



# **Monitoring Matrix on Enabling Environment for Civil Society Development**

Country Brief for Serbia 2022

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# Executive summary

## Civil Society Overview

	2022
Number of registered organizations (per type) (+ how many have registered in 2021)	36491 (35733) associations (2.12% increase from 2021 in overall number), 1051 (996) endowments and foundations (5.5% increase from 2021 in overall number). No data on newly registered CSOs is publicly available.
Main civil society laws	Law on Associations; Law on Endowments and Foundations; Public Assembly Act; Law on the Central Record of the Beneficial Owners; Government Regulation (by-law) on financing programs of public interest (Regulation); Law on Volunteering; Adult Education Law; Law on Youth; Law on Local Self Government; Law on the Planning System; Law on Free Access to Information of Public Importance; Law on Social Protection; Law on Consumer Protection; Law on Public Procurement.
Relevant changes in legal framework	No changes in legal framework.
State funding (for the previous year) (key bodies and amounts)	Consolidated data from the open calls database TBA
Human resources (employees and volunteers)	No data is publicly available.
CSO-Government Cooperation (relevant and new body: consultation mechanism)	Ministry for Human and Minority Rights and Social Dialogue; Contact points for cooperation with civil society; NCEU;
Other key challenges (e.g. lack of official data related to CS)	Lack of records was observed when it comes to the implementation of tax incentives, statistics in the area of distribution of state funds, volunteering, the number of employees and contracted persons, regulations adopted at all governance levels including the involvement of CSOs in these processes, as well as the provision of services in all relevant areas.

## Key findings

Key findings of the report	
1.	Legislative activity and policy development processes were halted due to a protracted election process and therefore delays in constituting the National Assembly and forming a new government. This has resulted in no progress being made in 2022 on the legislative framework for civil society development, while the enabling environment has deteriorated in practice due to increased political tensions surrounding the election.
2.	Violation of fundamental freedoms is one of the strongest findings of this report. In September 2022, Serbia was placed on CIVICUS' watchlist of countries where the state of civil liberties is rapidly deteriorating. Elections at all levels of government were held in April, and the period immediately before and during the election was marked by an increase in the violation of fundamental freedoms, as well as increased smear campaigns and attacks on CSOs and media.
3.	The environment for the enjoyment of freedom of peaceful assembly continues to deteriorate, with an increasingly brutal police crackdown on environmental protesters and activists. In addition to media, especially local outlets, SLAPP suits (Strategic Lawsuits Against Public Participation) pose a particular threat to environmental activists, who do not fall under the scarce existing protections offered by media laws.
4.	Different domestic and international reports still assess an unfavorable framework for individual and corporate giving. Implementation of existing incentives is not uniform, and different practices of the competent authorities in this regard are present. The definition of public interest is inconsistent between the main CSO and tax laws. There is no system for collecting data on donations to CSOs from citizens and corporate entities.
5.	Although there is a framework for transparent state funding, it still contains certain gaps, which allow for political influence on the final decisions. The state funding for CSOs in Serbia is one of the initial reasons for increasing GONGO activities, and significant cases of misused funds and untransparent open calls continue to be recorded in 2022.
6.	Although certain changes in the legal framework have been observed, they are not qualitative and do not address the problem of limited CSO influence in the decision - making process. Due to the focus of the EU on quantitative criteria, a continuation of the trend of faking public participation and debates was observed, with strong GONGO activities.

## Key recommendations

Key findings of the report	
1.	Consistent implementation of laws and by-laws in the area of freedom of association, freedom of assembly and freedom of expression at all state levels in order to defend achieved standards in the legal framework, as well as strengthening the accountability of all relevant institutions responsible for the protection of fundamental rights. To that end, combating impunity for torture and ill-treatment by police and improving mechanisms for oversight of police conduct is especially important.
2.	Establish a mechanism to prevent the abuse of regulations and standards in the field of prevention of money laundering and harmonize the work of the Administration for the Prevention of Money Laundering and Terrorist Financing with the standards prescribed by the FATF.
3.	Provide a stronger political label for philanthropy with stronger incentives for corporate giving, introducing incentives for individual giving, and harmonization of public interest between different laws as well as establishing a system for collecting data. Incentives for social enterprises and a comprehensive Program for the Development of Social Entrepreneurship are key in ensuring the practical viability of the institute of social entrepreneurship.
4.	Develop a system for effective and regular collection of data on all types of state funding, and take other steps to improve the transparency and regularity of open calls and ensure effective elimination of conflicts of interest.
5.	Develop additional qualitative criteria for participating in decision-making processes on the basis of expertise and contribution to public interest, in particular with regard to the establishment of the Council for Cooperation and Development of Civil Society. It is necessary that the Council is established in a transparent and inclusive procedure, based on the real needs and input of CSOs.
6.	Strategically approach and develop anti-SLAPP regulations in order to protect journalists, media and activists from malicious lawsuits, especially through defending achieved standards in terms of a lack of criminal responsibility for defamation.

# Findings

## Area 1: Basic Legal Guarantees of Freedoms

### Sub-area 1.1. Freedom of association

#### 1.1.1. Establishment of and Participation in CSOs

**Legislation is fully in line with standards in this area.** Both natural and legal persons may establish associations, foundations and other types of non-profit, non-governmental entities for any purpose, without discrimination. Registration is not mandatory, and the legislation allows for networking among organizations in the country and abroad without prior notification. Even though the legal framework doesn't provide the authorities with competences to interfere in networking via social media, **there have been multiple recorded breaches of the digital rights of activists and CSOs in the reporting period, especially in the context of recent environmental protests.** To that end, there have been numerous cases of police harassment of individuals sharing calls to participate in protests, or just information on when and where protests are taking place locally, on their social networks. In one case, an activist from Sombor was charged with organizing a protest without giving advance notice to the police, on the basis of having shared an image in support of the protest to a Facebook group. There have been no recorded cases of associations being pressured to register, however, **informal community initiatives continue to be faced with state harassment.** An informal group of environmental activists on Starica mountain near Majdanpek was subjected to constant harassment from both the authorities and other unidentified, possibly state-connected actors, including their camp on the mountain being demolished. To that end, they experienced harassment from private security members, who were filmed stating that they had been hired by the Ministry of Mining and Energy. For their part, the Ministry has denied this.

#### 1.1.2. State Interference

**Legal framework is in line with standards in the area of guarantees against state interference in internal matters of non-profit entities.** CSOs are autonomous from the state, and self-govern their internal structure and procedures. **However, practice indicates a disabling environment in the area of state interference.** High ranking politicians often use their platforms to target civil society organizations and informal groups. **The "foreign agents" narrative continues to be especially prominent against environmental activists, while CSOs working on transitional justice issues and watchdog CSOs are also particular targets of state harassment.** In February 2022, then Interior Minister Aleksandar Vulin referred to those involved in the previous year's protests against multinational mining company Rio Tinto's lithium extraction plans in Serbia as "foreign mercenaries", emphasizing how much their protest has cost the state. Mayor of Belgrade Aleksandar Šapić publicly targeted the Humanitarian Law Center and its founder Nataša Kandić, due to the fact that one

of his appointees to the city council is on trial for war crimes based on a criminal complaint filed by the Center. The President of the Regulatory Body for Electronic Media Olivera Zekić made a series of accusations against the Center for Responsibility, Transparency and Accountability (CRTA) after this organization criticized the work of this body during the election campaign. **A partially enabling environment has been assessed when it comes to cases of invasive oversight.** Two years after “the List” case from 2020, when anti-money laundering legislation was abused to pressure civil society in Serbia, several civil society organizations have directly contacted Civic Initiatives during 2022 to raise suspicion of unjust and invasive oversight related to AML/CFT.

### 1.1.3. Securing Financial Resources

**When it comes to freely seeking and securing financial resources from various domestic and foreign sources to support CSOs activities, legislation is in line with standards.** There are no limitations in regards to receiving assets from public or private foreign sources and there is no discrimination with regard to the source of financing. In December 2022, the Treasury Administration adopted a new rulebook, which would oblige CSOs receiving state support to open a new sub-account and e-banking account with the Treasury for every individual project supported by the state, or even multiple accounts for the same project if the project is co-financed by multiple government entities. This regulation, which did not enter into force in the reporting period, would greatly increase the administrative burden on CSOs seeking financial resources from public sources, as well as the potential financial costs, given that the Treasury Administration charges a fee for opening the account. **Although the legislation regarding this standard is mostly in place, there are certain problems with practice.** CSOs continue to address the Resource Center with reports of administrative obstacles related to receiving foreign funds related to AML/CFT regulations, but none have ultimately been prevented from receiving payments. **A new Law on Social Entrepreneurship was adopted in February 2022, creating a legal framework for social enterprises for the first time in Serbia.** The law was drafted in an inclusive and constructive process that included wide consultations and involvement of civil society and social enterprises. CSOs and other subjects were able to begin registering as social enterprises from November, however, **no social enterprises were registered in the SBRA during 2022.** This is due to the fact that the Law does not foresee any incentives for social enterprises. Incentives are expected to be introduced with the adoption of a Social Entrepreneurship Development Program, to be devised and overseen by the Social Entrepreneurship Council. The Council was established in July 2022, and is composed of an equal number of private and public sector subjects, chaired by the Minister for Labor, Employment, Social and Veteran Affairs (MLEVSA).

## Sub-area 1.2. Related-freedoms

### 1.2.1. Freedom of Peaceful Assembly

**Legislation is partially enabling when it comes to standards in this area. There were no changes in the main legislation governing public assemblies.** Misdemeanor warrants continued to be issued to protesters for alleged violations of traffic laws during the 2021 mass environmental protests, while an encouraging development were over 60 court-decided acquittals by the end of 2022 in cases in which protest participants challenged the legal basis of the warrants before courts. **Cases of police intimidation before protests have also continued in 2022.** Two persons were called in for questioning by the Čačak police after announcing a protest in a village near this city in March 2022 and threatened with criminal charges in case they continue with protest plans, while a group of activists from Bor were stopped by the police at a highway toll ramp on their way to a announced protest in Belgrade. **Police and private security violence against protesters has also been evidenced, with environmental protesters in particular subjected to worrying brutality.** During an environmental protest in Novi Sad in July 2022, and again in October 2022, police officers and private security members were seen and filmed using excessive force on protesters, including one security member kneeling on a protester's neck to subdue him. Members of private security destroyed a camp set up by activists in Majdanpek to protest planned mining by the company Zijin Copper, with security employees later stating in the media that they were paid by Zijin to film themselves beating protesters. In September 2022, also in connection to the Majdanpek camp, one activist came forward with allegations that police had beat him in order to force a confession implicating others in an attack on a Zijin employee. At the same time, reports were made that two other activists were held incommunicado in a prison in Negotin, following extensive police torture related to the same case. Eyewitnesses reported seeing them being led into urgent care by police officers, with visible injuries that are assumed to be the result of police brutality. They were taken from urgent care directly into confinement, and their lawyers and family were prevented from contacting them for over two days. **Due to pressures on environmental activists and concerns about the authorities' attempts to ban the LGBTQI+ EuroPride march on 17 September in Belgrade, Serbia was added to Civicus' watchlist of countries that have seen a rapid decline in civic freedoms.** Just days before the march was set to take place, Serbian authorities banned the event, only to reverse their decision hours beforehand. While the government ultimately allowed a short walk to take place, marchers were confronted by anti-LGBTQI+ protesters carrying crosses and bibles, who trampled on a rainbow flag, attempted to disrupt the march and attacked police and journalists. About 64 persons were detained in relation to these clashes. Several LGBTQI+ activists reported being physically attacked after the event. Activists from Germany and Albania were targeted while returning to their hotel, and reported that police failed to swiftly intervene. Two of the activists were injured during the incident. **Despite the EuroPride march's peaceful character, and the only threats to public order coming from violent groups opposing it, several participants were faced with harassment due to the signs they carried.** The Minister of Internal Affairs announced that he would file criminal charges against several foreign nationals who took part in the march, as well as that some will be banned from entering Serbia. With the ban on Europride 2022, the police **continued with the practice of banning gatherings due to its alleged inability to ensure the safety of assembly participants.**

### 1.2.2. Freedom of Expression

**The legal framework provides freedom of expression for all which is in line with**

**standards.** Freedom of thought and expression are guaranteed by the Constitution, and restrictions imposed by legislation are clearly prescribed and in line with international standards. **Journalists have faced pressure, verbal attacks and dangerous death threats throughout 2022.** In one such case, the Danas daily newsroom received an email named "Belgrade Charlie Hebdo", containing serious death threats aimed at its employees. "OK Radio" from Vranje has been threatened and their premises attacked several times, while in one case in June 2022, employees found their office windows walled up. After publicly speaking out in support of "OK Radio", posters with the image of journalist Veran Matić appeared all over the streets of Vranje. Politicians holding the most important political functions in the country continued to harass journalists from critical media in press conferences, not answering their questions and targeting and insulting them. **Journalists were subject to increased attacks in the period leading up to and during the campaign for the April 2022 elections.** The monitoring of the Independent Journalists' Association of Serbia (NUNS/IJAS) in February and March recorded eight individual cases of attacks and pressures on journalists directly related to the election campaign. Just before the formal announcement of the elections, a coordinated campaign was present in several pro-regime tabloids in which Danas was accused of conducting a covert operation ("Operation Noose 2") to "take Vučić's head off" because they "want to overthrow the state", and "break Serbia" by way of "spins and lies in the media." In addition to state and ruling party officials, attacks on the media were perpetrated by other factors on the political scene. During his campaign, presidential candidate Miša Vacić stated that, if he were elected, he would advocate for banning the work of all foreign media that have an information program. **The trend of SLAPP lawsuits, which are used to target media and civic activists, has continued throughout 2022.** Concerningly, the Crime and Corruption Research Network (KRIK) was found guilty in a SLAPP case initiated by the Head of the Security Information Agency Bratislav Gašić, while the verdict, as stated by KRIK, was delivered in an unusually fast time frame, by a judge close to the ruling Serbian Progressive Party.

### 1.2.3. Access to Information

**Serbian legislation does not contain any prohibitions with regard to communication and access to any source of information, including the Internet and ICT.** When it comes to the accessibility of the Internet in Serbia, the Statistical Office of the Republic of Serbia reported that the share of individuals using the Internet was 83,2% in 2022, compared to 81,5% in 2021. **When it comes to unjustified monitoring by the authorities of communication channels,** MP and lawyer Danijela Nestorović spoke out about authorities ordering an illegal wiretapping of her phone, after she engaged in defending environmental activists who were victims of police torture in Majdanpek in September 2022. **There are certain cases in practice where restrictions are imposed on accessing sources of information, which means that standards are partially met.** Youth of JAZAS from Novi Sad reported that their Twitter profile was hacked, but that they managed to get back access to the account the day after. **In addition to objective restrictions on the availability of relevant information, journalists from independent media, and especially local media, were victims of increased censorship and interference in their work.** There were several cases when journalists were prevented from attending press conferences, or were verbally attacked at those conferences, most often by members of the ruling party and state officials. Several news portals reported on cyber attacks on their platforms, whose goal was to bring their websites down. **As regards Government requests to restrict content on social media,** Meta did not restrict any content by request of the Serbian government in the first half of 2022. Google did not receive any request for content removal for the first half of 2022, while data from Twitter for 2022 is not available at this time.



## Area 2: Framework for CSO Financial Viability and Sustainability

### Sub-area 2.1. Tax/fiscal treatment for CSOs and their donors

#### 2.1.1. Tax Benefits

**As was the case in the previous report, no changes have been made in the legal framework regulating tax and fiscal treatment of CSOs and their donors during 2021.** Relevant laws provide tax free treatment for all grants and donations supporting non-profit activity of CSOs, indicating an enabling environment. The law enables tax exemptions for CSOs for grants, donations, membership fees and non-economic sources of income, as well as the exemption of their profits from income tax under certain conditions. On the other hand, tax benefits for economic activities of CSOs are only partially provided. Income earned by CSO is exempt from profit taxation up to a certain threshold (3,400 EUR), and the profit tax rate is the same as for other legal entities (15%). Legislation is fully in line with standards when it comes to tax benefits for passive investments of CSOs. **There is an enabling environment surrounding the establishment of, and providing tax benefits for endowments,** as donations, subventions and other means provided to endowments free of charge are exempt from taxation. At the end of 2022, 1051 endowments and foundations were registered in Serbia, compared to 996 in the previous year, which is a 5.5% increase in the total number of foundations and endowments.

#### 2.1.2. Incentives for Individual/Corporate Giving

**Despite repeated advocacy efforts, no changes were made to the legislative framework for tax deductions for individual and corporate donations in 2022.** For corporate subjects, deductible donations are allowed for specific purposes (medical, educational, scientific, humanitarian, religious, environmental protection and sports), in the amount of up to 5% of total revenue. There are no clear indicators establishing what can be considered as a donation for each of these purposes. This is determined on a case-by-case basis, which doesn't have a stimulating effect on corporate donors. Furthermore, the Serbian framework still does not provide any incentives for individual donations. **However, legislation is not in line with standards when it comes to recognizing CSOs and their needs in state policies regarding corporate social responsibility (CSR).** Previously adopted strategic documents have expired, and none have been adopted in 2022, which shows CSR is not a priority for authorities in Serbia. **The situation is similar when it comes to recognizing CSOs as state partners in promoting CSR.** The Forum for Responsible Business presents the largest national network dedicated to promoting and furthering the concept of CSR. A proposal by the FRB and the Charity Coalition to abolish VAT on food donations has still received no response by the government, despite repeated efforts since 2020. **Practice also partially meets standards when it comes to tax deductible donations to CSOs engaged in main areas of public interest, such as human rights and watchdog organizations.** PBO status still isn't defined within the national legal framework — while main civil society laws recognize the concept of “public interest”, a clear and unified definition of the concept is still lacking. Furthermore, the tax framework provides different incentives based on different areas of public interest, which results in unequal tax treatment of recipients of funds from various donors and of the donors themselves.

TBA - Preliminary results of Catalyst Foundation's research on giving

## Sub-area 2.2. State support

### 2.2.1. Public Funding Availability

**The lack of a single comprehensive document which would regulate state support for institutional development for CSOs, project-based financing and EU project co-financing, as well as some elements of the existing framework for open calls indicate that legislation partially satisfies standards.** Main civil society laws and other documents contain direct references to project-based financing of sectoral CSOs in some areas. The details of the procedure for allocating these funds are prescribed by a central government regulation, which is applied by most national, provincial and local institutions. However, two core national institutions that allocate funding for youth and culture implement other by-laws, which provide for a different procedure. More specifically, the procedure for project co-financing in the youth sector does not allow participants in the open call to lodge appeals. **The established procedure for CSO participation in all phases of the public funding cycle shows that legislation is not in line with standards.** When it comes to conducting open calls for funding civil society projects, there is no explicit obligation to include CSO representatives in the membership of the body that evaluates project applications. Furthermore, there are no specific legal provisions indicating a requirement for consultations with CSOs in any part of the open call process. **A partially enabling environment has been noted when it comes to responding to the needs of CSOs within available public funding.**

Consolidated data from the open calls database TBA

Level of government	2021	2022	Increase/decrease in allocation
Central gov't	912,080,534 RSD (7,745,257 EUR)	TBA	TBA
Provincial gov't	135,056,296 RSD (1,146,661 EUR)	TBA	TBA
LSGs	1,308,850,969 RSD (11,112,469 EUR)	TBA	TBA

### 2.2.2. Public Funding Distribution

**Legislation partially meets standards when it comes to the procedure for distribution of public funds being transparent and legally binding.** The central regulation prescribing the procedure for conducting open calls does not contain clear sanctions in case its provisions are violated. Furthermore, the criteria for project selection are set out in a very

general way, resulting in increased possibilities for arbitrary decision-making. The criteria for determining public interest have not been defined thus far, and neither has an unified procedure for submitting appeals. **A partially enabling environment has been identified when it comes to clear procedures addressing issues of conflict of interest in decision-making.** Members of the project evaluation commission are obliged to sign a statement that they have no private interest in the work and decision-making of the commission, but a clear definition of what constitutes conflict of interest is missing. **Practice partially meets standards when it comes to information relating to the procedures for funding and information on funded projects being publicly available.** The Ministry of Human and Minority Rights and Social Dialogue maintains an electronic calendar of public calls intended for financing CSOs in the current year. In 2021, the Ministry reported that it has created a new electronic application in order to facilitate the collection of data from public administration bodies for the purposes of this calendar. However, it was planned that the eCalendar would contain information on the results of conducted public calls, including basic data on supported projects/programs and beneficiaries, but this functionality still hasn't been developed. **With regard to following procedural rules, CSOs' experience and the demonstrated practice of implementing public calls points to a disabling environment.** In February 2022, the Coalition "Openly About the Open Calls - OKO" alerted the public that the open call conducted by the Ministry of Education, Science and Technological Development for the financing of projects important for pre-university education, foresaw the distribution of funds to CSOs that had previously been involved in illegal or disputed open calls. Also, the number of points received by individual projects, the total number of received applications, as well as which formal or other criteria were not met by the organizations whose projects were not proposed for financing were not published in the list. According to the preliminary ranking list, the largest amounts per project, over 2,000,000 RSD (17,000 EUR), were allocated to the projects of five organizations that had previously been involved in the open call organized by MLEVSA in 2014, which was annulled due to abuses after the reaction of civil society organizations, and in relation to which a criminal complaint was filed against an unknown person in that Ministry for abuse of office. In response to this press release, the Ministry of Education sent the Coalition a letter in which it officially dismisses the complaint on the grounds that the Coalition did not participate in the open call. **Another continued problematic practice is the allocation of money to church communities, religious boards, monasteries and other religious organizations through open calls for civil society projects.**

Consolidated data from the open calls database TBA

### 2.2.3. Accountability, Monitoring and Evaluation of Public Funding

**The legally prescribed procedure for distribution of public funds wasn't changed in the past year, and stays in line with standards.** The approved funds can be used exclusively for the implementation of a specific program, in accordance with the contract signed, and funding recipients are obligated to submit narrative and financial reports according to the dynamic prescribed in the central regulation. These reports, as well as submitted project applications, are not publicly available, and institutions regularly refuse to provide them in response to FOI requests, which hinders public oversight of state funding distribution. There is a prescribed possibility (but not an obligation) to evaluate the effects of the provided project funding, as well as partially prescribed sanctions for CSOs that misuse funds, which are proportional to the violation. However, a detailed explanation and clear conditions for initiating the mentioned procedure are missing. **When it comes to regular evaluation of the effects/impact of public funding and its availability, the environment has been**

**assessed as disabling.** Periodic reports on state funding effects weren't published on the web sites of any of the core distributors of funds for CSOs during 2022 (MYS, MLEVSA, MFA, Ministry of Family Care and Demography). With regard to the 2021 open call conducted by the Ministry of Family Care and Demography, where over a million EUR were distributed to 5 connected CSOs in the same suburban neighborhood of Belgrade, the Coalition "Openly About the Open Calls - OKO" issued a FOI request to the Ministry asking for the evaluations of funded projects. Despite two decisions by the Information Commissioner stating that project evaluations and other documentation related to open calls represent information of public importance regarding which the public has an "increased interest", as they concern the spending of public funds, no response was received from the Ministry during 2022.

#### 2.2.4. Non-Financial Support

**No changes were made in the legal framework which regulates the possibility for state authorities to allocate non-financial support to CSOs.** The Law on Public Property defines CSOs (among other legal entities) as the holders of property rights and users of real estate in the public domain on the basis of a concession, or in other cases prescribed by law. **The situation is the same, or similar, with regard to providing non-financial support under clearly prescribed processes, based on objective criteria.** The assemblies of local self-government units make decisions on the rent for the premises they own, or in relation to which they have special ownership powers. In most cases, these decisions foresee a reduction in rent for associations whose activities aimed at helping children or PWDs, associations working in the fields of health, culture, education, sports, etc. There are no further elaborations, nor are there any other legal provisions in this regard. **However cases were recorded of authorities breaching procedure when it comes to the provision of non financial assistance.** A CSO from Bački Petrovac was issued an order to vacate the premises of a municipal building they had been using since 2015 based on a decision by which the premises' purpose "can be non-profit, by giving it for free use to a non-commercial entity, for a limited period of time, on the condition that it reconstructs and equips the building and organizes or performs socially responsible youth activities in the building in accordance with modern standards." In December 2022, with no prior warning, they received a letter from the municipality asking them to return the premises to the possession of the municipality. The municipality has not responded to any of their requests for clarification. **The Ministry for Human and Minority Rights and Social Dialogue continues to provide different services to CSOs as a form of non-financial assistance.** Examples include preparing and announcing publications and brochures, informing on relevant changes in legal framework, establishing dialogue with the public sector, and strengthening CSO capacities. As was the case in 2021, several financial measures that CSOs were eligible for, but which were aimed more broadly at all employers/commercial subjects were enacted, such as the state covering a portion of employees' wages, and the option to delay/defer the payment of taxes and fringe benefits on employee salaries. No specific instances of systemic non-financial support were recorded, barring the services provided by the Ministry for Human and Minority Rights.

## Sub-area 2.3. Human resources

### 2.3.1. Employment in CSOs

When it comes to treating CSOs in an equal manner to other employers when it comes to laws and policies, legislation is partially enabling. Although the main labor laws don't treat CSOs differently than other legal entities (neither as employers nor their employees), CSOs are regularly not explicitly cited as beneficiaries of employer-oriented labor market policies and incentives. Regular statistics on the number of employees in the non-profit sector can be compiled, but they are not publicly available and there is no state body responsible for maintaining and publishing them. The Central Registry of Compulsory Social Insurance collects and analyzes data on registered applications for compulsory social insurance for taxpayers who have the status of associations, foundations and endowments, however, they do not publish this information, and neither does any other state body. There is no systematic, comprehensive data on volunteers, volunteer hours or monetary value of volunteer work. Some data is being collected by MLEVSA, in accordance with the Law on Volunteering, which maintains a publicly available register of volunteering organizers. However, the register is not up to date.

### 2.3.2. Volunteering in CSOs

Legislation is not in line with standards when it comes to stimulating volunteering. The Law on Volunteering contains the necessary minimum provisions for the protection of volunteers and their organizations and leaves other issues for the parties to define. It does not prevent spontaneous volunteering, but does not explicitly provide for spontaneous volunteer practice. The central problem with the current framework, as identified in the ex post analysis conducted in 2020, as well as in earlier analyses conducted by CSOs, is that volunteering is not treated as a social value, but as unpaid labor. Other concerns are the lack of an adequate definition of volunteering, over-regulation and unjustifiably high administrative obligations, in addition to a lack of incentives for volunteers (and volunteering organizers), as well as the inconsistency of the Law on Volunteering with other laws that presuppose voluntary engagement. Furthermore, there is no framework in place that would allow for volunteering experience to be adequately recognized and valued by a competent body. The Draft Law on Volunteering, which was prepared and put up for public debate in 2021, has not been adopted. In late 2022, members of the original Working Group, which included CSO members, were reappointed to the Working Group following the formation of a new government. Work on the Law is expected to resume in 2023.

### 2.3.3. Non-Formal Education

Non-formal education is partially promoted through laws and strategic documents. Non-formal education is recognized by the legal framework in the area of education, and no significant changes have been made during 2021. Citizens' associations are equal to other types of subjects in that they can be recognised as organizers of adult education activities if they are appropriately registered, fulfill the prescribed standards and obtain approval from the competent Ministry. The Strategy for the Development of Education in Serbia until 2030, which was adopted in 2021, contains several measures aimed at improving the quality and accessibility of non-formal education. However, while there will be a CSO representative in the Working Group which will monitor its implementation, the role of civil society in achieving the goals set out in the Strategy is not recognized. On the other hand, CSOs' role in encouraging non-formal youth education in the youth sector and developing the quality of informal youth education is recognized by the Law on Youth, as well as policy documents such as the Ex-Ante and Ex-Post Analyses of the National Youth Strategy. **Civil society-**

**related subjects are partially included in the official curriculum at all levels of the educational system, however, their importance is not sufficiently recognized.**

Civic Education or Education for Democracy and Civic Society has been a part of the official education system for more than 19 years. It is implemented as a compulsory optional subject, included in the curriculum of elementary and secondary schools, which covers important social topics, such as human rights, the importance of civic activism and the work of the civil sector. The second phase of the evaluation of the civic education program in Serbian schools was completed in 2022 by the Institute for the Advancement of Education, and has shown that teachers appreciate the reformed civic education program, however they lack the capacity to fully implement them. In 2022, Civic Initiatives conducted seminars at the pedagogical faculties in Vranje and Jagodina in order to build the capacities of future teachers. The National Youth Council of Serbia's Alternative report on the position and needs of young people in Serbia for 2022 has shown that 59% of young people support the introduction of civic education as a mandatory subject in schools.

## Area 3: Government-CSO Relationship

### Sub-area 3.1. Framework and practices for cooperation

#### 3.1.1. State Policies and Strategies for Development of and Cooperation with Civil Society

**In February 2022, the Government adopted the Strategy for the creation of an enabling environment for the development of civil society in the Republic of Serbia for the period 2022-2030.** The Strategy provides the legal and institutional framework necessary for civil society organizations, in order for them to act independently and unhindered and to be encouraged towards greater participation in reform processes. Until then, Serbia was the only country in the region without a comprehensive document dealing with the enabling environment for the development of civil society. **The document itself was drafted in a contentious and problematic process, and in part fails to adequately address challenges faced by CSOs in Serbia.** The process of developing the strategy was boycotted by a significant portion of civil society, which represents a worsening in intersectoral cooperation. Despite this, work on the document continued throughout 2021, with involvement from CSOs that did not take part in the boycott. There were many omissions in the process of adopting the Strategy. The Strategy, which is firstly meant to cover the period from 2021 to 2030, was not adopted by the end of the year 2021, and was not put up for public debate prior to its adoption, despite objections from the Public Policy Secretariat. In the section listing key challenges, the Strategy states that the public and citizens have an “unnecessarily very negative” perception about the work of civil society, due to them being uninformed on the work of CSOs, and negative campaigning led by “interest groups”. Despite being drawn attention to by numerous relevant international bodies, the case of “the List” is only mentioned in a footnote. The Strategy in no way acknowledges the role of the government in creating a negative perception of CSOs and a hostile environment for civil society operations. Furthermore, the Action Plan for implementing the Strategy for 2022-2023 was only adopted in September 2022, which is not in accordance with the Law on the Planning System. **As regards state policies and strategies for civil society being devised based on comprehensive data, the environment is partially enabling, with basic data on CSOs being available through financial reports submitted annually to the SBRA.** However, the lack of consolidated data on and related to the civil sector, as well as regularly updated and publicly available data collected and analyzed by relevant authorities, and the lack of obligation for public announcement of associations founders’ names or even official e-mail addresses are still seen as some of the biggest challenges to cross-sector operation.

#### 3.1.2. Institutions and Mechanisms for Development of and Cooperation with Civil Society

**There have been some developments in the institutional mechanisms for cooperation with civil society in 2022.** As part of the new Government, which was formed in November 2022, the Ministry of Human and Minority Rights and Social Dialogue (previously the Government Office for Cooperation with Civil Society, which was abolished in 2020) was designated as the Ministry competent for civil society for the second time. In June 2022, the Ministry initiated a consultation process with civil society organizations regarding the

establishment of the **Council for Cooperation and Development of Civil Society**. Two meetings were held with representatives of civil society organizations, after which it was agreed that the organizations would hold internal consultations and send the proposal to the Ministry with suggestions on how to define the mandate, method of election and composition of the Council. **The consultation resulted in a proposal supported by 57 organizations, which was sent to the Ministry at the beginning of October.** By the end of the reporting period, no response was received from the Ministry. Another relevant mechanism is the National Convention on the EU (NCEU). The NCEU is a permanent body for thematically structured debate on Serbian accession into the EU, between representatives of the governmental bodies, political parties, CSOs, experts, unions, and representatives of the private sector and professional organizations. It gathers more than 720 members, who are working through 24 working groups, including two intersectoral groups. The mechanisms that are still in a non-functional state are SECO mechanism and The Philanthropy Council which has remained in a frozen state since 2020.

## Sub-area 3.2. Involvement in policy- and decision-making process

### 3.2.1. Standards for CSO Involvement

**There are clearly defined standards regarding the involvement of CSOs in policy and decision making processes.** The provisions and standards that enable CSOs to participate in decision making processes are available in several different laws and by-laws. **Since parliamentary elections were held at the beginning of April, from February to the end of October 2022 the Parliament was dissolved, and there was very little legislative activity. Legislation only partially meets standards when it comes to providing training for civil servants on CSO involvement in state policies.** The National Academy of Public Administration is the central institution of the system of professional development in public administration in the Republic of Serbia, with the status of an officially recognized organizer of informal adult educational activities, which includes training on CSO involvement. The Ministry of Human and Minority Rights maintains a database of contact points for cooperation with CSOs. It numbers a total of 275 public servants, and the number remains the same as in 2021. During 2022, a total of 10 calls for public debate regarding the adoption of new laws, strategies and action plans were published according to the data from the "eConsultations" portal. On the web-site of the National Assembly it is stated that 58 laws (of which 36 were adopted by the new Parliament, which was constituted in August) and 51 decisions were adopted in 2022. According to the Open Parliament database, in 2022, 15 laws (8,7 %) were adopted by urgent procedure. **Practice still indicates that CSOs are only partially provided with adequate information on the content of the draft documents and details of the consultation in sufficient time to respond.** In December, the Ministry of the Interior abruptly put up six draft laws for public debate, containing among others highly contested provisions relating to widespread biometric surveillance, as well as the collection and confidential, permanent storage of sensitive personal data in relation to combating terrorism and organized crime. Almost simultaneously, the Ministry of Justice began the public debate on five laws implementing a comprehensive reform of the Serbian judicial system, which had also previously been criticized by CSOs. The public debates on these eleven complex and systemic laws were to take place concurrently, over the winter holidays. **Practice is also partially harmonized with standards regarding written feedback on the results of consultations.** There is no unique publically available evidence of summary reports on consultations held, including CSO inputs sent and feedback provided. The portal "eConsultations" was launched in December 2021, and was meant to improve citizen participation in decision-making processes, through enabling them to access all documents that are up for public debate, leave comments and suggestions, and view written feedback on consultation results. However, there are still issues with the functioning of this portal, and no comments or written feedback are available on any of the listed documents, even though public debates on them were concluded.

### 3.2.2. Public Access to Draft Policies and Laws

**Practice with regard to publishing draft and adopted laws and policies partially meets standards.** All adopted laws can be accessed free of charge by citizens via the National Assembly web page and the online database of the Legal Information System of the Republic of Serbia. **Practice can be assessed as only partially enabling when it comes to responding to requests for access to information of public importance.** According to this institution's monthly reports, the Commissioner for Information of Public Importance and Personal Data Protection received 13,011 cases in the field of free access to information in 2022. The Commissioner received 9,147 complaints in 2022, which is a decrease of 76.5% compared to the number of complaints received in 2021. A total of 8,702 complaints were resolved in 2022. In most cases, complainants were citizens, lawyers, civil society

organizations and other associations and media. **A partially enabling environment has also been identified when it comes to sanctions for the violations of the law.** In the last year, the Commissioner received 118 requests for administrative enforcement of his decisions, and forwarded 53 requests to the government to enforce the decisions.

TBA further data upon publication of the Commissioner's annual report.

### 3.2.3. CSOs' Representation in Cross-Sector Bodies

**Existing legislation partially requires public institutions to invite CSO representatives on to different decision-making and/or advisory bodies created by public institutions.**

The Guidelines for CSOs' Involvement in Working Groups for Drafting Public Policy Documents and Draft Regulations regulate this area. The Guidelines as a non-binding act propose principles and procedures for appointing representatives of CSOs to working groups for drafting public policy documents and regulations. Their purpose is to direct the work of state administration bodies towards further enhancing the involvement of civil society organizations in the processes of drafting regulations and public policy documents.

**Practice is still partially met when it comes to CSOs being included in decision-making and advisory bodies on issues and policies relevant for civil society.**

The Guidelines contain an obligation for the Ministry of Human and Minority Rights and Social Dialogue to monitor their implementation and publish an annual report on the results. As a rule, the annual report contains statistics on working groups that have been formed, total involvement of CSOs in working groups, as well as other ways of CSO involvement and recommendations for improving the consultation process. No such report has been published by the Ministry to date. **There have been recorded cases of CSOs being excluded from processes of developing relevant legislation.** On December 8, 2022, with no prior announcement, the Ministry of Internal Affairs published a set of six draft laws for which the public debate procedure was to be conducted over the winter holidays. The public debate was set to end on December 31, after which the drafts would no longer be open for comments. This left interested parties with little time to review, let alone give meaningful comments on hundreds of pages of legislation, the nature of which is such that they could have a severe negative impact on civic space and human rights in Serbia. In particular, three proposed laws (The Draft Law on Internal Affairs, The Draft Law on Data Processing and Records in the Field of Internal Affairs, and the Draft Law on Amendments to the Law on the National DNA Registry) contain provisions that pose a significant threat to civic space on the basis of countering terrorism. According to CSO comments, the new Draft Law on Internal Affairs is virtually identical to the one proposed in 2021, then withdrawn following public backlash, despite the fact that multiple meetings between the Ministry and CSOs were held in the meantime, with the aim of improving these provisions through input from civil society. Additionally, none of the CSOs involved in the consultative process were informed that a new Draft was ready, or that it would be put up for public debate.

## Sub-area 3.3. Collaboration in service provision

### 3.3.1. CSO Engagement in Service Provision and Competition for State Contracts

**Existing legislation allows CSOs to provide services in various areas, such as education, healthcare and social services, which is in line with standards.** Most of the main laws regulating this have remained unchanged, and an enabling environment has also been assessed when it comes to barriers to providing services that are not defined by law.. **Existing legislation partially meets standards regarding additional burdensome requirements on CSOs compared to other service providers.** According to the Law on Social Protection, CSOs are allowed to provide innovative services, and they are not subject to stricter requirements when compared to other service providers. CSOs may provide activities in the field of social protection, precisely individual social protection services. **CSOs are partially able to obtain contracts in competition with other providers and are engaged in various services.** TBA data on public procurement. CSOs make up the majority of providers of social services, followed by local self-governments. There has also been a documented increase in the participation of CSOs in the provision of social protection services, compared to those in the public sector. When it comes to free legal aid, reports continue that local-self governments do not refer citizens to CSO providers through official channels, and that citizens that come to them for free legal assistance are usually referred to them verbally by social protection agencies, police, or other NGOs.

### 3.3.2. State Funding for CSO-Provided Services

**The budget partially provides funding for various types of services which could be provided by CSOs, including multi-year funding.** The state budget, as well as local budgets and financial plans, provide funds for financing various types of services provided by CSOs. The budget provides a specific budget line intended to finance the provision of social protection services: 472 -(Social Protection Provisions from the State Budget), but there has been a recorded practice of services instead being financed through the budget line 481 - (Donations to NGOs). The total amount of funds planned to be allocated in the 2022 budget from line 472 was 1,024,914,865 EUR, which is an insignificant increase compared to 2021. The total amount of funds planned for CSO support from the budget line 481 in 2022 was 94,580,272 EUR. When it comes to legal barriers to CSOs receiving public funding for the provision of different services, legislation is in line with standards. **However, when it comes to receiving funds for services, a disabling environment has been assessed.** CSOs in the social protection field continue to report that personal assistance services are very inaccessible to people with disabilities and receive little government funding. Based on the experience of organizations working in this field, most PWDs who require it are redirected to more accessible home care services that are cheaper, but do not provide conditions for more independent living. According to most recent data, personal assistance services in Serbia are available in around 30 out of 145 municipalities, and the majority of service providers are from the general sector, and mostly CSOs. Novi Sad is the only city that finances assistance in accordance with real needs, while in the others, minimal assistance is financed from four to eight hours a day. In 2022, the initiative "Nauči me" from Niš researched the accessibility of the service of personal companions for children with disabilities across 15 schools in the Niš area, finding that parents are often forced to perform this service due to lack of funds from the local self-government. To that end, they issued a policy proposal to the local self-government, advocating for the creation of a unique database on children with developmental difficulties or disabilities in Niš. On the basis of that initiative, as they say, local self-government representatives would make decisions regarding social policies.

### 3.3.3. Procedures for Contracting Services

**Legislation is in line with standards when it comes to clear and transparent procedure through which the funding for services is distributed among providers.** The control procedure is foreseen in the Law on Public Procurement and The Rulebook on the Close Regulation of the Public Procurement Procedure. None of this legislation has undergone changes in 2022. **Unfortunately, a disabling environment has been identified when it comes to the lead criteria for selection of service providers.** According to Articles 132 and 133 of Law on Public Procurement, the criteria for selecting service providers are given alternatively, and are as follows: price, cost-effectiveness and price-quality ratio. Many CSOs that work in the area of disability rights have highlighted this as not being in line with international conventions on the rights of persons with disabilities and other international standards. Namely, the fact that social services are funded through public procurement contracts, for which legislation prescribes that the contracting authority has to prioritize cost and cost-effectiveness when deciding on bids, results in service providers who offer their services at the lowest price being prioritized. This results in a poorer quality of necessary services relating to healthcare, social protection and independent living being available to PWDs. On the other hand, project co-financing allows for funds to be distributed based on more appropriate criteria, but the current legal framework mandates that this funding mechanism can only be used to fund individual projects, and using this model for funding social services would not be able to provide for the continuous funding of necessary services. **Unfortunately, practice related to the fairness of contract allocation in the provision of social services is often unfair and untransparent.** In July 2022, the association “Women for Peace” from Leskovac published an open letter reporting that the city had allocated funds for the operation of an SOS line for women victims of domestic violence to a newly established CSO whose legal representative is a twice-convicted perpetrator of domestic violence. In response, they were subject to harassment, death threats, and false criminal reports alleging their involvement in organized crime. The pressures they were faced with were so severe they prompted a reaction from the UN Special Rapporteur on the Situation of Human Rights Defenders.

### 3.3.4. Accountability, Monitoring and Evaluation of Service Provision

**Legislation partially satisfies standards when it comes to the possibility for monitoring both the spending and quality of service providers.** The control procedure is prescribed by the Law on Public Procurement and the Rulebook on Regulation of the Public Procurement Procedure. The Law on Free Legal Aid prescribes control over the conscientiousness and professionalism of the provision of these services. In June 2021, the Government established a Council for Monitoring the System of Free Legal Aid and Free Legal Support, which includes representatives of service providers. However, there is no further information on the Council's activities. **Legislation contains clear quality standards and monitoring procedures for services, which is in line with standards.** The Law on Social Protection prescribes the obligation to determine the minimum standards for social protection services, continuous professional development of social care providers and accreditation of training and service programs. Similar provisions exist for providing consumer protection services, as well as free legal aid, with clear criteria which envisages the possibility for CSOs to be deleted from the relevant register if they don't act with due diligence, or if they fail to comply with reporting obligations. **There have been no recorded cases of CSOs being subjected to excessive control, which is in line with standards.** Furthermore, CSOs report that control carried out by relevant state authority during service provision is lacking.

