

The Government of the Republic of Serbia, the Serbian Association of Employers, the Confederation of Autonomous Trade Unions of Serbia and the 'Nezavisnost' Trade Union Confederation (hereinafter: Participants in the Agreement), proceeding from a position that social dialogue represents the foundation of achieving common goals of development and successful resolution of common problems, and that it is not possible without both working and assuming responsibility together to mitigate the negative consequences of the economic crisis or secure the economic and social progress of Serbia in 2011, have on this date 29th April 2011 concluded the following

SOCIO-ECONOMIC AGREEMENT for the year 2011

as a basis for partnership in resolving essential questions of economic and social policies and participation in implementing the fundamental aims and priorities of economic policy.

The Participants in the Agreement hereby undertake to work together to achieve the following aims in 2011:

1. creating the necessary conditions for economic growth by upgrading the business milieu and increasing the competitiveness of the Serbian economy, while preserving existing employment levels and macro-economic stability;
2. making the benefits of economic progress available to all citizens, while securing better protection of the rights provided by the law to all participants in the market;
3. implementing measures aimed at increasing economic activity and protecting socially vulnerable categories of the population, fully cognizant of the financial possibilities and capacities determined by the Budget;
4. implementing the reforms which are needed for a successful realisation of the process of European integrations in 2011, mindful of the realistic capacities of the economy to implement the necessary reforms.

The Participants in the Agreement hereby undertake jointly to implement in the shortest possible term towards the implementation of the agreed tasks, each in its own sphere of activity, the following measures:

The Government of the Republic of Serbia

1. Adoption of concrete measures to stimulate production by investments in high-priority sectors worth 35.4 billion dinars, and granting over 17.7 billion dinars in credit funds of the Development Fund, as well as 4.6 billion dinars for the creation of new jobs to domestic and foreign employers;

2. Supplying the market with the most important food products (flour, milk, meat, edible oil, sugars etc.) and fuels at stable prices, in which process the Government will intervene in the event of a disruption of the balance between the market prices of these products and employed persons' earnings;
3. Providing incentives for the development of agricultural production by adopting a comprehensive agrarian plan by the end of May which includes a system of subsidies aimed at increasing yields and a higher degree of finalisation of products, an alteration of the agrarian structure and investment in the development of livestock raising, especially in the country's underdeveloped areas;
4. Support for the export-oriented sectors of the Serbian economy by establishing a Development Bank by the end of the year;
5. Determining, no later than the end of June, the dynamics of fulfilling the obligations the state and other public institutions have to employers for the performance of works and services rendered, as well as work on harmonising legislation in respect of financial discipline;
6. Defining a proposal for increasing the amount of the non-taxable part of earnings, by the end of June, with the approval of the Socio-Economic Council;
7. Granting precedence to domestic enterprises in public procurement procedures, in accordance with the law;
8. Covering unpaid contributions to the Pension and Disability Insurance Fund, from 2011 Budget funds, for the 1st January 2004 – 31st December 2010 period;
 - 8a. Extending the validity of health insurance cards to all employed persons (who have paid health insurance contributions for the current periods but have arrears), in accordance with the law;
9. At the expiry of the current General Collective Agreement, negotiations will be initiated on the contents of a new one;
10. Implementation of concluded collective agreements by adopting a decision on an extended effect;
11. Increasing the minimum wage, without tax and contributions, from the current 95.00 dinars (net) to 102.00 dinars (net) per hour of work for the June-December 2011 period;
12. Additional social protection of population groups which have difficulty finding work or are otherwise vulnerable by implementing a new Law on Social Protection, for the development of services of social protection and assisting employment in 82 of the least developed municipalities (Group 3 and Group 4 on the development scale) in an amount of 400 million dinars, and for persons with disabilities in an amount of three million euros;
13. Adoption, by the end of June, of a Draft Law on Revisions of the Law on Contributions for Mandatory Social Insurance under which women who are entrepreneurs who use maternity leave but continue performing their business activity through a supervisor are not forced to pay contributions for pension and disability insurance twice;
14. More effective protection of the rights of all market participants, employees and employers, and upgrading inspectorial controls in all sectors of the commercial milieu, in which process in the area of labour law, local labour inspectorates will organise once a month meetings with trade unions and employers and resolve outstanding problems;

15. New laws will be adopted or existing ones revised (The Law on Economic Enterprises, Revisions of the Law on Payment Operations, Revisions of the Law on the Conveyance of Goods in Road Transport and others) by the implementation of the Comprehensive Reform of Regulations ('Guillotine'), saving considerable financial resources for the economy and employers;
16. The submission of all drafts of laws and other regulations of importance for the economic and social status of employed persons and employees to the Socio-Economic Council, before they are reviewed and adopted by the Government;
17. Implementation of the Law on Funding Local Self-Government in respect of the determination of the maximum amounts of municipal taxes;

Employers

1. Corporate social responsibility;
2. Observance of collective agreements;
3. Conclusion of branch specific collective agreements in the metal-processing, chemical, non-metals and catering sectors by the end of June, and finalisation of negotiations on the remaining collective agreements by the end of the year;
4. Active participation in the process of adopting laws and other regulations which affect doing business;
5. Using all available measures and incentives to protect existing jobs;
6. Regular payment of wages and mandatory social insurance contributions;
7. Formation of socio-economic councils at municipality and city levels by the end of October;

Trade unions

1. Social responsibility in the activities of employed persons;
2. Active participation in the process of adopting laws and other regulations which affect the material and social status of employed persons;
3. Active participation in approving subsidies for economic enterprises;
4. Observance of collective agreements;
5. Conclusion of branch specific collective agreements in the metal-processing, chemical, non-metals and catering sectors by the end of June, and finalisation of negotiations on the remaining collective agreements by the end of the year;
6. Commitment to resolve all problems through dialogue without undertaking any form of social action;
7. Formation of socio-economic councils at municipality and city levels by the end of October;

The Plan for Implementing the Socio-Economic Agreement

The Participants in the Agreement agree to determine for each measure or task, whenever it is deemed necessary, the following:

1. concrete activities to be undertaken to realise goals that have been set
2. an evaluation and testing of the effects of all measures adopted once a month at meetings of the Socio-economic Council, at which times the agreement may be revised

Confederation of
Autonomous Trade
Unions of Serbia

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President

‘Nezavisnost’ Trade
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Branislav Čanak
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