

Response of the Social Inclusion and Poverty Reduction Unit of the Government of the Republic of Serbia to:

2017 ECOSOC Integration Segment: Making eradication of poverty an integral objective of all policies: what will it take?

Millennium Development Goals (MDG) have been high on the agenda of the Government of the Republic of Serbia since 2000. Embarking on a thorough social development process, **the Government of the Republic of Serbia relied on MDGs as guidelines in the process of developing the national Poverty Reduction Strategy (PRS)**. The Poverty Reduction Strategy was adopted in 2003 and was based on the premise that poverty as a problem that must be tackled as an integrated issue, placing it within a broader framework of national development and the European integration process. The Strategy was a first multisector national strategy, with high ownership of all national and local stakeholders, the academic and business community, social partners and civil society.

The Strategy was developed through a participatory and consultative process, and its implementation was coordinated by the Government's Poverty Reduction Strategy Implementation Focal Point, who introduced stronger planning, monitoring and reporting mechanisms. Also, non-government stakeholders (civil society, academic community and international partners) were duly involved in the process. Regular national reports on poverty reduction took into account ex-post and ex-ante impact analysis of relevant policies, introducing a concept of evidence-based policy making. By 2008, Serbia attained its target of halving the number of the poor as measured by the absolute poverty line. This went hand in hand with unemployment reduction until 2009.

However, the situation deteriorated with the onset of the economic crisis, the unemployment rate grew as a result of the crisis, as did the number of the poor. In addition, specific social groups are still affected by poverty to an above-average extent compared to the overall population. As in other countries, economic indicators have recorded a decline. As a result, the pressure on public expenditures is increasing, as is the challenge of achieving more with the same or lower level of resources. Despite decreasing unemployment remains the main cause of poverty and social exclusion in Serbia. The most vulnerable groups of population are children and youth, the elderly (over 65), the rural population, persons without education, the Roma, refugees and internally displaced persons.

In the absence of an overall poverty reduction strategic document as of 2009, the strategic framework of the Republic of Serbia tends to be fragmented. In the context of the European integration process, there are new strategic documents which strive to make cross-sector approach to the identification of policies and measures targeting the most deprived population:

- The Economic and Social Reform Programme (ESRP) is a document setting the dialogue on the priorities in the areas of social policy and employment and is modelled after the Europe 2020 strategy. It creates cross-sector links between employment, social policy, education and healthcare policies:

- The Economic Reform Programme (ERP) sets out the structural reforms which are to be achieved in the context of an economic recovery of the country. As a poverty reduction tool, the document introduces the mechanism of *Social Impact Assessment*, looking into the effects of structural reforms on the most vulnerable population. The Republic of Serbia is the first non-EU country to apply this European Commission methodology, and will transfer this knowledge to other countries in the region within the regional Employment and Social Affairs Platform led by the Regional Cooperation Council.

There are a number of sector strategies indicating the commitment of the Government to tackling the issues faced by the most deprived groups of population – the Gender Equality Strategy, the Strategy for the Social Inclusion of the Roma Population and the coming Strategy for the Advancement of the Status of Persons with Disabilities. In spite of the increasing quality of the strategies, the challenges of their implementation, in particular on the local level, remain.

A notable improvement in the coordination of policies in the field of social inclusion and poverty reduction in the Republic of Serbia is visible over the past decade. The Social Inclusion and Poverty Reduction Unit (SIPRU) in July 2009 was established to strengthen Government capacities to develop

and implement social inclusion policies based on good practices in Europe. Furthermore, the SIPRU provides support to the Government to coordinate, monitor and report on the efforts of the Government of Serbia in the field of social inclusion. The effects of such a unit are the establishment of a monitoring system based on social inclusion indicators, more integrated social inclusion policies, strengthened and development capacities of public administration to implement and report on the social inclusion process.

Although high on the Government agenda, there is a need for a better coordinated implementation of policies, as the competences of individual institutions remain fragmented. New cross-sector mechanisms facilitating a better coordination on the Government level include: Coordination Body for Gender Equality, Coordination Body for Roma Inclusion, the foreseen Working Group for the Implementation of the ESRP. Similar bodies in the past have proven to be useful mechanisms in terms of monitoring and coordinating specific issues which require attention of multiple stakeholders, such as the PRS Working Group on Poverty Measurement which expired after the monitoring framework was set up.

Civil society and other external stakeholders are increasingly involved in policy-making processes, in particular in the context of EU integrations, the achievement of objectives identified in the negotiation chapters and the programming of Official Development Aid (ODA). Civil society and local government representatives are involved in a number of working groups and coordination mechanisms, including higher participation in public debates and consultation about strategic and legal instruments. Civil society are becoming equal participants in the provision of services. However, these processes tend to be uneven in particular in terms of definition of standards for participation and introduction of good governance principles in general.

Implementation, coordination and monitoring of poverty reduction and social inclusion policies on the local level are considerably more challenging. New local mechanisms tasked with the coordination, implementation and/or reporting are set up in different sectors, such as local economic offices, youth offices, Roma coordinators and inter-sector committees for providing additional support for children. There have been attempts to create integrated services on the local level and better synergies between service providers in order to create more value for their clients.

There is a need for a more efficient utilization of resources in the field of social protection and a better targeting of end beneficiaries, in order to maintain a similar financial scope for these purposes, taking into account the need for development of other policies aimed at the economic recovery of our country.

The Sustainable Development Goals (SDGs) reflect new and emerging risks in areas of relevance for poverty reduction and social inclusion. A Government Inter Ministerial Working Group has been established to monitor the implementation of the SDGs and set national priorities as well as adopt a new national Strategy for sustainable development..

Also, the European integration process represents an opportunity for establishing a more comprehensive poverty reduction framework. For example, an ex-ante conditionality for the coming European Structural Funds (ESF) envisions a national strategic framework which will contain a solid monitoring framework and measures promoting inclusion measures and community-based interventions.

In order to align more effectively the international, national and local policy frameworks for poverty reduction, there is a need for **a more constructive exchange of knowledge and transfer of good practices both globally and locally.** Introducing focal points on all three levels (international, national and local) and their networking would help this exchange of experiences and knowledge. Highlighting that poverty reduction measures are beneficial for society rather than a cost could improve the ownership and stake of all members of society in these processes. Also, enabling a comparison of relevant indicators and good practices among countries sharing the same level of institutional and economic development would be useful.