internship.

Strong support for the employment of interns - the target group is young people was given by the Government and the Assembly of BD in the Government's decisions on hiring all interns with four-year university education, a limited number of interns with two-year university and secondary school education adopted in late August in order to achieve the national balance of interns.

The Government's support to hiring interns was confirmed by the adoption of active

employment policy of the BD in 2010 and setting forth in the proposed 2010 budget a line - grants to non-profit organizations in the amount of BAM 2,000,000 earmarked for the implementation of active measures of employment of interns, the Employment Institute of BD being in charge of it.

To ensure continuous hiring of interns, in accordance with the dynamics of provision of funds, the Institute provided funding for hiring of interns for the first two months of probation period amounting to BAM 671,000, thus creating conditions to go out with a public call for employers in October 2009.

At this public invitation 273 interns were employed to finish internship: 148 ones with four-year university education, 17 ones with two-year university education and 108 ones with secondary school, which can be seen from Table No. 12.

#### *New Jobs Programme*

This programme was funded by the Institute and 126 interns were employed, of which 52 ones with four-year university education, 28 ones with two-year university education and 46 ones with secondary school. The figures show that employers expressed the most interest in hiring interns with four-year university education, interest in interns with two-year university education and secondary school was somewhat less.

At this public invitation 195 interns were employed to finish internship: 103 ones with four-year university education, 31 ones with two-year university education and 61 ones with secondary school.

#### *Employment Programme for Interns*

Young people, as a particularly singled out target group, were given, through this programme, a chance to acquire the necessary knowledge and experience in their profession through internship. Employers expressed the most interest in hiring interns with four-year university education, while interest in interns with two-year university education and secondary school was significantly less. This interest resulted in employers' employing 597 interns whose employment consumed approximately BAM 6,500,000.00. The interest of employers in this form of active employment policy was more than expected, highly appreciated as a good practice whereby the very procedure of selection of interns is a matter of their choice. This programme was jointly implemented and financed by the Government of BD and Employment Institute of BD.

An overview of the implementation of the Employment Programme for Interns in 2009 and 2010 by the BD Government and BD Employment Institute				
	2009.		2010.	
	Beneficiaries	Funds (BAM)	Beneficiaries	Funds (BAM)
Employment Programme for interns	476	4.440.523	597	6.500.000

Source: BD Employment Institute

In 2010 the Employment Institute of BD implemented the Employment Programme for interns for a period of 18 months, where the Institute funded salaries and contributions to newly employed interns for a period of 12 months, while the employer funded the remaining six months. In 2010 a total of 39 interns was employed under this programme and for this purpose BAM 350,461.00 was appropriated.

*Employment Programme for Older Persons*

The Employment Institute of BD prepared employment programmes for older persons: men aged over 55 and women aged over 50 years, as a hard-to-employ target group. The goal of this programme is to help this hard-to-employ target group in getting employment and work experience in order to acquire pension rights. A total of 28 persons were employed through this programme in 2010.

An overview of the implementation of the Employment Programme for Older Persons in 2009 and 2010 by the BD Employment Institute				
	2009		2010	
	Beneficiaries	Funds (BAM)	Beneficiaries	Funds (BAM)
Employment Programme for Older Persons (men – over 55 years of age, women – over 50 years of age)	28	151.200	45	324.000

Source: BD Employment Institute

While every year the number of beneficiaries has been increasing, it is evident that a small number of persons from the target group is employed by this programme. The major reason is that persons from this target group are not attractive to employers, nevertheless the Employment Service of BD will continue to plan programmes for the employment of persons of this target group in the future.

*Programme of the Preparation for the Labour Market*

In 2010, the Employment Institute of BD implemented Programme of new jobs. This programme involved the ECDL Start training for certification for computer skills and training in bookkeeping. A total of 80 persons was included in this programme and the funds spent in this programme were BAM 60,000.

*Employment Programme for Long-term Unemployed Persons*

This programme was implemented in 2010 and involved the persons who had been registered in the Employment Institute for more than five years. For the implementation of this programme a total of BAM 234,000.00 was spent and 72 persons were employed last year.

### *Employment Programme for Roma*

In 2010, with the support of the Ministry for Human Rights and Refugees, an employment and self-employment project for Roma in BD. In 2010, the programme included 9 persons and BAM 45,000.00 were spent.

The main problem for the project was the complexity of the target group which has an adverse qualification structure and the lack of self-declaration of Roma people as Roma when register with the Employment Service.

**Question 3. Please provide pertinent figures, statistics (for example Eurostat data) or any other relevant information, in particular: the GDP growth rate; trends in employment covering all sectors of the economy: employment rate (persons in employment as a percentage of the population aged 15-64 years), youth employment rate; activity rate (total labour force as a percentage of the population aged 15 years and over); unemployment rate, long-term unemployment rate, youth unemployment rate; employment status (employed, self-employed); all figures should be broken down by gender; employment policy expenditure as a share of GDP, including the relative shares of 'active' (job creation, training, etc.) and 'passive' (financial compensation, etc.) measures.**

#### **Answer:**

According to recent estimates by the Agency for Statistics of BiH, BiH has a population of about 3,842 million, the working population is estimated at about 67% of the total population (67.82% in the FBiH, 64% in the RS and 65.30% in BD). It should be stressed that BiH's last census was in 1991.

The growth rate of Gross Domestic Product (GDP) in BiH (real, nominal)

	2006	2007	2008	2009	2010 (estimate)
Nominal growth rate	16,5	15,6	13,7	-0,4	2,2
Real growth rate	8,8	10,9	5,9	-3,0	0,5

Source: Agency for Statistics of BiH.

### *Employment*

The total labour force in Bosnia remained virtually unchanged in 2008, compared to 2007, but the structure of the workforce changed. The number of unemployed persons decreased by approximately the same number by which the number of employed persons increased and brought the percentage of employed persons in the entire labour force to almost 60%. The labour market in BiH in 2008 was marked by a rapid increase in the number of the employed (5.1%). According to the Agency for Statistics, the average number of the employed in BiH in 2008 amounted to 702.3 thousand persons. It is noteworthy that the growth of employment in BiH in 2007 was half the employment. From the point of the entities, a faster annual growth in the number of employees in 2008 was in the FBiH (4.1%), while the RS recorded employment growth of 0.4%.

In Bosnia and Herzegovina in December 2010, 699,296 persons were employed and registered, which in comparison with the preceding year made a decrease of 13,252 persons or 1.93%. The average number of employed persons in BiH in 2010 amounted to 700.2

thousand persons and analysing the twelve month of 2010, it was higher by 0.6% in comparison with the same period of 2009. Looking at the situation in the entities, the growth of employed persons annually in the FBiH was 12,393 or 2.9%, while the RS recorded a decrease in employment of 14,181 or 5.5%. In BD in 2010, the number of employed persons recorded a growth of 754 or 4.7%.

The employment rate in BiH, by entity and sex

	BH			FBH			RS			BD		
	Total	M	F									
2006	29.7	39.9	20.0	29.1	40.3	18.8	30.9	39.6	22.7	23.7	33.7	14.0
2007	31.2	42.3	20.8	29.2	40.9	18.3	35.1	45.4	25.4	23.4	30.6	16.4
2008	33.6	44.9	23.1	31.8	43.3	21.1	37.3	48.0	27.2	25.1	34.9	15.6
2009	33.1	43.2	23.7	30.9	42.1	20.7	37.2	45.5	29.4	27.0	36.0	18.3
2010	32.5	42.2	23.3	30.4	40.9	20.6	36.6	45.0	28.6	25.8	35.0	17.1

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics; Labour Force Survey (hereinafter: LFS)

The employment rate of young people in BiH, by entity and sex

	2006			2010		
	Total	Male	Female	Total	Male	Female
Rate of employment (15-24), BiH	12.6	9.0	16.0	14.01	10.19	17.67
FBiH	11.1	8.3	13.7	12.32	7.91	16.55
RS	16.1	10.6	21.4	17.82	14.28	21.21
BD	-	-	-	-	-	-

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics (2009); LFS, 2008 and 2010.

### *Unemployment*

According to official data of the FBiH Employment Service, Employment Service of Republika Srpska and Employment Service of BD, as of 31 December 2008, BiH registered 483,121 unemployed people, which made a decrease of 32,625 persons or 6.33% in comparison with 31 December 2007.

As of 31 December 2009, BiH registered 510,580 unemployed persons, which made an increase of 27,459 persons or 5.68% in comparison with 31 December 2008.

In 2010 upward trend of registered unemployment continued, although it was considerably slower than in the previous year, when the number of registered unemployed persons soared at an annual rate of 5.7%. At the end of 2010, the increase in the number of unemployed persons amounted to 2.3% in comparison with the same period of 2009.

Rate of youth unemployment in BiH, by entity and sex

	2006			2010		
	Total	Male	Female	Total	Male	Female
Rate of unemployment (15-24), BH	62.3	65.7	60.2	57.55	62.26	55.29
FBiH	66.7	68.9	65.2	62.36	68.57	58.62
RS	52.3	58.4	48.7	46.51	44.44	46.15
BD	70.0	63.5	74.6	-	-	-

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics (2009), LFS, 2008 and 2010.

Rate of activity in BH, by entity and sex

	BH			FBH			RS			BD		
	Total	M	F									
2006	43.1	56.2	30.8	43.1	57.2	30.0	43.3	54.8	32.4	37.6	50.2	25.5
2007	43.9	57.7	31.0	42.3	56.9	28.8	47.0	59.6	35.0	39.0	49.5	27.8
2008	43.9	57.1	31.6	42.4	56.4	29.4	47.0	58.7	35.8	36.8	48.9	25.2
2009	44.9	57.1	31.9	41.6	55.7	28.7	47.4	57.3	37.9	38.1	51.0	25.7
2010	44.6	56.7	33.2	42.9	56.2	30.4	47.9	57.7	38.6	40.6	53.2	28.6

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics, LFS

Rate of unemployment in BiH, by entity and sex (survey and administration)

LFS	BH			FBH			RS			BD		
	Total	M	F									
2006	31.1	28.9	34.9	32.4	29.5	37.5	28.	27.6	30.0	37.1	32.8	45.2
2007	29.0	26.7	32.9	31.1	28.2	36.4	25.2	23.8	27.5	40.0	38.3	42.9
2008	23.4	21.4	26.8	25.0	23.1	28.3	20.5	18.2	24.1	31.9	28.6	38.2
2009	24.1	23.1	25.6	25.7	24.4	27.9	21.4	20.6	22.4	29.2	29.5	28.8
2010	27.2	25.6	29.9	29.1	27.3	32.3	23.6	22.0	25.9	36.4	34.1	40.4

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics, LFS.

Long-term unemployed persons in BiH (% of the employed persons)

		Male	Female	Total
		Long-term unemployed persons	BiH	85.4
	FBiH	85.3	88.0	86.3
	RS	87.3	85.4	86.6

Source: International Labour Organization (ILO),

Employed persons in BiH, by the employment status and sex

BiH (%)	Employed			Self-employed			Unpaid supporting members		
	Total	M	F	Total	M	F	Total	M	F
2006									
2007	73.0	72.7	73.6	22.6	25.2	17.7	4.4	2.0	8.8
2008	72.5	72.5	72.5	22.1	24.9	17.0	5.4	2.6	10.5
2009	72.8	74.2	70.3	20.5	22.6	16.7	6.8	3.1	12.9
	Employed			Self-employed			Unpaid supporting members		

<i>FBiH</i>									
(%)	Total	M	F	Total	M	F	Total	M	F
2006									
2007	79.7	78.8	81.7	17.7	20.0	12.8	2.6	1.2	5.6
2008	77.9	77.3	79.2	19.3	21.0	16.1	2.7	1.7	4.7
2009	78.8	78.5	79.4	18.3	19.9	15.2	2.9	1.5	5.4
<i>RS</i>									
	Employed			Self-employed			Unpaid supporting members		
(%)	Total	M	F	Total	M	F	Total	M	F
2006									
2007	63.2	63.4	62.8	29.7	33.1	24.0	7.1	3.5	13.2
2008	64.1	64.9	62.6	26.3	30.9	18.6	9.6	4.2	18.8
2009	64.1	67.7	58.8	23.4	26.6	18.7	12.5	5.7	22.5
<i>BD</i>									
	Employed			Self-employed			Unpaid supporting members		
(%)	Total	M	F	Total	M	F	Total	M	F
2006									
2007	72.8	67.0	83.4	27.2	33.0	16.6	-	-	-
2008	78.3	73.6	88.5	21.2	26.2	10.4	-	-	-
2009	71.4	68.0	77.9	25.2	30.0	16.0	3.4	-	-

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics, LFS

The employed by the status of activity in BiH (share in the structure of the employed)

	2006	2010		
		Total	Male	Female
Employed		73.5	74.3	72.1
Self-employed		20.8	23.2	16.8
Unpaid supporting members		5.6	2.4	11.1

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics, LFS

Spending on active measures of employment in BiH (% GDP)

	BH	FBH	RS	EU27	EU15	BG	HU	SI
Spending on active measures of employment (% GDP)	-	0.11	-	0.525	0.544	0.432	0.197	0.196
Spending by individual beneficiary (EUR)	-	1,764.6	-	-	-	393	1,191.7	2,344.7

Source: CARDS. Situation Review Report, active measures of employment in BiH. (2008).

Rate of unemployment in BiH

	<i>Total</i>			<i>Male</i>			<i>Female</i>		
	2008	2009	2010	2008	2009	2010	2008	2009	2010

*Unemployment rate* 23.4 24.1 27.2 21.4 23.1 25.6 26.8 25.6 29.9

Source: Labour Force Survey 2010, Statistics Agency of BiH

Looking at data for the young people (15-24 years) in the same period of time, we can see

faster growth of unemployed female persons by 17.8%, while the growth of male labour force increased by 11.9%. At the same time, the increase at the state level was by 14.3%.

Working age population by activity, age and sex in BiH

(000)

	<i>Working-age population</i>			<i>Labour force</i>									<i>Inactive persons</i>		
				<i>Total</i>			<i>Employed persons</i>			<i>Unemployed persons</i>					
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
				<i>Total</i>											
<i>15-24 years</i>	447	432	421	148	141	139	78	72	59	70	69	80	299	291	282
				<i>Male</i>											
<i>15-24 years</i>	236	223	215	94	90	85	52	48	38	42	42	47	141	133	130
				<i>Female</i>											
<i>15-24 years</i>	211	209	206	54	51	53	26	24	21	28	27	33	157	158	153

Source: Labour Force Survey 2010, Statistics Agency of BiH

Activity of population by age and sex in BiH

(%)

	<i>Activity rate</i>			<i>Employment rate</i>			<i>Unemployment rate</i>					
	2008	2009	2010	2008	2009	2010	2008	2009	2010			
				<i>Total</i>								
<i>15-24 years</i>	33.2	32.6	33.0	17.4	16.7	14.0	47.5	48.7	57.5			
				<i>Male</i>								
<i>15-24 years</i>	40.0	40.4	39.7	22.1	21.7	17.8	44.8	46.4	55.1			
				<i>Female</i>								
<i>15-24 years</i>	25.6	24.3	25.9	12.2	11.5	10.0	52.3	52.7	61.3			

Source: Labour Force Survey 2010, Statistics Agency of BiH

## Employed persons with full and part-time jobs in BiH

(000)

	<i>Total</i>			<i>Male</i>			<i>Female</i>		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
<i>Total</i>	<b>890</b>	<b>859</b>	<b>843</b>	<b>573</b>	<b>541</b>	<b>531</b>	<b>317</b>	<b>318</b>	<b>311</b>
<i>Full time</i>	789	771	755	516	494	485	273	277	270
<i>Part time</i>	102	88	87	57	47	47	44	41	41
<i>Agriculture</i>	<b>183</b>	<b>182</b>	<b>166</b>	<b>113</b>	<b>100</b>	<b>95</b>	<b>71</b>	<b>82</b>	<b>71</b>
<i>Full time</i>	122	128	112	83	76	71	39	52	41
<i>Part time</i>	61	54	(53)	30	(24)	(23)	(31)	(30)	(30)
<i>Industry</i>	<b>289</b>	<b>270</b>	<b>261</b>	<b>230</b>	<b>218</b>	<b>210</b>	<b>59</b>	<b>52</b>	<b>51</b>
<i>Full time</i>	270	255	247	214	206	197	56	49	50
<i>Part time</i>	19	(16)	(14)	16	(12)	(13)	((3))	((3))	•
<i>Services</i>	<b>418</b>	<b>406</b>	<b>416</b>	<b>230</b>	<b>222</b>	<b>227</b>	<b>188</b>	<b>184</b>	<b>189</b>
<i>full time</i>	397	388	396	220	212	216	177	177	180
<i>Part time</i>	21	18	20	(11)	(10)	(10)	(10)	(8)	(9)
<i>Structure (%)</i>									
<i>Total</i>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<i>Full time</i>	88.6	89.8	89.6	90.0	91.3	91.2	86.0	87.1	86.9
<i>Part time</i>	11.4	10.2	10.4	10.0	8.7	8.8	14.0	12.9	13.1
<i>Agriculture</i>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<i>Full time</i>	66.5	70.2	67.8	73.4	76.0	75.3	55.6	63.1	57.7
<i>Part time</i>	33.5	29.8	32.2	26.6	24.0	24.7	44.4	36.9	42.3
<i>Industry</i>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<i>Full time</i>	93.3	94.2	94.5	92.8	94.3	93.9	95.3	93.9	96.9
<i>Part time</i>	6.7	(5.8)	(5.5)	7.2	(5.7)	(6.1)	((4.7)	((6.1)	((3.1)
							)	)	)
<i>Services</i>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>			
<i>Full time</i>	95.0	95.6	95.2	95.4	95.4	95.4	94.6	95.8	95.0
<i>Part time</i>	5.0	4.4	4.8	(4.6)	(4.6)	(4.6)	(5.4)	(4.2)	(5.0)

**groups of sections of economic activities (NACE Rev 1.1): agriculture (A,B), industry (C,D,E,F), services (G,H,I,J,K,L,M,N,O,P,Q)**

Source: Labour Force Survey 2010, Statistics Agency of BiH

The data shows that more people of both sexes have full time jobs than part-time jobs.

Labour market situation in BiH in December 2008				
	<b>BiH</b>	<b>FBiH</b>	<b>RS</b>	<b>BD</b>
Total of registered employed persons	706,088	431,131	259,117	16,242
Total of registered unemployed persons	483,251	338,643	133,075	11,534
Rate of registered unemployed persons	40.6%	43.9%	33.9%	41.5%
Labour market situation in BiH in 2009				
	<b>BiH</b>	<b>FBiH</b>	<b>RS</b>	<b>BD</b>
Total of registered employed persons	696,316	426,556	253,665	16,095
Total of registered unemployed persons	497,525	347,146	139,536	10,843
Rate of registered unemployed persons	41.7%	44.9%	35.5%	40.2%
Labour market situation in BiH in 2010				
	<b>BiH</b>	<b>FBiH</b>	<b>RS</b>	<b>BD</b>
Total of registered employed persons	700,251	438,949	244,453	16,849
Total of registered unemployed persons	529,951	360,512	157,454	11,985
Rate of registered unemployed persons	43.1%	45.1%	39.2%	41.6%

Source: Agency for Statistics of BiH, FBiH Office for Statistics, RS Institute of Statistics, LFS.

In FBiH the average employment rate of working-age population in FBiH in 2010 was 30.4%. According to the Labour Force Survey in 2010 conducted by the Agency for Statistics of BiH, activity and employment rates amounted to 44.6 % and 32.5 % respectively, while in 2009 they were 41.6 % and 30.9 % respectively. Both the rates were significantly higher for men than for women.

The average unemployment rate in FBiH in 2010 amounted to 44.88 % and had a mild upward tendency (0.38 %) compared to the previous year. The unemployment rate in FBiH

in 2010, according to the Labour Force Survey, was 27.2 % (25.6% for men and 29.9 % for women), which is 1.5 % more than in 2009. The average employment rate in FBiH in 2008 amounted to 27.26 %.

An overview of the main indicators in employment in FBiH in the period 2007-2010.

<b>Indicators</b>		<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
1.	Number of the employed <sup>4</sup>	423,440	431,131	426,557	424,598
2.	Persons seeking a job–TOTAL	367,570	338,643	354,577	364,929
2.1.	Women	179,962	175,451	181,992	186,950
3.	Qualified persons	194,572	207,901	224,684	235,498
4.	Unqualified persons	124,635	130,742	129,893	129,431
5.	Persons seeking a job for the first time	142,935	170,344	167,803	169,306
6.	Persons having registered as unemployed in a month <sup>5</sup>	7,240	10,732	8,685	7,946
7.	Persons having got employment while registered	4,225	3,175	3,097	4,004
8.	Employment terminated	1,317	2,124	4,611	2,334
9.	Persons having been struck off in a month	9,973	7,861	6,671	7,433
10.	Vacancies reported to the employment service	1,525	1,135	1,052	1,292
11.	Reported vacancies filled up in a month	2,303	1,948	1,898	2,168
12.	Benefits beneficiaries	5,521	5,488	9,517	7,837
13.	Health insurance benefits <sup>6</sup>	206,649	187,910	201,761	211,742
14.	Veterans	87,480	75,758	72,864	69,537

Source: FBiH Employment Institute

In the RS data and information which reflect the economic situation and the state of labour markets in the RS in 2010 show that GDP grew at a nominal rate of 4.8% and real rate of 2.5%, with inflation at 2.3%, with endeavours to retain a share of investments in GDP in 2011 at above 20%.

The market has experienced dramatic economic and structural change during the last two decades, but during the last five-year period it experienced relatively stable growth of GDP, with an average annual growth rate of 7%, which resulted in a modest growth in formal employment.

The country is also characterized by high inactivity, since about 52% of the working age population is considered inactive. This indicates low employment rates especially among women and young people. Unemployment is high, over 23%, especially among the young people, approximately 47% of them being unemployed.

Long-term unemployment was also much higher than in the EU and it was 36.0%.

<sup>4</sup>Points 1 to 5 include absolute values, as of 31 December in the reporting years.

<sup>5</sup>Points 6 to 12 include average (monthly) values by reporting years.

<sup>6</sup>Points 13 and 14 include absolute values, as of 31 December in the reporting years.

In the past five years the total number of registered employed persons in the RS has risen from 234,000 in 2002 to more than 259,000 registered employed persons in 2008. The total number of registered employed persons has increased by 10% in the five-year period. According to the LFS the average annual growth of the number of employed persons ranged between 1% and 4% per annum. However, in 2010 the RS recorded a fall in employment by 329,000 persons.

The biggest growth in the period between 2002 and 2007 can be observed in the services sector, while on the other hand, employment in agriculture and manufacturing industry is declining.

There are differences between the employment of men and women. The group made up of men is equally distributed between the major sectors, while the groups that make women are less represented in the industry and more represented in services. This confirms the existence of traditionally typical male and typical female occupations; the pattern that should be broken in the determination of employment policy for women in order to reduce the gap in terms of employment between men and women.

Despite the processing sector recorded a steady decline over the period between 2002 and 2007, it is still one of the most important sectors with regard to employment in the RS. Along with trade, these two sectors employ nearly 40% of formally employed persons in the RS.

Although the total number of unemployed in RS has been on the rise relatively evenly, the structure of employment changes as the economy RS moves towards trade and services-based economy (such as trade, catering, financial and real estate sale).

These trends can be explained by the following events in the RS:

The trade sector in the RS has been developing and concentrating. The post-war trade sector in the RS was scattered in a great number of smaller shops. In the past five years, trade has been concentrated in the hands of a small number of large wholesalers and retailers, while the number of small commercial enterprises has been decreasing. This trend will probably continue in the next five years, due to an even greater concentration of trade, and foreign and domestic investments in the trade sector (acquisitions, mergers, restructuring and privatization).

The catering sector records significant development in the RS - both in terms of GVA and employment in the hospitality industry. The main cause of this trend is the development of tourism in the RS, the increased number of tourists in RS, as well as the general increase in standards and wages in the RS (higher spending in restaurants).

Financial markets in the RS continued to develop. The banking sector continued its growth in the period between 2003 and 2008, the insurance sector and leasing, as well as stock exchange markets have started developing in RS. A number of leasing and insurance companies has been established, mostly as subsidiaries of banks and financial intermediaries owned by foreigners. In 2003 and 2004, state ownership in the financial sector was reduced and eliminated, and some of the financial institutions owned and run by the state were reduced or liquidated, which caused a temporary drop in the number of employees in the financial sector. In 2007 and 2008, as a result of the trend of development of financial markets, the number of employees in this sector increased once again.

Employment of persons registered with Employment Service according to sectors and activities indicates that most persons are newly employed in manufacturing industry, followed by wholesale and retail, while construction industry is on the third place, followed by hotels and restaurants, and other utility, communal and personal service activities. This sequence has been present for the last three years. On the other hand, in this period a decline in total employment has been apparent in these industries. In 2009 the Institute for Employment recorded the fact that in manufacturing, wholesale and retail trade and particularly in the construction industry a great number of cases of losing jobs, compared with the number of employees in these sectors. But it also noted that in these sectors the largest number of employed persons registered with Employment Service was recorded.

These indicators suggest that the current level of employment will be maintained in certain sectors in the coming years, with a slight increase in the total number of employed persons in service industries and non-industrial activities unless strategic sectors and branches of development are identified.

Activities with the largest growth in the period between 2003 and 2008 were:

- Mining (average growth rate of 19% per year);
- Hospitality - hotels and restaurants (18%);
- Trade (11%);
- Manufacturing (10%), and
- Electricity, gas and water supply (9%).

In terms of export growth, the highest growth was recorded in

- Exploitation of metal ores,
- Metal industry,
- Processing and manufacturing of leather and footwear.

About 43 per cent of the total number of businesses of BiH operate in the RS, which is the number of around 43,000 small and medium enterprises and entrepreneurs. The vast majority of enterprises are SMEs in the RS (98.7%) and most of them are categorized as micro-enterprises.<sup>7</sup>

Besides contributing to growth and job creation, it is especially micro-enterprises that provide good opportunities for self-employment<sup>8</sup> in urban, suburban and rural areas. Statistics show that approximately 19% of the number of working-age population was registered as self-employed. It is evident that more men (31%) than women (22.60%) are among those who opted for self-employment.

The RS population makes 35% of the total population in BiH, which is approximately 1.155 million (49.2% are men, 50.8% are women), of which 969,000 inhabitants are over 14 years of age and 186,000 inhabitants are under 15 years of age. The working age population (15-64 years) makes 66% of the total population. It is evident that the percentage of the total population declines at a rate of -1.2% per year.

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<sup>7</sup> A small enterprise is a company that employs up to 49 employees, while a micro-business employs up to 10 employees.

<sup>8</sup> In terms of employment status of employed persons in the Republika Srpska, 2006 and 2007 LFS Statistics show that 29.7% of persons are registered as self-employed.

Age patterns do not reveal anything extraordinary in relation to comparable state and foreign regions.

Labour supply in RS is characterized by a large majority of working-age population that has loose or no connection with the labour market. Only 45% of the working age population were employed<sup>9</sup>, 14.6% were unemployed, while 40.4% were inactive.

The high rate of persons who have loose connection with the labour market is a threat to future economic growth and labour supply with adequate and high qualifications.

The employment rate in RS was significantly lower (45%) compared with the EU (64.3%). Particularly low employment rate is among young people of 15-24 years of age (17.8%) compared with other age groups (25-49 years old 60.5%, 50-64 years old 37.8%) and the EU average for 15-24 years of age (36.3%). The employment rate for youth increased by 3.1% in the period between 2006 and 2007.<sup>10</sup>

In general, there is a big disproportion in employment in terms of sex (21.2%<sup>11</sup>) (EU27 14.5%) and individual age groups. (15-24 age: 13.2%, 25-49 years: 21.8%, 50-64 years: 24.9%). The employment rate for women (31.3%) was also much lower compared to the EU27 average (57.1%).

The general unemployment rate (15-64) in the RS is high (24.5%) compared with the EU average (7.9%). Women have higher unemployment rates than men (men: 26.9 %, women: 22.8%). Among young people, unemployment is higher (46.8%) than among other age groups: 25-49 years of age – female: 27.10%, men: 20.2% (50-64 years of age: 18.9%).

Long-term unemployed persons made 21.3% of the population, which is 101,700 persons<sup>12</sup> and, of this number, most were unemployed for more than 12 months.

One of the major challenges in terms of labour supply in RS is that almost half (43% / 327 000) of the working age population is inactive and this means no or very limited connection with the labour market. Women are more inactive than men (212,000 women / men 115,000).

Among the most common explanations for the inactive state of young people is the fact that they are enrolled in school. For young women there are additional reasons: marriage or child birth and child care are main reasons for being intentionally inactive. For women in other age groups, two main reasons for being inactive are family obligations and responsibilities for household and childcare. According to the subjective status statistics from the LFS, 13.9% (45,000) of inactive persons were students and 44.6% (118,000) persons were housewives. Older people from the workforce may be inactive due to retirement or work disability (29.8% / 96,000). Others in the inactive group consider themselves to be unemployed and job seekers (13.2% / 43,000) having potentials for labour market.

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<sup>9</sup>According to 2010 LFS.

<sup>10</sup>According to 2010 LFS

<sup>11</sup>The gender employment gap is defined as the difference between the employment rates of men and women.

<sup>12</sup>

The low level of qualifications in the RS provides a weak basis for the supply of highly qualified persons with a high rate of mobility and ability to meet the demands of the labour market.

In addition, a large group of inactive and unemployed people with the low level of qualifications will have a hard time in the transitional labour market when re-entering the formal labour market, due to higher requirements in terms of qualifications and education.<sup>13</sup> This situation causes disparities between labour market demand and supply of labour and results in serious danger for economic growth.

According to data of the RS Employment Institute, the group of persons registered as unemployed under the age of 30 years is characterized by several facts:

- Continuous decline in the number of young people who register in the Employment service: from 47,248 persons in 2004 to 37,928 persons in 2008 and 42 890 (29.5%) in December 2009,

- High number of persons with secondary school education – III and IV level - together about 74%,

the records of persons in this age group (up to 24 years) include 16.8% persons who are unskilled, medium skilled and finished only primary school.

- In the reporting period the number of young people with university degrees increased from 1.8 in 2004 to 6.6% in 2009, with the number of persons with two-year university education not significantly changing in the last four years.

Of the 143,305 persons registered in November 2009, the young people of 30 years made 28.3% while in November 2010 they make 29.1%.

However, when it comes to employment of this group of unemployed persons, it is noted that in the past two years the share of youth in the total number of employed persons who were registered in Employment Service was about 44%.

The main challenges regarding the inclusion of women into the labour market in the RS include:

- significantly lower activity rate, i.e. high rate of inactivity,

- gap between the sexes in terms of unemployment,

- the disparity in the level of qualifications among women compared with men,

- young women are neglected in terms of employment and gaining qualifications.

A great concern in the RS is a low rate of woman in the labour market. The employment rate for women is very low (36.3%) and the rate of inactive women is very high (61.4%) as compared with the male population (employment rate is 52.5% and inactivity rate is 30.1%) and the EU average (employment rate is 57.1% and inactivity rate is 29.9%). Among employed women, women who were registered in Employment Service made about 43% (2009).

In BD, the number of persons employed in the reporting period has the trend of slow growth in comparison to 2003: the registered employment increased by 4,317 persons or 36.42%.

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The largest number of registered employees was in the retail sector and hospitality industry (36.38%) and agriculture and food industry (20.41%).

On the basis of mediation in employment in fiscal 2008, 1698 persons were struck off the records, which was more by 223 persons or about 15%, as compared to 2007.

The persons who irregularly come to re-register with the Employment Service to meet statutory deadlines were struck off from the records as persons who had given up active seeking of employment, and in the observed year, on these grounds, 3061 persons were struck off from the records, which was more than in the previous year by 111 persons or about 4% more. They were struck off for a period of 3 months, the largest number of persons struck off from the records on these grounds re-registered with the Employment Service at the end of the 3 months.

Persons who were found by labour inspectors to work "illegally" were struck off from the records for a period of 6 months, and on these grounds, in the observed business / fiscal year of 2008, 47 persons were struck off from the records, which was less by 180 persons, or about 79%, as compared to previous fiscal / financial year.

In the business / fiscal year of 2007, 692 persons were struck off from the records, which is less by 123 persons, as compared to the previous year (the grounds were: a change of residence, retirement, going to school, death etc.).

In BD, the number of employed persons in the reporting period had a trend of slight growth in comparison to 2003: the registered employment increased by 4367 persons or 36.85%. The largest number of registered employed persons were in the retail sector and hospitality industry (36.76%) and agriculture and food industry (19.22%).

On the basis of mediation in employment in fiscal year of 2009, 937 persons were struck off from the register, which was less by 761 persons or about 45%, as compared to 2008.

The total number of unemployed registered at the Institute during the past few years has had a trend of slow growth, and the number of unemployed as of 31 December 2010 was about 12,000 persons, with a conclusion that it was a daily variable. It should be noted that the data on unemployed people has the statistical error on several grounds:

- a considerable number of persons who are entitled to health care on the basis of unemployment have registered with the Employment Service and they are not interested in actively seeking work, and very soon these persons should be entitled to enjoy the rights directly in the fund, modelled on the solutions of neighbouring countries,
- persons who enjoy social security benefits on various grounds, who are not active in the labour market, have to exercise the entitlements directly in authorities of the District, without having to register with the Employment Service,
- illegal employment, which is largely unknown in terms of its scope, which should be addressed on the basis of social dialogue among social partners.

According to the standards of Eurostat (European Statistical Agency), working age population is population aged 15-65 years, which in the case of BD is about 63% of the total population.

Out of about 78,000 inhabitants of BD, working-age population aged 15-65 years makes about 49,140 persons, which implies that around 57.9% of the total working age population

actively works(number of unemployed as of 31 December 2010: 11,503 + employed persons on 31 December 2010: 16,945 = a total of active persons in the labour market: 28,448/49,140 a total of working age population = 57.9% of active population).

In BD, the number of employed persons in the reporting period had a trend of slight growth in 2010 as compared to 2009, registered statistical employment increased by 727 persons or about 4.5%. The largest number of registered employees was in the retail sector and hospitality industry (37.65%) and agriculture and food industry (19.70%), which is shown in Table No. 6.

The largest number of persons works in trade and catering and agriculture and food industry.

On the basis of mediation in employment in fiscal year of 2010, 1,122 persons were struck off from the register, which was more by 185 persons or about 20%, as compared to 2009. Article 27 Paragraph 3 of the Law on Employment of BD enables unemployed persons registered with the Employment Service who lack less than three years to fulfil requirements for old-age pension to get pension and disability insurance.

In order to exercise this right, in accordance with Article 15 of the Law on Employment and Rights During Unemployment, the BD Government earmarked an amount of BAM 600.000,00 within its 2008 programme with an aim to cover "pension and disability insurance for the unemployed who lack less than three years to fulfil requirements for old-age pension in accordance with the regulations on pension and disability insurance."

The number of the holders of the entitlement to have contributions to the pension scheme paid increased from 31 to 73 in the financial/fiscal year of 2008, which is more by about 135%, as compared to 2007. The 73 holders of the entitlement to pay contributions to the pension scheme in the financial/fiscal year of 2008 is less by 27 in comparison to the planned number of 100 holders of this entitlement or by about 27%.

Overall financial implications of payment of contributions into the pension scheme in the financial/fiscal year of 2008 amounted to BAM 600,000, which makes an average of BAM 6,000 per person among the 100 planned holders of this entitlement. The financial result in the observed financial/fiscal year was spending a gross amount of BAM 356,499, which was a gross amount of BAM 4,884 on average paid to each of the total of 73 holders of this entitlement. The average amount paid per an individual holder of this entitlement was less than planned by about BAM 1,116 or 29%, while the average gross amount paid per an individual holder in the observed year was less by BAM 164 or about 3% in comparison to 2007.

It should be noted that in 2008, of the total of 73 holders of the entitlement to have contributions to the pension scheme paid, 41 holders applied for this entitlement in the financial/fiscal year of 2007, while 32 holders were granted this entitlement in a decision (rjesenje) on their claims filed in the financial/fiscal year of 2007.

Of the 73 holders of this entitlement, 36 unemployed people were granted a one-time payment to buy the pensionable years of service, while 37 holders of this entitlement were granted monthly payments to buy the pensionable years of service, while one person's entitlement was terminated due to having been granted family (survivor's) pension.

For the purpose of exercising the entitlement to buy lacking pensionable years of service, within the 2009 Programme of active employment policies, the Government of the Brcko District of BiH earmarked BAM 288,000, while under the 2008 Programme of active

employment policies of the Government of the Brcko District of BiH, an amount of BAM 443,501 remained unspent and transferred into the fiscal year of 2009 for the same purpose.

In 2009, one-time payments were made to buy the pensionable years of service on behalf of 52 unemployed persons and, on the day of payment, they became eligible for old age pension, and on those grounds they were struck off unemployment records of the Employment Institute. Of the 52 persons, for 34 persons, monthly payments were made previously. Monthly payments were made on behalf of 16 unemployed persons, of which 6 persons became eligible for old-age pension in 2009. It should be noted that, in 2009, 4 persons became eligible for old-age pension on the basis of decisions issued in 2008.

The number of holders of the entitlement to buy the pensionable years of service in the fiscal / accounting year of 2009 dropped from 73 to 62 holders of this entitlement, which is less by about 15%, compared to 2008. The number of 62 holders of the entitlement to buy the pensionable years of service in the fiscal / accounting year of 2009 increased by 2 or about 3% in comparison with the planned number of 60 holders of this entitlement, which is clearly seen from an overview in Table No. 6.

In 2010, one-time payments were made to buy the pensionable years of service on behalf of 22 unemployed persons of which 2 holders applied for this entitlement in 2008, 6 holders applied for this entitlement in 2009 and 14 holders applied for this entitlement in 2010. On the date of payment of funds into the account of the relevant Pension Fund they were struck off unemployment records. Further, 11 unemployed persons became eligible for old-age pension in 2010 on the basis of monthly payments, one person among them having filed an application in 2007, 3 ones having filed it in 2008, 4 ones having filed it in 2009 and 3 ones having filed it in 2010. Buying off the pensionable years of service on behalf of 19 unemployed persons is in progress presently, 2 persons among them having filed an application in 2008, one person having filed it in 2009 and 16 ones having filed it in 2010.

The number of holders of the entitlement to buy the pensionable years of service declined from 73 holders in the period 2008-2010: to 62 holders in 2009 and 52 holders in 2010.

## **LABOUR FORCE SURVEY**

Since 2006, in order to obtain internationally comparable data on the labour market, the Agency for Statistics BiH, FBIH Institute of Statistics and the RS Institute of Statistics, have been implementing the annual Labour Force Survey based on the standards of the ILO and EUROSTAT.

According to the results of the 2010 Labour Force Survey, the BiH labour force (economically active population) consisted of 1,157,940 persons, while the number of inactive persons was 1,438,761. The labour force consisted of 842,831 employed persons and 315,110 unemployed persons. The LFS unemployment rate was significantly lower than the registered one and, at the state level, in 2010 it amounted to 27.2%. The employment rate was lower compared to 2009 by 0.6% and in 2010 it was 32.5%.

In more than 2.5 million working-age persons, more than 1.1 million were classified as economically active, while a little over 1.4 million as economically inactive. The statistics showed that less than half the working population over 15 years of age in BiH was active with noticeable differences between the sexes. The activity rate of 44.6% was still very low by international standards.

The number of active and inactive persons of working age increased compared to 2009. The labour force - active population increased by 2.3%. The number of employed persons decreased by 1.9%, while the number of unemployed persons increased by 15.7% compared to 2009.

More than half the working population in BiH (55.4% in 2010) was inactive. Women are particularly inactive - 66.8% of working-age women in BiH were inactive. In 2010 inactivity rate for women varied among the different entities and ranged from 61.4% in the RS to 71.4% in BD.

Labour Force Survey – Rate of activity of the BiH and Entity population (%)					
		BiH	FBiH	RS	BD
Activity rate (%)	2006	43.1	43.1	43.3	37.6
	2007	43.9	42.3	47.0	39.0
	2008	43.9	42.4	47.0	36.8
	2009	43.6	41.6	47.4	38.1
	2010	44.6	42.9	47.9	40.6
Employment rate (%)	2006	29.7	29.1	30.9	23.7
	2007	31.2	29.2	35.1	23.4
	2008	33.6	31.8	37.3	25.1
	2009	33.1	30.9	37.2	27.0
	2010	32.5	30.4	36.6	25.8
Unemployment rate (%)	2006	31.1	32.4	28.5	37.1
	2007	29.0	31.1	25.2	40.0
	2008	23.4	25.0	20.5	31.9
	2009	24.1	25.7	21.4	29.2
	2010	27.2	29.1	23.6	36.4

Source: Agency for Statistics of BiH. Labour Force Survey, 2010.

According to this Survey, the gender structure of unemployment is 57.9% men and 42.1% women. The educational structure shows that the largest share of 71.2% are persons with secondary school education, 21.2% were those with primary education and below, while 7.6% have completed college, university, academy, master's or doctorate.

**Article 1, paragraph 2**

With a view to ensuring the effective exercise of the right to work, the Parties undertake:

to protect effectively the right of the worker to earn his living in an occupation freely entered upon;

**Question 1. Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

**Answer:**

## **Prohibition of all forms of discrimination in employment**

BiH Legislation

### *Constitution of Bosnia and Herzegovina*

Article II, paragraph 4 sets forth protection of all persons in Bosnia and Herzegovina against discrimination on any grounds such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth or other status and the Entity Constitutions provide for the protection against discrimination.

The Constitution of BiH provides for the enjoyment of the rights and freedoms provided for in the Constitution to all persons in Bosnia and Herzegovina without discrimination on any ground. From the above it can be unequivocally concluded that the Constitution actually secures the prohibition of discrimination.

It is important to point out that BiH has signed and ratified the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention has been directly included in the legal system of BiH. Racial discrimination is directly prohibited by the Constitution of BiH and criminalized through several types of offenses under the Criminal Code of BiH.

### *Constitution of Republika Srpska*

Preamble of the Constitution of RS includes provisions that guarantee anti-discrimination and the respect for human dignity, freedom and equality, national equality, pluralistic society, guarantees for and protection of human freedoms and rights, as well as the rights of minority groups, in line with the international standards, ban on discrimination etc.

The Constitution guarantees protection of human rights and freedoms in accordance with ECHR. Citizens of the RS shall be equal in their freedoms, rights and duties; they shall be equal before the law and they shall enjoy equal legal protection irrespective of their race, sex, language, national origin, religion, social origin, birth, education, property status, political and other beliefs, social status and other personal attributes.

### *Constitution of Federation of Bosnia and Herzegovina*

Like the Constitution of BiH which contains the anti-discrimination provision, the Constitution of FBiH contains in the section on rights and freedoms an anti-discrimination provision prohibiting all forms of discrimination as provided for in ECHR.

The Constitution contains provisions that directly prohibit any form of discrimination based on race, colour, sex language, religion or creed, political or other opinions, and national or social origin. It also sets forth that full national equality, democratic relations and the highest standards of the human rights and freedoms shall be ensured.

### *Statute of Brčko District*

Chapter II, Article 13 provides that everyone is entitled to the enjoyment of all rights and freedoms guaranteed under the Constitution and laws of Bosnia and Herzegovina, this Statute and the laws of the District, without discrimination of any kind, including discrimination on the basis of gender, race, sexual orientation, colour, language, religion,

national or social origin, political or other opinion, membership of a national minority, property, birth or other status.

*Law on Prohibition of Discrimination („Official Gazette of BiH" 59/09)*

Articles 1 and 2 of the Law on Prohibition of Discrimination prohibit any form of discrimination. Article 2, paragraph 2 of this Law defines discrimination as „ ... every different treatment of any person or group of persons in access and enjoyment of guaranteed rights on any ground .... by public bodies, natural or legal persons."

*Law on Gender Equality of BiH ("Official Gazette of BiH" 32/10)*

This Law has established appropriate mechanisms to prevent discrimination based on sex, defining, within the legal framework, the right to equal treatment on grounds of gender and sexual orientation of any person by her own choice, and gender equality in all spheres of society, regardless of marital or family status.

The Law provides for judicial protection, as well as compensation for those affected by discrimination. It is worth noting that the Law has established the Agency for Gender Equality, whose task is to monitor and supervise the implementation of the Law.

The definition of discrimination set forth in this Law is in line with the definition under the UN Convention on the Elimination of All Forms of Discrimination - CEDAW.

*Criminal Code of BiH („Official Gazette of BiH" 3/03, 32/03, 37/03, 54/04, 61/04,30/05, 53/06, 55/06)*

This Law provides for prison sentences for a term of 6 months to 5 years to be imposed on officials or responsible persons in BiH authorities which denies or derogates civic rights enshrined in the Constitution of BiH, without discrimination on any ground such as race, colour, national or ethnic affiliation, religion, political or other opinion, sex, sexual orientation, language, education, social status or origin.

*Law on Labour in BiH Institutions ( „Official Gazette of BiH" 26/04,7/05,48/05, 60/10)*

This law determines that a person seeking employment with an employer shall be recruited without discrimination on any ground such as race, colour, sex, language, religion, political or other opinion or conviction, national or social origin, sexual orientation, property, birth or other status, political party membership or non-membership, bodily impairment or any other grounds contradictory to basic human rights and freedoms laid down in the BiH Constitution and the law.

This Law determines that a person who is self-employed, i.e. who has a workshop or a private company, shall not be employed or be in employment. In this case the law provides that if these circumstances occur in the course of employment, the employee shall remove them within 15 days, with the proviso that if it does not eliminate them the employer makes a decision on termination of employment of employee without notice.

Regarding the provisions of protection of women and motherhood, the Law contains a number of anti-discrimination provisions, ranging from the fact that an employer may not refuse to hire a woman because of her pregnancy or terminate her contract of employment

because of it, a woman may not be assigned to other duties during pregnancy or breastfeeding, unless it is in the interest of her health as required by an authorized physician, the temporary placement of a pregnant women may not result in a reduction in the woman's wage, an employer may assign a pregnant woman to other duties only with her written consent.

An anti-discrimination clause in this Law is also a provision that an employer may not terminate the contract of employment of an employee who has sustained an injury at work or an occupational disease, while temporarily unable to work, regardless of whether the contract is for a definite or indefinite period.

In this sense, the law provides that such injuries at work, occupational disease or illness may not adversely affect rights of employees deriving from employment. Furthermore, the Law seeks to prevent discrimination by providing for the right of such employees to be reinstated into the job that they had prior to the temporary inability to work.

The Law contains an anti-discrimination provision in section of the Law about petty offense proceedings or disciplinary proceedings against an employee. Namely, in the event that the employee has been acquitted of charges, he/she will be reinstated into his position and his/her personal file shall not contain any information about criminal proceedings or the relevant suspension period.

The Law provides for a number of fines for non-compliance with this Law, including provisions respecting anti-discrimination. A fine from BAM 600.00 to 1,500.00 shall be imposed on an employer who puts a person seeking employment with the employer in a less favourable position than an employee, on an employer who does not respect rights of women during pregnancy and maternity leave, on an employer who cancels the contract of employment of an employee who has suffered an injury at work or an occupational disease; on an employer who victimizes an employee for organizing or participating in a strike.

*Law on Civil Service in BiH Institutions („Official Gazette of BiH" 19/02,35/03,4/04,17/04,26/04,37/04,48/05,2/06,32/07,43/09,50/08, 8/10)*

This Law provides that a civil servant shall be entitled to receive fair and equitable treatment in all aspects of personnel management without regard to his ethnic origin, social origin, entity citizenship, residency, religion, political or other opinion, sex, colour, birth, marital status, age, property, handicapping condition or other status.

The Law has a clear and precise anti-discrimination provision determining that the Agency for Civil Service shall ensure, when organizing a public competition, that there will be no discrimination whatsoever.

*Law on Movement and Stay of Aliens and Asylum („Official Gazette of BiH" 36/08)*

The Law has a chapter on prohibition of discrimination expressed towards aliens on any grounds whatsoever, including sex, race, colour of skin, language, religion, political and other views, national and social origin, status of a national minority, property status, age, psychological or physical disability, status attained by birth or some other status.

The passage of the Law on Movement and Stay of Aliens and Asylum of BiH created conditions and presumptions for the exercise of equal rights and opportunities for the protection against discrimination on any grounds whatsoever for all citizens and persons who stay and work in BiH.

*Labour Law of BD ("Official Gazette of BD of BiH" 19/06, 19/07, 25/08)*

Article 4(1) precludes any form of discrimination: When exercising his/her right deriving from employment or right to employment, an employee as well as an individual seeking employment shall not be discriminated against on the basis of race, ethnicity, colour, gender, language, religion, political or other opinion or conviction, social origin, property, membership or non-membership in a trade union or political party, physical and mental condition with regard to hiring, training, promotion, employment conditions, termination of the contract of employment and other matters arising from employment.

Paragraph 3 of the said Article prescribes the court protection for persons whose rights are violated by non-compliance with this Article.

Article 110, paragraph 2 prescribes penal provision providing for sanctioning of the employer – a legal entity with a fine from BAM 1,000.00 to BAM 10,000.00.

*Labour Law of FBiH („Official Gazette of FBiH“ 43/99, 32/00,29/03)*

The Law has a provision that explicitly prohibits the following: A person seeking employment, as well as a person who becomes employed shall not be discriminated based on race, colour, sex, language, religion, political or other opinion, national or social affiliation, financial situation, birth or any other circumstances, membership or non-membership in a political party, membership or non-membership in trade union, and bodily or mental problems. in terms of recruitment, training, improvement, and conditions of employment, termination of employment or other matters arising out of employment.

In the case of discrimination, a person whose rights have been violated may file a complaint with a court. In court proceedings the burden of proof for discrimination lies on the employer.

If, in the proceedings, the court finds the complaint of employee grounded, the court will order employment, or reinstatement of the employee into previous position, as well as provision or restoration of all rights arising from the contract of employment.

The Labour Law does not specifically provide for compensation to employees who are found to be in any way discriminated against, but in such instances, legal provisions on employee's rights to damages sustained at work or in connection with work in accordance with the Law on Obligations are applicable.

However, it should be noted that the new Labour Law, which has been prepared and will soon be submitted to Parliament, specifically provides for this right and Canton provisions prohibiting discrimination of job seekers and employees expressly provide for eligibility of a person discriminated against to compensation, define direct and indirect discrimination, prohibit harassment or sexual harassment, gender based violence, as well as systematic harassment at work and in connection with the work, which have not been regulated so far.

Apart from judicial protection, the valid Labour Law ensures administrative protection to any person discriminated against through labour inspectors that take appropriate administrative measures to prevent and remedy irregularities in law enforcement.

FBiH and Cantonal Labour Inspectors shall perform supervision over the implementation of the Labour Law of FBiH and, in case of finding that an employer acts in contravention of the Law, they are obliged to order appropriate administrative measures including the imposition and collection of fines on the spot and file petty offence charges.

The Labour Law provides that a fine of BAM 1,000.00 to 10,000.00 shall be imposed on an employer for an offense, if he/she discriminates against a person seeking employment or an employed person, the level of punishment indicating that, after the failure to conclude an employment contract with employee, this is the most serious violation of the employer in terms of labour laws.

However, despite the existence of legal grounds for inspection and operation of inspection authorities, for the time being there is no data about discrimination at work, other than generalized statements of the inspectors that it exists, gender-based discrimination in particular, because it is not reported separately in the reports of inspection authorities.

Paragraph 2 of Article 5 of the Labour Law prescribes that any distinction made in good faith shall not be considered discrimination, which is based on the requirements pertaining to a certain job, on the inability of a person to perform jobs related to a specific work place or to master the necessary professional training and the activities intended for improvement of the position of persons in an unfavourable economic, social, education or physical situation.

*Labour Law of RS* ("Official Gazette of RS" 55/07)

The RS Labour Law prohibits any discrimination whatsoever.

Article 5 of the Law provides: When exercising his/her right deriving from employment or right to employment, an employee as well as an individual seeking employment shall not be discriminated against on the basis of race, ethnicity, colour, gender, language, religion, political or other opinion or conviction, social origin, property, membership or non-membership in a trade union or political party, physical and mental condition or any other characteristics which are not directly related to the nature of employment.

Article 107 defines discrimination of a person as direct and indirect.

For the purpose of this Law, direct discrimination shall be any treatment based on some of the grounds referred to in Article 5 of this Law whereby a person seeking employment and an employed worker is placed in a less favourable position than other persons in the same or a comparable situation.

For the purpose of this Law, indirect discrimination exists when an apparently neutral provision, rule or practice places or would place a person in a less favourable position than other persons – a person seeking employment and employed worker, on the basis of his or her particular characteristics, status, orientation, or belief.

Article 108 stipulates that any distinction regarding the nature of the job or conditions in which it is performed as well as providing special protection to certain categories of workers in accordance with this Law, General Collective Agreement and employment contract shall not be considered discrimination.

Article 109 stipulates that discrimination is prohibited with regards to:

- a) employment requirements and the selection of candidates for the performance of a particular job;
- b) employment and working conditions and all the rights arising from employment;

- v) training, occupational training and advanced training;
- g) promotion;
- d) termination of labour contracts.

Article 110 of this Law stipulates that all persons are equal in the process of employment on the grounds of gender, the length of employment and the termination of labour contracts.

Article 111 prescribes that:

- Gender-based harassment and sexual harassment shall be prohibited, as well as systematic abuse of workers by employer and other employees (mobbing).
- Harassment shall mean any unwanted conduct based on any of the grounds referred to in Article 5 of this Law intended to, or actually undermining the dignity of a person seeking employment and worker and creating fear or creating degrading or offensive environment.
- Sexual harassment shall mean any verbal or physical conduct intended to, or actually undermining the dignity of a person seeking employment and worker in the area of sexual life, creating fear or creating degrading or offensive environment.
- Gender-based violence shall mean any act inflicting physical, mental, sexual or economic damage or suffering and threatening with such acts which seriously prevent persons from enjoying their rights and freedoms based on the principle of equality of sexes in employment and/or related to employment.
- Mobbing shall mean a specific form of conduct in work place, where one or more persons systematically, over a longer period of time, mentally abuse or humiliate other person with the aim of undermine his/her reputation, honour, human dignity and integrity.
- Employer shall undertake efficient measures with the aim of preventing gender-based violence, discrimination, harassment, sexual harassment at work and/or related to work and mobbing, and shall not undertake any measures against the worker because of the fact he/she complained about violence, discrimination, harassment, sexual harassment and mobbing.

Article 112 stipulates that a person seeking employment and worker may claim compensation for damages before the competent court in accordance to the law and that in case of a dispute the employer shall have a burden of proof.

If the court finds that the claim is grounded, it shall order the employer to reinstate and ensure the exercise of the denied rights to the defendant or to pay the appropriate monetary compensation.

The Labour Law of RS contains a provision which prescribes that the workers shall be guaranteed equal pay for the equal work or the work of equal value they perform for the employer, which is an anti-discrimination provision.

*Law on Mediation in Employment and Social Security During Unemployment of FBiH („Official Gazette of FBiH 55/00 , 44/01, 22/05, 9/08)*

Article 2 of the Law prohibits discrimination. According to the article, no person seeking employment, as well as a person who becomes employed shall be discriminated based on race, colour, sex, language, religion, political or other opinion, national or social affiliation, financial situation, birth or any other circumstances, membership or non-membership in a political party, membership or non-membership in trade union, and bodily or mental problems.

Penal provisions of this law prescribe fines to be imposed on legal entities and individuals responsible within the legal person which act contrary to this provision, and any person who believes that he/she has been discriminated against under Article 2 of this law may seek damages before competent court.

All workers in BiH are rewarded equally for work of equal value and there shall be no discrimination between male and female employees.

*Law on Mediation in Employment and Entitlements During Unemployment of RS ("Official Gazette of RS" 30/10)*

The Law is a systemic piece of legislation that regulates mediation in employment, insurance in the event of unemployment, competences and funding of the Employment Service, entitlements of unemployed persons and requirements for the exercise, organization of and recruitment in public works other issues important for structured and productive employment in RS. In accordance with the adopted law, the Employment Service has been transformed into the Public Institution RS Employment Institute, which started the reform process and strengthening the employment mediation. In accordance with the Law on Mediation in Employment and Entitlements during Unemployment the Ministry has issued a Rulebook on Conditions to be Met by Legal Entities and Natural Persons engaged in the Business of Mediation in Employment<sup>14</sup> and Rulebook on Active Job Seeking<sup>15</sup>.

*Law on Employment and Rights During Unemployment of BD („Official Gazette of BD" 33/04,19/07, 25/08).*

Article 5 of the Law on Employment and Rights During Unemployment provides for equality of all persons seeking a job regardless of race, ethnic origin, colour, sex, language, religion, political or other opinion or conviction, social affiliation or origin, financial situation, trade union or political association membership or non-membership. The most vulnerable categories of unemployed persons in BD are individuals older than 50 years, young people with low qualifications, persons with disabilities and ethnic minorities (Roma).

## **Prohibition of forced or compulsory labour**

### **Prison labour**

Article II, paragraph 3, item (c) of the Constitution of BiH provides for prohibition of forced or compulsory labour.

When it comes to persons serving prison sentences, in addition to the above constitutional provisions, BiH applies Resolution (75) 25 on prison labour adopted by the Committee of Ministers on 18 September 1975 and paragraphs 26.1 to 26.17 of the European Prison Rules (Recommendation (2006) 2 of 11 June 2006). BiH applies ILO Convention No. 29 concerning Forced or Compulsory Labour and ILO Convention No. 105 concerning Abolition of Forced Labour.

These provisions of the Constitution, the legislation of the Council of Europe and ILO are embedded in legislation and by-laws that govern the execution of sentences pronounced against convicted persons by the Court of BiH. Article 108 of the Criminal Code of BiH

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<sup>14</sup> RS OG 93/10

<sup>15</sup> RS OG 93/10

(„Official Gazette of BiH“ 3/03, 32/03, 37/03, 54/04,61/04, 30/05, 53/06, 55/06, 32/07) provides that a person sentenced to imprisonment, long-term imprisonment or juvenile imprisonment, if able to work, may work if he/she consents to it. If a convicted person requests or consents to work, carrying out of such work shall be enabled. The work of convicted persons should be useful and should correspond as much as possible to the contemporary way of performing the same kind of work at liberty and to the professional and other abilities of the convicted persons.

These provisions of substantive law are elaborated in implementing laws and by-laws. In this sense, the work of convicted persons and their rights and privileges on the basis of work in the penitentiary institution are regulated in Articles 88 to 99, 121 and 146 of the Law on Execution of Criminal Sanctions, Detention and Other Measures- consolidated text (hereafter: LECS ) ("Official Gazette of BiH" 12/10).

Article 88 of the Law provides that detainees and prisoners capable of work shall, as far as the resources of the penitentiary institution allow, be able to work in the production units of the penitentiary institution, farms and other similar types of jobs, and on work-sites outside the penitentiary institution.

Article 89 of the Law provides that the organization and methods of work of detainees and prisoners should correspond to modern working standards and techniques, financial proceeds of work, working hours, protection at work, compensation when ill, right to benefit from inventions, recognition of qualifications, the right to dispose freely of the funds received as compensation for their work.

By-laws for the implementation of this law of BiH are:

- House Rules of Institutions for Execution of Criminal Sanctions, Detention and Other Measures- consolidated text („Official Gazette of BiH“ 55/09),
- Rulebook on Benefits And Vacation Of Prisoners Serving A Sentence Of Imprisonment in Institutions for Execution of Criminal Sanctions and Other Measures („Official Gazette of BiH“ 34/05)
- Rulebook on Remuneration for the Work of Detainees and Prisoners in Execution of Criminal Sanctions, Detention and Other Measures of BiH („Official Gazette of BiH“ 50/05).

These laws and bylaws were drafted with the help and consultation of experts of the Council of Europe and all provisions were brought in line with European standards.

The right to work under the Law on Execution of Criminal Sanctions, Detention and Other Measures is regulated in 13 provisions, which shows that the drafter paid full attention to these rules and brought them in line with international prison-related standards.

In BiH there are four systems for the execution of criminal sanctions.

A) The first system is a system of execution of sentences of imprisonment and pre-trial detention imposed/ordered by the Court of BiH. This matter is governed by the LECS. The construction of a separate Correctional Institution in East Sarajevo, in which sentences of imprisonment and pre-trial detention imposed/ordered by the Court of BiH would be executed, is in progress. The capacity of this correctional institution will be about 300 inmates and it is expected to be completed in 2013.

B) The second system operates in the FBIH. Execution of sentences in FBIH is regulated by

the Law on Execution of Criminal Sanctions in the FBiH ("Official Gazette of FBiH" 44/98, 42/99, 12/10). In the FBiH there is a high security correctional institution, four medium security correctional institutions and three detached medium security prison facilities:

- Zenica High-Security Correctional Institution (Zenica Prison),
- Tuzla Medium Security Correctional Institution (Tuzla Prison),
- Sarajevo Medium Security Correctional Institution (Sarajevo Prison),
- Mostar Medium Security Correctional Institution (Mostar Prison),
- Bihać Medium Security Correctional Institution (Bihać Prison),
- Tomislavgrad Medium Security Correctional Institution (Tomislavgrad Prison)– Busovača Detached Prison Facility (Busovača Prison), - Goražde Detached Prison Facility (Goražde Prison) of Sarajevo Prison
- Orašje Detached Prison Facility (Orašje Prison) of Tuzla Prison.

C) The third system of execution of criminal sanctions operates in RS. Execution of criminal sanctions in the RS is regulated by the Law on the Execution of Criminal Sanctions of RS („Official Gazette of RS" 12/10). In the jurisdiction of RS there are three high security correctional institution and three medium security correctional institutions:

- Foča High-Security Correctional Institution (Foča Prison),
- Banja Luka High-Security Correctional Institution (Banja Luka Prison),
- Bijeljina High-Security Correctional Institution (Bijeljina Prison),
- Doboj Medium Security Correctional Institution (Doboj Prison),
- Trebinje Medium Security Correctional Institution (Trebinje Prison).

D) The fourth system operates in BD. Execution of criminal sanctions in BD is regulated by the Law on Execution of Criminal Sanctions of BD ("Official Gazette of BD" 8/00, 1/01). In BD, there is no correctional institution in which prison sentences would be executed, but the sentences are executed in Entity correctional institutions.

Imprisonment of persons whose prison sentence was handed down by the Court of BiH are executed in Entity correctional institutions in accordance with the LECS and by-laws based on it. Article 227 the Law prescribes an obligation of the Entities and BD to bring their laws in line with LECS. The harmonisation of legislation is in progress and has not been completed yet.

Placement of an inmate in a particular job is carried out by the governor of the penitentiary institution, upon the proposal of the sector for treatment, and after finishing expertise of the inmate in the receiving department (psychologist, doctor, social worker, teacher, educator, etc.).

The particular job of an inmate is a segment of the specific treatment determined for him taking into account the possibility of correctional institution to engage the inmate in work, the desire of the inmate, working and professional skills, personal qualities, as well as potential health and safety limitations. An inmate confirms his/her consent given to the particular job by signing a declaration.

Inmates work in the production units of the penitentiary institution, farms and other similar types of jobs, and on work-sites outside the Establishment. It is not allowed to employ convicts in clerical positions in the penitentiary institution (Civil Service) or in any jobs where an inmate would have any authority to command or control work of other inmates.

The working hours of detainees and prisoners shall conform to relevant legislation on labour relations concerning company employees. (Labour Law).

Detainees and prisoners shall be entitled to employer's liability insurance and occupational hazard insurance under the same conditions as workers employed in companies.

Compensation for work shall be one quarter to one half of the average salaries for equivalent work in the economy in the past three months in Bosnia and Herzegovina. Compensation for extra working hours, work at night and work in difficult conditions shall be calculated in accordance with the labour relations regulations or on the basis of the contract, whichever is more favourable to the detainee or prisoner.

Depending on the type of work and assignment, working conditions, complexity, responsibility and physical strain, three categories of activities have been identified:

- The first category of assignments: hard work because of physical and mental stress, complex jobs because of the technological process and difficult conditions in which work;
- The second category of assignments: jobs and assignments that are performed under standard conditions and in standard circumstances;
- The third category of assignments: easier jobs and assignments that require less physical and mental stresses, which are less complex and can be performed under easier conditions.

Based on these categories, the governor of the penitentiary institute adopts the Rulebook on the Inmates' Job Classification and Descriptions, taking into account the specific circumstances in which the penitentiary institute operates.

Based on the above classification of jobs and tasks the following coefficients have been determined:

1. First category:
  - highly skilled workers (5th level of education) coefficient 4.50
  - secondary school and skilled workers (4th and 3rd level of education) 4.00
  - moderately skilled and unskilled workers (1st and 2nd level of education) 3.50
2. Second category:
  - highly skilled workers (5th level of education) coefficient 4.00
  - secondary school and skilled workers (4th and 3rd level of education) 3.50
  - moderately skilled and unskilled workers (1st and 2nd level of education) 3.00
3. Third category:
  - highly skilled workers (5th level of education) coefficient 3.00
  - secondary school and skilled workers (4th and 3rd level of education) 2.50
  - moderately skilled and unskilled workers (1st and 2nd level of education) 2.00

The percentage of augmentation of the remuneration base depends on the performance assessment, the volume of completed work, discipline and attitude towards the means of production and it is as follows: excellent (5) - 25% of the average salaries, very good (4) - 15%, good (3) - 10% and sufficient (2) - 5%.

The remuneration base is one quarter of the average salaries for equivalent work in the economy in the past three months in Bosnia and Herzegovina. A rulebook shall determine the manner of computation.

Inmates who attend practical classes are entitled to 70% of the average remuneration above.

Remuneration for work of inmates shall be paid at the end of each month from the budget / budgetary resources. Remuneration and bonuses are not subject to taxation and statutory contributions. An inmate may freely spend his/her remuneration. The Rulebook determines the manner of computation of remuneration depending on the work quality and quantity, the length of working hours and the possibility of bonuses for good and high quality performance.

An inmate who falls sick shall be entitled to remuneration amounting to 80% of the remuneration he/she received in the month preceding the incident.

An inmate who falls sick due to injury at work or occupational disease developed in the penitentiary institution or while at furlough or annual leave shall be entitled to remuneration amounting to 100% of the remuneration he/she received in the month preceding the incident.

The Rulebook provides for overtime work and work at night and during official holidays so that the remuneration is augmented by 30% for work at night, by 35% for overtime work and by 50% for work during official holidays.

An inmate's remuneration may be subject to enforcement in the amount of up to 50% pursuant to an enforceable court decision ordering the inmate to pay maintenance of persons he is obliged to support by law (alimony) or compensation he/she was ordered to pay for damage caused by the criminal offence.

An inmate shall have the rights foreseen in legislation to benefit from inventions and technical improvements.

When labour relations regulations would recognise the time spent working in a certain job as a basis for acquiring a qualification, the time spent working on the same job in a penitentiary institution shall also be recognized for such a qualification.

A prisoner who has spent eleven months working continuously, including any period of medical treatment for injuries at work or occupational hazard caused by working in the correctional institution, shall have the right to continuous leave of at least 18 and not more than 30 days a year. A prisoner sentenced for up to one year imprisonment and who has spent six months working continuously, shall have the right to one day leave for each working month. Due to great success in the treatment or special personal circumstances, at a proposal of correctional officer, the governor of the penitentiary institution may extend the duration of annual leave for additional two days. These conditions are determined in the Rulebook.

Prisoners who do not use non-detention privileges spend the annual leave within the penitentiary institute in separate rooms and separate liberal regime. The prisoners who use non-detention privileges may spend the annual leave with their family.

In FBiH the work of convicted persons and remuneration for work while serving a prison sentence are regulated in Articles 62 to 80 of the Law on Execution of Criminal Sanctions of FBiH / hereafter: LECS) (»Official Gazette of FBiH« 44/98, 42/99,12/09).

There are 5 correctional institutions and three detached prison facilities in FBiH and they are:

- Zenica High-Security Correctional Institution (Zenica Prison), which is the only high security prison in FBiH;

- Sarajevo Medium Security Correctional Institution (Sarajevo Prison) with a detached prison facility in Bosnia-Drina Canton, Goražde – Ustikolina Detached Prison Facility (Ustikolina Prison);
- Tuzla Medium Security Correctional Institution (Tuzla Prison), with a detached prison facility in Sava Canton - Orašje Detached Prison Facility (Orašje Prison);
- Mostar Medium Security Correctional Institution (Mostar Prison);
- Bihać Medium Security Correctional Institution (Bihać Prison);
- Tomislavgrad Medium Security Correctional Institution (Tomislavgrad Prison) with a detached prison facility in Middle Bosnia Canton - Busovača Detached Prison Facility (Busovača Prison),
- In Zenica Prison there is a Ward for Execution of Juvenile Imprisonment and in Tuzla Prison there is a Ward for Execution of the Measure of Placement in Corrective Training Home, which is a temporary facility until a Corrective Training Home has been constructed in Orašje.
- In the Medium Security Correctional Institution there is a Women's Ward, which is the only prison for women in FBiH.

The right of prisoners to work and functions of occupational therapy in the correction process are regulated in Article 17 of LECS, providing that prisoners shall be provided with a possibility to work in accordance with their psycho-physical abilities and possibilities of the penitentiary institute, which must be useful and should correspond as much as possible to the contemporary way of performing the same kind of work at liberty. The purpose of all this is that a convicted person should acquire or increase their work ability, work habits and expertise, all in order to easier integrate into life at liberty. The article provides that the funds an inmate earns working are used to meet his/her needs or to pay for statutory mandatory maintenance or some other statutory needs and achieving financial gains should not prejudice the achievement of goal of this work in serving prison sentence.

Chapter "Work of Convicted Persons and Remuneration for Work" of the Law provides for work of convicted persons and remuneration for work.

Article 62 determines the criteria to be taken into account when deciding on work arrangement of prisoners and they are: the needs of their treatment, their psycho-physics capabilities, preferences, personal characteristics and professional skills acquired. Also possibilities of the penitentiary institution to provide the inmates with occupational therapy has to be taken into account and security concerns in particular have to be addressed while conducting occupational therapy.

Inmates' work is normally organized in provided in the production units established in the penitentiary institution. In practice, most often, various facilities, workshops, farms etc. are established and work is performed on work-sites outside the penitentiary institution, too. A real limitation to the exercise of the rights to work by prisoners is a heterogeneous structure of the prisoners and the current financial difficulties. Specifically, the structure of prisoners reflects different social background, level of education and vocational training for certain types of jobs. Also when you take into account the fact that there are different offenses committed and different levels of sentences imposed on the prisoners you can see that is the fact that significantly impede the implementation of occupational therapy in the execution of sentences.

This problem can be partially mitigated by taking the opportunities provided by LECS,

because with the consent of the FBiH Ministry of Justice, prisoners may be individually referred to work outside the correctional institute, as provided in Article 63(2) of LECS.

On the other hand, Article 64 of LECS provides that prisoners serving a sentence term of up to six months and who are employed, can continue to work in their companies. In order to realize this possibility, the company and the prisoner have to agree on it provided that it is feasible given the distance of company from the penitentiary institution. This work arrangement is decided on by the FBiH Minister of Justice and, if the decision is in favour, the governor of correctional institution and company's authorized person conclude a contract stipulating mutual rights and obligations.

The mere fact that work of convicted persons should be useful implies that this work should achieve a certain profit. However, respecting the work primarily as an extremely important component in the process of re-socialization, Article 65 expressly states that this profit should not be a priority over the treatment of prisoners. To this end, Article 159 of LECS provides that the FBiH budget provides funds for the settlement of liabilities arising in the operation of production units, if the production units operate with a loss, not with profit.

Articles 66 to 70 have an advising character because they advise about the relevant provisions of laws that govern a particular area in relation to the exercise of rights based on work. The areas are: working hours, safety at work measures, entitlements in case of accidents at work and occupational disease, the number of working hours and breaks.

When it comes to the right to rest (daily and weekly), one should bear in mind that the correctional institution must ensure that prisoners have enough time for education and other activities provided for in individual treatment for each convicted person.

In order to preserve the health of prisoners, Article 71 of LECS provides that correctional institutions shall enable all prisoners who work indoors to spend outdoors at least three hours a day.

An important right of convicted persons is entitlement to remuneration for their work. Article 72 of the Law specifies the criteria by which to determine the remuneration. Proper and fair evaluation of these criteria should have a stimulating effect on the engagement of prisoners in work and high quality and quantity performance. In accordance with these criteria the governor of correctional institution shall enact the Rulebook on Remuneration for the Work of convicted persons determining the manner of computation of remuneration for the work of convicted persons. This Rulebook has to be approved by the FBiH Ministry of Justice.

Respecting the principle of humanity in the execution of sentence, Article 74 of LECS obliges penitentiary institutions to care for prisoners who do not have their own means. Prisons in such a situation shall be provided with means for toilet articles, correspondence and other essentials.

LECS provides compensation for an inmate who falls sick at work or in connection with work during incapacity for work. Article 75 has an advising character because it advise about the relevant provisions of laws that govern health insurance. These entitlements are precluded in case of self-inflicted injuries.

Article 76(1) provides that inmates shall be entitled to dispose freely of the funds received as remuneration for their work. However, paragraph 2 of the article provides for exceptions from this rule in case of an inmate's court-ordered obligation to maintain his/her children, spouse, parents, to pay compensation for damages caused by criminal offense or to settle other liabilities and then half remuneration for work shall be given away for these purposes.

Remuneration that a convicted person earns by his/her work may be used for compensation for damage the convicted person caused intentionally or by gross negligence while serving a prison sentence, as well as costs incurred due to flight of the convicted person while escorted to prison or in other cases of escorting the convicted person when the costs are borne by the convicted person. The money that was seized from the convicted person on admission to the correctional institution as well as money sent to that person by a family member or someone else may be used in the same way. In each of these situations a decision on compensation shall be issued by the governor of the correctional institution, against which a convicted person may lodge an appeal with the FBiH Ministry of Justice, against whose decision the convicted person may initiate an administrative dispute before the competent court.

Inmates shall have the rights foreseen in legislation to benefit from inventions and technical improvements accomplished while in detention or serving a prison sentence.

In a wide range of entitlements convicted persons have there is an entitlement to annual leave in accordance with the regulations on labour relations. The statutory range of an annual leave of 18-30 working days in a year, as well as the manner of taking it must be determined in the House Rules of the correctional institution. It should be borne in mind that the time that a convicted person spent in medical treatment, not including self-inflicted injuries, shall be credited against a period of six months spent at work as a requirement for entitlement to annual leave.

Article 80, which has an advising character, regulates the right of a convicted person to have qualifications acquired working in the correctional institution recognised. According to this provision the convicted person has this right under equal conditions as persons who work at liberty.

Provisions on work and remuneration for work related to adult persons are applied to juveniles who are serving a sentence of juvenile imprisonment with an exception of Article 106 of LECS that provides that the governor may give a twenty-day leave of absence to a juvenile inmate who behaves well and dedicates to school and work twice a year.

Employment of juvenile who are serving the measure of placement in a corrective training institution is regulated by provisions of LECS (Articles 207, 208, 209, 210, 211, 212, 214, 215). Those juveniles who for some reason are not included in schooling or have not completed school are allowed to work in plants and workshops, i.e. production units, of the corrective training institution or correctional institution in which the corrective training institution is located. For their work, juveniles receive remuneration which varies from one quarter to three quarters of wages that employees receive for a similar or same work in companies in outside business world. They also have the right to annual leave, which lasts from 24 to 30 working days. Those juveniles who do not work have the right to get assistance to be able to meet personal hygiene needs and other most basic needs, and the juveniles who fall sick at work or in connection with work have rights provided for in the valid legislation on labour relations.

When a convicted person comes to serve a prison sentence, during his/her stay in the admission-discharge unit, he/she is subjected to a compulsory medical examination which inter alia, assess his/her ability to work. On a separate form, which is an integral part of the personal file of every convicted person, if the doctor assesses that a convicted person is able to work, the convicted person declares whether he/she accepts occupational therapy in the rehabilitation treatment during the prison term that is consistent with their mental and physical abilities. The work of convicted persons is voluntary.

Thereafter, the convicted person is placed in job, if there are vacancies. Jobs, the number and types of jobs are classified in an internal Rulebook of each penitentiary institution, because they are not the same in all institutions.

During their prison term prisoners can perform communal jobs which include jobs in the prisoner kitchen, laundry, workshop, garage, canteen, distributing packages to convicted and detained persons, maintenance of buildings, work in the boiler room, clearing the official premises, prison barber, maintenance of facilities, waiters, work in the prisoner library, computer and chess hall, maintenance of gym and sports facilities, which are classified in accordance with the specificities of each institute.

There are jobs on prison farms (if any) and they are: jobs in greenhouses, gardening, landscaping, operation of agricultural machinery, breeding and feeding of domestic animals, etc., then work in foundries and other plants within the penitentiary institution's compound (only Zenica Prison has a foundry).

In accordance with legal provisions, there are jobs outside the penitentiary institution (mainly in private companies that identify a need for such an arrangement), but a small number of convicted persons has this advantage because of the security situation and other indicators.

Remuneration for the work of prisoners is determined in accordance with the Rulebook on Remuneration for the Work of Prisoners that is enacted by the governor with approval of the FBiH Minister of Justice. The base that is used for monthly remuneration for work of inmates is 10% of the average salary in FBiH (data on average salary in FBiH are published every month in »Official Gazette of FBiH«). Prisoners are entitled to dispose freely of the funds received as remuneration for their work.

The Rulebook on Remuneration for the Work of Prisoners determines bases and criteria for earning and determining for the Work of Detainees and Prisoners and other benefits on the grounds of employment and work of prisoners in penitentiary institution and production unit of the penitentiary institution.

It also regulates that all financial transactions of convicted and detained persons are carried out through deposits of the prisoners and detainees. The remuneration shall depend on the type of work, its quality and quantity, the length of working hours and contribution towards productivity and profitability of the business.

All jobs are classified in three categories and they are:

- The first category of assignments: hard work because of physical and mental stress, complex jobs because of the technological process and difficult conditions in which work;
- The second category of assignments: jobs and assignments that are performed under standard conditions and in standard circumstances;
- The third category of assignments: easier jobs and assignments that require less physical and mental stresses, which are less complex and can be performed under easier conditions.

Based on these categories, coefficients for jobs have been determined. Besides other benefits, the rulebooks determines compensation in case of annual leave and sick leave due to injury at work or occupational disease in the amount of 100% of the monthly remuneration, while prisoners who are on sick leave for other reasons receive compensation

in the amount of 80% of the monthly remuneration in preceding month. Pursuant to LECS and rulebooks, prisoners who fall sick at work or in connection with work, i.e. develop professional disease or become disabled and their working capacity is impaired are assigned to easier jobs and provided with a possibility to re-train or additionally train (to get new or better qualifications).

The Rulebook provides that the remuneration is augmented by 30% for work at night, by 35% for overtime work and by 50% for work during official holidays and all these are approved by the governor who issues a decision.

All jobs in all penitentiary institutions in FBiH are always filled 100%, and there is more interest in jobs than the individual institutes can provide. The Administration Services or responsible persons in these services are in charge of giving work to inmates.

Tabular overviews by years and capacity of the Penal and Correctional Institutions (hereinafter: PCI) in the FBiH (only for the convicted persons: men, women), average number of prisoners working, the average remuneration that convicted persons had during the year:

ZENICA PRISON, capacity of 662 inmates:

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	443	0	90.00 KM
2.	2008.	431	0	124.00 KM
3.	2009.	385	0	138.00 KM
4.	2010.	409	0	144.00 KM

Source: FBiH Ministry of Justice

SARAJEVO PRISON – Ustikolina detached prison facility, capacity of 102 inmates:

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	80	0	85.00 KM
2.	2008.	75	0	90.00 KM
3.	2009.	67	0	93.00 KM
4.	2010.	74	0	100.00 KM

Source: FBiH Ministry of Justice

TUZLA PRISON, capacity of 237 inmates::

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	70.53	17.21	100.00 KM
2.	2008.	64.86	17.54	110.00 KM
3.	2009.	57.64	16.34	120.00 KM
4.	2010.	50.55	13.49	130.00 KM

Source: FBiH Ministry of Justice

TUZLA PRISON –ORAŠJE detached prison facility, capacity of 90 inmates:

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	6	0	47.05 KM
2.	2008.	13	0	49.05 KM
3.	2009.	11	0	60.65 KM
4.	2010.	11	0	81.25 KM

Source: FBiH Ministry of Justice

MOSTAR PRISON, capacity of 154 inmates:

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	66	0	128.78KM
2.	2008.	70	0	150.00 KM
3.	2009.	70	0	143.22 KM
4.	2010.	70	0	141.08 KM

Source: FBiH Ministry of Justice

BIHAĆ PRISON, capacity of 90 inmates:

No.	Year	average number of prisoners working -male	average number of prisoners working -female	average remuneration
1.	2007.	30	0	57.20 KM
2.	2008.	34	0	61.46 KM
3.	2009.	29	0	58.60 KM
4.	2010.	33	0	73.31 KM

Source: FBiH Ministry of Justice

TOMISLAVGRAD PRISON – BUSOVAČA detached prison facility, capacity of 88 inmates::

No.	Year	average number of working male prisoners	average number of working female prisoners	average remuneration
1.	2007.	12	0	70.00 KM
2.	2008.	24	0	65.00 KM
3.	2009.	27	0	65.00KM
4.	2010.	27	0	81.00 KM

Source: FBiH Ministry of Justice

In RS, the Law on Execution of Criminal Sanctions of RS (hereafter: LECS ) („Official Gazette of RS“ 12/10) provides that convicted persons capable of work shall be enabled to work in accordance of the possibilities of the institution. Convicted persons who declared his/her consent to work arrangement are assigned to jobs that are consistent with their treatment, their psycho-physics capabilities, talents, personal characteristics and professional skills acquired, taking into account maintenance of peace and order and the purpose of criminal sanctions. In determining the type of work, as far as possible, preferences of convicted persons for particular jobs are taken into account (Article 90).

In justified cases, prisoners serving a prison term of up to one year can be allowed to continue to work in the companies where they were employed at the time of their sending to serve a prison term provided that the crime committed was not related to the job and that he/she had not been convicted earlier (Article 92).

Before engaging in work, a convicted person has a compulsory training period, after which he/she signs a declaration that he/she is trained for the job and confirms his/her consent to work. Convicted persons act by instructions and guidance of professionals and other officers under whose supervision they work, adhere to the regulations on fire protection and safety at work. During working hours it is prohibited to leave the work station, engage in private conversations and break labour discipline otherwise, in accordance with the Law. In accordance with the Law, prisoners are prohibited to produce any item for themselves or another without a work order in the production unit or in any other work station (Article 82 of the Rulebook).

Regular working hours of inmates shall be 40 hours a week. Exceptionally, working hours may be longer than 40 hours in cases and under conditions provided for by law, which will

be determined by the governor. After working hours inmates may be engaged in keeping cleanness of the institution and personal hygiene for two hours per day without remuneration. Work of convicted persons while serving prison term is not credited against pensionable service (Article 93).

In accordance with Article 93 of the Law, prisoners who work have daily and weekly breaks and annual leave. House Rules of the penitentiary institution (Article 85 and 86) provides that during regular working time prisoners have the right to rest for 30 minutes, which cannot be at the beginning or the end of working hours. Prisoners have the right to eight-hour continuous rest in 24 hours, and one day in a week. A prisoner sentenced for up to one year imprisonment and who has spent eleven months working continuously, including any period of medical treatment for injuries at work or occupational hazard caused by working in the correctional institution, shall have the right to continuous leave of at least 18 and not more than 30 days a year. A prisoner sentenced for up to one year imprisonment and who has spent six months working continuously, shall have the right to one day leave for each full working month. The period of working continuously means any period of work in the correctional institution where the prisoner is serving prison term and any period of medical treatment for injuries at work or occupational hazard caused by working in the correctional institution. For each full year of work in the correctional institution, a prisoner gets one more day of annual leave. A total number of days by criteria under this article cannot be more than 30 days a year.

This Rulebook provides that an annual leave is spent in designated area in the correctional institution and the correctional institution enables any convicted person to take the remainder of annual leave not later than the end of June the following calendar year. An annual leave includes Saturdays except for those that are official holidays and other non-working days by law. The annual leave can be taken in two equal parts if required by the nature of work performed by the convicted person and depending on the needs and wishes of the convicted person, taking into account the period between the two parts. A convicted person gets a written decision on annual leave.

Pursuant to Article 93 of LECS, prisoners shall be entitled to remuneration for their work. A prisoner shall have the rights foreseen in legislation to benefit from inventions, technical improvements accomplished while serving a prison sentence. Pursuant to Article 95 of LECS, prisoners shall be entitled to dispose freely of the funds received as remuneration for their work. As an exception to paragraph 1 of this article, half of an inmate's remuneration may be subject to enforcement pursuant to an enforceable court decision ordering the inmate to pay maintenance of persons he is obliged to support by law or compensation he/she was ordered to pay for damage caused by the criminal offence or to settle other liabilities. The Rulebook (Articles 87, 88, 89 and 90) provides that prisoners shall be entitled to remuneration for their work, which is paid from a budget which the Government of the RS provides to the correctional institution and funds earned in business operated by the production unit of the institution. All money received for work in a month make a monthly remuneration of a prisoner. Prisoners shall be entitled to dispose freely of the funds received as remuneration or bonuses for their work, except in cases under Article 95(2) of LECS. The remuneration base used for computation on a monthly basis is 20% of minimum wage in RS. The coefficient of the base determined in paragraph 1 of this article is 1.00.

The remuneration shall depend on the type of work, quality and amount of work, number of working hours, and the contribution to the productivity and cost effectiveness of the business operations.

Articles 92, 93 and 94 of the Rulebook determine that the remuneration is computed as a percentage of augmentation of the remuneration base which depends on the performance assessment, the volume of completed work, discipline and attitude towards the means of production and the grades that can be given to a prisoner in a month when his/her performance is assessed and the percentage of augmentation are the following for the following grades:

- a) excellent (5) ..... 10%,
- b) very good (4) ..... 5%.

There is also a provision that the length of working time spent at work dictates a monthly fee to be paid to a convicted person for the effective work a particular job. The effective work is measured in hours and includes a period of 30 minutes scheduled for a break during a workday. If employees in an economic unit receive compensation based on productivity and efficiency of the business, a convicted person shall receive 20% of the average compensation paid to the employees calculated in the proportion set forth in this Rulebook. According to Article 98 of the Rulebook the remuneration of an inmate is augmented by 30% for work at night, by 35% for overtime work and by 50% for work during official holidays. It is the Governor who issues decision on authorization of overtime work in all cases.

Depending on the type of work and assignment, working conditions, complexity, responsibility and physical strain, three categories of activities have been identified:

- The first category of assignments: hard work because of physical and mental stress, complex jobs because of the technological process and difficult conditions in which work;
- The second category of assignments: jobs and assignments that are performed under standard conditions and in standard circumstances;
- The third category of assignments: easier jobs and assignments that require less physical and mental stresses, which are less complex and can be performed under easier conditions.

Article 96 of LECS provides that prisoners shall be entitled to employer's liability insurance and occupational hazard insurance under the same conditions as workers employed in companies and other organizations. General regulations are applicable to safety at work measures that involve prisoners.

Health care of prisoners is regulated in Articles 97-105 of the Law on Execution of Criminal Sanctions. Article 97 of the Rulebook provides that prisoners who work receive compensation in the amount of 100% of the monthly remuneration in three preceding months in case of:

- a) sick leave due to injury at work or occupational disease developed in the correctional facility and
- b) annual leave.

Prisoners receive compensation in the amount of 80% of the monthly remuneration in three preceding months in case of a sick leave due to circumstances other than those under paragraph 1 of this article. Convicted persons who did not work for a period of three months prior to sick leave receive compensation computed on the basis of remuneration received in the last month of work. A convicted person is not entitled to compensation for sick leave which is a result of self-inflicted injuries. Prisoners who are on the run or serving a sentence of solitary confinement as a disciplinary sanction are not entitled to compensation.

Structure of people deprived of liberty and placed in detention in 2009 by education completed

Education completed	Convicted persons		Detainees		Juvenile imprisonment		Corrective Training Home		Measure of medical treatment		TOTAL	
	m	f	m	f	m	f	m	f	m	f	m	f
Without education	18	1	8	1							26	2
Primary school not completed	54		10	1	2						66	1
Primary school	252	4	115	5			4				371	9
Secondary school	596	12	335	15	1						932	26
Two-year university education	14	2	2								16	2
Four-year university education	13		13	1							26	1
TOTAL	947	19	483	22	3		4				1437	41
	966		505		3		4				1,478	

Source: Ministry of Justice of RS

An overview of people deprived of liberty working while placed in detention in 2009

Type of work		Convicted persons		Juvenile imprisonment		Corrective Training Home		Detainees		Total
		M	F	M	F	M	F	M	F	
Working	All the time	950	15	5						970
	occasionally	131	1							132
Total		1,081	16	5						1,102

Source: Ministry of Justice of RS

An overview of people deprived of liberty not working while placed in detention in 2009

Type of work		Convicted persons		Juvenile imprisonment		Corrective Training Home		Detainees		Total
		M	F	M	F	M	F	M	F	
Not working	for security reasons	70	2					54	1	127
	for health reasons	13	5							137
	prison's inability	15								155
	he/she does not want to	24	1							25
Total		381	8					54	1	444
		389						55		

Source: Ministry of Justice of RS

Structure of people deprived of liberty and placed in detention in 2009 by workplace

Type of work		Convicted persons		Juvenile imprisonment		Corrective Training Home (CTH)		Detainees		Total
		M	F	M	F	M	F	M	F	
In the institution		758	14	3						775
Outside the institution	Contract Business units	219	5							224
	Under Article 138 of LECS	4	1							5
	Under Article 96 of LECS									
Total		981	20							1,004

Source: Ministry of Justice of RS

RS – 2010 Statistics

INSTITUTIONS	Type of education/training programme convicted persons and juveniles underwent in 2010	An overview of people deprived of liberty working while placed in detention in 2010	An overview of people deprived of liberty not working while placed in detention in 2010	An overview of people deprived of liberty working while placed in detention by workplace in 2010
BANJA LUKA PRISON	In the institution 0 Outside the institution 6 CTH 21	270	177	270
FOČA PRISON	In the institution 1 Outside the institution 1	273	294	252
I. SARAJEVO PRISON	In the institution 3 Outside the institution 2	110	25	126
DOBOJ PRISON	/	449	236	370
BIJELJINA PRISON	/	235	21	235
TREBINJE PRISON	/	58	124	33
TOTAL	In the institution 4 Outside the institution 9 CTH 21	1,395	877	1,286

Source: Ministry of Justice of RS

In BD, Article 2 of the Law on Execution of Criminal and Petty Offence Sanctions of BD (Official Gazette of BD 8/00, 19/07, 36/07, 1/01) provides: " The rights and freedoms of the persons against whom sanctions are executed may be restricted only insofar as it is necessary to achieve the purpose for which sanctions have been passed, in pursuance of law."

Article 7(1) of the Law on Execution of Criminal and Petty Offence Sanctions of BD reads:

"An individual on whom a sentence of imprisonment or juvenile imprisonment or a custodial correctional measure has been imposed serves it in an institution for the execution of prison sentences/enforcement of custodial correctional measures of the FBiH of BiH or the Republika Srpska, in accordance with their laws."

Bearing the provision above in mind, it is clear that in BD there is no correctional institution where prison sentences can be executed or custodial correctional measures can be enforced. The rights of convicted persons from the territory of BD during their imprisonment are regulated in Article 8 of the Law which reads: "Convicted persons serving their prison sentence, sentence of long-term imprisonment, security measure or correctional measure in the respective institutions in the Entities have the same conditions and rights as other persons serving their sentence, security measure or correctional measure in these institutions, so that provisions of relevant entity laws on the execution of criminal sanctions apply to them too, including: accommodation, hygiene, clothes and food, health care, restrictions on movement and the right to have contacts, employment and remuneration, rights and privileges, disciplinary responsibility, house rules of institutions and other provisions governing the operation and functioning of the institutions for the execution of sentences, security measures and correctional measures."

Chapter V of the Law on Execution of Criminal and Petty Offence Sanctions of BD is dedicated to community service (Article 38a) and provides the following:

- (1) State bodies, organisations, institutions and other legal persons, as well as natural persons, shall be obliged to co-operate with the Judicial Commission of BD (hereafter: the Judicial Commission) in the execution of community service at the request of the Judicial Commission.
- (2) The Judicial Commission shall conclude contracts on the execution of community service with persons referred to in Paragraph 1 of this Article. The contracts shall determine mutual rights and obligations.
- (3) On work related issues such as working hours, daily and weekly breaks, the use of safety equipment during work, general regulations shall apply.
- (4) Community service shall be non-remunerative and non-profitable. The convicted person shall not bear the expenses related to the execution of community service.
- (5) Community service shall be executed in principle in the place of permanent or temporary residence of the convicted person.

Article 38b:

- (1) The Judicial Commission shall pass a decision on the place of work of the convicted persons within eight days after the receipt of the final and enforceable judgement.
- (2) The convicted person shall be placed in work on the basis of his/her health condition, professional capabilities, acquired skills and knowledge, and the availability of resources.
- (3) The convicted person shall be placed in work at the place available in accordance with the Rulebook on Types and Conditions of Community Service passed by the Judicial Commission.
- (4) The date for the start of work and working schedule of community service shall be determined by a special decision of the Judicial Commission.

### **Trafficking in human beings**

Article II, paragraph 3, item (c) of the Constitution of BiH provides for prohibition of forced or compulsory labour.

In the past years, Human Trafficking in BiH had a cross-border character. Basically, BiH is a country of transit or destination for victims coming from Eastern Europe. However, in recent

years the situation has changed. Was a new phenomenon - trafficking of women and girls who are recruited in the chain of human trafficking at the local level, with the aim of sexual exploitation in other parts of the country. This means that the number of identified foreign victims of trafficking in permanent decline and the number of victims of domestic origin is constantly growing. Thus, the relevant state institutions were faced with new challenges, especially when it comes to identifying and researching and combating trafficking, in which they noticed significant results.

It should be emphasized that in 2008 Bosnia and Herzegovina ratified the European Convention on Action against Trafficking in Human Beings. Intensive work on the harmonization of national legislation with international standards followed. The Criminal Code which entered into force in May 2010 brought a completely revised text of the crime of human trafficking, so that the domestic legislation introduced an entirely new offense named „Organising a Group or an Association for the Purpose of Perpetration of the Criminal offences of Trafficking in Persons and Smuggling of Migrants“ (Article 189a). What is very important in the criminal legislation of Bosnia and Herzegovina, offenses related to trafficking in human beings are classified in Chapter Crimes Against Humanity And Values Protected By International Law. More specifically, the crime of trafficking is regulated by Article 186 of BiH CC, which is in accordance with the Palermo Protocol (Convention against Trans-national Organized Crime, which is complemented by three protocols, of which one relates to the prevention, suppression and punishment for trafficking in persons, especially women and children). At the entity level, there are related criminal offenses, such as Article 210 of CC F BiH - quotation on prostitution, Article 198 RS CC - trafficking for prostitution, and a member of the BD 207 - incitement to prostitution.

In early 2010, at the proposal of Council of Ministers, the Parliamentary Assembly of BiH adopted amendments to the Law on Criminal Procedure. Article 186 of the Criminal Code of BiH was amended to become fully compliant with the Council of Europe Convention on Action against Trafficking in Human Beings. The definition of crime and punishment has been tightened. The persons who use services of victims of trafficking are liable to punishment, too. The system of confiscation of proceeds of this type of crime was improved and the closure of the space that was used during the commission of the offense is provided for. Article 100 of the Law on Amendments to the Criminal Procedure Code binds competent authorities of the FBiH, RS and BD to harmonize their criminal legislation with the Criminal Code of BiH, which was done.

In 2008 the Council of Ministers adopted the third National Action Plan for Combating Trafficking in Human Beings, which covered the period 2008 - 2012. The new National Action Plan further elaborates objectives in the fight against human trafficking and clearly defines measures for the set objectives achievement: the system of support, prevention, protection and assistance to victims and witnesses, prosecution and international cooperation. In early 2009, under the Ministry of Security, the Office of State Coordinator for Combating Trafficking in Human Beings and Illegal Migration transformed into the Department for Combating Trafficking in Human Beings within the Section of International Cooperation.

In 2008, in cooperation with the State Coordinator and the International Organization for Migration, with supported by the Agency for International Development of the United States, the Judicial and Prosecutorial Training Centres in the Entities and Brcko District BiH designed and published a manual for judges and prosecutors entitled: "Human trafficking - Prevention and Protection in BiH." This project involved training of judges and prosecutors, with the participation of police and representatives from social welfare services. On that occasion they

exchanged experiences in finding the best solutions to collect evidence about prosecuting trafficking cases, while providing care and protection to victims.

After taking the necessary actions to implement the adopted legislative and legal framework, the total number of identified victims with a small number of foreign victims and a growth in the number of domestic victims among identified trafficking victims remained at the same level. This is confirmed by data kept by the State Investigation and Protection Agency (SIPA), Entity Ministries of Internal Affairs and the police of BD.

The Decision on Procedures and Methods of Coordination of Activities to Prevent Trafficking and Illegal Immigration in BiH and the establishment of the office of State Coordinator for BiH ("Official Gazette of BiH" 24/03) established the office of State Coordinator for the prevention of human trafficking and illegal immigration and the way of coordination between relevant ministries and institutions at the state level. The primary function of the National Coordinator is to coordinate overall activities, gather information about human trafficking and illegal immigration in BiH, inform the Council of Ministers on these issues, prepare appropriate recommendations, cooperate internationally and regionally with relevant institutions and non-governmental organizations involved in these activities, prepare and revise the National Action Plan, train and promote activities of the competent ministries and institutions relating to activities undertaken to combat human trafficking and illegal immigration.

State coordination includes coordinators appointed by:

The Ministry of Security (2), the Ministry of Human Rights and Refugees (1), the Ministry of Justice (1), the Ministry of Foreign Affairs (1) and the Prosecutor's Office of Bosnia and Herzegovina (1). This makes a total of seven members including the State Coordinator for the Prevention of Human Trafficking and Illegal Immigration, appointed by the Council of Ministers.

The Decision on the Establishment of the Task Force to Combat Human Trafficking and Organized Illegal Immigration ("Official Gazette of BiH" 3/ 04) established a Task Force to combat human trafficking and organized illegal immigration, which operate in BiH in accordance with the laws of BiH, Entities and BD. The Task Force was established with the aim of establishing and improving coordination at the operational level between the state and entity authorities and agencies of BD. This group includes representatives of the prosecutor's offices, the Border Police of BiH, the State Investigation and Protection Agency, the Ministries of Internal Affairs, Police, BD, Interpol, the financial police, tax administration authorities and other state and entity authorities. The Task Force operates under the direct authority of the State prosecutor who is the official head of the Task Force.

The first National Action Plan for Combating Trafficking in Human Beings adopted by the Council of Ministers in 2001. The first National Action Plan was based on an assessment of previously available data on the trafficking situation and the information about knowledge and experiences in combating trafficking collected by then, so it defined that basic objectives are the establishment of an appropriate legislative framework and institutional capacities to combat trafficking and the implementation of prevention activities and building appropriate mechanisms to protect victims of trafficking. The second National Action Plan adopted by the Council of Ministers in 2005 to include the period 2005-2007 was drafted on the basis of detailed analysis of the implementation of previous plans and assessments based on developments and trends in the phenomenon of trafficking in BiH. The third National Action Plan including the period 2008-2012 continued the same approach and was also based on a thorough assessment of the situation and trends in trafficking in BiH, but will include a series

of goals aimed at the effective cooperation of all stakeholders in the region of Southeast Europe.

The implementation of national action plans for combating human trafficking has achieved good results and put BiH on the list of countries that recorded positive trends in combating human trafficking. The achievements are evident in the development of institutional capacity, a legal and regulatory framework, a series of preventive actions implemented, good results in achieved the field of criminal prosecution and the development of standards for protection of trafficking victims and, finally, channels and mechanisms of international cooperation established.

An integral part of the National Action Plan is an operational plan of activities for the period 2008-2012, which further elaborated objectives set forth in the National Plan and identifies specific measures to achieve the objectives set, then determines the responsible institutions, partners from the governmental and NGO sectors and international partner organizations, the time frame, identified sources of funding, the need for additional funds and performance indicators of measures taken.

### **Employment of foreigners in BiH**

With the Constitution, constitutions of entities and Brcko District, the Law on Movement and Stay of Aliens and Asylum and the Law Against Discrimination, which was adopted in 2008, having been in place, BiH has created conditions and prerequisites for the achievement of equal rights and opportunities for protection against discrimination on any grounds for all citizens and all people who live and work in BiH.

The passage of these laws and their implementation in BiH created conditions and a legal framework for the protection of rights of all citizens in BiH, including the rights of migrant workers and their families who live and work in BiH from discrimination.

On the issue of discriminatory treatment of migrant workers and their families we note that in BiH there were no such cases nor were any instances of such behaviour recorded. This means that we are not able to present accurate information that would establish the effectiveness of the legal framework on the protection of the rights of migrant workers from discrimination.

Trying to bring the legal system that regulates the matter of foreign workers and their families with international conventions, in the period from 2000 to 2008, BiH passed the following laws:

- Law on Immigration and Asylum of BiH ("Official Gazette of BiH" 23/99);
- Law on Movement and Stay of Aliens and Asylum ("Official Gazette of BiH" 29/03, 4/04, 53/07), which made a considerable progress in terms of improving the legal framework regulating the movement and stay of foreigners in BiH and the development of the *acquis communautaire* calls for amending a significant number of provisions of the mentioned law. All this is aimed at harmonizing BiH legislation with EU legislation and the Schengen agreement and at removing weaknesses that have emerged in practice as unenforceable and vaguely defined provisions.

The legal framework for movement and asylum (which includes: visas, crossing borders, labour and employment of foreigners and asylum and migration in general), which is contained in provisions of the Convention, consists of the Constitution of BiH, the entity constitutions and the Statute of BD, a series of laws and by-laws in BiH.

The Laws on Employment of Foreigners and Stateless Persons of Entities and BD provide that foreign nationals or stateless persons may enter into employment contract under the conditions laid down in the law and provisions of the Laws on Employment of Foreigners of Entities, which define conditions under which foreign nationals and stateless persons may enter into employment contract in BiH and, on that basis, get a temporary residence permit (up to a year, which can be extended) based on employment. Provisions of these laws provide that an alien may enter into employment contract or work in BiH on the basis of work permit, if he/she meets general and special requirements set forth in the Laws, while a work permit can be obtained by the employer before the foreigner's coming in BiH. In this way, a foreigner who got a work permit in advance through the employer in BiH can file an application for residence on the grounds of employment or, if the visa regime applies to him/her, he/she can be granted a "D" visa - long-term stay (which is a requirement for residence on the grounds of employment in Bosnia and Herzegovina) as soon as he/she has entered BiH, which is an easier and simpler procedure for stay in BiH. This practice was taken from the advanced countries of EU, Schengen Convention and great part of this Convention. The laws at different levels of government are mutually aligned and harmonized with the BiH legislation, so that the conditions for obtaining a work permit and stay on the grounds of employment are the same in the entire territory of BiH, which is a significant progress in comparison with earlier period.

The former Law on Movement and Stay of Aliens and Asylum ("Official Gazette of BiH", 29/03, 4/04, 53/07) determined conditions and procedure for entry and stay of foreigners in BiH, reasons for refusal of entry and residence, reasons for cancellation of residence permit and expulsion of aliens from the territory of BiH, the procedures of applying for asylum, granting asylum and terminating of asylum in BiH, competences of authorities in the implementation of this Law and other matters related to asylum, residence and movement of foreigners in BiH. Namely, certain provisions and procedures prescribed by the law were not consistent with the Convention and EU standards and the international and EU Acquis requirements, so the government adopted a new

-Law on Movement and Stay of Aliens and Asylum ("Official Gazette of BiH" 36/08), which entered into force on 14 May 2008. On the basis of this Law and with a view to correctly and clearly applying it, by-laws were enacted, the most important being the following:

-Rulebook on Entry and Stay of Aliens was adopted by the Ministry of Security ("Official Gazette of BiH" 81/08, 28/10).

-Rulebook on Surveillance and Removal of Aliens from BiH was adopted by the Ministry of Security ("Official Gazette of BiH" 81/08).

-Rulebook on the Protection of Foreign Victims of Human Trafficking was adopted by the Ministry of Security ("Official Gazette of BiH" 90/08).

-Rulebook on Operating Standards and Other Issues Relevant to the Operation of the Immigration Centre was adopted by the Council of Ministers ("Official Gazette of BiH" 105/08).

-Rulebook on Covering the Costs of Deportation and Placing of Aliens under Surveillance was passed by the Council of Ministers of BiH ("Official Gazette of BiH" 2/09).

-Decision on the Minimum Amount Necessary for the Maintenance of Foreigners During the Intended Stay, adopted by the Council of Ministers of BiH ("Official Gazette of BiH" 30/10).

-Rulebook on the Central Database on Foreigners - it was enacted by the Ministry of Security ("Official Gazette of BiH" 25/09).

-Rulebook on International Protection (Asylum) in BiH ("Official Gazette of BiH" 37/09).

-Rulebook on Operating Standards and Other Issues Relevant to the Operation of the Asylum Centre ("Official Gazette of BiH" 86/09).

- Decision on Visas ("Official Gazette of BiH" 100/08).
- Rulebook on the Issuing of Long-stay Visas (D) and the Procedure of Issuing These Visas ("Official Gazette of BiH" 104/08).
- Rulebook on the Procedure of Issuing Visas in Diplomatic Missions and Consulates of Bosnia Herzegovina and Technical Issues of Requirements for Issuing Airport Transit Visas (Visa A) and Transit Visas (Visa B) ("Official Gazette of BiH" 26/09).
- Decision on the 2010 Annual Employment Quota for Aliens in BiH ("Official Gazette of BiH" 102/09); it is issued each year until 31 October of the current year for the next year.
  - Rulebook on Exercising the Right to Education by Persons Granted International Protection in BiH ("Official Gazette of BiH" 83/08).
  - Rulebook on Exercising the Right to Work by Persons Granted International Protection in BiH ("Official Gazette of BiH" 67/08).
  - Rulebook on Exercising the Right to Social Security by Persons Granted International Protection in BiH ("Official Gazette of BiH" 3/09).
- Decision on the Obligation to Submit Statistical Data on Migration and International Protection to the Ministry of Security ("Official Gazette of BiH" 83/09).

Strategic documents that are relevant to the movement, stay, work and employment of foreigners and their rights are:

- 2008-2011 Strategy in the Field of Immigration and Asylum Policy and Action Plan were adopted on 13 November 2008 at the 66th meeting of the Council of Ministers,
- 2008 – 2012 National Action Plan for Prevention of Human Trafficking in BiH and Rules on the Protection of Victims and Witnesses of Trafficking of BiH Citizens,
- 2008 BiH Migration Profile - the Council of Ministers adopted it 24 September 2009,
- 2009 BiH Migration Profile - the Council of Ministers adopted it on 29 April 2010,
- 2010 BiH Migration Profile – at the stage of adoption.

The valid Law on Movement and Stay of Aliens and Asylum („Official Gazette of BiH" 36/08), which is a mandatory law throughout BiH, has introduced certain relief in respect of the obligations of foreigners to obtain work permits as well as a unique approach in terms of obtaining work permits in the entire territory of BiH. Article 77 of the Law „Issuance of the work permit" provides for unique and uniform procedures of work permit issuing whereby a work permit may be issued to an alien upon the request of legal or natural person offering employment (hereinafter: Employer) by authority competent for matters of alien employment of FBiH, RS or BD.

Article 78 of the Law provides for „Work permit quota", determining that the Ministry of Civil Affairs of BiH shall submit proposal for an annual quota of work permits to the Council of Ministers on the basis of the needs presented by authorities competent for the employment of aliens in Entities and BD.

Article 79 of this Law defines groups of aliens and „work permits outside the quota", so Work permit may be issued independently from the established annual quota as outlined below:

- a) Alien with education equivalent to high/university education, completed post graduate studies/master's degree or PhD in Bosnia and Herzegovina;
- b) Alien working in BiH on the basis of an international agreement;
- c) Alien performing key functions in a business entity, who is not exempt from requirement to hold work permit on the basis of an international agreement;
- d) Teachers or educators teaching or assisting in teaching in the educational institutions due to their specific knowledge;
- e) Professional athletes or sport workers working in BiH on the basis of the valid

contract;

f) Alien in marriage or in common-law marriage with an alien holding a permanent residence permit in BiH or a child of an alien holding a permanent residence permit in BiH.

Further, it is important to emphasize Article 84 of the Law on Movement and Stay of Aliens and Asylum, providing „Exceptions from the requirement to hold a work permit“, the following persons do not have to obtain a work permit in BiH:

- a) Important persons appointed to positions of steering board member of the legal entity with a seat in BiH established as share company with a majority of shares held by legal entity or natural person, if the appointment does not have characteristics of employment and performing duties in that capacity does not exceed three months a year in total;
- b) Founders of a company or enterprise with a seat in BiH, performing certain tasks in that company or enterprise, if such tasks do not have characteristics of employment and does not exceed a total of three months a year;
- c) University professors invited as lecturers by universities in BiH, scientists attending scientific and specialist courses, scientists representing international organizations and scientists participating in implementation of scientific research projects important for BiH;
- d) Experts, teachers and lecturers from foreign cultural and educational institutions, performing their expert work in BiH within cultural and educational cooperation programmes;
- e) Civil and military officials of other countries' governments working in BiH on the basis of agreements on cooperation with BiH authorities;
- f) Members of international scientific missions, conducting research in BiH approved by the Council of Ministers;
- g) Representatives of religious communities registered in BiH while performing duties only with regard to religious service;
- h) International correspondents accredited in BiH or reporters for international media;
- i) Artists and technical staff, authors and performers in opera, ballet, drama or other theatrical performances, or concert, visual arts or other cultural performances or authors and performers in the field of music, music and stage, dance and ballet arts, as well as accompanying reporting, organization and technical staff taking part in the cultural workshops, gatherings and colonies, if they do not stay in BiH more than 30 consecutive days or more than three months a year with interruptions;
- j) Aliens performing, on the basis of agreements with the Council of Ministers, Ministry of Defence BiH, Ministry of Justice BiH, or the Ministry, duties relevant for defence, legal system or state security or attending specializing courses in the mentioned fields;
- k) Aliens visiting BiH in order to participate in sports and chess events;
- l) Experts in the field of protection of cultural heritage, library science and archivist science, if they do not stay in BiH more than 30 consecutive days or more than three months a year with interruptions;
- m) Aliens sent by international employer, providing education and training for persons employed with natural and legal persons with a seat in BiH, for a period of three months a year;
- n) Aliens holding temporary residence permit for the purposes of acquiring expert education and training, in case that the mentioned training does not exceed 3 months a year;
- o) Aliens performing delivery works, as well as installation and servicing of machinery and equipment, if their work in BiH does not exceed 30 consecutive days or more than three months a year with interruptions;
- p) Aliens taking part at organized professional conferences and seminars;

- r) Aliens participating on fairs or exhibits where their employer is presented;
- s) Aliens employed in circuses or amusement parks if their stay in BiH does not exceed 3 months;
- t) Alien who is a spouse or common-law partner of a BiH citizen or a child of a BiH citizen, holding residence permit in BiH;
- u) Aliens holding a regular pupil and student status when performing temporary work in accordance with regulations relevant for such temporary work;
- v) Aliens with approved international protection or temporary protection status in BiH and aliens with permanent residence permits in BiH.

We would like to particularly underline Article 85 of the Law on Movement and Stay of Aliens and Asylum "Equal status of aliens with permanent residence permits in BiH or aliens with international protection status in BiH and BiH citizens with regard to work", which provides that "Aliens holding a permanent residence permit in BiH, aliens with approved international protection in BiH and aliens with approved temporary protection are entitled to work in BiH under same conditions as citizens of BiH".

Practical application of the legal framework is evident through the consistent implementation of the Law and adopted by-laws, through an analysis of comparative statistics from the "BiH Migration Profiles" 2008, 2009 and 2010 and through an analysis of reports Service for Foreigners' Affairs, Border Police, the Labour and Employment Agency, Entity Ministries of Labour and Social Welfare, especially of the appellate authority's performance (appeals by aliens) and judicial protection (complaints by foreigners). Basically, it can be concluded that the adoption and practical application of the legislation governing the rights of all migrant workers and their families in BiH has achieved a significant progress.

The new - valid Law on Movement and Stay of Aliens has solved the issue of many non-harmonized pieces of legislation in BiH, Entities and BD. So provisions of this Law have solved the matter of foreigners in the enter territory of BiH and in a uniform manner.

With regard to signing bilateral and multilateral treaties with neighbouring and other countries, Bosnia and Herzegovina has concluded, to date, the following bilateral agreements with other countries in the field of social security and pensions:

1. Social Security Agreement between BiH and the Republic of Austria, signed in Sarajevo, 1999 (BiH Official Gazette – International Agreements, no. 2/01)  
- Protocol on the Implementation of the Social Security Agreement between BiH and the Republic of Austria (BiH Official Gazette – International Agreements, no. 2/01)
2. Social Security Agreement between BiH and the Republic of Croatia, signed in Zagreb, 2000 (BiH Official Gazette – International Agreements, no. 6/01)  
- Administrative Agreement on the Implementation of the Social Security Agreement between BiH and the Republic of Croatia (Official Gazette of BiH – International Agreements)
3. Social Security Agreement between BiH and FR Yugoslavia, signed in Belgrade, 2002 (Official Gazette – International Agreements, no. 16/03)  
Administrative Agreement on the Implementation of the Social Security Agreement between BiH and SR Yugoslavia (Official Gazette of BiH – International Agreements, no. 13/10) – signed on 20 April 2004.  
  
- Administrative Agreement on Amendments to the Administrative Agreement on the Implementation of the Social Security Agreement between Bosnia and Herzegovina and

FR Yugoslavia was signed in Belgrade, on 10 June 2010, and entered into force on 10 June 2010 and has been applying since 1 July 2010 ("Official Gazette - International Agreements, no. 13/10). The Administrative Agreement on Amendments to the Administrative Agreement for the Implementation of the Social Security Agreement between Bosnia and Herzegovina and FR Yugoslavia was signed in Podgorica, on 31 August 2010 and entered into force on the date of signature on 31 August 2010 and has been applying since 1 September 2010 (Official Gazette of BiH - International Agreements, no. 13/10).

4. Social Security Agreement between BiH and the Republic of Turkey, signed in Ankara, 2003. (Official Gazette of BiH – International Agreements, no. 16/03)  
Administrative Agreement for the Implementation of the Social Security Agreement between BiH and the Republic of Turkey (Official Gazette of BiH – International Agreements, no. 16/03)
5. Social Security Agreement between BiH and the Republic of Macedonia, signed in Sarajevo, on 17 February 2005 (Official Gazette of BiH – International Agreements, no. 1/06)  
Administrative Agreement for the Implementation of the Social Security Agreement between BiH and the Republic of Macedonia (Official Gazette of BiH – International Agreements, no. 1/06)
6. Social Security Agreement between BiH and the Republic of Slovenia was signed on 19 February 2007, in Banjaluka (Official Gazette of BiH – International Agreements, no. 8/07 of 20 September 2007).  
Administrative Agreement for the Implementation of the Social Security Agreement between BiH and the Republic of Slovenia was signed in Sarajevo on 7 November 2007 (Official Gazette of BiH – International Agreements, no. 1/08 of 25 February 2008).  
A Corrigendum to the Agreement, which refers to the portion of the text of the Agreement in Article 25(2) where words "or residence" were deleted, was published in Official Gazette - International Agreements, no. 6./08 of 16 July 2008..  
Agreement on Amendments to the Social Security Agreement between BiH and Slovenia was signed on 17 December 2010, in Brdo kod Kranja, Republic of Slovenia.
7. Social Security Agreement between BiH and the Kingdom of Belgium was signed on 6 March 2006, in Belgium (Official Gazette of BiH - International Agreements, no. 10/07)  
Administrative Agreement in connection with the application of the Social Security Agreement between BiH and the Kingdom of Belgium was signed on 4 April 2008, and the Agreement establishing the list of dentures, prosthetic equipment, and other benefits in kind is of great importance.
8. Social Security Agreement between BiH and the Republic of Hungary (Official Gazette of BiH - International Agreements, no. 12/08), was signed in Sarajevo, on 12 June 2008  
Administrative Agreement for the Implementation of the Social Security Agreement between Bosnia and Herzegovina and the Republic of Hungary was signed in Sarajevo on 12 June 2008 (Official Gazette of BiH - International Agreements, no. 12/08).

In the field of labour and employment, negotiations aimed at concluding bilateral agreements between Bosnia and Herzegovina and the following countries have been completed:

1. The Agreement between the Council of Ministers of Bosnia and Herzegovina and the Republic of Slovenia on Employment of citizens of Bosnia and Herzegovina in the Republic of Slovenia was initialled and signing of the Agreement is expected (the Agreement does not apply to seasonal workers);

In accordance with this Agreement, migrant workers shall have the same rights in treatment as citizens of host country, particularly regarding the working conditions and including salary and termination of employment contracts, health care and safety at work, freedom of association and organisation in workers and employers' associations, education and professional development.

2. The Agreement between the Council of Ministers of Bosnia and Herzegovina and the government of Serbia on temporary employment of citizens of Bosnia and Herzegovina working in the Republic of Serbia and the citizens of Republic of Serbia working in Bosnia and Herzegovina, was initialled and signing of the Agreement is expected.

The Agreement provides for the exercise of migrant workers' rights and their families' rights without discrimination on any grounds, while a migrant worker has the same rights, working conditions, safety at work and health care as the citizens of host country.

Negotiations aimed at concluding the following Agreement are under way:

1. The Agreement between the Council of Ministers and the Government of Qatar regarding employment of BiH workers.

We note that such Agreements regulate employment of workers for a fixed period of time, with possible extension.

### **Work permits issued to foreigners**

According to the data from BiH 2010 Migration Profile obtained from the Labour and Employment Agency of Bosnia and Herzegovina and on the basis of data received from the relevant entity services and the Brčko District, 2,592 and 2,325 work permits were issued to foreign nationals in 2009 and 2010 respectively, making a decrease of 10.30%.

The majority of foreign nationals with work permits in Bosnia and Herzegovina are nationals of Serbia. They are followed in number by citizens of China, Turkey, Croatia, Russian FBiH, Montenegro, Austria, Slovenia, Germany, Macedonia and some old member states of the European Union. In 2010, it is visible that there is a decreasing trend for most of the presented countries related to the issuance of work permits in BiH as compared to 2009. Also, it can be noticed that there is an increasing trend of work permits issued to the nationals of Austria, Croatia and Germany.

The largest number of work permits was issued for the following field of work in 2010: trade 713, processing industry 450 and other community, social and personal service activities 415, followed by education 301.

We should emphasise that the valid policies on entry, stay and exit of aliens are defined in the 2008 - 2011 Immigration and Asylum Strategy and Action Plan, which were adopted by the Council of Ministers of BiH in late 2008. The policy paper presents the immigration and asylum system development and the current situation, defines goals, activities, deadlines, the actors responsible to discharge of tasks concerning: visas, borders, immigration, asylum and protection of foreign victims of trafficking in people. In late 2009 the Council of Ministers of BiH appointed the Coordination Body for Strategy Monitoring and Implementation. Apart from

the documents above, since 2008, on a yearly base, the Council of Ministers of BiH has been adopting "BiH Migration Profiles" describing in details and monitoring migrations in/from BiH.

Pursuant to the Law on Movement and Stay of Aliens and Asylum („Official Gazette of BiH" 36/08), the Labour and Employment Agency launched drafting of the 2009 Annual Work Permit Quota for the Employment of Aliens in Bosnia and Herzegovina. In September 2008, a joint working group consisting of the Labour and Employment Agency of BiH, the FBiH Employment Institute, the RS Employment Institute, the BD Employment Institute and Department of General and Administrative Affairs of the BD Government made „A Proposal for the 2009 Annual Work Permit Quota for the Employment of Aliens in BiH" and sent it to the Ministry of Civil Affairs for action. The proposal was made based on needs for work permits identified by authorities for foreigners' affairs of FBiH, RS and BD on the criteria of level and type of education required, i.e. qualifications and skills.

In the FBiH, employment of aliens and stateless persons is governed by the Law on Employment of Aliens („Official Gazette of FBiH" 8/99) and the Law on Movement and Stay of Aliens and Asylum („ Official Gazette of BiH" 36/08).

The Law on Employment of Aliens determines procedures and conditions of employment of aliens and stateless persons and competences of the FBiH Employment Institute and Cantonal Employment Services in the procedure of employment of aliens and other issues relating to employment of aliens.

Article 3 of the Law provides that an employer may conclude an employment contract or a special service contract for occasional and temporary jobs with an alien on the basis of work permit if he/she fulfils requirements under the law and by/laws of the employer and Article 4 provides that an employer may not conclude a special service contract for occasional and temporary jobs with an alien prior to issuance of work permit. At a proposal by the Employment Service, the FBiH Employment Institute gives an approval to employ the alien. The work permit is issued on the basis of approval given by the FBiH Employment Institute by the Employment Service.

A work permit is issued to an alien under conditions prescribed in Article 7 of the Law and they are:

- that he/she is holder of a permanent or temporary residence permit in the FBiH;
- that there are no persons registered as unemployed who meet the employer's requirements for concluding employment contract or other agreement on performing temporary or occasional jobs with the alien.

Work permit may not be issued for a period longer than one year. Exceptionally, an alien holding a permanent residence permit in the FBiH can get a work permit for an indefinite period of time.

In the RS, employment of aliens and stateless persons is governed by the Law on Employment of Aliens and Stateless Persons („Official Gazette of RS" 24/09) and the Law on Movement and Stay of Aliens and Asylum („ Official Gazette of BiH" 36/08).

The Law on Employment of Aliens and Stateless Persons determines procedures and conditions of employment of aliens and stateless persons and competences of the

Employment Institute in the procedure of employment of aliens and other issues relating to employment of aliens.

Article 2 of the Law provides that employment of aliens is considered any employment for an indefinite or fixed-term contract based on an employment contract and engagement for work under special service contracts for occasional and temporary jobs and any other paid work. For the purpose of this article, employment is considered any work performed by scientific, cultural and other workers on the basis of an agreement on cultural, business and technical cooperation.

Article 4 of the Law provides that, in addition to general requirements under the law, collective agreements and by-laws of the employer, an alien has to fulfil a specific requirement for entering into an employment contract and it is a work permit issued by the Employment Institute of RS.

Article 5 of the Law provides that a work permit is a permit to perform paid work. At the request of employer, a work permit for entering into an employment contract with an alien is issued by the office of Employment Institute in the seat of the employer in accordance with an annual work permit quota determined in RS. The annual work permit quota is determined by the Institute with approval of the RS Government. The work permits under the annual work permit quota are first issued to re-applying aliens and then to newly employed aliens.

Article 6 of the Law provides that an employer is obliged to enclose the following data with the request for issuance of work permit: the decision on registration issued by the authority responsible for the activity of the employer; personal details of the alien with whom an employment or other contract will be concluded, including the following in particular: name, names and family names of parents, date of birth, sex, place of domicile and address of residence in the country of origin, number, date and place of issuing the valid travel document; information about the job or type of job and working conditions; arguments justifying employment of an alien – job description relevant to the alien's employment and the type of education, expertise or skills and qualifications required for the job; certificate of fitness for work (only at first application for work permit) and certified copy of the passport.

An office of the Institute cannot issue a work permit if the unemployment office in the employer's registered seat has unemployed persons with relevant professional qualifications and meeting requirements under the application except in cases where an unemployed person registered with the Employment Service refuses the job.

Exceptionally, an office of the Institute will issue a work permit to foreign investors or founders of a company, i.e. enterprise based in the RS, regardless of whether the unemployment office in the employer's registered seat has unemployed persons with relevant professional qualifications and meeting requirements under the application. Aliens volunteering or working in humanitarian organizations, citizens' associations or foundations are exempted from the mandatory work permit.

A work permit for a particular job and a particular type of work can be issued only to the alien in possession of a valid passport with an expiry date exceeding the visa expiry date by at least three months. Work permit may not be issued for a period longer than one year; it is usually issued for 6 or 12 months.

According to these regulations, in order to employ a foreign national or a stateless person, an employer is obliged to apply with the relevant office of the RS Employment Institute.

Upon receipt of a request with complete documentation, the head of the office issues a decision on the application within 30 days of applying. An office of the Institute cannot issue a work permit if the unemployment office has unemployed persons with relevant professional qualifications and meeting requirements under the application.

The new Law on Employment of Foreign Citizens of BD ("Official Gazette of BD" 15/09,19/09), provides that issuing of work permits shall become responsibility of the BD Institute of Employment. The Law provides that the BD Institute of Employment cannot issue a work permit to a foreigner if there are people registered with the BD Institute of Employment who meet requirements of the employer.

**Article 1, paragraph 3**

With a view to ensuring the effective exercise of the right to work, the Parties undertake:

3. to establish or maintain free employment services for all workers;

**Question 1. Please describe the general legal framework . Please specify the nature of, reasons for and extent of any reforms.**

**Answer:**

The system of employment services follows the principle of organization of BiH, established by the Constitution of BiH. At the state level in the field of labour and employment, the Agency for Labour and Employment was established. Employment Institutes were established at the level of entities and cantons in FBiH and there are 78 offices in the municipalities. In the RS, the Employment Institute is a centralized institution which has six regional offices and 56 municipal offices. The BD founded the Employment Institute of BD.

The Law on the Agency for Labour and Employment of Bosnia and Herzegovina („Official Gazette of BiH" 21/03, 43/09) has established the Agency for Labour and Employment of BiH (hereinafter: the Agency) in 2003 as an independent administrative authority within BiH institutions. The Agency has the following competences and responsibilities:

- a) in the employment field, cooperation with agencies, institutions and international organizations in charge of employment;
- b) in coordination with the Ministry of Civil Affairs of BiH, implementation of international commitments in the employment field, through cooperation with the competent Employment Institutes of Entities and the Employment Institute of BD;
- c) monitoring of the implementation of international standards and policies in employment and, in cooperation with the Entities' Employment Institutes and the Employment Institute of BD, participation in their implementation;
- d) initiating of the conclusion of international agreements related to employment and participation in negotiations for concluding international agreements in the field of social security related to unemployment and monitoring of their implementation in cooperation with the Entities' Employment Institutes and the Employment Institute of BD;

- e) coordination of activities around domestic and international projects in the areas of employment that are of interest for BiH and cooperation with the Entities' Employment Institutes and the Employment Institute of BD in their realization;
- f) collection of foreign and domestic applications and information on supply and demand of domestic and foreign labour force and, in cooperation with the Entities' Employment Institutes and the Employment Institute of Brcko District BiH, their realization within the limits of its competence and possibilities of BiH labour market;
- g) monitoring, analysing and researching of the economic, social and other trends, data on employment and unemployment, and their mutual influence, in cooperation with the Entities' Employment Institutes and the Employment Institute of BD, on the basis of which it proposes the necessary measures and activities to improve employment;
- h) initiating of the necessary activities in the Entities' Employment Institutes and the Employment Institute of BD to work together in cooperation with employers, unions, educational institutions and other associations and organize and implement programmes of vocational guidance and education to increase employment and other forms of active employment policy ;
- i) coordination of the recruitment of BiH citizens abroad within its statutory jurisdiction and in cooperation with the Entities' and the Employment Institute of BD;
- j) performing of the necessary analysis and producing reports and documents related to employment, drafts, proposals, working papers and documents to be approved and adopted by the BiH authorities based upon requests of the Council of Ministers of BiH and the competent BiH ministry, if necessary in cooperation with the Entities' and the Employment Institute of BD;
- k) proposing to the Council of Ministers of BiH long-term, medium term and annual plans on guidelines on labour market policies and active employment measures in BiH, together with the entities' and the Employment Institute of Brcko District BiH through the competent BiH ministry;
- l) giving opinions and suggestions for the employment of foreigners in BiH (quotas) to the competent BiH Ministry, in cooperation with the Entities' Employment Institutes and the Employment Institute of BD;
- m) providing the necessary data in the field of unemployment, particularly those relating to the enforcement of international obligations, in cooperation with the Entities' Employment Institutes and the Employment Institute of BD;
- n) regular submission of annual reports and annual work programme to the Council of Ministers of BiH;
- o) conducting training of its staff in order to meet the demands and challenges of international obligations and international integration processes, and initiating it with the Entities' Employment Institutes and the Employment Institute of BD.

The FBiH Employment Institute was established by the FBiH Law on Mediation in Employment and Social Security of Unemployed Persons („FBiH Official Gazette“ 55/00, 41/01, 22/05, 9/08) for the territory of FBiH in the employment field, while Cantonal Employment Services as public institutions were established in Cantons.

The FBiH Employment Institute operates at the level of FBiH as a separate institution with legal personality and limited responsibilities, i.e. it is, first of all, responsible for:

- a) monitoring and proposing measures to promote employment and social security of unemployed persons;
- b) monitoring and ensuring implementation of policy and measures in the field of labour and employment in the territory of the FBiH and notifying the competent authorities of the FBiH thereof;

- c) administering funds for ensuring financial security for unemployed persons, in accordance with this Law;
- d) monitoring, harmonizing and coordinating the work of employment services to implement the policies and measures made in the areas of employment and social security of unemployed persons within the jurisdiction of the FBiH;
- e) monitoring and proposing measures to promote employment of disabled persons and their vocational rehabilitation and ensuring fulfilment of the conditions for their employment in cooperation with the employment services;
- f) facilitating the implementation of professional guidance, training and retraining of the unemployed and their re-employment in their respective positions;
- g) compiling and keeping central records in the field of labour and employment that are of interest for the FBiH and proposing measures and necessary funds for the development and functioning of a unified information system in this area;
- h) monitoring the implementation of international treaties and agreements in the field of labour and employment related to the FBiH;
- i) representing employment services in relationships with authorities and agencies of BiH, FBiH and RS;
- j) approving the employment of foreign nationals and stateless persons as proposed by the Employment Service in accordance with the Law on Employment of Aliens.

Mediation services in employment provided by the employment service are free.

The Law provides that a fine of BAM 1,000.00 to 4,000.00 shall be imposed on a legal person for an offence of mediation in employment contrary to Article 26 of this Law and also a fine against the responsible person is provided for.

Cantonal Employment Services, which have in the structure 78 employment offices, operate at the cantonal level in FBiH as separate institutions with legal personality, being responsible, inter alia, for the following:

- a) mediation in employment;
- b) collecting and disseminating data on unemployed persons to the FBiH Employment Institute;
- c) giving information about employment opportunities;
- d) cooperation with educational institutions to coordinate educational programmes with the personnel needs of employers;
- e) implementation of vocational guidance programmes, training and re-training of the unemployed and their re-employment in appropriate positions;
- f) granting unemployment benefits to the unemployed;
- g) issuing work permits to foreign nationals and stateless persons;
- h) adoption and implementation of measures for faster employment of certain categories of hard-to-employ unemployed persons;
- i) other duties determined by this and other laws.

Cantonal employment services organize the collection, exchange and publishing of data on employed persons who seek a job change, as well as other information that may be important for the basic activities of employment services. Any Cantonal employment service performs market evaluations according to the instructions of the FBiH Employment Institute for the purpose of obtaining information and providing information on trends in the labour market.

This Law provides that mediation in employment in the territory of the FBiH may be performed by other legal entities - private agencies, in addition to employment services.

The FBiH Government adopted the Decree on Private Agencies for Mediation in Employment in April 2009 ("Official Gazette of FBiH" 09/28).

This Decree determines the conditions and manner of conducting mediation in employment by private employment agencies. For the purpose of this provision, mediation in employment includes all actions and measures taken for the purpose of connecting unemployed people seeking employment, as well as those seeking a job change with employers when employers want to conclude an employment contract or special service agreement for temporary and occasional jobs.

Mediation in employment provided by private agencies is free of charge for people seeking employment.

According to Article 3 Paragraph 1 of the Decree activities that are carried out by private agencies are:

- 1) mediation in employment;
- 2) counselling and information giving about employment opportunities to employers and unemployed persons;
- 3) organizing training and education of unemployed persons,
- 4) occupational guidance, information giving and counselling of professional staff and development of career guidance methods.

For the purpose of paragraph 1, point 1 of this Article, mediation in employment shall not be considered advertising of supply and demand in daily newspapers, broadcast media and the Internet.

When a legal person registered as company performs these activities it is a private agency. The Federal Ministry of Labour and Social Policy issues and revokes business licences of private agencies. After issuing a business licence, the Federal Ministry of Labour and Social Policy enters the private agency in the Private Agency Register. A licence to carry out activities under Article 3 of this Decree shall be issued by the Federal Ministry to a registered business company that meets the following conditions:

1. it has at least two persons employed, one of them with university degree - VII level of education or completed at least the first cycle of higher education in accordance with the Framework Law on Higher Education in Bosnia and Herzegovina;
2. it regularly pays taxes and contributions in accordance with the law and
3. it has adequate space and equipment to perform the activity.

A business licence is issued at the request of the applicant that has to provide, in addition to proofs that it meets requirements above, a certificate from the court register of companies and the Rulebook on Internal Structure and Classification of Jobs with Descriptions.

After completing the process of issuing a license the FBiH Ministry shall issue a decision (rjesenje) on the applicant's request. The decision of the FBiH Ministry of Labour and Social Affairs is final and cannot be appealed against, but an administrative dispute can be instituted.

According to Article 11 Paragraph 1 of the Decree, private agencies cannot bring the unemployed at a disadvantage because of race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status, membership or non-

membership in the union, and physical and mental impairments, and any other form of discrimination.

Private agencies are not allowed to mediate in employment for those employers where an employee is discriminated against on any grounds, or where he/she was placed at a disadvantage for the reasons set out in paragraph 1 of this article.

Also, private agencies are not allowed to mediate in employment of persons in cases where the agency is aware that the employer needs people to employ in order to replace employees who participate in a strike.

Private agencies cannot mediate in employment in a way that they present a fact that in any way can mislead persons seeking employment or employers seeking people for job.

While carrying out the activities set forth in Article 3 this Decree, private agencies may only charge employers. Prices of services shall be determined in a special act passed by private agency.

Information about the mediation in recruitment of unemployed persons and their getting a job shall be reported by the private employment agency within five days of recruitment of the persons to the cantonal employment services so that the persons can be struck off records of unemployed persons.

The RS Employment Institute has been organized as a public institution with a unique professional service which has been formed on three levels, namely central, regional and local levels. The central service has been established on a sector principle and the six regional centres make branch offices of the Institute: Banja Luka, Bijeljina, Doboj, Prijedor, East Sarajevo and Trebinje. In 56 municipalities of RS, there are local offices. It is significant to point out that there are functional and territorial cohesion of the Employment Services. The management of the Institute is carried out by the Steering Board and the Director.

In accordance with the provisions of the Law on Mediation in Employment and Entitlements during Unemployment ("Official Gazette of RS" 30/10) and Contributions Law, the Employment Service is funded by contributions to unemployment insurance.

Contributions to unemployment insurance in 2010 were calculated at a rate of 0.7% on gross salaries.

These funds are used to fund all activities of the Institute, i.e. unemployment benefits, active measures and functions and operational costs of the Institute.

In accordance with the Law on Mediation in Employment and Entitlements During Unemployment, positions defined in the Budget Framework Paper, commitments and goals set forth in RS Employment Strategy and other sector strategies in the RS and BiH, the RS Employment Institute identifies measures and activities on a year basis and designs an annual work programme.

In doing so, it also takes into account the principles and standards established in this field which relate to the following:

- Application of ILO Conventions;
- Equality of all persons on the register in respect to the exercise of their rights;
- Application of other international conventions;
- Transparency and openness to the public;

- Joint actions with other partners in the labour market to solve the unemployment problem.

In accordance with the Law on Mediation in Employment and Entitlements during Unemployment, the ministry issued a Rulebook on conditions to be met by legal entities and natural persons engaged in the business of mediation in employment ("Official Gazette of RS" 93/10) and the Rulebook on the Active Search for Job ("Official Gazette of RS" 93/10).

Of the total number of employees, 156 work with the unemployed, as organizers of the employment offices' affairs and mediation officers, and ongoing activities include the development of the new Rulebook on Internal Structure, which will introduce a position of counsellor, thereby putting an emphasis on the function of mediation in employment, counselling and high quality work with unemployed people and employers. Comparing the number of the Institute's employees with the number of unemployed persons registered with the Institute, it can be seen that an employee works with 1300 unemployed persons on average, which is far below any average in the countries of the European Union.

This number, however, is considerably higher in some employment offices where large numbers of people are on records, while in the offices where a smaller number of people are on record, this number ranges from 300 to 500 on average.

The RS established the Institute for Adult Education, which prepared the Entrepreneurial Training Programme as part of its activities.

Article 6 of the Law on Employment of BD provides: "Employment-related activities, professional, organizational and other activities in the field of employment prescribed by this law shall be carried out by the Employment Institute".

The Institute carries out employment-related activities as prescribed in this Law free of charge for persons seeking job and employers, unless this Law provides otherwise. Employment-related activities can be performed by employment agencies, too. Although the Law on Employment provides that employment-related activities are carried by the Institute and agencies, there are no agencies that carry out these activities in BD.

During mediation in employment, the Institute acts impartially in relation to job seekers and employers.

Article 9 of the Law on Employment provides: "The Institute monitors the situation in the labour market and shall inform the public and job seekers about opportunities and conditions of employment on the basis of data collected from employers about vacancies.

The employer is obligated to report a vacancy to the Institute, submit a report on the recruitment and report on the termination of employment.

The Institute shall post a vacancy on the bulletin board of the Institute within three days of notification by the employer or, if the employer requires that it should be published in the media available to citizens of the District, within five days of receipt of the request.

The Institute can charge for publication under preceding paragraph of this article from the employer if the employer requires that a vacancy should be published in a special form and in a certain media outlet.

Article 10 of the Law on Employment provides: "An employer may request that the Institute

should directly offer a choice of persons for employment rather than publish the vacancy”.

If, on the records of the Institute, there are the unemployed and the employed looking for a job change, which equally meet the requirements for employment specified by the employer, the Institute will offer the unemployed person to the employer as the first priority.

The employer shall independently decide on the selection of persons for employment between those offered by the Institute or agency and other persons who contacted directly the employer for employment.

The Institute keeps records of persons seeking employment, persons who are entitled to unemployment benefits, the unemployed who have registered with the Institute for the exercise of other rights and employed persons who seek to a job change. The institute is obliged to perform these tasks free of charge for users.

Article 61 of the Law on Employment provides for a fine of BAM 1,000.00 to 5,000.00 to be imposed on the Institute if it has charged the unemployed, an employer or other legal or natural person a fee in contravention of this Law if it has denied the unemployed the rights granted to him/her in this law and if it fails to keep or improperly keeps records required by law. Also a fine of BAM 500.00 to 1,500.00 against the responsible person in the Institute is provided for.

#### **Alternative military service because of conscientious objection**

The Law on Defence of BiH ("Official Gazette of BiH" 88/05), Article 79 (Abolition of Mandatory Military Service) provides that the mandatory military service regulated by entity laws shall be abolished on the entire territory of Bosnia and Herzegovina on 1 January 2006.

As the mandatory military service includes alternative military service because of conscientious objection as an inherent part of military service, the Article abolishes this obligation for all citizens in the entire territory of Bosnia and Herzegovina as of 1 January 2006.

The Law on Defence of Bosnia and Herzegovina does not provide for the mandatory military service and therefore the civil service for conscientious objectors is not provided.

In accordance with legal provisions and adopted policies regulating discharge, enlistment and transfer of personnel within the defence structures, the Ministry of Defence makes plans for discharge and enlistment of members of the Armed Forces and are plan for employment of personnel in the Ministry of Defence for the following calendar year. The mentioned plans of recruitment of personnel in the defence system are followed by long-term planning (LTP), which is planned through the dynamics of employment and budgetary needs for each subsequent year.

#### **Question 2. Please indicate the measures taken (administrative arrangements, programmes, action plans, projects etc.) to implement the legal framework.**

##### **Answer:**

In 2010, in cooperation with the FBiH Employment Institute, the RS Employment Institute and the BD Employment Institute, the Agency for Labour and Employment of BiH (hereinafter: Agency) made four quarterly reports on work permits issued to foreigners in BiH.

In October 2010, a joint working group consisting of the Agency, the FBiH Employment Institute, the RS Employment Institute and the BD Employment Institute made a „Proposal for 2011 Annual Quota of Work Permits in BiH“ and sent it to the Ministry of Civil Affairs for proceeding. At a request of the Ministry of Security, the Agency took part in drafting of the BiH Migration Profile in the part concerning work permits issued to foreigners in BiH. Owing to the fact that work permits issuing is a responsibility of the Entity Employment Institute and the BD Employment Institute, in a coordinated activity, the Agency prepared tables about work permits issued to foreigners in BiH in 2009, disaggregated by country of origin, qualifications and age, and sent them to the Ministry of Security.

In 2010 the Agency took part in the implementation of two projects:

- Improvement of active labour market measures in BiH(IALM) and
- Youth Employability and Retention Programme (YERP).

In 2009, the Agency for Labour and Employment of BiH had the following activities: preparing a review on „How to make BiH more attractive for foreign investments“ – labour market, at a request of the Council of Ministers of BiH, in order to realize the conclusions of 16th session of the Parliamentary Assembly of BiH, held on 11 October 2007. The Agency, in cooperation with entity and Employment BD, compiled a list of BiH citizens who were employed in the Republic of Croatia and dismissed in the period 1991 - 1995 as part of "Plan of Measures To Be Taken To Solve The Problems of BiH Citizens Who Were Employed In the Republic of Croatia and Dismissed In The Period 1991-1995", adopted by the Council of Ministers. Also, the Agency prepared a document entitled "Analysis of Employment In Institutions of BiH" based on the conclusions of the Council of Ministers. In 2009 the Agency completed the implementation of "DILMA -" Development of Integrate Labour Market of the Adriatic Area "Project.

The operation of the FBiH Employment Institute is directed by strategies, plans, programmes and agreements, such as:

- 2009 – 2013 BiH Development Strategy,
- 2009 – 2013 BiH Inclusion Strategy,
- 2009 – 2013 FBiH Employment Strategy,
- 2010 – 2014 BiH Employment Strategy,
- FBiH Employment Action Plan.
- Programme of Measures for Taking Care of Staff Who Have Been Laid Off In The Process of Bankruptcy, Liquidation, Restructuring or Privatization Of Enterprises.
- Programme of Measures to Mitigate the Effects of The Global Economic Crisis and Improving the Business Environment and the 2009 - 2010 Social Welfare Agreement.

In recent years, in cooperation with the cantonal employment services, the FBiH Employment Institute, has coordinated and worked on establishing a system of regular vocational information giving in primary and secondary schools in FBiH. These activities are preventive actions aimed at informing students about the importance of choice of further education and inclusion in the labour market. In 2010, 196 primary and 113 secondary schools and about 20,000 pupils in the final grades of primary and secondary schools were involved in the activities of vocational information giving.

Coordinators of the activities of vocational guidance from the FBiH Employment Institute and Employment Service of Middle Bosnia Canton participated in the continued regional project titled "Creating the Conditions for the Transfer of the Young to the World of Employment in the Western Balkans". The goal of the project was enhancement of vocational guidance in the Western Balkans, which was modelled on the Austrian system, was funded by the German Technical Cooperation (GTZ). Within this project, there was training following the

five-stage model for 16 teachers and educators from four pilot schools in the FBiH. The teachers and educators implemented these activities in primary schools where they are employed. "A Handbook for primary school teachers and youth leaders - five-stage model of career guidance" and "Career guidance - five steps to a decision on school and profession" were made.

"The Centre for Training of Professional Staff and Development and Implementation of the Programme of Active Employment Policy" Project was successfully implemented with a view to developing new approaches to solving the problem of unemployment in the FBiH. Among the implemented activities, it is necessary to mention:

- Establishment of the Centre for Active Employment Policy Development and Implementation within the FBiH Employment Institute to create a single framework of active employment policy in the FBiH,

- Train-the-trainers of cantonal employment services in active employment policy, specifically in the implementation of "I will succeed!" project,

- Train-the-trainers of cantonal employment services in active employment policy, specifically in transferring knowledge to counsellors: registering in the Employment Service, employment plan and individual interview,

- Preparation of proposals for the unique practice of public employment services.

In 2010, publication of vacancies on the website of the FBiH Employment Institute continued, which contributed to better functioning of labour market in BiH and easier access of the unemployed to jobs. By the end of 2010, the website published 2,952 advertisements that included 4,640 vacancies.

In 2010, the second cycle of implementation of the Programme of subsidies of employment of professional staff in the cantonal employment services in the FBiH, which aimed to boost recruitment of occupational / career guidance officers and staff IT officers. In 2010, for these purposes, funds in the amount of BAM 20,400 were spent as follows: one person was recruited in the Employment Service of Sarajevo Canton and the Employment Service of Livno each and two persons were recruited in the Employment Service of Bosnia-Drina Canton.

In order to build the institutional capacity of the FBiH Employment Institute and to increase the level of general and professional knowledge and competence, training of employees is carried out in accordance with the Quality Policy and Employee Training Plan. Given trained personnel is a prerequisite for achievement of programme goals and high quality service provision to beneficiaries, this segment covers a range of activities. Comprehensive employee training was carried in the following: management training, business communication, project management, evaluation and monitoring of projects of active measures for employment, work organization, IT training under ECDL programme and professional training in finance and accounting and legal affairs. The FBiH Employment Institute actively participated in the preparation of projects under the Instrument for Pre-Accession 2011 (IPA) and in designing the most important strategic documents for BiH for the period 2010-2014. Further, a special contribution was given to preparation of the 2010-2013 Action Plan for Employment of FBiH, which was prepared in accordance with the 2009-2013 FBiH Employment Strategy.

The FBiH Employment Institute and the Employers' Association of BiH signed a Memorandum of Cooperation, which stipulates that public employment services shall provide employers, as beneficiaries of services and partners in the labour market, with information about qualifications, occupations, special knowledge and skills of the unemployed, and other information important for employers and with free labour supply, mediation in employment, vocational and financial assistance in the employment of specific categories of unemployed

persons through employment programmes and services in the professional selection of candidates and job advertisements. Obligations of the Employers' Association of BiH are: delivery of announcement of vacancies to the FBiH Employment Institute and data on recruitment of the unemployed. Further, joint activities to combat illegal labour and to advocate for lawful employment and payment of statutory taxes and social contributions are planned.

In the implementation of „Vocational Rehabilitation As a Method for the Integration of Persons With Disabilities In the Labour Market In FBiH and RS“ Project, in cooperation with the Centre for Vocational Rehabilitation (BBRZ) from Linz, a draft model of rehabilitation for the FBiH, which unites the individual (psychological), health and financial needs of persons with disabilities, has been developed. In the development and implementation of the *2010 - 2013 Action Plan for the Introduction of Gender Responsible Budgeting in FBiH*, cooperation with the Gender Centre of FBiH was intensified in different areas, especially during training in the introduction of gender budgeting, indicators and analysis of special measures. As in previous years, the successful cooperation with German Technical Cooperation continued in the *Reform of Vocational Education in BiH* and the *Transfer of the Young to the World of Employment in the Western Balkans* projects.

In 2009 the implementation of "The Centre for Professional Training and Staff Development and Implementation of the Programme of Active Employment Policy" Project continued. The goal of the Project was directing employees of the FBiH Employment Institute and cantonal employment services to adopt new approaches in working with unemployed people and providing counselling services. This project organized several seminars on "Career Guidance, New Trends and Opportunities for Public Employment Services." A one-day seminar was organized for the management of the cantonal employment services and the FBiH Employment Institute, with an emphasis on the role of management in the development of occupational guidance, a two-day seminar was organized for active employment policy trainers, where they had a chance to find out what the role of public employment services was when it came to occupational guidance of the unemployed and students. A three-day seminar for psychologists working in employment services had a component related to the role of psychologists in the process of occupational guidance. Within this project, the active employment policy trainers and employees of municipal employment services held two types of seminars for the unemployed: one-day informative and two-day motivational seminars. At the one-day informational seminars unemployed people became familiar with the rights and obligations arising from unemployment, as well as the current active labour market programmes implemented by the Public Employment Service. In 2009, 917 informative seminars, attended by 9,137 unemployed, were held. The informative seminars were held in all cantonal employment services except for Western Herzegovina Canton and Canton 10, because these services had not taken part in training of active employment policy trainers. The active employment policy trainers working in the cantonal employment services began training of employees of municipal employment offices, so that as early as in 2009 employees of municipal employment offices took over part of the informative seminars.

The FBiH Employment Institute introduced, implemented and documented a quality management system as required by ISO 9001:2000, which was confirmed in a certification audit, which was carried out by TÜV United States / International TÜV NORD in November 2008. In 2009, in preparation for the first surveillance audit, the FBiH Employment Institute made adjustment to the new, revised and updated standard (ISO 9001:2008) so that the first surveillance audit which was carried out on 19 February 2010 was at the same a certification audit according to ISO 9001:2008. Introduction and implementation of quality management system of the FBiH Employment Institute and Cantonal Employment Services took more than three years. Applying this standard improved the quality of work, effectiveness and efficiency, increased the reputation of public employment services and

opportunities are opened to all employees to contribute to continuous improvement of the work.

Since May 2009, through a website of the FBiH Employment Institute, unemployed persons in BiH have been able to track advertisements of vacancies that employers report to cantonal employment services, as well as advertisements published in the press and other media outlets. By introducing this kind of information about job vacancies, the FBiH Employment Institute has contributed to a better functioning of BiH labour market and made the path to employment easier to unemployed people. By the end of 2009 the website published 2,786 advertisements with a need for 5,649 persons.

Efficient efforts in the labour market imply further development of active policies, employment projects being a significant part of the activities. When it comes to the implementation of projects, we should underline that the activities were implemented in two directions: employment projects prepared and implemented by the Employment Service of Republika Srpska and projects implemented in cooperation with other partners and organizations, mainly international ones.

In the course of these activities over 30 workshops with the unemployed and several round tables with employers were held. In cooperation with the Spectar Agency and other partners in the implementation of the "Youth Employment Project - YEP", workshops were organized in the branches of Eastern Sarajevo, Bijeljina and Trebinje. In the course of implementation of the "Youth Employment Project - YEP" in Banja Luka, the first job search club - Job Club (first-ever in Bosnia and Herzegovina) was equipped and opened. The main function of the Club is to provide unemployed people aged 18-30 years who have been registered for more than one year with assistance and guidance in job seeking. Unemployed people who are members of the Club have access to Internet and databases of businesses, they are trained in actively searching for work and writing a CV. Advisory services by employees of the club and educational materials are also available to them.

In the course of the implementation of active measures in 2010, some progress in matters relating to vocational information giving and counselling, i.e. in the function of career guidance, was achieved. In cooperation with German Technical Cooperation (GTZ) for vocational education and training, a pilot project at the regional level titled "Creating the conditions for the transfer of the young to the world of employment in the Western Balkans" (West Balkan Project) was implemented. The goal of the project was enhancement of vocational guidance in the Western Balkans, where the process of professional guidance takes place in five stages, i.e. "Five-staged model". A "Multiplier's Manual" and "Teacher's Manual" were prepared as a result of the training and work with teachers. The manuals were distributed to schools that participated in the project and will certainly contribute to the successful development of vocational guidance. Implementation of the project in schools in Eastern Sarajevo began in November 2009 and was completed in May 2010.

In the past year, the Institute took active part in creating the enrolment policy, especially from the aspect of labour market demands in the RS. Anyway, cooperation with institutions of education and other entities contributes to prevention of unemployment and taking of timely measures in the labour market.

The BD Employment Institute carried out activities in the BD labour market taking into account its own role under the Law on Employment and Entitlements During Unemployment („Official Gazette of BD“ 33/04,19/07, 25/08), programme tasks of the Institute and the 2010 Programme of active employment measures of the BD Government. In addition, in

2010, activities to create conditions for extension of office space in order to create optimal working conditions of employees in accordance with EU standards and for normative extensions in order to improve the work of the Institute and for full staffing of the Institute to strengthen the function of professional counselling and vocational guidance were taken.

**Question 3. Please provide indicators, estimated if necessary, on the functioning and the performance of the employment services in practice, including the number of vacancies registered by employment services; placement rate (placements made by the employment services as a share of notified vacancies).**

**Answer:**

FBiH

An overview of the performance of employment services in FBiH, 2007-2010.

Indicators	2007	2008	2009	2010
1. Average number of vacancies published in employment services (monthly)	2,280	1,947	1,343	1,222
2. Number of placements made by employment services	58,727	60,224	45,027	48,262
3. Number of persons registered with employment services who are involved in active employment policies implemented by employment services	10,602	5,956	5,209	11,984

Source: FBiH Employment Institute

An overview of labour demand and people registered with employment services who were placed by employment services in FBiH (2008-2010.)

Indicators	2008		2009		2010	
	Annual average	Total	Annual average	Total	Annual average	Total
Total number of cases of labour demand	1,947	23,368	1,343	16,118	1,222	14,658
Number of jobs for an unspecified period of time	818	9,814	557	6,687	454	5,451
Number of jobs for a specified period of time	1,130	13,554	786	9,431	767	9,207
People placed by employment services	5,019	60,224	3,752	45,027	4,015	48,175

Source: FBiH Employment Institute

In 2008 the employment services were mediators in recruitment of 60,224 registered with the employment services.

In 2009 the employment services were mediators in recruitment of 45,027 registered with the employment services.

In 2010 the employment services were mediators in recruitment of 48,175 registered with the employment services.

The average number of cases of labour demand registered in cantonal employment services on a monthly basis in 2008 was 1,947, which was less by 14.58% than in 2007. It included

818 jobs for an unspecified period of time, which was less by 9,81%, and 1,130 jobs for a specified period of time, which was less by 17,74%.

The average number of cases of labour demand registered in cantonal employment services on a monthly basis in 2009 was 1,343, which was less by 31.03% than in 2008. It included 557 jobs for an unspecified period of time, which was less by 31.86%, and 786 jobs for a specified period of time, which was less by 30.42%.

The average number of cases of labour demand registered in cantonal employment services on a monthly basis in 2010 was 1,222, which was less by 9% than in 2009. It included 454 jobs for an unspecified period of time, which was less by 18.49%, and 767 jobs for a specified period of time, which was less by 2.41%.

There is a demand for graduate engineers in computer sciences and electronics, few of them being registered as unemployed, and engineers of telecommunications, transport, geodesy, geology and construction.

An analysis of advertised vacancies in the employment services, Internet portals and newspapers shows that pharmacists (Masters of Pharmacy), lawyers, economists, traders, salespeople and sales managers, IT professionals are in great demand, while demand for bookkeepers, accountants and various other economics-related professions, doctors, teaching staff, engineers in different fields follows.

Further, a lot of jobs were advertised in public administration, especially for interns, and in education.

Demand for labour in the construction sector was reduced compared to the previous period. In most advertisements, apart from work experience, a requirement for employment was additional knowledge and skills, such as computer skills and foreign languages, mainly English, and also the driving license.

Further, in 2010, the website of the FBiH Employment Institute [www.fzzz.ba](http://www.fzzz.ba) published 2,952 vacancies, which advertised a need for recruitment of 4,640 people. Most job vacancies advertised were in education, economics / finance, commerce / sales, administrative and similar services, electronics / mechanical engineering, craft services, law, police and security services, transport and storage and management. In this way the FBiH Employment Institute contributed to a better functioning of the labour market in BiH, as well as made the path to employment easier to unemployed people.

Employment of persons registered with the Employment Service exceeds demand due to the fact that employers are not obliged to reported vacancies to the Employment Service and, therefore, the total demand for labour in the labour market in the FBiH is not registered in the cantonal employment services.

In RS, in the reporting period, through the active measures of employment and other forms of mediation, the RS Employment Institute mediated in recruitment of the following:

- in 2008 – 30,480 people
- in 2009 – 22,575 people
- in 2010 – 25,054 people.

In 2009, a total of 22,575 people was employed, which was less by 7,905 or 25.9% than in the same period last year. The number of employed people was less by 23.40% compared to the Plan.

The consequences of the global economic crisis are most prominent in the labour market and the largest declines were felt in the supply of vacancies. All this had an impact on the planned number of newly-employed people of 29,500 not to be realized.

An overview of the number of people employed in 2009 by the RS Employment Institute by the type of employment contract and by branches						
BRANCH	TOTAL	Privately owned businesses	Employment	Type of employment contract		
				Indefinite duration	Fixed-term	Seasonal
BANJA LUKA	7,750	249	7,501	3,529	3,943	5
BIJELJINA	4,003	144	3,859	1,347	2,543	4
DOBOJ	4,030	85	3,945	2,234	1,721	37
PRIJEDOR	2,833	69	2,764	1,138	1,649	18
I.SARAJEVO	2,361	10	2,351	906	1,332	3
TREBINJE	1,598	79	1,519	911	616	19
INSTITUTE	22,575	636	21,939	10,065	11,804	86
				45,9%	53,8%	0,4%

Source: RS Employment Institute

Analysing the qualification structure of the employed in 2009, we can see that the largest number of newly-employed persons have secondary education - III level of education: 8,712 or 38.6%, then secondary education - IV level of education follow: 6,793 or 30.1%, unskilled workers: 3,113 or 13.8%, moderately skilled workers: 390 or 1.7% and highly-skilled workers: 274 or 1.2%. Among the newly-employed persons there are 675 or 3% people with two-year university education and 2,618 or 11.6% people with four-year university education. In comparison with previous years, the share of particular level of education in the overall number of newly-employed people is almost the same, with the number of people with four-year university education being constantly on a rise. In the period from 2005 to 2009 it increased by approx. 4%. There is a decline in employment of persons with secondary education - IV level of education by 2.8%.

An analysis of new employment by activities is surely one of the major indicators in the overall analysis of employment in 2009. It shows that the largest number of newly-employed persons is in processing industry: 5,768 or 25.6%, than in trade: 4,552 or 20.2%. In construction industry 2,164 or 9.6% people were newly-employed, and in hospitality industry 2,141 or 9.5% people were newly-employed. In public, social, social security and personal service activities 1,702 or 7.5% people were newly-employed. In education 1,494 or 6.6% people were newly-employed, while in public administration and mandatory social insurance 900 or 4% people were newly-employed. In health care and social security 795 or 3.5% people were newly-employed, in transportation and communication 709 or 3.1% people were newly-employed, in agriculture and forestry 679 or 3% people were newly-employed. In other activities the percentage of newly-employed people ranged from 2.2 to 0.1%.

In 2010, 11% more persons were employed than in 2009, when a total of 22,575 persons were employed. An analysis of employment on a monthly basis shows an increase in employment since May 2010, compared to the same period of 2009. From May to December 2010 the average monthly employment was over 2,300 persons.

An overview of the number of people employed in 2010 by the RS Employment Institute by the type of employment contract and by branches

BRANCH	TOTAL	Privately owned businesses	Employment	Type of employment contract		
				Indefinite duration	Fixed-term	Seasonal
BANJA LUKA	8,878	250	8,628	3,208	4,805	2
BIJELJINA	4,703	106	4,597	1,093	3,129	1
DOBOJ	4,272	66	4,206	2,059	1,997	32
PRIJEDOR	3,006	85	2,921	961	1,839	7
I.SARAJEVO	2,614	14	2,600	890	1,412	
TREBINJE	1,581	56	1,525	610	713	21
INSTITUTE	25,054	577	24,477	8,821	13,895	63
				36,0%	56,8%	0,3%

Source: RS Employment Institute

An analysis of employment by level of education and qualification structure shows that the largest number of persons employed have secondary education – level III- 9,200 skilled workers (36.7%) and secondary school education 7,136 (28.5%) who were most numerous in the total number of unemployed registered people. Compared with previous years, the trend of employment by level of education remained almost the same, except in level VII, where a significant increase in employment of persons with university degree was recorded. The number of newly-employed persons with university degree in 2010 increased by 9.6% compared to 2007 when the share of university graduates in the total number of unemployed registered people was 8%, and in 2010 it was 17.6%. Analyzing employment by the type of activity, one can note that in 2010 the largest number of persons was employed in processing industry – 6,020, followed by trade – 4,675 and construction – 2,506. The community, social, service and other public services employed 2,274 workers, while hospitality and education employed 1,889 and 1,759 persons respectively.

In BD in 2008, a total of 3,988 persons registered with the Employment Institute, and on the other hand, a total of 5,375 persons were struck off the unemployment records in 2008, of which 1,698 persons were struck off on the grounds of new job.

In 2009, a total of 4,802 persons registered with the Employment Institute. On the other hand, a total of 5,031 persons were struck off the unemployment records in 2008, of which 937 persons were struck off on the grounds of new job.

It is evident that in 2009 the number of persons registered with the Employment Institute who got employment significantly reduced compared to 2008 and it amounted to 761 persons or 44.8%, while the number of persons struck off the unemployment records on other grounds such as giving up seeking a job, illegal employment, a change of residence, retirement, going to school, death and so on increased by 417 persons or 11.34% compared to 2008.

In 2010, a total of 4,719 persons registered with the Employment Institute. On the other hand, a total of 5,574 persons were struck off the unemployment records in 2010, of which 975 persons were struck off on the grounds of new job.

An overview of people struck off the unemployment records for various reasons in BD					
		2007.	2008.	2009.	2010.
1.	Striking off because of new employment	1,475	1,698	937	975
2.	Striking off for various reasons (seeking job stopped, illegal employment, change of domicile, retirement, schooling, death and the like)	3,869	3,677	4,094	4,599
Total:		5,344	5,375	5,031	5,574

Source: BD BiH Employment Institute

It is evident that in 2010 the number of persons registered with the Employment Institute who got employment significantly reduced compared to 2009 and it amounted to 38 persons or 4.06%. The number of persons struck off the unemployment records on other grounds such as giving up seeking a job, illegal employment, a change of residence, retirement, going to school, death and so on increased by 505 persons or 12,33% compared to 2009.

#### **Article 1, paragraph 4**

With a view to ensuring the effective exercise of the right to work, the Parties undertake:

4. to provide or promote appropriate vocational guidance, training and rehabilitation.”

**Question 1. Please describe the general legal framework . Please specify the nature of, reasons for and extent of any reforms.**

**Answer:**

Vocational guidance is not a new activity in BiH, because it has been carried out since 1950s. Specifically, in 1957, ex-Yugoslavia established the Yugoslav Association for Vocational Guidance including members from the Republic of BiH.

In 1958 Career Counselling Offices became part of the Labour Exchange Offices, which organized vocational guidance accordingly. The true development of vocational guidance began in 1960, when it got into the framework of the then Employment Institute. In addition to the Employment Institute, vocational guidance was provided by a lot of schools, particularly at the level of primary schools.

Vocational guidance should be perceived as an interdisciplinary activity and indispensable factor in guiding of and acting by young people.

Article 3 of the Framework Law on Secondary Vocational Education and Training in BiH („Official Gazette of BiH“ 63/08) provides that secondary vocational education and training: under equal conditions, ensure the right to secondary vocational education and training in accordance with interest and capabilities of a student; provide support to a student in selection of adequate vocation and integration into social life; develop awareness among students on needs of further education and training; ensure conditions for development and promotion of traditional crafts; harmonize needs with demands and changes in the labour

market; harmonize vocational education and training with education in the member countries of European Union.

Requirements for vocational education and training of adults, involving the continuation of vocational education, additional training, re-training and other activities that ensure continuous / lifelong learning, including rules on the establishment of an official register of diploma and certificates issued (Article 4), are defined in accordance with the Framework Law, laws and bylaws of institutions of secondary vocational education and training.

Pursuant to the Framework Law on Secondary Vocational Education and Training in BiH, schools have autonomy and this implies in particular the freedom of schools to develop and implement educational programmes according to local labour market demands (Article 12).

To ensure links between vocational education and training and the labour market, the Entities, cantons and Brcko District have established tripartite advisory councils, which have an advisory role and consist of representatives of employers, unions and relevant educational authorities. The Ministry of Civil Affairs coordinates joint meetings of tripartite councils which meet regularly at least once a year.

Establishing high quality relationships of the education sector and the labour market, each school has established an advisory council. The Advisory Council is elected to consist of representatives of the local labour market, which are related to education of certain professions. The Advisory Council assists schools in planning their programmes, advises the school on all matters pertaining to training and helps to strength links between schools and local labour market. The composition of the advisory council and the procedure of appointment of its members is regulated by the Articles of Association of the school (Article 18).

All framework laws in the field of education define the issue of education of children and youth with special educational needs.

According to the Framework Law on Secondary Vocational Education and Training in BiH („Official Gazette of BiH“, 18/03) (Article 19), „Children and young people with special needs shall be educated in mainstream schools, according to their individual needs. An individual programme suited to their abilities and skills shall be developed for each student, with mandatory determination of the defects and disabilities and speech disorders.

Children and young people with serious disorders and developmental disabilities may be partially or fully educated in special educational institutions, in cases where it is impossible to provide appropriate education in mainstream schools.

Categories, the process of identifying, planning and working methods, profiles, training and professional development of personnel working with children and youth with special needs and other issues are governed by legislation of the Entities, cantons and Brcko District, in accordance with the principles and standards established by this law.

Article 8, paragraph 7 of the Law defines that education of children with special needs shall be carried by adjusted secondary school programmes, which are designed by the relevant educational authorities.

Article 7, paragraph 2 of the Framework Law on Higher Education of Bosnia and Herzegovina („Official Gazette of BiH“ 59/07, 59/09) provides that access to higher education carried out

by licensed higher education institutions in Bosnia and Herzegovina shall not be restricted, directly or indirectly, on any actual or presumed ground such as sex, race, sexual orientation, physical, or other impairment, marital status, colour, language, religion, political or other opinion, national, ethnic or social origin, association with a national community, property, birth, age or other status.

According to the Framework Law on Primary and Secondary Education in Bosnia and Herzegovina, adult education is organized in certain subjects for the adults' professional and personal development. Adult education includes vocational training, additional training, retraining and other activities that provide lifelong learning.

Adult education is regulated in details by the laws of Entities, cantons and Brcko District in accordance with the principles and standards defined by this Law (Article 20).

The Framework Law on Secondary Vocational Education and Training in BiH provides that schools can perform commercial activities, particularly in the context of vocational training. The commercial activities are approved by the school board on the basis of a plan designed by teachers' council, with approval by the competent ministry (Article 20).

Schools can provide training to adults within their registered activities with the consent of the relevant educational authorities. The competent Minister shall issue a curriculum for adult education and training. Adult students will be charged for training. The level of fee is determined and adopted by the school boards, with the consent of the competent ministries of education (Article 21).

In FBiH, the Law on Mediation in Employment and Social Security during Unemployment provides that vocational guidance of the unemployed and other persons in the choice of occupations, vocational training and retraining of unemployed persons who have become redundant, encouragement of job creation and taking other incentives, are activities of employment service and are regulated by cantonal regulations.

In this regard, employment services are responsible for implementing the programme of vocational guidance, training and retraining of unemployed persons and their re-employment in suitable positions.

The FBiH Employment Institute and cantonal employment services co-fund programmes of Vocational training, additional training and retraining of persons registered with the employment service to meet the needs of a particular employer. They also train employed persons to prevent an increase in unemployment. General training in additional skills (foreign languages, IT training etc.), additional training and retraining (the acquisition of technical knowledge regarding the profession / occupation, further training within the same profession or for another occupation and not the same one, at the same or higher level of education) aim to increase the market competitiveness of a number of people with low qualifications and secondary school education.

An overview of activities within vocational training, additional training and re-training programmes in the FBiH, 2007-2010.

Year	Vocational training, additional training and re-training programmes meeting the labour market demand	Number of people involved	Vocational training, additional training and re-training programmes meeting the labour market demand	Number of people involved
2007	-	-	9	817
2008	3	2,139	3	209
2009	3	11,423	15	1,334
2010	5	18,292	11	454
<b>Total</b>	<b>11</b>	<b>31,854</b>	<b>38</b>	<b>2,814</b>

Source: FBiH Employment Institute

The FBiH Employment Institute and cantonal employment services also co-funded programmes of employment and self-employment of persons with a percentage of disability less than 60% and persons with disabilities, persons with developmental disorders / mental retardation and women victims of violence.

An overview of activities within rehabilitation and employment in the FBiH, 2007-2010.

Year	Employment and Self-employment Incentive Programmes for persons with disabilities and other hard-to-employ groups of unemployed people	Number of people involved
2007	5	255
2008	2	18
2009	1	90
2010	11	347
<b>Total</b>	<b>19</b>	<b>710</b>

Source: FBiH Employment Institute

In the RS, with the aim of aligning the enrolment policy with labour market demands, in December 2007, the Commission for Enrolment was established with a mandate to ensure a high quality plan of enrolment in secondary schools. Members of the Commission for Enrolment are representatives of the Employment Institute, the Institute of Statistics, Chamber of Commerce, the Administrative Service of Banja Luka, the Agency for Regional Development, the Ministry of Health and Social Welfare, Ministry of Spatial Planning and Designing, trade unions and the Ministry of Education and Culture.

In cooperation with the Chamber of Commerce, an analysis of labour market demands was made by sending questionnaires to employers in relation to professions in demand.

Despite the employers' having identified a need for particular occupations (e.g. shoemaker, turner, tile layer) and readiness to provide scholarships for student's training in these jobs, students do not show interest to be educated in this profession. Thus, there is a problem of disproportionality between desires of students and labour market demands and the Ministry has planned to design an action plan to overcome this problem.

Development measures to improve the quality of education and training should lead to faster economic growth, reduce unemployment and increase employment rates and bring about a higher living standard in RS.

The development of vocational education will be carried in accordance with the VET strategies and the Ministry's strategy, trying to both effectively respond to the needs of economy and rapidly response to new needs and demands of the labour market.

It is necessary to create opportunities for professional development of staff with secondary education, continuation of their education in the profession within higher education and appropriate counselling and support.

Detection, identification and monitoring of the development of gifted and talented students will be continuously supported in regular classes, extracurricular activities and out of school and throughout their career.

Within the reform processes in vocational education, virtual companies have been set up in some secondary schools (Bijeljina, Janja, Prijedor, Pale) in economics, law and trade, catering and tourism. The tendency is that the number of these virtual companies is as large as possible so that students are better prepared for the labour market. To enhance the practical lessons within which virtual companies were organized, a manual for teachers who teach practical lessons have been published.

The Law on Primary Education of RS stresses that every child has equal access to and equal opportunity in elementary school and education without discrimination on any grounds.

Equal access and equal opportunities include the provision of equal conditions and opportunities for all children at the beginning and continuation of primary education.

The Law on Secondary Education and Upbringing of RS („Official Gazette of RS“ 74/08) stresses that all have access to secondary education on equal footing, in accordance with this Law and capabilities of individuals.

Curricula should be compatible with curricula in European Union countries and promote the idea of lifelong learning.

In BD - Chapter III of the Labour Law of BD governs education, training and professional development.

Article 18 of the Labour Law provides:

- (1) An employer may, in accordance with the needs of employment, provide training, qualification and specialization for work.
- (2) An employee is obliged, in accordance with his capabilities and the needs of employment, to become trained, qualified or specialized for work.
- (3) In changes or introduction of new methods or organization of work, the employer is obliged to provide to the employee training, qualification or specialization for work.

- (4) The terms and method of training, qualification and specialization for work from paragraphs 1 and 2 of this Article shall be regulated in a collective agreement or rulebook.

**Question 2. Please indicate the measures taken (administrative arrangements, programmes, action plans, projects etc.) to implement the legal framework.**

**Answer:**

The Strategic Guidance for Development of Education in BiH with the 2008 - 2015 Implementation Plan („Official Gazette of BiH“ 63/08) stresses *inter alia* that the only safe investment in BiH is investment in human resources. People are a basic resource and the potential of BiH, as the EU proclaimed for itself. Investing in human resources is based on creating conditions for development and advancement of individuals. Each individual should have his/her own individual professional development plan, the employer and the work environment should encourage it and encourage learning. The principle of lifelong learning should be firmly attached to at all levels of the educational system.

“Developing links between education and employment” is set forth among the main directions of educational development in the Strategic Guidance.

-It is necessary to develop a unified system of educational and vocational guidance along with the provision of unique education and employment policies and to support innovative work.

- Regional, interdisciplinary networks will be established in order to secure the necessary cooperation between the education system, research and labour,

- Social, economic and social security partnership will be developed at national, local and sector level through an ongoing analysis of the situation of the labour market and monitoring of their needs;

- Education for entrepreneurship will be introduced as a development element within the content of existing subjects at all levels of the educational system, targeted at professional development and support to teachers and educational institutions that are to implement these contents. -An emphasis will be placed on training of adults who have lower educational achievements, especially of people with special needs and Roma, in order to more intensely involve them in employment;

- In secondary vocational schools, real and virtual companies will be set up to strengthen young people's entrepreneurial spirit and allow them to acquire practical experience in a market economy;

-Centres for Career Development in secondary schools, in constant contact with the pedagogical and psychological services in schools and centres for vocational guidance and institutions for employment, will make the basis of vocational guidance of young people;

-Centre for Career Development will be established in higher education institutions, too.

The Strategic Guidance for Development of Education in BiH with the 2008 - 2015 Implementation Plan sets forth main directions of BiH education development and they are:

- Raising public awareness and competence of the workforce;

-improving the effectiveness of education and training system;

-prevention of social exclusion among children and youth;

-expanding opportunities for adult education and training, and quality assurance, and the revitalization of research in education;

-Opportunities for education after compulsory education will be extended by introducing various programmes of general and vocational education;

The development of vocational education will start in the nine-year compulsory education and will be carried in accordance with the Development Strategy for Vocational Secondary Education and Training in BiH for the period 2007-2013 ("Official Gazette of BiH" 65/07). A variety of opportunities for professional development of people with vocational secondary education will be created, as well as for continuation of their education in the profession within higher education and university, and appropriate counselling and support will be provided. In secondary vocational schools, a special emphasis will be placed on developing entrepreneurship and gaining practical experience and skills by students through the establishment of school companies and centres for career development.

Although the process of reform of vocational education and training in BiH has been going on since 1998, only now significant steps were made in terms of modernization of curricula and the rationalization of the number of occupations.

Ongoing cooperation between the representatives of employers, unions and education authorities is needed to ensure a link between vocational education and labour market demands, i.e. establishment of tripartite advisory councils is required.

Secondary vocational education and training (VET) in BiH is still based on specialization, and therefore improving the quality and attractiveness of VET systems in terms of its adaptation to globalization of economic, educational and work environment still stands as a key challenge in the future. A follow-up to network the sectors of labour and employment, economic and educational sectors is necessary to ease the rigidity of the system of vocational education and training.

### **Education of children with special needs**

Education of children with special needs will be conducted in accordance with the framework legislation in the education sector, while respecting the principle of inclusion in education.

The process of inclusion in education of children and youth with special needs will be enhanced within the reforms at all levels of education, through the provision of adequate school infrastructure and training programmes for teacher. Special institutions will be set up as resource and expertise centres at the state and other levels, for children and young people with significant difficulties in the development and learning.

Depending on the degree of mental functioning and the need for special access, children and young people with problems and difficulties in development and learning are educated in regular preschools and schools, in special educational and rehabilitation centres, with the continued professional treatment or child-friendly forms available in hospital, at home, etc. Inclusion in mainstream schools may be full or partial.

The Strategic Guidance for Development of Education defines short, medium and long term objectives of educational development of children and youth with special needs.

*Short-term objectives (2009):* An agreement on common principles and criteria for the establishment and funding of special educational institutions was reached; an appropriate system for recognition and identification of children with special needs to ensure consistent application of modern principles of education of these children (inclusion, exclusion, combined approach) was put in place; adequate support to teachers and educators working with children with special needs (the establishment of appropriate centres, mobile teams of experts etc.) was provided; a framework programme to meet special needs of children and,

based on them, individually tailored programmes, extended professional treatment programmes, programmes of occupational work workshops etc. were developed.

*Mid-term objectives (2009-2010):* additional legal, educational and other documents needed for the full implementation of the right to education of children and youth with special needs were adopted; induction training programmes and programmes of continued professional development for working with children with special needs were developed for teachers and educators; necessary conditions for access and mobility in educational institutions for children with physical disabilities were ensured, programmes to engage parents and volunteers working with children with special needs were developed.

*Long-term objectives (2011-2015):* All teachers have completed training in individualization and inclusion in education; permanent education of children and youth with disabilities has been enabled.

### **Education and training of adults**

Adult education is any formal or informal education of people who are not school or university students.

In BiH the structure of adult education is fragmented and there are only a few institutions dealing with vocational training and lifelong learning.

The Strategic Guidance for Development of Education in BiH (2008-2015) envisages to, first of all, establish a register of existing educational institutions / providers of educational services in the field of adult education and training and to do the following:

- Adopt a framework law on adult education in BiH;
- Develop standards and procedures for certification of institutions of adult education and training;
- Develop models of adult education and training and evaluation of programmes offered and adopt the Literacy Strategy in BiH.

The implementation of the activities above should contribute to achieving the following long-term objectives in this area, which are planned for the period 2011-2015:

- Qualifications framework for adult education have been developed;
- A network of institutions and centres for education, information and counselling of adults has been established;
- Illiteracy has been reduced from the current 5% to 2%.

According to the Framework Law on Vocational Education and Training in BiH, any school has freedom to design and implement programmes to meet needs of the local labour market.

School autonomy is reflected in the right of schools to associate to achieve common interests. Schools can also carry out commercial activities, particularly in the context of vocational training, and use the revenue in accordance with legal regulations. School autonomy is reflected in the right to organize training of adults within its registered activities. With the approval of the relevant educational authorities, schools can develop new organizational forms and new approaches to programmes and methods of vocational education. The framework for the development of autonomy of secondary vocational schools in BiH, which was given in the Framework Law on Primary and Secondary Education in BiH, is narrowed considerably in practice because the entity and cantonal legislation has not been

fully harmonized with the Framework Law on Primary and Secondary Education.

In most cases, vocational schools in BiH train adults following the programmes used in formal education and those are students who have dropped out of regular education system and want to increase their employment opportunities by attending classes in order to acquire qualifications and certificates. Training for adults follows the same curriculum (only shorter) and uses the same methodology as for regular students in vocational schools.

Teaching of part-time students takes place in the evening or during the day. The number of hours required for obtaining a level of education/diploma varies from school to school, so in some cases, students only take the appropriate exams. As is the case in formal education, students are assessed in the school system and the Pedagogical Institute is responsible for the curriculum. Attending part-time training is often funded by the students themselves and only occasionally certain companies do it to meet their needs or employment services.

The most commonly offered occupational training programmes are in the field of administration, management, health and psycho-social activities, computer skills or foreign language learning.

Adult education in BiH is a continuing process, started in 1920s, which currently needs to be strengthened with new strategic directions.

An emphasis will be on training of adults who have lower educational achievements, especially of people with special needs and Roma, in order to more intensely involve them in employment; in secondary vocational schools, real and virtual companies will be set up to strengthen young people's entrepreneurial spirit and allow them to acquire practical experience in a market economy; Centres for Career Development in secondary schools, in constant contact with the pedagogical and psychological services in schools and centres for vocational guidance and institutions for employment, will make the basis of vocational guidance of young people; Centres for Career Development will be established in higher education institutions, too.

RS has adopted the Law on Adult Education ("Official Gazette of RS" 59/09) governing the organization, structure and management of adult education. Adult education is part of a unified education system of RS, which provides education, training, professional development, re-training and teaching of adults.

Adult education can be: a) formal, b) nonformal and c) informal.

Formal adult education is an educational process carried out in educational institutions under programmes for primary and secondary education adapted to the needs and capabilities of adults.

Formal adult education is carried out in accordance with the laws regulating the activities of primary and secondary education, except for the matters regulated by this law.

Nonformal adult learning is an organized learning and education process aimed at professional development, specialization and upgrading of knowledge, skills and competences in accordance with formal education programme parts (modules) and special programmes for the acquisition of knowledge, skills and competences, which is organized by educational institutions and specialized organizations meeting requirements under the programmes they are implementing.

Informal learning means lifelong self-education, training and acquiring skills and knowledge outside of educational institutions and specialized organizations of adult education.

Adult education is based on the following principles:

- a) lifelong learning,
- b) rational use of educational opportunities, proximity and accessibility of education to all under equal conditions, in accordance with their abilities,
- v) the freedom and autonomy in the choice of style, content, form, means and methods of education,
- g) respect for diversity and inclusion of persons with special needs,
- d) professional and moral responsibility of andragogical specialists,
- f) quality assurance of educational offers and
- e) respect for integrity and dignity of each participant in adult education.

Adult education aims at:

- a) achieving at least primary education;
- b) training of adults who have not completed formal education for employment,
- v) providing further education and training and opportunities for additional and ongoing training throughout working life and
- g) providing education and acquiring knowledge and skills that match their personal abilities, affinities and age of individuals.

The current public education programmes for training, retraining, additional training, professional development and specialization of employed and unemployed persons are determined by appropriate ministries at the proposal of the Institute for Adult Education.

Before determining the proposal under paragraph 1 of this Article, the Institute shall obtain an opinion of the competent ministries, the RS Employment Institute, Chamber of Commerce and the Association of Employers of RS.

Adult education programmes or parts of adult education programmes, designed due to the introduction of restructuring changes, the application of modern technology, market demand for occupations in demand and the like, can be introduced and tested as pilot programmes at a proposal of a school, the Association of Employers, Employment Service or other interested organizations.

Adult education programmes that are implemented through practical work may be implemented by the employer and other organizers of education and are regulated by contracts.

Employers' associations suggest for which occupations to prepare appropriate programmes under this law and take care of practical lessons for these occupations.

Employers' Associations:

- a) organize conferences and specialized courses of training for employees (marketing, management),
- b) participate in designing programmes of in-service training, specialist knowledge acquiring and conduct continuing education,
- v) propose standards of practical knowledge,
- g) propose to the Institute training and professional development programmes for adults,

- d) nominate their representatives to sit on qualification examination panels,
- f) keep a register of employers who provide facilities for practical training,
- e) give advise on practical training and
- f) at the request of the organizers of education, provide necessary information about employers that can provide facilities for practical training.

In the RS, in January 2010, the Institute for Adult Education started operating. Responsibilities of the Institute are:

- Performing professional and other tasks related to the field of adult education,
- Performing analytical and development tasks in the field of adult education,
- Coordinating proposals of stakeholders,
- Preparing, monitoring and developing adult education programmes,
- Supervising the professional work of adult education institutions,
- Maintaining a database and providing information to the relevant ministry,
- Maintaining the Central Register of the programmes, participants and organizers of adult education,
- Setting criteria for the establishment and implementation of adult education programmes and evaluating compliance with requirements,
- Approving special education programmes,
- Monitoring and evaluating programmes and establishing of programme quality,
- Organizing and conducting professional development of teachers and lecturers;
- Providing information and documentation activities and publishing,
- Giving expert opinions and guidance to the organizers of adult education,
- Participating in and implementing projects under lifelong learning programmes and performing other duties in accordance with the law.

In the period 2008-2010, a number of projects aimed at enforcement of legal provisions, i.e. meeting the strategic objectives in the field of vocational education and training, were implemented.

Through the CARDS programme (VET I, VET II and VET III) the European Union supported modernization of curricula for vocational education and training. A new nomenclature of occupations was made and agreed on by all the ministries of education, the number of jobs was reduced from 500 to 100 broad occupations within 13 occupational families. All the 13 occupational families were made the subject of modernization through these projects by introducing an approach that is based on modules and learning outcomes.

According to previous experiences in the implementation of new modular curricula and syllabi, employment opportunities for students from pilot vocational schools was increased. Specifically, students who were educated under the new modular programmes for vocational education have broader knowledge and as such they easily shift to other occupations, especially similar ones. A mitigating factor is a possibility of the tertiary education that secondary school leavers in IV level of education can continue.

The EU VET III "Reform of vocational education and training" (2007-2009) Project resulted in the creation of the following documents: National Generic Qualifications Framework; modular curricula for five occupational families (geology, mining and metallurgy; chemistry, non-metals and graphic industry; textiles and leather; transport, health and other occupations); a model of funding VET schools; capacity building of VET department in the Agency for Preschool, Primary and Secondary Education; technical specifications of equipment for VET schools.

„Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)“ is a German organization

that implemented the Reform of Secondary Vocational Education (2008-2010) Project, which resulted in the creation of modular curriculum for certain occupations; the introduction of ISO quality standards in the pilot secondary schools.

"Entrepreneurial Learning in Educational System of BiH" (IPA 2007) – the implementation of the project began in January 2010 and aims to design the national strategy for lifelong entrepreneurial learning and an implementation plan with budget; to bring about the adoption of the concept of introduction of entrepreneurial learning; and to get a model of partnerships for the introduction of entrepreneurial learning as part of lifelong learning process agreed on. The implementation period is 12 months.

ETF (2008-2010) projects are related to support to the education reform, including: teaching methods and the reform of vocational education in Southeast Europe; a study of the needs of and perspectives in adult education / lifelong learning; support to the reform of vocational education - expert assistance in preparing the Qualifications Framework of BiH; activities in the Project of Mutual Learning; social inclusion and dialogue of cultures - activities for teachers to innovate in this field.

"Strengthening of the Institutional Capacity to Co-ordinate the Participation of BiH in the EU Programme for Lifelong Learning and Youth Action" Twinning-Light project has resulted in the document "Road Map and the Action Plan for BiH Joining the EU Lifelong Learning Programme and Youth in Action programmes for the period 2007-2013. The document describes the activities related to the improvement of the education system, particularly in terms of improving lifelong learning for all potential users, and youth activities with the aim to prepare young people to take an active role in society. By accepting to participate in the Lifelong Learning Programme, individuals of all ages are enabled to pursue incentive learning opportunities.

Youth Employability and Retention Programme -YERP, MDG-F (UNDP, UNICEF, UNFPA, IOM, UN RCO) was launched in September 2009 and the implementation will last 36 months.

At the 84th meeting of the Council of Ministers held on 16 April 2009, a Decision on Amendments to the Decision on Establishing the Commission for Coordination of Youth Issues in BiH, which was established in 2004, was adopted.

Pursuant to the new decision the Commission shall be established within the Ministry of Civil Affairs and the decision was issued instead of an earlier procedural decision, according to which the Commission was established as a permanent body of the Council of Ministers. The new Decision on the Establishment of the Commission mandates the Commission to design a Youth Policy (the Co-ordinated Youth Policy of BiH) as one of its main tasks.

In accordance with the BiH Law on Defence and the adopted Policy of Transition and Taking Care of Redundant Personnel of the Ministry of Defence and Armed Forces No. 10-02-3-5627/08 dated 7 October 2008, the "Perspektiva - Perspectives" Programme of Transition and Taking Care of Laid Off Personnel of the Ministry of Defence and Armed Forces was approved on 23 March 2009.

The Programme was developed as a long-term programme in order to ensure good taking care of personnel that would be laid off from the institutions of defence for failure to fulfil statutory requirements.

Proper guidance of the personnel laid off to the occupations that match their competences and quality projects of re-training will ensure better reputation of the armed forces in society and the desirability of servicemen of the Armed Forces as workforce will be developed among potential employers because of their competences.

So far 602 persons have registered in the "Perspektiva - Perspectives" Programme of Transition and Taking Care. Of the current number of registered persons, 21 projects for 21 persons have been prepared and approved, according to the following:

An overview of approved and completed projects under the "Perspektiva - Perspectives" Programme

No	PROJECT TITLE	NUMBER OF PROJECTS LAUNCHED	NUMBER OF PROJECTS IMPLEMENTED
1.	Agriculture Project	9	5
2.	Training Project	2	1
3.	Employment Project	1	-
4.	Business Expansion Project	4	1
5.	New Business Project	5	2
TOTAL		21	9

Source: Ministry of Defence of BiH

In FBiH, within its strategic goals, the FBiH Employment Strategy (2009 -2013) aims to improve investment in human resources and adapt education and training system to demands for new knowledge and skills in the labour market;

The 2010-2013 Action Plan for Employment envisages also measures to provide and promote training and to involve long-term unemployed persons in training, professional development and retraining and training of adults.

The FBiH Employment Institute will implement measures under the Action Plan in cooperation with the cantonal employment services.

The Law on Vocational Rehabilitation, Training and Employment of Persons with Disabilities provides that the revenues of the Fund for Vocational Rehabilitation and Employment of Persons with Disabilities consists, *inter alia*, of funds of the FBiH Employment Institute in the amount of 10% of the funds provided for the Financial Plan of the FBiH Employment Institute for active employment policy in the current year and 5% of the funds of the cantonal employment services.

## **ARTICLE 9 – The right to vocational guidance**

With a view to ensuring the effective exercise of the right to vocational guidance, the Parties undertake to provide or promote, as necessary, a service which will assist all persons, including the handicapped, to solve problems related to occupational choice and progress, with due regard to the individual's characteristics and their relation to occupational opportunity: this assistance should be available free of charge, both to young persons, including schoolchildren, and to adults.

In BiH, pursuant to the Laws on Mediation in Employment and Entitlements During Unemployment of Entities, cantons and BD, Employment Institutes are responsible for implementing a programme of professional guidance and all services of professional guidance are free of charge for users.

Employment Institutes in the Entities, cantons and BD provide relevant indicators of labour market trends, the most numerous occupations, identified needs, the possibility of meeting the needs and other indicators relevant for cooperation with educational systems.

In addition to guiding and informing people when choosing future occupation, Employment Institutes provide appropriate assistance to persons who want to change profession, i.e. to be re-trained or receive additional training, in order to easier get a job.

In FBiH, the Law on Mediation in Employment and Social Security During Unemployment („Official Gazette of FBiH”, 41/00, 22/05) provides that professional guidance of the unemployed and other people when choosing future occupation, vocational training and retraining of unemployed persons, who were laid off, encouragement of job creation and taking other incentive measures shall be activities of the employment service and shall be regulated by cantonal legislation.

In accordance with Article 8, Paragraph 4, point b) of the Law, employment services are responsible for implementing the programme of vocational guidance, training and retraining of unemployed persons and their re-employment in appropriate positions.

Article 5 of the Law determines that responsibilities of the FBiH Employment Institute are the following:

- Monitoring and proposing measures for improving employment of disabled persons and their vocational rehabilitation and ensuring fulfilment of conditions for their employment in cooperation with the employment services;
- Facilitating the implementation of professional guidance, training and retraining for the unemployed and their re-employment in appropriate positions;

Cantonal employment services operate at the cantonal level in FBiH as institutions with separate legal personality consisting of 78 employment offices, which are responsible for *inter alia* the following:

- Informing about employment opportunities;
- Cooperating with educational institutions to coordinate educational programmes with staffing needs of employers;
- Implementing a programme of vocational guidance, training and retraining of unemployed people and their re-employment in appropriate positions;
- Adopting and implementing measures for faster employment of certain categories of unemployed persons who are difficult to employ;

In recent years, the FBiH Employment Institute, in cooperation with the cantonal employment services, has coordinated and worked on establishing a system of regular vocational information giving in primary and secondary schools in FBiH. These activities are preventive actions aimed at informing students about the importance of choice of further education and inclusion in the labour market. In 2010, 196 primary and 113 secondary schools and about 20,000 pupils in the final grades of primary and secondary schools were involved in the activities of vocational information giving.

In RS, the Law on Mediation in Employment and Entitlements During Unemployment ("Official Gazette of RS" 30/10) regulates the possibility of training of unemployed persons while Article 21 defines that "the vocational training and employment preparation include measures to give to unemployed persons a possibility to, under a special programme, acquire the necessary knowledge to work in certain jobs and handle assets and resources for safety at work and new qualifications in those cases where the worker cannot be provided with an appropriate jobs, but there is a chance for him to get a job in those occupations that are in demand in the labour market."

Vocational training and preparation for employment is organized and funded by the Institute independently or in cooperation with educational institutions, organizations for safety at work, the Fund for Pension and Disability Insurance and the Fund for Vocational Rehabilitation and Employment of Disabled Persons.

The Institute cooperates with employers in organizing and conducting in-service programmes of vocational training, retraining and additional training of employees and their adapting to new technologies.

In accordance with Article 2 of the BD Law on Mediation in Employment and Entitlements During Unemployment ("Official Gazette of BD" 33/04, 19/07, 25/08), employment-related activities are considered the following:

- vocational guidance and counselling on career choices;
- organization of vocational training, training and preparation for employment;

Article 11 of the Law defines vocational guidance and counselling on career choices and says that they mean: "..... advising and informing in order to assist the unemployed in the choice of profession and employment, as well as providing support to young people, unemployed people and employees, individually or in groups, in education, training and vocational rehabilitation, while choosing or changing of occupation or business."

These tasks are to be performed by the Institute and Agency, but for the time being this activity is performed in BD exclusively by the Employment Institute.

Articles 13 and 14 of the Employment Law provides for vocational development, training and preparation for employment.

Article 13 of the Employment Law reads: "Vocational training, development and preparation for employment are considered as activities which give the unemployed and the employed the possibility to acquire under special programme additional knowledge and skills for performing tasks in their jobs, different qualifications, additional qualifications, necessary knowledge and skills for certain jobs, for handling of tools and equipment and means of protection at work. According to this Law, retraining is considered the change of the current

occupation, which provides, through theoretical and practical training, new knowledge and skills needed for the same or lower level of qualifications.

For the purpose of this Law, additional training shall ensure, through theoretical and practical training, new knowledge and skills needed for higher level qualifications within a particular occupational group. "

Vocational training is held at the request of the employer or the labour market. The training costs are borne by the employer in the former case and by the Employment Institute in the latter case, in accordance with by-laws of the Institute. The Institute can bear costs of training for the employer in accordance with by-laws of the Institute.

The most vulnerable categories of unemployed persons in BD are individuals older than 50 years, young people with low qualifications and persons with special needs. Therefore, the Employment Institute of BD plans to implement in the future special programmes aimed at these groups' employment and improvement of their position in the labour market.

### **Vocational guidance and training of military personnel**

Provisions of the Law on Service in the Armed Forces of BiH ("Official Gazette of BiH" 88/05, 53/07, 59/09) provide for the right to and duty of vocational guidance and training as follows: Article 140 - Right to education and training of professional military personnel (Article 140); scholarships for university students and secondary school students (military fellows) in order to fill positions or enrol cadets in military educational institutions.

In accordance with Article 15, paragraph (1), item a) of the Law on Defence, in conjunction with Article 139 of the Law on Service in the Armed Forces of BiH, the Rulebook on Education and Training in the Ministry of Defence and the Armed Forces of BiH, No: 04-02-4052/06 dated 28 July 2006 was enacted. The Rulebook determines requirements, procedures, responsibilities, funding, rights and duties in the course of education and training of civil servants and employees of the Ministry of Defence and the professional military personnel serving in the armed forces.

Article 3, paragraph (1) of the Rulebook includes training and education at universities, acquiring knowledge and skills in other institutions for training and education in the country and abroad, with the aim of continuous improvement of skills of employees and military personnel, more efficient performance, meeting service requirements and career advancement.

Article 3, paragraph (2) provides that training of employees and military personnel is carried out in educational institutions through postgraduate studies and doctoral dissertations, while paragraph (3) provides that training of military personnel at training institutions is carried out in courses (courses for headquarters staff, officers and commissioned officers, foreign language courses), professional and specialist training in the institutions of the Armed Forces of Bosnia and Herzegovina, professional and specialist training in other institutions in the country and abroad.

In the reporting period (2008-2010), 9,265 persons were sent to undergo different forms of training (courses, seminars, conferences, workshops, study tours, including training abroad, etc.) in the country and 46 professional military personnel were sent to undergo training abroad.

650 persons completed specific types of training dedicated to specific programmes (bilateral

cooperation, training confirming PG (Partnership goals) and training by the Civil Service Agency.

16 persons completed English language courses abroad and 786 servicemen of the BiH Armed Forces completed English language courses in the country, while the following numbers indicate persons having completed courses of other foreign languages: Turkish - 16, German - 17, Greek - 35 and French - 12.

A specific type of training of servicemen of the Armed Forces was training in helping civilians in case of natural disasters such as:

- training in assisting in fire fighting and
- training in helping civilians in case of flooding.

### **Training and employment of Roma**

Based on the Memorandum of Understanding for the implementation of the 2009 Roma Employment Action Plan, the FBiH Employment Institute and RS Employment Institute launched programmes for employment and self-employment of Roma. These programmes aim at encouraging employers to hire unemployed Roma along with getting qualifications/training for a job and creating favourable conditions for self-employment, which would partially reduce unemployment, improve the financial position and enhance the economic and social integration of Roma into the social mainstream.

### **Vocational Rehabilitation, Training and Employment of Persons with Disabilities**

In FBiH, in order to achieve more active involvement of persons with disabilities in the work processes, the Law on Vocational Rehabilitation and Employment of Persons with Disabilities („Official Gazette of FBiH" 9/10) was passed.

The Law governs vocational rehabilitation, training and recruitment of persons with disabilities with reduced working capacity, the establishment and operation of institutions, business companies and other legal entities, establishment and operation of the Fund for Vocational Rehabilitation and Employment of Persons with Disabilities.

Article 8 of the Law determines that a person with disabilities is entitled to vocational rehabilitation and training under general conditions and in case of necessity, due to the type and severity of disability or efficiency of rehabilitation, in special schools, institutions for vocational rehabilitation and companies for recruitment of persons with disabilities, under tailor-made or special programmes.

Measures and activities included in vocational rehabilitation, the duration of vocational rehabilitation and vocational rehabilitation facilities are identical as in the law in RS.

At its session on 29 July 2010, the FBiH Parliament issued a Decision on the Establishment of the Fund for Vocational Rehabilitation and Employment of Persons with Disabilities ("Official Gazette of FBiH" 48/10).

The main activity of this Fund is co-funding of programmes to keep in employment persons with disabilities and to develop and improve vocational rehabilitation and employment of these persons.

So far the Fund has been registered by the competent court, a bank account has been

opened, interim bodies of the Fund were appointed, rulebooks that are responsibility of the FBiH Minister for Labour and Social Policy have been enacted and they are:

- Rulebook on the Content and Method of Exercising Supervision Over the Legality of the Work, By-laws and Professional Work of Institutions, Business Companies, Sheltered Workshops and Job Centre; --- Rulebook on Posts and Jobs where Employment of 100 % Disabled Persons in the Public Sector Is Set as Priority;
- Rulebook on Detailed Conditions Regarding Space, Equipment and Qualifications of Employees in the Job Centre;
- Rulebook on the Content and Manner of Keeping Records of Employed Persons with Disabilities.

The by-laws above were published in "Official Gazette of FBiH" 21/11 on 25 April 2011.

This Law determines legal entities which have a statutory obligation to employ every year a certain number of persons with disabilities or, failing to do so, to pay certain amount of money for each unemployed person with disabilities who they are obliged to employ in the bank account of the Fund for Vocational Rehabilitation and Employment of Persons with Disabilities. All legal and natural persons who do not have this statutory obligation are granted statutory exemptions if they decide to employ this category of persons.

This FBiH Law determines who is considered a person with disabilities and Article 3(1) reads: "For the purpose of this Law, a person with disabilities is a person with a physical, sensory or mental impairment which results in a permanent or temporary of at least 12 months duration reduced ability to work and meet personal needs in everyday life."

The application of this law is still at its inception stage, since it is impossible to apply until the Fund for Professional Rehabilitation and Employment of Persons With Disabilities, as provided for in the Law above, is full operational.

In RS, vocational rehabilitation of disabled persons is governed by the Law on Vocational Rehabilitation, Training and Employment of Disabled Persons („Official Gazette of RS" 54/09) and Article 8 of the Law determines that a person with disabilities is entitled to vocational rehabilitation and training under general conditions and, in case of necessity, due to the type and severity of disability or efficiency of rehabilitation, in special schools, institutions for vocational rehabilitation and companies for recruitment of persons with disabilities, under tailor-made or special programmes.

Vocational rehabilitation under general conditions is considered to be rehabilitation that is organized and performed in the regular education system.

Vocational rehabilitation includes the following measures and activities:

- Determination of the remaining work and general ability,
- Career information, counselling and evaluation of professional opportunities,
- Analysis of labour market, employment opportunities and involvement in work,
- Assessment of possibilities for development, improvement and implementation of programmes of professional training,
- Vocational training, additional vocational training, retraining and programmes for the maintenance and improvement of working and work-related social skills and abilities in the period before employment,
- Giving information and advice about learning and working aid technology,
- Individual and joint programmes to improve work-related social inclusion in community,
- Advisory recommendations for the application of different technologies and techniques in learning and working, with an estimated range of application,
- Pre-professional learning, planning and implementation of selected technologies,

- Development of motivation and training of persons with disabilities in the use of selected technologies,
- Technical assistance, support, monitoring and outcome assessment,
- Information and support in the sources of funding.

Duration of occupational rehabilitation depends on remaining work capacity and the complexity of its organization and implementation.

Vocational rehabilitation of disabled persons is organized and carried out by institutions for occupational rehabilitation, high schools or any other legal entities that meet the requirements for training, as prescribed in Article 35 of this Law.

The practical part of training for work in the course of vocational rehabilitation is carried out at the employer's and exceptionally in an institution of vocational rehabilitation or specialized training institution.

According to provisions of Article 9 of the Law, the right of disabled persons to vocational rehabilitation is decided on by the competent authorities having determined disability or physical impairment. The Law obliges any person with disabilities to contribute to his rehabilitation so that Article 10 prescribes " A person with disabilities shall contribute to its vocational rehabilitation and employment by:

- caring about his/her education and vocational training, depending on his/her capabilities, inclinations and competences,
- applying for announced jobs for which he/she meets requirements and which is able to perform and accepting the offered employment in such jobs,
- respecting labour and technological discipline during training and work,
- cooperating in matters of vocational training and work with your doctor, special education teacher, psychologist, social worker, lawyer, technology specialist and immediate supervisor,
- accepting a reasonable offer for job change, i.e. placement to another appropriate job, due to redundancy or inability of the employee to do the current job,
- in-service vocational training and, if necessary, additional training and retraining to retain the job. "

BD has no law on vocational rehabilitation, training and employment of persons with disabilities.

**Question 2. Please indicate the measures taken (administrative arrangements, programmes, action plans, projects etc.) to implement the legal framework.**

**Answer:**

In order to assist the relevant ministries and other institutions in the adaptation of vocational education and training to the needs of the labour market, the 2007-2013 Strategy of Development of Vocational Education and Training in BiH ("Official Gazette of BiH 65/07) was designed.

Secondary vocational education is largely dependent on cooperation with the labour market. It is therefore necessary to determine the objectives in the development of vocational education, which relate to quality of vocational education and training and their harmonization with the European standards: mobility, connectivity, competitiveness and increasing employment opportunities for skilled workforce in EU countries in which BiH seeks to integrate.

For this purpose regional, interdisciplinary networks will be established to ensure the necessary cooperation between the educational system, research and work; social, economic and social security partnership will be created at the national, local and sector levels through an ongoing analysis of the situation in the labour market and monitoring of its needs; entrepreneurship education will be introduced as a developmental element within existing subjects at all levels of the education system, with targeted professional development and support to teachers and educational institutions to implement the element.

In August 2010, the FBiH Government adopted the 2010-2013 Action Plan for Employment of FBiH based on the Employment Strategy of FBiH (2009-2013).

The Action Plan contains measures that are derived from the situational analysis and the objectives defined in the Employment Strategy of FBiH.

The implementation of measures under the Action Plan will achieve, primarily, a reduction of long-term unemployment rate and other hard-to-employ unemployed groups of people.

Measures that should lead to fulfilling this objective are set forth in four chapters and include institutional measures, the establishment of coordinating mechanisms between institutions and stakeholders, improvements in the educational system and establishment of a lifelong learning system and measures that target the whole population of unemployed people and its specific subgroups, such as unemployed women, youth, disabled persons, members of the Roma population and long-term unemployed persons.

Measures under the Action Plan will be implemented by the FBiH Employment Institute in cooperation with the cantonal employment services.

In recent years the FBiH Employment Institute, in cooperation with the cantonal employment services, has conducted the following activities and programmes:

*- Career guidance*

The goal of career guidance in public employment services is to contribute to a greater degree of employability. A person who with the help of career guidance ascertains which knowledge and skills he/she must have and acquires them through various programmes increases his/her competitiveness in the labour market. Acquiring the necessary knowledge and skills reduces the gap between the needs of employers and individual skills and qualities. This activity has a preventive role, which aims at reducing the gap between supply and demand in the labour market, through cooperation with the educational system, employers and other relevant stakeholders.

Users of the service of career guidance in public employment services are: the unemployed; students facing a choice of further education, occupation / profession; persons wishing to change job.

Career orientation activities are carried out by counsellors for vocational information giving and counselling. They are mainly psychologists, pedagogues, social workers and experts of related professions. Information can be given by persons with secondary education, who were trained prior to ii. If necessary, the procedure involves a physician specialist in occupational medicine and a counsellor for employment.

In 2009, within the Training Centre for Professionals and the Development and Implementation of Active Employment Policy Project, several seminars on "Career Guidance, New Trends and Opportunities for Public Employment Services" were held.

*A Manual on Occupational Information for Senior Students of Primary And Secondary Schools* was made in 2008.

*An informative and educational brochure titled "I'm Looking for A Job" was prepared*

and it was intended for long-term unemployed persons and included information on job search techniques and the legislation respecting labour and employment.

Given the interest shown, a booklet titled "The First Steps in Looking for A Job" intended for young people without work experience was re-printed.

#### *School for Andragogues*

By invitation of the Institute for International Cooperation of the German Association of National High School (DVV International), training of adult education specialists titled "School for Andragogues!" was held. The aim of this training was to improve professional competences of adult education specialists through a cycle of five three-day seminars.

Motivational and informative seminars organized by the cantonal employment services included 2,039 unemployed persons registered with the employment services.

#### *Occupational information in schools*

was given, as it was in previous years, by employment services of Middle Bosnia Canton, Zenica-Doboj Canton, Sarajevo Canton, Bosnia-Drina Canton and Herzegovina-Neretva Canton, which conducted additional testing of interested students in addition to the occupational information giving.

In 2009, the FBiH Employment Institute and Employment Services of the Herzegovina-Neretva Canton and Una-Sana Canton obtained appropriate psychological measuring instruments for selection purposes.

One-day informative seminars (917) were attended by 9,137 unemployed persons.

Two-day motivational seminars (58) were attended by 536 unemployed persons. In 2010, 1,210 one-day informative seminar were attended by 15,013 unemployed persons (of which 7,102 were men and 7,911 were women) and 75 two-day motivational seminars, intended for easy-to-employ categories of unemployed people were attended by 789 unemployed persons (321 men and 468 women).

#### *"I will succeed" Programme*

is intended for less employable group of unemployed persons. Individual courses of training last for four weeks, during which, in addition to development of active job searching skills, an unemployed person undergoes a special psycho-social programme which seeks to reintegrate him/her into the labour market.

The FBiH Employment Institute co-funded the implementation of the "I will succeed" Programme in employment services of Middle Bosnia and Herzegovina-Neretva Canton, while

the Employment Service of Srajevo Canton continued the implementation and funding of this programme by itself. 123 seminars were held with 1,374 unemployed persons (542 men and 832 women) attending.

"A Handbook for Primary School Teachers and Youth Leaders – Five-stage Model of Career Guidance" and "Career Guidance - Five Steps to A Decision About School and Profession."

In addition, a revised "A Guide through Occupations", which describes 101 occupations under the Occupational Classification for Vocational Education and Training and are part of the reform of vocational education in Bosnia and Herzegovina, was prepared in cooperation with GTZ. The Handbook lists all schools in BiH with the occupations they teach. This has given an additional contribution to the professional information.

In 2010, a project of making web page "ABC's of Career", which will become active in 2011, was prepared. This page is designed as a place where everyone interested can find a variety of topics that can help them in career planning and development and job finding or changing. Given the contemporary trends in access to information and a growing number of Internet users, the FBiH Employment Institute has launched a Web site with the intention of extending information to the unemployed, students, pupils and all other potential users. The editorial board consists of experts in career / vocational guidance from the FBiH Employment Institute and cantonal employment services.

#### *Vocational Rehabilitation*

In the implementation of Vocational Rehabilitation As a Method for the Integration of Persons With Disabilities In the Labour Market In FBiH and RS Project, in cooperation with the Centre for Vocational Rehabilitation (BBRZ) from Linz, a draft model of rehabilitation for the FBiH, which unites the individual (psychological), health and financial needs of persons with disabilities, has been developed.

#### *2010 -2013 Action plan for the introduction of gender responsible budget FBiH*

intensified cooperation with the Gender Centre FBiH in many different areas, especially for the employees responsible for the introduction of gender budgeting, implementation of indicators and analysis of special measures.

#### *Co-funding of vocational training, additional training and retraining programmes for a known employer and the unemployed available in the labour market*

is one of the most important activities carried out by public employment services. Grants were provided for this purpose in the following amounts: co-funding of IT training with BAM 300.00 KM per person and co- funding of vocational training, additional training and retraining with the amount of BAM 1,500.00 per person for up to three months, for a known employer, with the employer being obliged to employ a person whose training, additional training or re-training is co-funded and keep an already employed person in employment after the training for at least 12 months (if it introduces new technologies etc.). Last year the FBiH Institute co-funded such programmes with the amount of BAM 962.977 KM, cantonal employment services having implemented them. As of 31 December 2010, IT training programme involved 901 unemployed persons, while 287 people registered with the employment service were employed after the vocational training and 167 employees retained their jobs.

*Employment Programme for teaching assistants in higher education and scientific research institutions*

The Employment Programme for teaching assistants in higher education and scientific research institutions, whose implementation began in late 2005, funded hiring of teaching assistants in the educational and research sectors. The programme envisages that an employer (higher education institution or scientific research institution) is subsidized with a gross monthly amount of BAM 800.00 for salaries in the contracted period. In addition, after a year of co-funding, the professional development of a new employee is supported with a lump sum of BAM 2,000. By the end of the reporting period, 24 faculties, two integrated universities (Zenica and Tuzla) and four scientific research institutions signed employment contracts with 136 assistants.

In Bosnia and Herzegovina, within the VET and the GTZ programmes, the 2007- 2013 Strategy of Development of Vocational Education and Training in BiH was developed. In 2008, the development of qualifications framework started within the EU VET 3 Project. Activities on making the basic qualifications framework in BiH continued in 2009 and 2010, coordinated by the Ministry of Civil Affairs.

In accordance with the objectives of vocational education which should provide expert staff who will be able to adapt to market needs, it is necessary to improve the ways and conditions of performance of practical work. Also, it is necessary to provide material and human resources that will enable achievement of this goal.

In FBiH, there is no professional counselling.

In FBiH, equal access to vocational guidance by foreign nationals and stateless persons is provided for, but in practice there have been no such cases.

In RS, in academic year 2007/2008, the first generation of leavers who completed their four-year education in the reformed vocational education programme. The 2009 Work Programme of the Ministry of Education and Culture envisages evaluation of curricula for five occupational families first and then in the coming period for the remaining eight ones.

In the reform processes of vocational education, virtual companies in some secondary schools (Bijeljina, Janja, Prijedor, Pale) in economics, law and trade, catering and tourism have been set up. An intention is to have the greatest possible number of these virtual companies to help students to better prepare for the labour market. To enhance the practical training during which they organized a virtual company, they have published a manual for practical work teachers.

The passage of the Amendments to the Law on Secondary Education created all the prerequisites to achieving better training and active involvement of social partners in the system of vocational education and aligning with market needs, i.e. continuous training in order to actively involve in the work process or to continue further education.

In order to provide the connection between secondary vocational education, training and labour markets, the tripartite Advisory Council, which has an advisory role and includes representatives of employers, unions and the Ministry, has been legalized at the level of RS.

Vocational schools are required to form an advisory committee consisting of representatives from the local labour market, whose activity is related to certain professions and occupations, for which the particular school educates students.

In order to improve the quality of secondary education, the Council for the Development of Secondary Education and Upbringing is appointed as an advisory body to the Minister of Education and Culture.

In recent years, the RS Employment Institute, in cooperation with municipal employment services, has implemented the following activities and programmes:

#### *Training of Adult and Lifelong Learning*

In RS, unemployment is seen as a major economic and social problem, so Strategy and Action Plan for Human Resource Development have been designed. This emphasizes a need for the implementation of labour market information system, participation of key stakeholders, institutional capacity building for implementation of the strategy, analyzing and adjusting the regulatory framework of close cooperation between government and businesses to combat unemployment.

In terms of investment in human resources, the Plan proposes an education system reform, the application of the concept of lifelong learning and improvement of health and safety at work as key mechanisms. The Plan promotes social inclusion through proper work practices and active and selective approach to the unemployed persons who are likely to lose their jobs.

In RS, the basic preconditions for the development of an adult education system have been created by establishing the Institute of Adult Education. The Institute of Adult Education was established to provide support to the development of a modern and flexible system of adult education in RS and to follow demands in the labour market, learning principles and best practices from EU member states. Given the education system is currently unable to meet the needs of industries with the structure of teaching staff and quality of education, it is necessary to permanently align education with labour market demands by all stakeholders at the RS and local levels.

In RS, the implementation of active measures in 2010 brought about a progress in matters relating to occupational information and counselling, i.e. the function of career guidance.

In RS, there are no other institutions besides the Employment Institute that deal with occupational guidance; cooperation with educational institutions on these issues is a constant and there is no professional counselling.

In RS, occupational guidance in the Employment Institute is insured for foreign nationals and stateless persons as it is for nationals on equal footing.

**Question 3. Please supply any relevant statistics or other information on public spending on vocational guidance services, their geographical distribution and the institutions that provide them, their staffing levels and the qualifications of those staff, and the number of persons served and their characteristics, in terms of age, sex, educational level and occupation.**

**Article 20 – The right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex**

With a view to ensuring the effective exercise of the right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex, the Parties undertake to recognise that right and to take appropriate measures to ensure or promote its application in the following fields:

- a. access to employment, protection against dismissal and occupational reintegration;
- b. vocational guidance, training, retraining and rehabilitation;
- c. terms of employment and working conditions, including remuneration;
- d. career development, including promotion.

**Question 1. Please describe the general legal framework. Please specify the nature of, reasons for and extent of any reforms.**

**Answer:**

**Equal rights**

BiH has ratified the ILO Convention no. 100 on equity in the remuneration of male and female labour force for work of equal value (1951).

The Law on Gender Equality in BiH ("Official Gazette of BiH" 32/10) has established a framework for the implementation of equal rights and opportunities for all persons in Bosnia and regulates the system of protection against discrimination.

This Law governs, promotes and protects gender equality and guarantees equal opportunities for all in both public and private domain and prohibits direct and indirect discrimination on the grounds of gender. The Law also defines gender-based discrimination in labour and employment.

Article 3 of the Law on Gender Equality in BiH defines discrimination on the grounds of gender as „putting any person or groups of persons into less favourable position based on gender due to which the recognition, exercise or enjoyment of a person’s human rights and freedoms are protracted or denied.”

In Part five, which relates to employment, work and access to all types of resources, Article 12 determines that all people are equal in the process of hiring based on gender and any discrimination based on sex in the offer of employment, publication of vacancies, the process of filling vacancies, employment and termination of employment, except in cases provided for in Article 8 of this Law, are contrary to this Law.

Article 4 of the Law defines various forms of discrimination:

- (1) harassment is any situation in which inappropriate behaviour related to gender arises which has the intent and effect of inflicting injury on the dignity of a person or giving rise to intimidation, hostility, or demeaning, threatening or similar situations;
- (2) sexual harassment is any behaviour that in word, action or psychological effect of a sexual nature in intent or effect inflicts injury on the dignity of a person or gives rise to intimidation, hostility, or demeaning, threatening or similar situations and which is motivated by belonging to another sex or different sexual;

- (3) mobbing is a form of non-physical harassment in the workplace, which involves repetitive actions that have a degrading effect on the victim with the purpose or effect of degradation of working conditions and professional status of the employee.
- (4) segregation is an act whereby a (natural or legal) person separates other persons on the basis of one of the grounds referred to in Article 2 this law, in accordance with the definition of discrimination contained in Article 2 this law.
- (5) issuance of order to discriminate and helping others with discrimination is considered a form of discrimination.
- (6) incitement to discrimination is any advocacy of national, racial or religious hatred, and is prohibited.

Article 28(1) of the *Law on Service in the Armed Forces of BiH* determines that professional military personnel and persons wishing to enlist into the armed forces should be treated with full respect for the principles of transparency, fairness and equal opportunities. There will be no discrimination on any ground such as sex, race, colour, language, religion, political or other opinion, ethnic or social origin, association with national minority, property, or financial status.

In accordance with the *Law on Mediation in Employment and Social Security During Unemployment in BiH (FBiH, RS, BD)* all unemployed persons are entitled to register with the employment service and to exercise their right to work under the same conditions. Employment institutes and employment services carry out their statutory obligation on non-discrimination and register as unemployed all persons regardless of their ethnic, religious or other affiliation, and all persons are equal in obtaining employment, either in the normal course of Institutes' performing their mediatory role or within co-funding of new jobs programmes.

*The Labour Laws in BiH (FBiH, RS and BD)* preclude every form of discrimination when it comes to persons seeking employment and ensure equal employment opportunities for both women and men.

The Labour laws ( FBiH, RS and BD ) provide for fines to be imposed on employers if they put at a disadvantage any person seeking employment or in employment.

In FBiH, Article 140 par. 1 (2) of the Labour Law provides that a fine of BAM 1,000.00 to 10,000.00 shall be imposed on an employer if he puts an employed person or a person seeking employment in an unfavourable situation because of race, colour, sex, language, religion, political or other opinion, national or social affiliation, financial situation, bodily or mental problems etc. under Article 5. The same fine shall be imposed on an employer if he refuses to employ a woman because of her pregnancy or cancel her employment contract or assigns her to other jobs or denies her maternity leave or reduces her salary contrary to the provisions of collective agreement or Employees' Work Rules.

In RS, Article 180 par.2 (4) of the Labour Law provides for a fine of BAM 1,000.00 to 10,000.00 be imposed on an employer who fails to ensure equality at work and equality of unemployed persons competing for vacancies; the same fine shall be imposed on an employer if he denies or reduces an employee's salary or compensation for salary belonging to him according to the law, collective agreement, Employees' Work Rules and Employment Contract or fails to pay them within statutory timelines.

In BD, Article 110(1)(2) of the Labour Law provides for a fine of BAM 1,000.00 to 10,000.00 to be imposed on an employer if he places an employee or job seeker in an unfavourable situation.

The Labour Laws (FBiH, RS and BD) provide that an employer has a duty to secure the necessary safety conditions to secure protection of life and health of employees and, if an employee suffers damage at work or in relation to the work, the employer is obligated to compensate the employee for this damage according to the general provisions of the Torts and Obligations Law.

Pursuant to Article 10 of the Law on Safety at Work of RS, an employer has a duty to provide an employee with a post and working environment where measures for safe and without risk to health working conditions are taken and shall be held accountable for non-compliance. The employer must ensure that the work process is adapted to the employee's physical and mental capabilities, while the working environment, tools and resources and personal protection equipment must be arranged, produced and provided in the manner that they do not compromise safety and health of workers and other persons. Exceptionally, the employer is not liable in case of injury at work due to fault of the worker in unforeseen circumstances beyond the control of the employer or due to an event whose consequences in spite of all efforts could not be avoided.

Furthermore, Article 11 of the Law provides that, when organizing work and business processes, any employer shall provide preventive measures to protect life and health of workers and ensure necessary funding for their implementation. The employer must take preventive measures, prior to commencement of work, in the course of work and with any change of production process, including the choice of working and production methods to ensure maximum safety and protection of health at work, based on the application of legislation governing safety at work, labour law, technical regulations and standards, health care, hygiene, health and pension and disability insurance.

Article 90 of the RS Labour Law determines that workers receive the same pay for work of equal value with an employer. Work of equal value means work which requires the same level of qualifications, the same ability to work, responsibility and physical and intellectual work. In case of violation of this right, a worker is entitled to institute proceedings for damages. An employer cannot pay to a worker a lower salary than the one that is determined in accordance with the collective agreement, rulebook and employment contract.

In FBiH the General Collective Agreement (Article 6) determines that an employer must pay employees equal wages for work of equal value, regardless of their nationality, religion, gender, regional or political affiliation and trade union membership.

The proposed new Labour Law in FBiH, which has been sent to Parliament for passage, incorporates this provision.

### **Right of appeal**

A particular progress has been made in the protection of rights in the area of prohibiting gender-based discrimination by amendments to the Law on Gender Equality in BiH, which provide that rights may be protected by applying provisions of the Anti-Discrimination Law. The Law on Gender Equality in BiH and the Law Against Discrimination of BiH are mutually consistent in the part referring victims of discrimination to use the legal mechanisms available and provided for in that legislation (types of claims, jurisdiction, time limits, the burden of proof, victimization and other ) to protect their rights. This has established a legal mechanism of protection that provides protection from gender-based discrimination

The FBiH, RS and BD Labour Laws expressly provide that an employer may not refuse to hire a woman because of her pregnancy or because a woman is on maternity leave or terminate the employment contract or assign her to other duties because of this. A woman who considers that this or any other right of employment has been violated, may demand from the employer the exercise of this right. She can also file a lawsuit before the competent court for violation of labour rights within a period of one year of receipt of a decision violating the right, i.e. of finding about a violation of labour rights.

In FBiH, the protection of labour rights is prescribed by Article 103 of the Labour Law and is applicable equally to all employees, and consequently to pregnant women or women on maternity leave.

If an employer fails to comply with the request for protection of labour rights, the employee is entitled to seek remedy before the competent court.

In this sense, pregnant women or mothers who feel that their employment rights are violated, or that their employment contract was wrongfully terminated can file a lawsuit before the competent court for protection of rights within one year of delivery of the decision violating a right or of finding out of such a violation. This right to file a lawsuit is not conditional upon prior recourse to employer for the exercise or protection of that right.

If the court finds dismissal illegal, the employer may be obliged to reinstate the employee and pay to him/her compensation in the amount that he/she would have received if he/she had worked and pay compensation for damage suffered or to pay compensation for the salary which the employee would have received if he had worked, pay compensation for damage suffered, severance pay to which the employee is entitled in accordance with law in case of termination of employment and other benefits to which he is entitled in accordance with the law, collective agreement, rulebook and employment contract.

In the RS, according to the legislation on labour and employment, pregnant women and women who are on maternity leave and illegally dismissed from work by the employer are entitled to file a lawsuit with the competent court for protection of their rights. This right is derived from Article 118 of the Labour Law which provides an employee who considers that the employer has violated his/her rights can file a lawsuit with the competent court for protection of his/her rights. The right to file a lawsuit is not conditional upon recourse to the employer for the protection of rights.

The employee shall file a lawsuit for protection of rights within one year of having learnt of the violation of the right and not later than three years after the commission of the violation.

In BD, Article 88 of the Labour Law provides for the protection of employees' rights so that, if a violation of a labour right occurs, an employee can demand from the employer to exercise that right. Paragraph 3 of the Article provides that the filing the request to the employer do not prevent the employee to seek remedy before the competent court. Thus, the prohibition of dismissal of pregnant women is explicitly stated in both the Labour Law and the Civil Service Law. In such cases, if a women fails to protect her rights with the help of a labour inspector, she is entitled to file a lawsuit with the court that has territorial and subject/matter jurisdiction or BD Basic Court in order to achieve the protection of her rights. Pursuant to paragraph 4 of the Article, the statute of limitations sets forth three years of the violation or three years from the date of the violation for filing lawsuits.

Article 128 of the Civil Service Law of BD governs the protection of motherhood and determines that a woman cannot be denied employment in public administration because of pregnancy, nor can the employer dismiss her because of that situation, i.e. cancel the employment contract or place her into another job.

According to the aforementioned, a lawsuit is filed within the deadline provided for by the Labour Laws (of BiH, Entities and Brcko District) in accordance with provisions of the Law on Litigation that provide for urgent settlement of labour disputes.

In addition, the Gender Equality Law in BiH - Consolidated text ("Official Gazette of BiH" 32/10) defines the cancellation of the contract of employment due to pregnancy as a form of discrimination and a lawsuit in accordance with the Law Against Discrimination ("Official Gazette of BiH" 59/09) is allowed.

### **Criminal and Legal Protection of Labour related Rights**

The Criminal Code of FBiH prescribes the following in Article 279 "Whoever denies or limits the right of citizens to equal treatment at work throughout the FBiH of Bosnia and Herzegovina, shall be punished by imprisonment of between three months and three years."

Article 280 prescribes the following "Whoever knowingly disobeys laws, bylaws or collective agreements on the entering into or the termination of contracts of employment, wages or other remuneration, working hours, vacation or leave, the protection of women, young and disabled, or on a prohibition of overtime or night work, and thereby denies a right to which the employee is entitled, shall be fined or sentenced to imprisonment for a maximum term of one year."

Article 281 prescribes the following "Whoever knowingly fails to comply with regulations or general provisions relating to citizens' rights during periods of unemployment, and who thereby denies to another rights to which he/she is entitled under the said regulations or general provisions, shall be fined or sentenced to imprisonment for a maximum term of one year."

The Criminal Code of RS prescribes the following in Article 226 "Whoever knowingly disobeys laws, bylaws, other regulations or collective agreements on the entering into or the termination of contracts of employment, wages and other remuneration, working hours, vacation or leave, the protection of women, young and disabled, or on a prohibition of overtime or night work, and thereby denies a right to which the employee is entitled, shall be punished by a fine or imprisonment for a maximum term of one year."

Article 227 prescribes the following "(1) Whoever denies or limits the right of citizens to free employment under equal conditions provided for by law and other regulations, shall be punished by a fine or imprisonment for a maximum term of two years. (2) The punishment under paragraph 1 of this law shall be imposed upon anyone who knowingly fails to abide by law and other regulations respecting citizens' rights during unemployment, and who by doing so denies to another person a right he/she is entitled to."

The Criminal Code of Brcko District BiH prescribes the following in Article 274 "Whoever, by violating regulations or laws or collective agreements on employment or termination of employment, or on wages or other remuneration on working hours, on holiday or leave, on protection of women, youth and disabled persons, or on prohibition of overtime or night

work, denies or restricts a right of an employee, shall be punished by a fine or imprisonment for a maximum term of one year.”.

Article 275 prescribes the following “Whoever, by violating regulations or laws on citizens’ rights during temporary unemployment, denies another person’s right deriving from the said regulations or laws, shall be punished by a fine or imprisonment for a maximum term of one year.”.

Article 273 prescribes the following “Whoever denies or restricts citizens’ right to free employment within the territory of Brcko District under the same requirements valid in a place of employment, shall be sentenced to imprisonment from three months to three years.”.

Identical provisions on the protection of equality in employment are prescribed in the Criminal Code of FBiH. The same legal framework applies to all persons who are employed in BiH, regardless of whether they are employed in public or private sector.

### **Special protection of women**

FBiH, RS and BD Labour Laws do not set forth particular activities that are dangerous, unhealthy or strenuous and as such prohibited to pregnant women, new and breast-feeding mothers (except for work in underground parts of mine), but provide that a women may be temporarily assigned to other jobs during pregnancy or breast-feeding. This fact should be confirmed by the competent medical doctor who gives his opinion taking into account the interest of her health and her child's health. If an employer is not able to secure assignment of the woman to other jobs, the woman is entitled to paid leave from work, to another job that would suit her health, but only with her written consent.

Article 52 of the FBiH Labour Law generally prohibits women from working in underground parts of mines with specific, statutory exemption.

Special protection for pregnant women, new mothers and women who are breastfeeding in terms of prohibition of certain hazardous jobs is not regulated by the Labour Law or the Law on Protection at Work, which is valid in the FBiH and dates back to 1990.

Article 78 of the RS Labour Law and Article 54 of the FBiH Labour Law provide that, on the basis of findings and recommendations of the competent doctor, a pregnant women or a woman who breast-feeds her child may be temporarily placed to another job if this is in the interest of her health or health of her child. If the employer has no possibility of placing the woman to another job in accordance with this, the woman shall be entitled to leave of absence with compensation in accordance with the collective agreement and rule book. This compensation may not be less than the remuneration the woman would have received if she had worked on her post. A pregnant or breast-feeding woman may be placed to a post in a different location only with her consent.

Article 44 of the BD Labour Law provides that a pregnant women or a woman who breast-feeds her child may be temporarily placed to another job if this is in the interest of her health or health of her child determined by the competent doctor. If the employer has no possibility of placing the woman to another job, the woman shall be entitled to leave of absence in accordance with the collective agreement and rule book. The temporary placement may not result in a reduction of her salary. A woman placed to another job

because of pregnancy or breast-feeding may be placed to another post that would suit her health condition only with her consent.

### **Adequate compensation**

In accordance with provisions of the Law on Gender Equality in BiH, it is possible to file a separate suit for protection against discrimination on the basis of the procedure defined in Article 12 of the Anti-Discrimination Law. One of the claims that can be submitted is a lawsuit for compensation for material and immaterial damage caused by violation of rights protected by this Law, i.e. a lawsuit for damages. In this way, in judicial proceedings, victims of discrimination can have compensation for material and immaterial damage they have suffered as victims of discrimination. In accordance with provisions of the Labour Law in BiH, a lawsuit can be brought at the courts in case of unlawful dismissal as a consequence of discriminatory conduct and the damage can be thereby compensated for.

### **Protection against reprisals**

Persons who initiate proceedings for protection from any form of discrimination invoke provisions on the protection from victimization. The Law on Gender Equality in BiH defines victimization as a form of discrimination that exists when a person or group of persons is put into less favourable position after having rejected an instruction to act discriminatory, having reported discrimination, having testified in proceedings for protection from gender-based discrimination or having participated in any way in the proceedings involving gender-based discrimination. The Anti-Discrimination Law also protects persons who report discrimination or participate in proceedings for protection from discrimination. In accordance with provisions of Article 20 of this Law, any physical person or responsible person who puts into a less favourable position a person who has reported discrimination in good faith or a person who has participated in proceedings for protection from discrimination in any way, shall be fined.

Article 112 of the Labour Law of RS provides that in cases of discrimination, sexual harassment, gender-based violence, any job seeker or employee may initiate proceedings for damages before the competent court in accordance with the law.

In case of a dispute, if a job seeker or employee presents evidence that there are reasons to believe that an employer acted contrary to this Law, the burden of proving that there was no discrimination, i.e. that he acted in accordance with the law, lies with the employer.

If the court finds that the complaint is founded, it will order that the employer should reinstate the plaintiff's rights that were denied to him or award appropriate pecuniary damages. This Law does not provide for a detailed procedure and manner of damages payment, which suggests that this is regulated in the legislation governing enforcement of court judgments.

## **Exception in respect of certain occupation**

The legal system of BiH does not contain any provisions that preclude employment of women or men in certain occupations. With a view to getting a higher number of women employed in police and military forces in BiH, the 2010-2013 Action Plan to implement UNSCR 1325 in Bosnia and Herzegovina ("Official Gazette of BiH" 92/10) provides for the application of provisional measures in order to increase the participation of women in managerial positions in the military and police structures and to allow women's promotion.

In RS there are no provisions allowing exceptions in certain occupations, i.e. employment of persons of one sex only.

The Labour Law of RS and other legislation respecting labour and employment in the RS are largely consistent with the standards and the Law on Gender Equality in BiH, and can serve as an example of good practice in the region. This law guarantees equality of women and men in the employment, labour relations, the enjoyment of benefits from employment, the principle of equal pay for work of equal value, the principle of non-discrimination by gender and on other grounds, harassment and sexual harassment and mobbing. Also, the protection of pregnant women and mothers is guaranteed and allows parental leave of both parents. These types of provisions are introduced for special groups, such as persons with disabilities.

The Labour Law and by-laws of the FBiH are harmonized with the Law on Gender Equality in BiH, in order to eliminate any discrimination based on gender. Thus, the FBiH Ministry of Development, Entrepreneurship and Trade notes that the new Law on Trade and Related Activities is fully harmonized with the Law on Gender Equality in BiH and the FBiH and cantonal employment services generally emphasize that in performing their regular activities they base their approach on the principles of human rights and non-discrimination.

## **Question 2. Please indicatze the measures taken (administrative arrangements, programmes, action plans, projects etc.) to implement the legal framework.**

### **Answer:**

In order to increase employment and competitiveness of BiH workforce, the Council of Ministers adopted the *2010-2014 Strategy for Employment in BiH*, which is fully compliant with the standards of gender equality. The Strategy envisages an increase in the rate of female employment, keeping gender statistics, establishment of indicators to facilitate monitoring of effects of the Strategy implementation strategies on both sexes, the prevention of "informal" work etc.

*The Strategy for Employment in FBiH* sets priorities in the 2009-2013 employment policy and defines strategic and operational objectives, programmes, measures and outcomes which are expected within defined timeframes. It focuses on young unemployed persons, women, older work force, the long-term unemployed and inactive, persons with special needs and Roma. Part of the Strategy dealing with female workforce is aimed at increasing employment rates of inactive women as the top priority. It is planned to include a group of inactive women in active labour market measures, elimination of gender-based discrimination in the labour market, linking education and the labour market and the reconciliation of work and family life.

*The 2006-2010 Strategy of Development of Small and Medium Enterprises in RS*, which was

adopted by the RS National Assembly in 2007, defines operational objectives in the development of small and medium enterprises. In the period 2006-2010 this goal achieving was largely focused on the harmonization of the RS Law on Gender Equality with the Law on Gender Equality in BiH and on a research of entrepreneurship from a gender perspective. However, there was no organized training in entrepreneurship and the implementation of the Law on Gender Equality in BiH in labour, employment and access to resources, with a special emphasis on women entrepreneurs. In the coming period a new strategy, which will contain this goal, will be developed and adopted.

BiH has established institutional mechanisms for gender equality with a view to integrating the gender concept in all laws, policies, strategies and programming documents. The gender mechanisms include the Agency for Gender Equality of BiH, Entity Gender Centres, Commissions for Gender Equality in the Parliament of BiH and Entity assemblies and the Commissions for Gender Equality in the cantons and municipalities. It is important to note that the institutional mechanisms for gender equality cooperate with NGOs in the implementation of activities. Although the Election Law provide for quotas for candidate lists, gender equality is not at a satisfactory level in legislative and executive bodies.

The Gender Action Plan of BiH ("Official Gazette of BiH" 41/09), which was adopted by the Council of Ministers of BiH in 2006 is the basic strategy for introducing the principle of gender equality into policies and programmes in BiH. The goal of the BH Gender Action Plan is to define strategies and implementation of programme objectives for achieving equality between women and men in BiH. It relates to the employment and labour market, with activities aimed at eliminating gender discrimination at work, employment and labour market and provides equal opportunities for women and men in these areas.

Areas covered by the GAP are: social inclusion, public life, domestic violence and trafficking, the role of men, education, labour and employment, cooperation and capacity building, health, information and communication technologies and a great number of activities cross-cutting other areas.

The five-year Financial Mechanism for Implementation of the Gender Action Plan of BiH (2009-2014 FIGAP Programme) is an outcome of cooperation between the Agency for Gender Equality - Ministry of Human Rights and Refugees, the FBiH Gender Centre and the RS Gender Centre, as well as cooperation with institutions, NGOs and other organizations in BiH. The goal of FIGAP Programme is to ensure sustainable future implementation of the Gender Action Plan of BiH (hereinafter: GAP), which means that the concept of gender equality as an approach has been adopted in the formulation and implementation of programmes and policies in all sectors of society and at all levels of government. Activities under FIGAP Programme are aimed at further strengthening the institutional gender mechanisms and institutions and organizations responsible for implementation of activities under GAP.

The Agency for Gender Equality of BiH, in cooperation with the Entity gender centres, has developed guidelines / criteria for the award of projects to institutions and NGOs in the priority areas of GAP.

The activities of the Agency for Gender Equality of BiH are mainly focused on assisting in the implementation of the Action Plan to implement UNSCR 1325 in BiH, which was adopted by the Council of Ministers in July 2010. These activities are mainly included in work programmes of relevant institutions. The Council of Ministers has appointed the Coordinating

Body for the Action Plan Implementation Monitoring, which consists of representatives from all relevant ministries at the state and entity level.

The FBiH Gender Centre has its activities focused on supporting the implementation of the Action Plan for the introduction of gender responsible budgeting in FBiH for the period 2010-2012 in the pilot area of "Work and Employment" (AP GRB FBiH). The FBiH Gender Centre has supported institutions in developing the analysis with recommendations in the following priority sectors for the introduction of GRB:

- 1) FBiH Ministry of Development, Entrepreneurship and Crafts: Development and Entrepreneurship Programme;
- 2) FBiH Ministry of Agriculture, Water and Forestry: Agricultural Sector Programme - Rural Development Sub-Programme;
- 3) FBiH Ministry of Labour and Social Policy: Labour and Employment Programme;
- 4) FBiH Employment: Active Employment Programme - activities that are directly carried out by FBiH Employment Institute (employment of returnees, Roma, the disabled, youth).

A total of 24 analyses with recommendations (6 laws, 3 strategies, 3 action plans, 12 rulebooks / programmes / procedures / reports) have been made.

The Gender Centre of RS has directed the support under FIGAP Programme onto:

- 1) Support to relevant institutions in the implementation of activities under the Action Plan for the advancement of women in rural areas of RS in 2011;
- 2) Strategies to combat domestic violence in RS in 2011;
- 3) the implementation of Women's Entrepreneurship Support Programmes and labour rights protection programmes for specific categories of workers, women and youth from gender equality aspect.

It should be noted that all institutional have provided co-funding of programmes from the budget.

FIGAP Programme supported 36 projects of NGOs in accordance with the following criteria:

1. contribution to the objectives of the priority areas under Gender Action Plan, i.e. FIGAP programmes, and objectives of the valid sector strategies of the institutional gender mechanisms,
2. cooperation with institutions and systemic sustainability of the project and
3. territorial coverage.

FIGAP Programme have supported a project proposal that is aimed at establishing a model for vocational additional training and retraining of Roma women in order to empower them to apply for funds allocated through public calls. Women's Roma NGOs have adopted a common platform for action, contained in the Strategy for Network of Roma Women in BiH.

ECOS Institute for Education of the Foreign Trade Chamber of BiH, in cooperation with the FBiH Employment Institute with the support of the Foundation for Social Inclusion in Bosnia and Herzegovina (BiH FSU), has launched a project focused on training of women above 40 years in active participation in the labour market. In this project, 186 unemployed women over 40 years underwent two types of training: ICT literacy or e-inclusion through an internationally recognized ECDL Start (School for European Computer Driving Licence) and entrepreneurial training related to the acquisition of skills for self-employment and actively seeking a job in School Of Small Business. 158 unemployed women over 40 years passed 4 modules exams and gained ECDL Start Certificate and 159 ones passed the final exam in School Of Small Business.

The Agency for Gender Equality started cooperation with the Civil Service Agency in order to include gender equality into the regular training programme. In this connection is made and accepted training module. Due to interest shown by senior civil servants, training for about 100 senior civil servants was held, which created a great chance for inclusion of gender equality in the work programmes of the relevant institutions. Because of this interest train-the-trainers was held for official trainers of the Civil Service Agency of BiH with the aim to include gender equality issues in the proper context in the existing training modules for civil servants.

In order to promote the right to work and employment, the Labour and Employment Agency, in cooperation with the Canada-BiH Judicial Reform Project developed and published a booklet titled "Are you familiar with your rights?" in 2007 and 2008. In March 2008 the Gender Centre of Republika Srpska, together with the Ministry of Labour and Protection of Veterans and People with Disabilities, organized the promotion and distribution of the "Right at work and in connection with work – do you know them? A manual for working women and women seeking employment." The manual was developed out of a need to inform working women and women seeking employment about the rights at work and in connection with work, which are guaranteed by the Constitution, laws and binding international instruments, as well as mechanisms for their protection. A publication titled "Through Women's Labour Rights" was prepared by a non-governmental organizations, the Helsinki Citizens' Assembly of Banja Luka, in cooperation with the GCRS and with financial support from UNIFEM.

With a view to continuing the promotion of rights and mechanisms of protection against discrimination, the Agency and Entity Gender Centres supported a project of the "Centre for legal assistance to women" of Zenica, which was focused on providing legal assistance to women. The outcome of this project is "Legal Guide for Every Woman," which provides practical examples of how one can protect against rights violations. The Agency and Entity Gender Centres supported a project of the "Business and social rights" association, which will also result in a practical guides for the exercise of labour and social rights.

In 2011 the Agency for Gender Equality has organized 7 courses of training for instructors of police academies in order to include the principles of gender equality and non-discrimination in the modules used for training of cadets in police academies.

Within a UNDP / UNFPA project, in order to strengthen the capacity of judges and prosecutors in connection with prosecuting cases of sexual and gender-based violence, judges and prosecutors and police officers were trained to efficiently process these cases.

In order to implement the Law on Gender Equality in BiH, the Agency for Gender Equality developed, published and distributed recommendations of the Working Group for the Implementation of Gender Equality Law in BiH in labour and employment.

In order to promote the right to work and employment, the Labour and Employment Agency, in cooperation with the Canada-BiH Judicial Reform Project developed and published a booklet titled "Are you familiar with your rights?" in 2007 and 2008. The brochure was given in the form of questions and answers providing answers to major issues of labour and employment (unemployment, dismissal, compensation, rights at work, case law), as well as to legal issues in other areas. This way of raising public awareness about basic rights has proved to be very successful, because the Agency for Gender Equality has received numerous phone calls of citizens with a recommendation to continue with these activities.

In the RS in late 2009, an analysis of the position of women in the labour market was made by the RS Ministry of Labour and Protection of Veterans and People with Disabilities and the Centre for Gender Equality-Gender Centre of the RS Government with a view to clarifying one of the most important segments of the social position of women, which directly affects the promotion of gender equality. The analysis focuses on the positive international and domestic legal frameworks, statistical data and indicators and trends in the forms and types of labour rights violations of women in the recruitment process. Making recommendations for the advancement of women's position in the labour market showed an intention to inform the relevant stakeholders in the field of employment and labour relations about the obligations and opportunities to actively work towards the empowerment, protection and support to women in the labour market in the RS.

The Employment Strategy puts a special emphasis on: increasing the employment rate for women, with concentration on the improvement of labour market access and increased employment opportunities for unemployed and inactive women.

In March 2008 the Gender Centre of Republika Srpska, together with the Ministry of Labour and Protection of Veterans and People with Disabilities, organized the promotion and distribution of the "Right at work and in connection with work – do you know them? A manual for working women and women seeking employment." The manual was developed out of a need to inform working women and women seeking employment about the rights at work and in connection with work, which are guaranteed by the Constitution, laws and binding international instruments, as well as mechanisms for their protection.

A publication titled "Through Women's Labour Rights" was prepared by a non-governmental organizations, the Helsinki Citizens' Assembly of Banja Luka, with financial support from UNIFEM. The data presented in the publication indicated an unsatisfactory position of women in the labour market in BiH, especially of women over 40, pregnant women and mothers of young children. The publication contains an overview of major international and local standards governing labour and employment and illustrated concrete examples from practice. The aim of the publication is to increase the efficiency of the institutions responsible for protecting labour and employment rights, as well as to animate and inform the public about the protection of labour rights, especially women's labour rights.

In the FBiH, on the basis of the strategic documents, the active employment policy measures implemented by the FBiH Employment Institute and Cantonal Employment Services are mainly aimed at stimulating employment of hard-to-employ categories of unemployed persons with employers or by self-employment, training, vocational additional training and retraining, i.e. adjustment of the unemployed people to the changes in the labour market and to create equal opportunities for access to the labour market for all.

Unemployed women were defined as an important target group with a goal to increase the rate of female employment by 1.5% annually. Measures that should lead to the achievement of this goal include increasing the competitiveness of women in the labour market through education and training and support to establish their own businesses.

Some steps were taken in relation to gender responsible budgeting and projects related to self-employment and training of women to improve their position in the labour market were implemented. So in 2010, 309 women were recruited by employers and 270 women started small businesses, while 200 people in Sarajevo Canton (pilot project) were trained in IT (ECDL) and entrepreneurship (entrepreneurship and social inclusion of women over 40 ).

The FBiH Gender Centre, in cooperation with the FBiH Civil Service Agency, trained senior civil servants of FBiH in the Law on Gender Equality of BiH. The goal of training is to inform senior civil servants about the basics of including principles of gender equality in laws, policies and strategies, which is an obligation of all institutions in accordance with international commitments and with the Law on Gender Equality in BiH in accordance with the BiH Gender Action Plan. Training sessions were organized in Sarajevo and Mostar for a total of 61 senior civil servants.

**Question 3. Please provide pertinent figures, statistics or any other relevant information, if appropriate.**

**Answer:**

Despite the fact that women make up 51.7% of the total estimated number of working-age population in BiH, only 35.6% of employees are women.

According to the Agency for Statistics of BiH, 2008 unemployment rate in BiH was 23.4% (21.4% for men and 26.8% for women), while in the same period in 2007 it amounted to 29.0% (26.7% for men and 32.9% for women). The unemployment rate is the highest among young people aged 15-24 years and it is 47.5% (44.8% for men and 52.3% for women). According to the Agency for Statistics, in 2008, activity and employment rates amounted to 43.9% and 33.6%, respectively, while in 2007 they were 43.9% and 31.2%, respectively, with the rate for men significantly higher than for women.

Activity and employment rates in 2009 amounted to 43.6% and 33.1%, while in 2008 they were 43.9% and 33.9%. Rates were significantly higher for men than for women. Activity and employment rates were the highest in the age group 25-49 years (69.1% and 53.5%). The structure of employed persons by employment status shows that persons in paid employment (employees) have the highest share (72.8%). The share of self-employed persons was 20.5% (including 27.4% women) and of unpaid supporting members was 6.8% (of which 68.9% were women). The structure of employed persons by sectors of activity shows that the service sector with 47.3% has the highest share, followed by the industrial sector with 31.5% and agriculture with 21.2%. The data on the gender structure of civil servants in the institutions of BiH shows that men make 52% and women make 48%.

In 2009, the BiH unemployment rate was 24.1% (23.1% for men and 25.6% for women). The unemployment rate was the highest among young people aged 15-24 years, and amounted to 47.5% (44.8% for men and 52.3% for women). 15.9% of unemployed persons were seeking job for less than 12 months and as much as 42.8% of unemployed persons were seeking job for more than five years, as a result of post-war situation and the transition economy in our country. Men and women seeking job for more than 60 months make up the largest percentage.

There are no complete data, disaggregated at the state level, about beneficiaries of age, disability and hereditary pensions (especially family pension). According to estimates under the 2010 Labour Force Survey, the Agency for Statistics, women made up 33% in the total number of beneficiaries of old-age pensions in BiH. Housewives and pensioners made a majority in the category of inactive unemployed persons. There were 289,000 men and 174,000 women among pensioners. Of the total number of inactive unemployed men, 53% were pensioners and of the total number of inactive women, 19.5% were pensioners.

Statistics on the number of persons who acquire the title of Master of Science or a specialist generally show a greater number of men than women. This ratio varies with age and on average the percentage of women is 45%. An increase in the number of PhDs is recorded every year and women make up 35% of the total number of PhDs on average. An analysis shows a significant reduction in the number of women acquiring a higher level of education, so that only one third of Doctors of Science are women.

In the RS, the number and the amount of awarded scholarships for men and women varies depending on the type of study. A greater number of scholarships was granted to women in post-graduate, doctoral and master's study and to men for doctoral dissertations and scientific training.

In the FBiH, granting scholarships in the field of education and science, the FBiH Ministry of Education regularly provides funds for doctoral studies (50% of scholarships were given to women), master's degree (48% of scholarships were given to women), attendance at scientific meetings (48% of scholarships were given to women ) and research papers and scientific training (50% of scholarships were given to women).

The Ministry of Defence has a central database of all employees in the Ministry of Defence and the Armed Forces of BiH, which includes quantitative and qualitative indicators and gender breakdown. Of the total number of employees in the Ministry of Defence, women make up 36.4% and of the total number of troops of the Armed Forces, women make up 5.4%.

In an effort to fill the existing vacancies in the Ministry of Defence and Armed Forces of BiH and increase the number of female professional soldiers, the five-year development plan of the Armed Forces 2010-2015 envisages a quantitative and qualitative increase in the number of women to 10%.

In 2010 the Gender Equality Agency of Bosnia and Herzegovina instituted four investigations of violation of the Law on Gender Equality in BiH. The cases involved the exercise of the rights having to do with labour, specifically the benefits during maternity leave, sexual harassment and promotion.

In 2010 the FBiH Gender Centre took in a total of 5 requests for investigation of violations of the Law on Gender Equality in BiH. The requests for investigation of violations of the provisions of this law involved labour relations - mobbing, emotional abuse in the workplace, domestic violence, harassment and gender-based violence, family relations - issues of custody and parental rights - the right to visitation, social protection - the right to maternity benefit.

In 2010 the RS Gender Centre conducted a total of 20 investigations of violations of the Law on Gender Equality of BiH. The requests for investigation of violations of the provisions of this law involved labour relations (8), domestic violence (3), harassment and gender-based violence (1), sexual violence against children (3), the media (3) and public and political life (2). 13 cases were initiated at the request of parties and 7 cases were initiated *ex officio*.

In 2010 the Ombudsman for Human Rights, the Department for the Prevention of All Forms of Discrimination recorded 135 complaints, of which 6 ones involved gender-based discrimination.

## **GENERAL LEGISLATIVE FRAMEWORK**

### **Article 1- Right to work**

#### **International instruments**

Bosnia and Herzegovina has ratified 81 Conventions of International Labour Organization (hereinafter: ILO), 77 ones being one in force currently.

-ILO Conventions relating to the area which this report is covering are the following:

1. Unemployment Convention No. 2, 1919, ratified by BiH in 1993.
2. Forced Labour Convention No. 29, 1930, ratified by BiH in 1993,
3. Employment Service Convention No. 88, 1948, ratified by BiH in 1993,
4. Abolition of Forced Labour Convention No. 105, 1957, ratified by BiH in 2000,
5. Discrimination (Employment and Occupation) Convention No. 111, 1958, ratified by BiH in 1993,
6. Employment Policy Convention No. 122, 1964, ratified by BiH in 1993,
7. Human Resources Development Convention No. 142, 1975, ratified by BiH in 1993,
8. Convention on Private Employment Agencies No. 181, ratified by BiH in 2010.

-International Covenant on Economic, Social and Cultural Rights -1966;

-European Convention for the Protection of Human Rights and Fundamental Freedoms (1950);

-Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), 1979.

#### **BiH Primary Legislation**

- Constitution of Bosnia and Herzegovina,
- Constitution of the Federation of Bosnia and Herzegovina (hereafter: FBiH),
- Constitution of the Republika Srpska (hereafter: RS),
- Statute of the Brčko District of Bosnia and Herzegovina (hereafter: BD),
- Law on Labour in BiH Institutions ("Official Gazette of BiH" 26/04, 7/05, 48/05, 60/10),
- Law on Civil Service in BiH Institutions ("Official Gazette of BiH" 19/02, 35/03, 4/04, 17/04, 26/04, 37/04, 48/05, 2/06, 32/07 i 43/09, 50/08, 8/10),
- Law on Salaries and Benefits in BiH Institutions ("Official Gazette of BiH" 50/08),
- Law on Defence of BiH ("Official Gazette of BiH" 88/05),
- Law on Service in the Armed Forces of BiH ("Official Gazette of BiH" 88/05, 53/07, 59/09),
- Law on Mediation in Employment and Social Security of Unemployed Persons ( „Official Gazette of FBiH" 55/00, 41/01, 22/05, 9/08),
- Law on Employment of Aliens („Official Gazette of FBiH" 8/99),
- Law on Movement and Stay of Aliens and Asylum ( "Official Gazette of BiH" 36/08),
- Law on Labour and Employment Agency of BiH („Official Gazette of BiH" 21/03, 43/09);
- Framework Law on Primary and Secondary Education of BiH („Official Gazette of BiH" 18/03),
- Framework Law on Secondary Vocational Education and Training in BiH („Official Gazette of BiH" 63/08),
- Framework Law on Higher Education in BiH („Official Gazette of BiH" 59/07, 59/09),
- Labour Law („Official Gazette of FBiH" 43/99, 32/00, 29/03),
- Law on Inspection of FBiH („Official Gazette of FBiH" 69/05),
- Law on Mediation in Employment and Social Security During Unemployment („Official Gazette of FBiH" 55/00,41/01, 22/05 i 9/08),
- Labour Law - consolidated text ("Official Gazette of RS" 55/07),

- RS Criminal Code („Official Gazette of RS“ 49/03, 108/04,37/06, 70/06),
- Law on the Execution of Criminal Sanctions („Official Gazette of RS“ 12/10),
- Law on Mediation in Employment and Entitlements During Unemployment (“Official Gazette of RS“ 30/10),
- Law on Employment of Foreign Nationals and Stateless Persons („Official Gazette of RS 24/09),
- Law on Vocational Rehabilitation, Training and Employment of Disabled Persons - consolidated text („Official Gazette of RS“ 54/09),
- Labour Law of BD ("Official Gazette of BD" 19/06, 19/07, 25/08),
- Law on Mediation in Employment and Entitlements During Unemployment of BD ("Official Gazette of BD" 33/04, 19/07, 25/08),
- Law on Adult Education ("Official Gazette of RS" 59/09.)

## **ARTICLE 9 - Right to Occupational Guidance**

### **International instruments**

-International Covenant on Economic, Social and Cultural Rights, 1966.

### **BiH Primary Legislation**

- Law on Service in the Armed Forces of BiH (“Official Gazette of BiH“ 88/05, 53/07, 59/09);
- Law on Vocational Rehabilitation, Training and Employment of Disabled Persons („Official Gazette of FBiH“ 9/10);
- Law on Vocational Rehabilitation, Training and Employment of Disabled Persons - consolidated text („Official Gazette of RS“ 54/09);
- Law on Mediation in Employment and Social Security During Unemployment („Official Gazette of FBiH“ 55/00,41/01, 22/05 i 9/08);
- Law on Mediation in Employment and Entitlements During Unemployment (“Official Gazette of RS“ 30/10);
- Law on Mediation in Employment and Entitlements During Unemployment of BD ("Official Gazette of BD" 33/04, 19/07, 25/08);

## **ARTICLE 20 - The right to equal opportunities and equal treatment in matters of employment and occupation without discrimination on the grounds of sex**

### **International instruments**

- ILO Discrimination (Employment and Occupation) Convention No. 111 (1958);
- ILO Equal Remuneration Convention No. 100 ( 1951) (equal remuneration for men and women workers for work of equal value);
- International Covenant on Economic, Social and Cultural Rights (1966.).
- UN Convention on the Elimination of All Forms of Discrimination against Women
- Council of Europe Recommendation R(98) 14 on gender mainstreaming;
- Council Directive 2006/54/EC on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation;

## **BiH Primary Legislation**

- Law on Prohibition of Discrimination („Official Gazette of BiH“ 59/09);
- Law on Gender Equality of BiH- consolidated text (“Official Gazette of BiH” 32/10);
- Law on Salaries and Benefits in BiH Institutions (“Official Gazette of BiH” 50/08);
- Law on Civil Service in BiH Institutions (“Official Gazette of BiH” 19/02, 35/03, 4/04, 17/04, 26/04, 37/04, 48/05, 2/06, 32/07 i 43/09, 50/08, 8/10),
- Law on Labour in BiH Institutions (“Official Gazette of BiH” 26/04, 7/05, 48/05, 60/10);
- BiH Criminal Code („Official Gazette OF BiH“ 32/03, 37/03, 54/04, 61/04, 30/05, 53/06, 32/07);
- FBiH Criminal Code („Official Gazette of FBiH“ 35/03);
- RS Criminal Code („Official Gazette of RS“ 49/03);
- BD Criminal Code („Official Gazette of BD“ 10/03, 6/05);
- Labour Law („Official Gazette of FBiH“ 43/99, 32/00 i 29/03);
- Law on Safety at Work („Official Gazette of SRBiH“ 22/90);
- General Collective Agreement for the Territory of FBiH („Official Gazette of FBiH “54/05, 62/08),
- Law on Mediation in Employment and Social Security During Unemployment of FBiH („Official Gazette of FBiH“, 55/00, 41/01, 22/05, 9/08);
- Labour Law - consolidated text (“Official Gazette of RS” 55/07),
- Law on Safety at Work (“Official Gazette of RS” 1/08),
- Law on Mediation in Employment and Entitlements During Unemployment (“Official Gazette of RS” 30/10);
- Law on Employment and Entitlements During Unemployment of BD (“Official Gazette of BD”, 33/04, 19/07, 25/08),
- BD Labour Law („ Official Gazette of BD“ 7/00, 8/03, 33/04, 29/05 );
- Law on Safety at Work of BD ( „Official Gazette of BD“ 31/05).

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## **ABRIVIATIONS**

- BIH- Bosnia and Herzegovina**
- FBiH- Federation of Bosnia and Herzegovina**
- RS- Republika Srpska**
- BD- Brčko District of Bosnia and Herzegovina**
- GFAP- General Framework Accords for Peace**
- GDP - Gross Domestic Product**
- ILO- International Labour Organization**
- LFS – Labour Force Survey**
- LECS – Law on the Execution of Criminal Sanctions**
- GAP - Gender Action Plan**

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