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Monitoring Report:

The
Principles
of Public
Administration

SERBIA

May
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LIST OF ABBREVIATIONS AND ACRONYMS

ABR	Agency for Business Registers
CSL	Civil Service Law
EC	European Commission
eIDAS	Electronic Identification & Trust Services for Electronic Transactions in the Internal Market
EU	European Union
GBS	Government Service Bus
HR	human resources
HRM	human resource management
HRMS	Human Resource Management Service
HRMIS	Human Resource Management Information System
ICT	information and communications technology
LGAP	Law on General Administrative Procedures
LSA	Law on State Administration
MoE	Ministry of Economy
MoI	Ministry of Interior
MPALSG	Ministry of Public Administration and Local Self Government
NALED	National Alliance for Local Economic Development
NAPA	National Academy for Public Administration
OECD	Organisation for Economic Co-operation and Development
OPM	Office of the Prime Minister
PAR	public administration reform
POS	point-of-sale
PPS	Public Policy Secretariat
PSHRM	public service and human resource management
RIA	Regulatory Impact Assessment
SAI	State Audit Institution
SISD	Strategy for Information Society Development
WCAG	Web Content Accessibility Guidelines

INTRODUCTION

This 2019 SIGMA Monitoring Report focuses on two areas: public service and human resource management (PSHRM), and service delivery. Comprehensive assessment of all areas of public administration reform (PAR) in 2017 showed that in the area of PSHRM little progress had been made, and the assessment highlighted a number of challenges to be tackled. In the area of service delivery, the 2017 report identified some progress and visible improvements, but it also highlighted that provision of services to citizens and business could be substantially improved by full implementation of key horizontal initiatives and by better co-ordination.

This report, which follows up on the 2017 analysis and recommendations, first provides an overview of the state of play and main developments. It then presents a detailed analysis of each of the four Principles in the service delivery area of the *Principles of Public Administration*[1] and of the first six Principles in the PSHRM area, measured against the indicators of the *Methodological Framework for the Principles of Public Administration*[2]. Finally, the report closes with key recommendations.

Indicator values are compared with the 2017 Monitoring Report[3]. Although this report is part of a regional series, no regional averages are presented for the 2019 indicator values because this round of assessments was designed to perform detailed evaluations of a limited number of areas only, rather than to carry out full comparative overviews[4].

In the area of PSHRM, values for five out of seven indicators have improved compared with the 2017 assessment. This signals progress in the PSHRM area, but is also the result of thorough preparation and collection of the required assessment data, which were missing in 2017. These improvements are mainly the result of a recently amended legal framework, although the full effect of implementation is yet to be seen.

The service delivery area improved significantly in the 2015-2017 period, with notable progress in completing the legal framework for digital government reforms, putting some key enablers in place for service delivery, and simplifying administrative procedures. Three indicators out of four rose during 2017-2019.

SIGMA draws on multiple sources of evidence for its assessments and wishes to thank the Government for its collaboration in providing the necessary administrative data and documentation. The Regional Cooperation Council is also recognised for providing survey data of the general population and businesses through the *Balkan Barometer*[5].

Focus areas for the 2019 Monitoring Report were selected jointly by the Organisation for Economic Co-operation and Development (OECD) and the European Commission (EC). Both the PSHRM and service delivery areas are considered relevant to Serbia's European Union accession pathway, and are also important aspects of policy dialogue relating to the ongoing accession negotiations, as well as to the EC's overall Enlargement perspective[6]. Although analytical findings and recommendations are addressed to the Government, they are also designed to contribute to this policy dialogue.

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[1]   OECD (2017), *The Principles of Public Administration*, OECD, Paris, http://www.sigmaweb.org/publications/Principles-of-Public-Administration-2017-edition-ENG.pdf.

[2]   OECD (2019), *Methodological Framework for the Principles of Public Administration,* OECD, Paris, http://www.sigmaweb.org/publications/Methodological-Framework-for-the-Principles-of-Public-Administration-May-2019.pdf.

[3]   OECD (2017), *Monitoring Report: Serbia*, OECD, Paris, http://www.sigmaweb.org/publications/Monitoring-Report-2017-Serbia.pdf.

[4]   Recent Monitoring Reports are available at http://www.sigmaweb.org/publications/monitoring-reports.htm.

[5]   *Balkan Barometer*, annual survey conducted by the Regional Cooperation Council (RCC), http://www.rcc.int/seeds/results/2/balkan-opinion-barometer, http://www.rcc.int/seeds/results/3/balkan-business-barometer.

[6]   https://ec.europa.eu/commission/sites/beta-political/files/communication-credible-enlargement-perspective-western-balkans_en.pdf

Public Service and Human Resource Management

PUBLIC SERVICE AND HUMAN RESOURCE MANAGEMENT

1. STATE OF PLAY AND MAIN DEVELOPMENTS: JULY 2017-MARCH 2019

1.1. State of play

The public service and human resource management legal framework remains solid and was enhanced by the 2018 amendments of the Civil Service Law (CSL). The CSL establishes a good legal foundation for a merit-based, coherent and transparent system for civil service recruitment, professional development and termination of employment. The 2018 amendments have addressed a number of shortcomings in the recruitment and selection process and civil servants' professional development.

However, the implementation of the civil service legislation still faces challenges to ensure merit-based recruitment and selection as well as professional development. The most critical issues have yet to be corrected, especially the recruitment and appointment of senior civil servants and so-called "acting heads". Despite the efforts of the High Civil Service Council and HRMS, two thirds of all senior civil service positions remain occupied by "acting heads", i.e. personnel that did not undergo a competition procedure. The amendments of the CSL have introduced changes that are expected to lead to positive results. However, the key factor to stop this practice of keeping a huge number of senior civil servants on instable grounds, depends on the changes in actual political behaviour which will be seen already during 2019.

The biggest conceptual advancement in the 2018 amendments was the introduction of the modern competency approach, which implementation has to be seen in the near future. The civil service central co-ordination bodies Human Resource Management Service (HRMS) and the newly established National Academy for Public Administration [NAPA]) perform a number of centralised human resource management (HRM) functions for the institutions across the administration at all levels.

In practice, the "personnel administration" prevails and the main task of the HRM (or "personnel") units is to prepare legal documents on labour and civil service relations and performing various administrative functions. This practice does not constitute modern human resources (HR) management and development. Substantial effort and commitment in the coming years are needed for transformation of the current personnel role into a modern and professional HRM function.

The number of civil servants has remained stable, because the Law on the Maximum Number of Employees in the Public Sector is still in force, imposing restrictions on recruitment and selection in the civil service.

In recent years, a great majority of civil servants (almost 90%) has been appraised with the two highest appraisal grades, which reduces the effectiveness of the HRM assessment tool. Special training programmes of civil servants have only been developed in a few civil service bodies.

One of the weaknesses is still the postponement of the new remuneration system (until 2020) due to financial reasons. This shows signs that reform may not be implemented within the planed scope.

1.2. Main developments

At the end of 2017, the NAPA, a central and co-ordinating institution responsible for the training of civil servants, was established. The NAPA took over the responsibility for training of civil servants from the HRMS. This enhances the organisational set-up for the professional development of civil servants.

The public service legal framework was also improved in the reporting period. A number of pieces of primary and secondary legislation related to public service and HRM were adopted. In December 2017, the National Assembly adopted the Law on Public Services[7], which introduces modern concepts of HRM in public institutions in Serbia for the first time. Public institutions include schools, universities, health care and cultural institutions and funds (e.g. the pension and health insurance funds). Full implementation of the Law should have started on 1 January 2019, but has been postponed, with the Law on Salaries in the Public Sector, to 2020. In December 2017, the National Assembly passed the Law on Salaries of Local Officials in the Bodies of Autonomous Provinces and Local Self-Government Units[8], which regulates the remuneration of local government officials. The implementation of this Law is set for the beginning of 2020. The National Assembly adopted the Law amending the Law on Public Agencies[9] in June 2018, as well as the Law on Salaries of Employees in Public Agencies[10]. The provisions of the amended Law on Public Agencies began to be implemented in January 2018, but the Law on Salaries of Employees in Public Agencies will not take effect until January 2020.

At the end of 2018, the CSL was amended to improve the deficiencies of the current system and introduce a competency framework in HRM in the civil service. Amendments to the CSL[11] introduce a system of competences in a number of HRM functions (job analysis, recruitment and selection, transfer, performance assessment, etc.) for the first time in the Serbian civil service. In addition, the amendments of the CSL address the following areas: filling civil servants' posts on executive positions and appointed positions (recruitment and selection); fixed-term employment; regulation of the status of senior civil servants and duration of the status of "acting heads"; performance assessment; prevention of conflicts of interest and management of conflicts of interest; personnel retention; enhancing the internal labour market; improvement of Central Personnel Records; and disciplinary procedures. The Law on Salaries of Civil Servants and Employees was also amended[12] so that it could be aligned with the amendments to the CSL.

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[7]   Official Gazette Nos. 113/2017 and 95/2018.

[8]   Official Gazette Nos. 113/2017 and 95/2018.

[9]   Official Gazette No. 47/2018.

[10]   Law on Salaries of Employees in Public Agencies and Other Organisations Established by the Republic of Serbia, Autonomous Provinces of Local Self-Government Units, Official Gazette Nos. 47/2018 and 95/2018.

[11]   Official Gazette No. 95/2018.

[12]   Official Gazette No. 95/2018.

2. ANALYSIS

Policy, legal and institutional frameworks for public service

This analysis covers Principles 1-6 for the public service and human resource management area (HRM). It includes an analysis of the indicator(s) and sub-indicators used to assess the Principle, and an overall summary of the state of play. Short- and medium-term recommendations are presented at the end of the section.

The indicator values have improved in five out of seven indicators compared to the 2017 assessment. This signals progress in the public service and HRM area, but is also due to thorough preparation and collection of the required data for the assessment, which were missing in 2017. The most significant and substantial improvement has been regarding the adequacy of the scope of the public service, whereas the two step increase in the indicator values on the remuneration system and the termination of employment mostly come from more comprehensive data provided by the Serbian authorities. The amended legal framework produced positive results increasing by one step the indicator values on the adequacy of the policy, legal framework and institutional set-up for professional human resource management in public service, and the meritocracy and effectiveness of recruitment of civil servants.

Indicators	0	1	2	3	4	5
Adequacy of the scope of public service			☐	◆		
Adequacy of the policy, legal framework and institutional set-up for professional human resource management in public service			☐	◆		
Meritocracy and effectiveness of recruitment of civil servants			☐	◆		
Merit-based termination of employment and demotion of civil servants			☐		◆	
Merit-based recruitment and dismissal of senior civil servants			◈			
Fairness and competitiveness of the remuneration system for civil servants		☐		◆		
Professional development and training for civil servants				◈		

Legend: ☐ 2017 indicator value ◆ 2019 indicator value

Analysis of Principles

Principle 1: The scope of public service is adequate, clearly defined and applied in practice.

The legal basis for establishing the horizontal and vertical scope of the civil service remains solid. The key laws regulating the scope of the civil service are the Law on State Administration (LSA)[13] and the Civil Service Law (CSL)[14].

The horizontal scope of the civil service has been extended since the previous assessment. The key issue, as noted in previous assessments, was the existence of special regulations that governed the recruitment and selection of the large number of civil servants working in the Ministry of Interior, Customs Administration, Tax Administration and the Administration for Execution of Criminal Sanctions. These issues have, to a large degree, been addressed by the implementation of the Law on the Police adopted in 2016 and the adoption of the new Law on Customs Service.

The Ministry of Interior (MOI), the biggest exception to the civil service system, started to implement the new HRM legal framework defined by the Law on the Police. It employs around 41 000 employees, and approximately 1 600 employees were given the status of civil servants or of employees fully subject to the CSL, as defined by the new Rulebook on Internal Organisation and Systematisation of Job Posts of June 2018. Several pieces of secondary legislation (on police officers' competences, recruitment, performance appraisal and professional development, and job classification and remuneration) were adopted and began to be implemented. The MoI has also developed a job catalogue for police officers, which includes 539 job families and 1 800 standard job descriptions, on the basis of which all police jobs were reclassified, providing a transparent basis for the remuneration system. Furthermore, the MoI's Strategy of Development (2018-2023), which includes HRM, was adopted by the Government, providing a strategic framework for further HRM development in the police force. In the MoI, all senior civil servants are appointed on the basis of an open recruitment procedure, in line with the CSL (with no "acting heads"), another positive development.

The status of civil servants in the Customs Administration, which has about 2 400 employees, was to a large degree aligned with the general civil service framework, after the adoption of the new Law on Customs Service in 2018[15]. All aspects of HRM are fully aligned with the provisions of the CSL. The recruitment procedure has certain specificities that allow the establishment of decentralised competition commissions at the local level, because the Customs Administration has 15 local customs offices, which have their own HRM services. The Law on Customs Service also allows for one of the members of the competition commission to be drawn from the HRMS[16] (to evaluate competences), which is also fully in line with the CLS. For all other aspects of HRM (including promotion, performance appraisal, promotion, training etc.), the civil servants working in the Customs Administration are subject to the general CSL provisions.

The personnel of the Tax Administration and the Administration for Execution of Criminal Sanctions (the second and third-largest civil service institutions) are also subject to the CSL, with some specific legislation regarding the recruitment and selection processes. These recruitment procedures are based on a competitive process and are in line with the PAR Principles. Senior civil servants in both institutions have been recruited under the provisions of the CSL, which also shows a high degree of compliance with CSL regulations.

Personnel of bodies that have the status of "public agencies" are not, however, covered by the provisions of the CSL. Public agencies include a wide variety of bodies at arm's length from the Government, which include institutions carrying out a range of developmental, regulatory or service delivery tasks that "do

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[13]   Official Gazette Nos. 79/2005, 101/2007, 95/2010, 99/2014, 47/2018 and 30/2018.

[14]   Official Gazette Nos. 79/2005, 81/2005, 83/2005, 64/2007, 67/2007, 116/2008, 104/2009, 99/2014, 94/2017 and 95/2018.

[15]   Official Gazette No. 95/2018.

[16]   Article 60.

not require permanent political supervision"[17]. They include regulatory bodies such as Regulatory Agency for Electronic Communication and Postal Services and Civil Aviation Directorate.

The status of public agencies is governed by a special Law on Public Agencies[18]. Their Government-appointed managers are accountable to special Boards, with only periodic reporting of activities to Government (or in some cases, Parliament). All agencies are separate legal entities. The agencies staff are not subject to CSL rules.

However, the Law on Public Agencies is implemented only at a limited number of institutions. There are several institutions operating outside the scope of the Law on State Administration and the Law on Public Agencies. This is, for example, the Agency for Energy, which operates as an independent regulatory body in accordance with the legislation by which it was established (Law on Energy), while the Labour Code provisions are applied to the statutory matters of its staff.

In 2018, the Law on Public Agencies was amended, to introduce competitive recruitment and selection procedures for the Public Agencies staff, which is a positive development. The Law on Public Agencies, however, has still not been fully aligned with the CSL, as it does not contain any provisions regarding promotion and dismissal of the agencies' staff, except for the provisions on dismissal of a director of a public agency. The dismissal of the other agencies' staff is governed by the Labour Code. As the amendments to the Law on Public Agencies entered into force only on 1 January 2019, it is not possible to assess their effectiveness in practice.

The staff of the State Audit Institution (SAI) and the Ombudsman are subject to the CSL with regard to recruitment, promotion and dismissal. The only exception is the position of state auditor, which is subject to special public competition rules prescribed by the internal regulations of the SAI.

Politically appointed positions are excluded from the scope of the civil service. Such positions (state secretaries, political advisers, for example) do not enjoy the protection, tenure and other benefits that civil servants have. This distinction is spelled out in the Law on State Administration, which makes a clear differentiation between politically appointed positions and civil servants. Despite the clear legal distinction between political posts and senior civil service posts, more than two-thirds of senior civil service posts have still not been filled on a competitive basis since the CSL began to be implemented (more details under Principle 4).

The material scope[19] of the civil service was extended to new areas compared with the previous assessment year. The main novelties of the amended CSL[20] and supporting secondary legislation include the introduction of the competency framework (with a new Article, 5a, as an additional new principle) to be used and applied to all HRM functions, starting with job analysis, recruitment and selection procedures, performance appraisal and professional development. The legal framework continues to include all other aspects of the material civil service scope, such as 1) the scope and principles of the civil service; 2) classification; 3) recruitment and selection of civil servants, including in senior managerial positions; 4) the rights and obligations of civil servants, including the integrity system; 5) remuneration (the main principles and components of the salary system); 6) professional development, including performance appraisal, training, mobility and promotion; 7) disciplinary procedures, including suspension from the civil service; 8) termination of employment, including demotion and redundancy; and 9) central co-ordination of the civil service.

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[17] Article 2 of the Law on Public Agencies, Official Gazette Nos. 18/2005, 81/2005 and 47/2018. Public agencies have Government-appointed managers accountable to special Boards, with only periodic reporting of activities to Government (or in some cases, Parliament).

[18] Official Gazette No. 18/2005, 81/2005 and 47/2018.

[19] The material scope should clearly establish all general provisions relevant to the employment relations of public servants and the management of the public service: OECD (2017), *The Principles of Public Administration*, OECD, Paris, p. 41, http://www.sigmaweb.org/publications/Principles-of-Public-Administration-2017-edition-ENG.pdf.

[20] Official Gazette No. 95/2018.

Overall, the value for the indicator on the adequacy of the scope of the public service is 3.

Adequacy of the scope of public service							
This indicator measures the extent to which there is a legal framework establishing an adequate horizontal, vertical and material scope for the public service[21], and whether it is consistently applied across the public sector.							
Overall indicator value		0	1	2	**3**	4	5

Sub-indicators	Points
1. Clarity in the legislative framework of the scope of the civil service	2/2
2. Adequacy of the horizontal scope of the public service	2/6
3. Comprehensiveness of the material scope of civil service legislation	2/2
4. Exclusion of politically appointed positions from the scope of the civil service	2/2
5. Clarity of the lower division line of the civil service	1/1
Total[22]	**9/13**

The scope of the civil service remains solid, with an enhanced material scope (and the introduction of a competency framework) at the end of 2018. Horizontal scope was also improved with the extension of the CSL principles, including merit recruitment procedures, to the MoI and Customs Service, and partially also in public agencies. However, the promotion and termination of employment of public agencies' staff is still not governed by merit-based rules. Despite the clear legal distinction between political posts and senior civil service posts, two-thirds of senior civil service posts have not been selected on a competitive basis which blurs the distinction between the political appointees and senior civil service posts in practice.

Principle 2: The policy and legal frameworks for a professional and coherent public service are established and applied in practice; the institutional set-up enables consistent and effective human resource management practices across the public service.

The political responsibility for the civil service is vested in the Ministry of Public Administration and Local Self Government (MPALSG). The status of a ministry allows the MPALSG to participate regularly at Government meetings and to maintain political responsibility for civil service issues.

In the reporting period, a new Action Plan for the Implementation of the PAR Strategy for the period of 2018-2020 was adopted. The Action Plan sets out clear and coherent measures to assist further implementation of the PAR Strategy and includes the area of public service and HRM. The measures envisaged by the Action Plan are supported by a set of measurable indicators, with the baseline data for 2017 and target data for 2018, 2019 and 2020. The achievement of strategic results has also been supported with the set of measurable indicators with the baseline data for 2017 and target data for 2018 (for one result) and 2020 (for two results). The document also has a clear time frame and provides for

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[21] In OECD (2017), *The Principles of Public Administration*, OECD, Paris, SIGMA clarifies that it applies the narrow scope of public service, covering: 1) ministries and administrative bodies reporting directly to the government, prime minister or ministers (i.e. the civil service, strictly speaking); administrations of the parliament, the president and the prime minister; 2) other administrative bodies at the level of the central administration, if they are responsible for safeguarding the general interests of the state or other public bodies; and 3) independent constitutional bodies reporting directly to the parliament. The scope of public service thus does not cover institutions at the level of the sub-national administration and special types of public service, elected and politically appointed officials, or support and ancillary personnel in administrative bodies.

[22] Point conversion ranges: 0-3=0, 4-5=1, 6-7=2, 8-9=3, 10-11=4, 12-13=5.

additional budget resources for carrying out the planned activities. However, the Action Plan does not address all of the key weaknesses of the civil service system, including the lack of capacities of the HRM units and managers to effectively implement the new civil service legislative framework.

Most of the Action Plan measures on HRM expected to be implemented in 2018 have been carried out as planned. This primarily refers to the preparation of the legal framework, which governs the status of employees in public agencies; preparation of the amendments to the CSL to include a competency framework and to improve the process of recruitment and selection, performance appraisal and integrity; adoption of the secondary legislation for the implementation of the Law on the National Academy for Public Administration. Monitoring reports are produced regularly, on an annual basis.

Another HRM strategic document is the Policy Framework on the HRM in the civil service, which was adopted by the PAR Council at the end of 2017. The Policy Framework is a comprehensive policy document which, among other things, provides for the introduction of a competency framework in the civil service system. The measures of the Policy Framework were introduced by the new amendments of the CSL, which formally introduces, for the first time, competences in the process of job analysis (job descriptions), recruitment and selection and professional development (performance appraisal and training) of civil servants.

Primary and secondary civil service legislation conforms with administrative-law principles and merit principles, and the degree of regulation (in primary and secondary legislation) is adequately balanced. The latest amendments to CSL were not adopted in the form of a new law. This has meant that the CSL now has too many amendments to be easily comprehensible, because a consolidated version of the law has not been drawn up.

The institutional set-up for HRM across the civil service has not improved. In addition to MPALSG and the HRMS, a new institution responsible for training civil servants was established in 2017 – the National Academy for Public Administration (NAPA)[23]. Unlike the HRMS, which reports to the Secretary General of the Government, the NAPA reports to the MPALSG. Different reporting lines of the institutions responsible for HRM in the civil service may pose problems in policy co-ordination. The NAPA shares the responsibility for the professional development of civil servants with the HRMS. As 2018 was NAPA's first year of operation, during which six HRMS employees joined NAPA, it is too early to assess how effective co-ordination of policies is. The MPSALG is still responsible for policy making and co-ordination, while the Administrative Inspection is responsible for monitoring CSL implementation.

The number of employees in Administrative Inspection has been significantly increased from 21 to 32, of which 19 are administrative inspectors), thus enhancing capacity. This is a positive development, since it should allow for more effective monitoring of implementation of the CLS, especially of its latest amendments.

The majority of HRM units in individual institutions still operate primarily as traditional "personnel services", dealing with legal employment issues without applying modern HRM tools such as strategic planning, competency-based selection or career development. Although staff members from most of the analysed HR units did attend training on modern HR tools (especially on the competency framework) in the reporting period, few provide managers with regular reports, including quantitative and qualitative data and forecasts. Only the MoI and Tax Administration have formulated their HR strategic documents. The limited capacity of the HRM units and the tight deadlines for implementing the CSL amendments are likely to hamper implementation of the CSL amendments on the introduction of the competency framework, new recruitment and selection and the performance appraisal system.

The data in the Human Resource Management information system (HRMIS) register, which is operated by the HRMS, is not regularly updated, and the HRMIS is not connected to other national databases. The possibilities for entering data in the HRMIS are limited, for technical reasons. Technical specifications for

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23   Official Gazette No. 94/2017.

the new HRMIS system has been drafted by the HRMS and negotiations with various donors to support the funding of the new HRMIS system are initiated.

Data on the civil service are not easily accessible, given the poor performance of the HRMIS. The HRMS prepares an annual report on performance appraisal in the civil service, on the basis of reports from individual civil service agencies, but not on all aspects of the civil service, such as: the total number of civil servants, civil service turnover, gender balance, the number of candidates per position, training statistics and data on appeals, dismissals and salaries. Such reports cannot be produced without a functional HRMIS.

Overall, the value for the indicator on the adequacy of the policy, legal framework and institutional set-up for professional HRM in public service is 3.

Adequacy of the policy, legal framework and institutional set-up for professional human resource management in public service
This indicator measures the extent to which the policy, legal framework and institutional capacities are in place and enable consistent human resource management (HRM) practices across the public service, and assesses whether policies and laws are implemented to ensure proper management of the civil service, for example a functioning civil service database, availability and use of data, etc.
Overall indicator value   0   1   2   **3**   4   5

Sub-indicators	Points
1. Establishment of political responsibility for the civil service	1/2
2. Quality of public service policy documents	4/4
3. Implementation and monitoring of public service policy	3/4
4. Right balance between primary and secondary legislation	2/2
5. Existence of a central, capable co-ordination body	3.5/4
6. Professionalism of HRM units in civil service bodies	1/2
7. Existence of a functional HR database with data on the civil service	0/4
8. Availability and use of data on the civil service	0/5[24]
Total[25]	**14.5/27**

The HRM policies and institutional set-up are in place, but the fact that several institutions with different reporting lines are in charge of policy co-ordination and monitoring in this area poses a risk for effective implementation. The MPALSG continues to be responsible for policy making and co-ordination, and the capacity of the Administrative Inspectorate has been increased. The authority for professional development of civil servants was divided between the HRMS and the newly established NAPA. It is too soon to assess the new organisational set-up, as the NAPA is still in the early stages of development. No improvement is noted in the HRMIS register; it is still not adequately updated or connected to other national databases, which means that HRM analytical reports cannot be produced.

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[24]   No data provided.

[25]   Point conversion ranges: 0-3=0, 4-8=1, 9-13=2, 14-18=3, 19-23=4, 24-27=5.

Key recommendations

Short-term (1-2 years)

1) The Government should ensure consistent implementation of the legislation on the civil service.

2) The Government (the MPALSG and the HRMS) should establish a functional HRMIS system, to help implement the CSL and allow its effective monitoring.

3) The Government should implement the Law on Salaries in 2020 as well as all the other salary-related laws in the public sector.

4) The Government should review the status of regulatory bodies which are currently not governed by the Law on Public Agencies and integrate them within the scope of the Law on Public Agencies.

Medium-term (3-5 years)

5) The Government (the MPALSG, the HRMS and the Ministry of Finance) should ensure that the functional HRMIS is linked to the new salary registry and other relevant registries, to improve accuracy and avoid data duplication.

6) The Government should review and amend the Law on Public Agencies and regulate clearly the organisation of the public agencies and independent regulatory bodies, their status, accountability and include their staff in the civil service.

Human resource management

Principle 3: The recruitment of public servants is based on merit and equal treatment in all its phases; the criteria for demotion and termination of public servants are explicit.

In practice, there were no significant changes in recruitment and selection of civil servants. As the provisions of the previous CSL were still in force, the challenges in implementation described in the SIGMA 2017 Monitoring Report remained the same, including an overly bureaucratic procedure that did not guarantee merit-based selection. Job announcements did include requirements based on legislation and job descriptions, but an interview without any written tests remained the main selection method in many institutions.

Some positive examples of a comprehensive and thorough recruitment and selection process should be noted, including a recruitment and selection procedure for 500 posts in the Republic Geodetic Authority, for which more than 12 000 applications were received. The HRMS played a key role in the selection process, which included a variety of selection methods, such as written tests, simulations and interviews. The recruitment process was completed to the satisfaction of all key actors, including the HRMS and the director of the Geodetic Authority[26].

The amendments to the legal framework for recruitment and selection, which were passed at the end of the reporting period, have addressed a number of deficiencies in the recruitment and selection process identified in previous assessments. The improvements include: 1) facilitating the application process, by making it possible to apply via e-form[27]; 2) introducing anonymity for the candidates; 3) mandatory testing of functional and behavioural competences in the selection procedure; and 4) making it obligatory to select the best-ranked candidate and to notify the HRMS of the candidate selected[28].

The principles of equality and non-discrimination are embedded in the CSL amendments. Positive discrimination for candidates from disadvantaged groups is also encouraged. A new, comprehensive chapter on preventing conflicts of interest is included in the new CSL[29].

The secondary legislation is detailed enough to standardise selection procedures throughout the civil service. The Decree on Carrying Out Internal and Open Competitions for Filling Posts in State Bodies sets out several elimination phases in the selection procedure and a variety of mandatory selection methods, which include written tests, oral tests, online testing and a final interview with the candidate. Both functional and behavioural competencies are tested and scored, using a point system. It is the responsibility of the HRMS to develop the system and to help with its implementation.

The new recruitment and selection legal framework nevertheless leaves several causes for concern. The first is that the deadline for application, a minimum of eight days after the announcement of the vacancy[30], is too short for applicants to apply. This does not conform with the Principles of Public Administration, which stipulate at least 10 working days. In addition, the amendments did not set feasible, step-by-step deadlines, especially for the introduction of the competency framework in the job descriptions (with a deadline of 15 March 2019), their testing during the selection process (after the adoption of the Rulebooks on Internal Organisation and Systematisation) and their assessment in the performance appraisal procedure. This could jeopardise the success of the new legal framework.

To rectify these issues, the HRMS and NAPA began training sessions on how to introduce competences in job descriptions in early 2019 and provided video training materials on their websites, with related

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[26]   Interview with the HRMS.

[27]   Under the previous CSL requirements, applicants who did not provide a single document, properly stamped and certified, were immediately disqualified.

[28]   Article 57, paragraph 8 of the CSL.

[29]   CSL, Article 25 and following.

[30]   Article 55, paragraph 5 of the CSL.

technical support. The HRMS is also drafting guidelines for the recruitment and selection process that should be finalised by April 2019[31] with prepared questions for testing core (general) functional public administration and behavioural competences.

Political influence in the selection process is expected to be reduced considerably once the HRMS plays the main role in the selection process. In the new recruitment and selection procedures, the selection committee is responsible for testing candidates' functional (specific knowledge) competences and for the final interview, while the HRMS is responsible for testing general functional competences (knowledge of the civil service system, computer skills, etc.) and behavioural competences. The scores obtained at the testing of general technical competences and behavioural competences (conducted by the HRMS) will have more weight in the overall scoring system. This should reduce the influence of the selection committee in evaluating the prospective candidates and reduce potential political influence in the selection process.

The contentious issue of temporary employment is addressed in Article 63 of the CSL amendments. The amendments require that filling civil service positions on a temporary basis of up to six months in case an institution's workload increases must be open to competition, which is a positive development.

Number of vacancies offered in the competitions during the 2018 was 678, and the number of eligible candidates who participated in competitions was 5108, averaging 7.5 eligible candidates per procedure. Of the total number of applications, 65 % of candidates satisfied the formal criteria for entering the procedure.

The Law on the Maximum Number of Employees in the Public Sector[32] is still in force and was extended until the end of 2019. The adoption of this law has replaced the need for annual staffing plans, which were developed at the level of individual institutions, but without adoption of the overall civil service staffing plan. At the end of 2018, 22 955 civil servants were employed (including civil servants in the Customs Administration, the Tax Administration, the Administration for Execution of Criminal Sanctions and the Diplomatic Service). However, no data are available on the annual turnover of civil servants.

The recruitment and selection of employees of public agencies has started to be based on merit, since the adoption of the amendments of the Law on Public Agencies in December 2018. The staff of the public agencies has traditionally been subject to Labour Code provisions, which do not provide for merit-based recruitment and selection. The new legal framework requires public agencies to carry out an external competition process for their prospective employees[33]. A director of an agency must establish a selection commission that determines the competences to be tested during the selection process. The selection commission makes a decision on the appointment of the most successful candidate during the selection process. These rules represent an important step toward building a merit-based recruitment and selection system in the public agencies. However, the amendments have only been implemented in early 2019, and their effect in the upcoming period has yet to be seen.

The legal framework and implementation for demotion and dismissal of civil servants remained unchanged[34]. The data on demotion and termination of employment are not available. In order to improve analytical reporting, the HRMS has prepared a methodology for retention policy, which includes the collection of the data on termination of employment of civil servants which should start to be used in 2019. The public agencies' staff is not subject to demotion and dismissal rules from the CSL[35].

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[31]   HRMS interview.

[32]   Official Gazette Nos. 68/15, 81/16 and 95/18.

[33]   Law on Public Agencies, Article 34a.

[34]   OECD (2017), *Monitoring Report: Serbia*, OECD, Paris, p. 73, http://www.sigmaweb.org/publications/Monitoring-Report-2017-Serbia.pdf.

[35]   Labour Law and Law on Public Agencies applies to them.

Non senior-managerial candidates who are not appointed have the right to appeal recruitment decisions to the Government Appeals Commission[36] and then to the Administrative Court. In 2017, the number of appeals against recruitment decisions significantly rose in comparison to the previous year, amounting to 27.4% of all appeals, and decreased to some extent in 2018, making up 12.4% of all appeals. In 2016, recruitment and selection appeals made up only 4.29% of the total number of appeals, slightly fewer than in 2015 (5.09%), and significantly fewer than in 2013 (14.81%) and in 2014 (10.17%) (Figure 1). This sharp rise of recruitment appeals may be explained by the inclusion of the Ministry of Interior staff in the civil service system.

Figure 1. Recruitment and selection appeals as percentage of all appeals 2013-2018
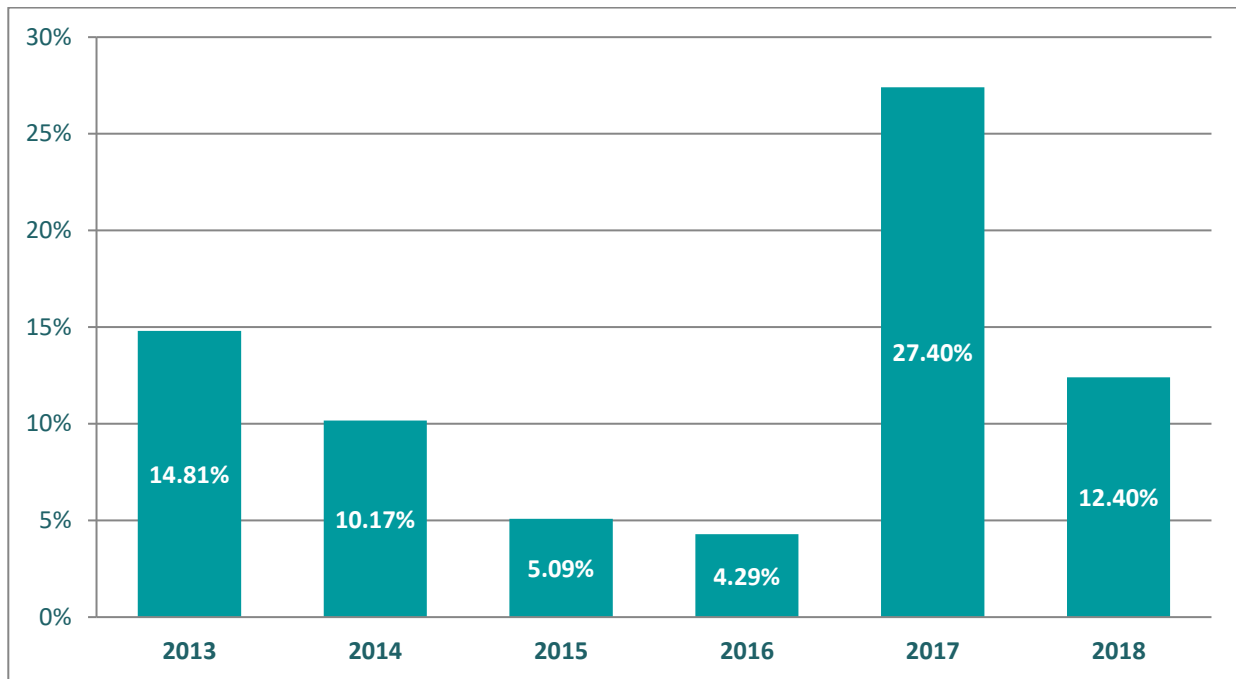
Source: Data provided by Human Resource Management Service.

Considering all the factors analysed above, the value for the indicator on the meritocracy and effectiveness of recruitment of civil servants is 3 and the value for the indicator on merit-based termination of employment and demotion of civil servants is 4.

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[36]   OECD (2016), *Monitoring Report: Serbia*, OECD, Paris, p. 18, http://www.sigmaweb.org/publications/Monitoring-Report-2016-Serbia.pdf.

Meritocracy and effectiveness of recruitment of civil servants

This indicator measures the extent to which the legal framework and the organisation of civil service recruitment support merit-based and effective selection of candidates wishing to join the civil service and whether this ensures the desired results in terms of competitive, fair and non-discretionary appointments that enhance the attractiveness for job-seekers and performance of the public sector.

This indicator measures only external recruitment. The indicator on merit-based recruitment and dismissal of senior civil servants covers recruitment and promotion to senior managerial positions, and the indicator on professional development covers promotions to other positions.

Overall indicator value	0	1	2	**3**	4	5

Sub-indicators	Points
Legal framework and organisation of recruitment	
1. Adequacy of legislative framework for merit-based recruitment for civil service positions	12/18
2. Application in practice of recruitment procedures for civil service positions	11/18
Performance of recruitment practices	
3. Time required to hire a civil servant	1/2
4. Average number of eligible candidates per vacancy	3/4
5. Effectiveness of recruitment for civil service positions (%)	0/4[37]
6. Retention rate of newly hired civil servants (%)	0/4[38]
Total[39]	**27/50**

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[37] No data provided.

[38] *Idem.*

[39] Point conversion ranges: 0-7=0, 8-16=1, 17-25=2, 26-35=3, 36-43=4, 44-50=5.

Merit-based termination of employment and demotion of civil servants						
This indicator measures the extent to which the legal framework and the HRM practices support fair termination of employment in the civil service and fair demotion of civil servants wherever it is envisioned in the legislation. The indicator does not deal with termination of employment and demotion of senior civil servants.						
Overall indicator value	0	1	2	3	**4**	5

Sub-indicators	Points
Legal framework and organisation of dismissals and demotions	
1. Objectivity of criteria for termination of employment in civil service legislation	5/6
2. Objectivity of criteria for demotion of civil servants in the legislative framework	0/2
3. Right to appeal dismissal and demotion decisions to the courts	2/2
Fairness and results of dismissal practices	
4. Dismissal decisions confirmed by the courts (%)	4/4
5. Implementation of court decisions favourable to dismissed civil servants (%)	4/4
Total[40]	**15/18**

No significant changes were noted in the recruitment and selection practices in the civil service. The CSL 2018 amendments addressed recruitment deficiencies in a comprehensive manner, but it is too early for a thorough assessment, since they have only just been introduced. The introduction of competitive recruitment in public agencies is also a positive development, which implementation is yet to be evaluated. The court decisions were favourable to dismissed civil servants, by reinstating them to civil service positions.

Principle 4: Direct or indirect political influence on senior managerial positions in the public service is prevented.

No legislative changes were made in defining senior managerial posts within the civil service. Senior managerial civil servants include: heads of subordinate bodies of ministries (special organisations and internal bodies of ministries) and their deputies and assistants; heads of services of the Government and their deputies and assistants; deputies and assistants of the Secretary-General of the Government; heads of sectors in ministries (assistant ministers) and secretary- generals of ministries; and the Republic Public Attorney and the Deputy Republic Public Attorney[41]. The CSL refers to this category of personnel as "appointed positions" (*položaji*).

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[40]   Point conversion ranges: 0-2=0, 3-6=1, 7-9=2, 10-12=3, 13-15=4, 16-18=5.

[41]   CSL, Article 34.

Figure 2. Number of senior civil servants positions, 2013-March 2019
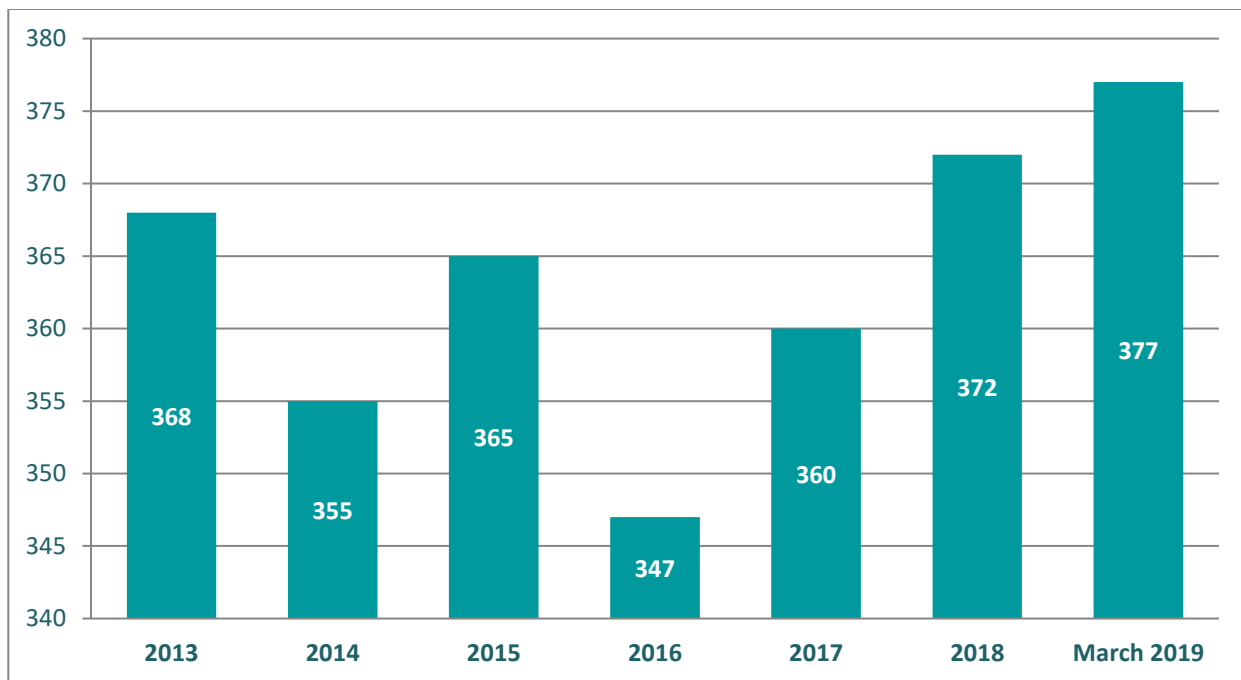
Source: Data provided by Human Resource Management Service.

Public agencies are governed by a governing board and a director, who are appointed by the Government. Members of the governing board are appointed directly by the Government. The governing board is in charge of holding a public competition to appoint an agency's director[42]. Although public agencies legally have a higher level of autonomy than other government agencies (special organisations and internal bodies of ministries), the Government has considerable influence, because it appoints and dismisses the members of the Management Board. The governing board also approves the agency's general acts, setting rights, obligations, responsibilities and salaries of the director and employees, as well as their annual work plan, budget, user tariffs, etc[43].

The amendments of the Law on Public Agencies adopted in 2018 aim to strengthen the merit-based selection of agencies' directors. The requirements for the recruitment of a director have been increased from five to nine years of professional experience in a public agency. The amendments also introduce a closed list of the three most successful candidates for the position of director, whereas in the previous version of the Law, the list of successful candidates was open. However, since the new legal framework began to be implemented only in early January 2019, it is too early to assess its effectiveness.

The number of "acting heads" in senior civil service positions remains high. The term "acting head" denotes a senior civil servant appointed for a limited period, without a competitive procedure. The number of "acting heads" slightly increased from 207 in 2016 to 209 in March 2019, and represents 55% of the total number of 377 senior civil service positions[44].

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42   Article 24 of the Law on Public Agencies.

43   Article 15 of the Law on Public Agencies.

44   Data includes all positions (377), including 47 unfilled positions. If only filled positions are taken into account, data for March 2019 are less favourable. 209 acting heads appointed without a recruitment procedure out of 330 appointed senior civil servants represents 63% of acting heads.

Figure 3. Number of senior civil service positions and number of acting heads, 2017-March 2019
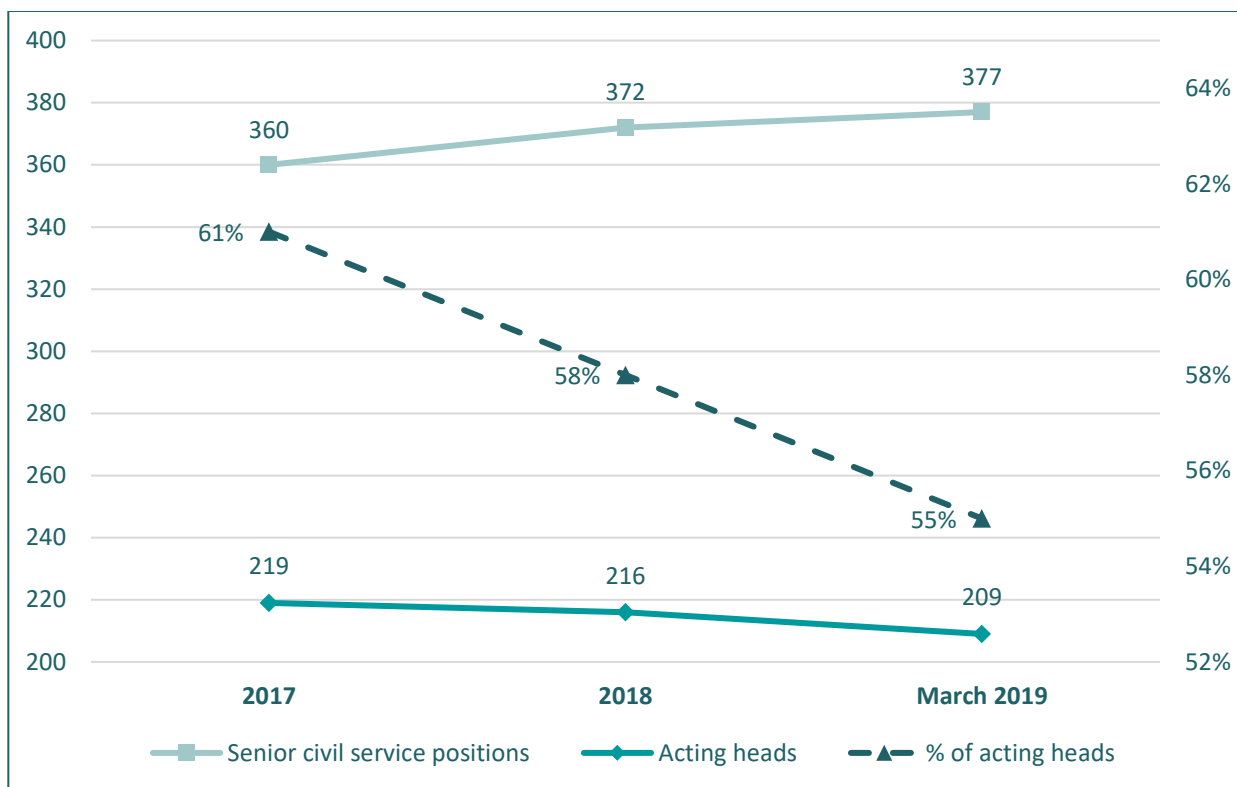
Source: Data provided by Human Resource Management Service and by High Civil Service Council.

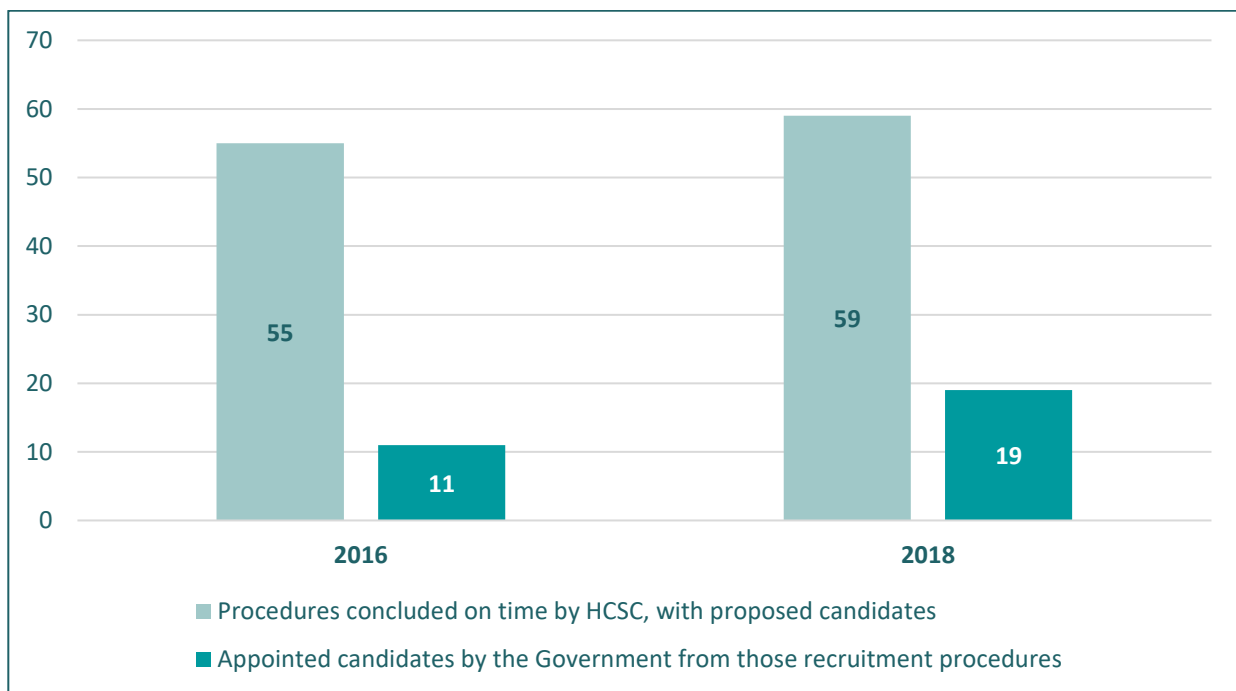**Figure 4. Appointment of senior civil servants – March 2019**
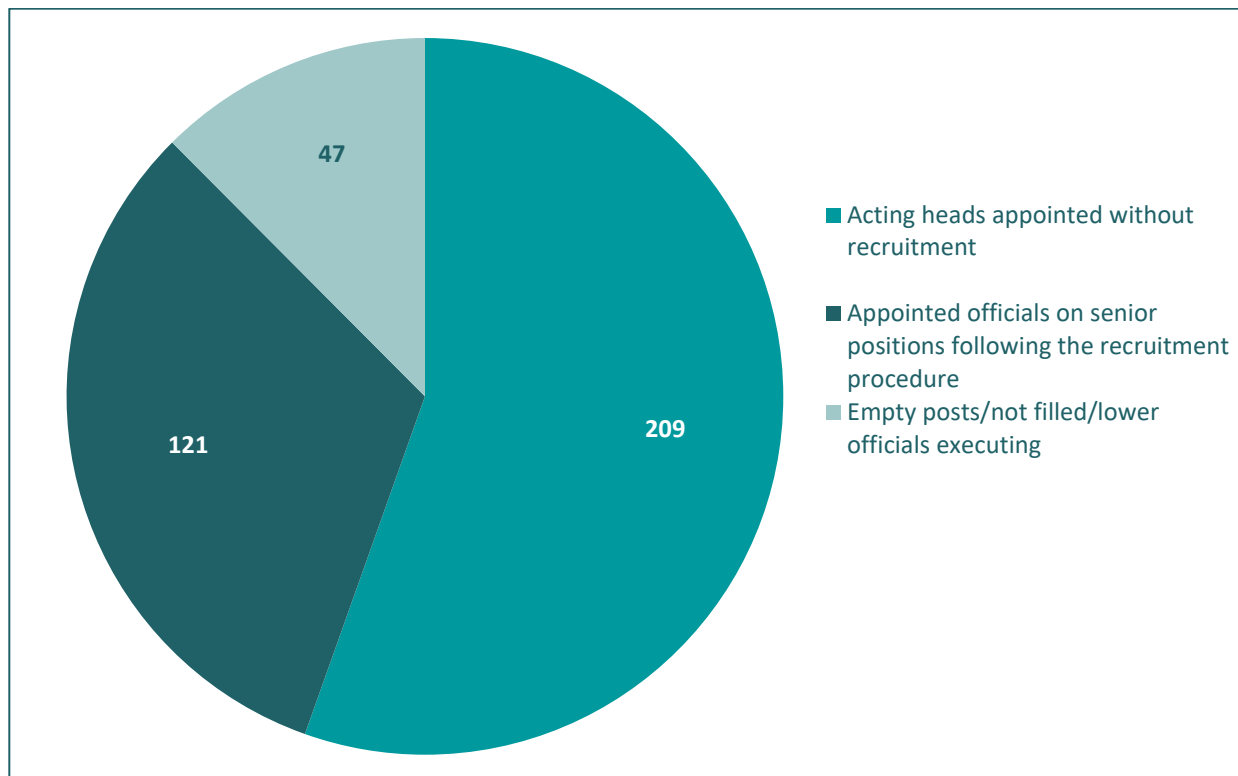
Source: Data provided by Human Resource Management Service and by High Civil Service Council.

In 2018, only 19 posts were filled on the basis of a competition as stipulated by the CSL 13 senior civil servants were dismissed. The total number of implemented vacancy procedures in 2018 was 62

(38 internal and 24 open externally), and 59 procedures were finalised (24 from 2017 and 35 from 2018). This total, 19 appointments out of 59, is extremely low, indicating that the root of the problem lies in a failure of the political level to make appointments and conclude the competitive procedures. However, in 2018, the number of posts filled on a competitive basis increased to 19, from 11 only in 2016. The controversial figures (raising both regularly appointed and "acting heads") probably derive from the fact that in 2016, 12 posts were filled on the basis of the previous Law on Labour Relations in State Bodies.

Figure 5. Recruitment procedures completed on time and subsequent appointments of senior civil servants in 2016 and 2018

Source: Data provided by Human Resource Management Service and by High Civil Service Council.

It must be concluded that the previous concerns[45] remain and that the risk of direct or indirect political influence on managerial civil service posts continues to be high.

The new CSL and the Decree on Carrying Out Internal and Open Competitions for Filling Posts in State Bodies contain several measures intended to reduce the number of "acting heads". First, a selection procedure for a senior civil servant position must be initiated 90 days prior to the expiration of the mandate of the existing one (or in the case of posts that were not occupied immediately after the new CSL took effect)[46]. Second, an acting head should only be a civil servant employed on a permanent basis[47]. Currently, in March 2019, out of the 209 acting heads only around 50% of them are civil servants[48]. Third, if no senior civil servant is appointed within six (plus an additional three) months, the position must remain vacant until the appointment of a new senior civil servant, who must first have passed the selection procedure[49]. Fourth, "acting heads" who are in place at the time the new CSL enters into force

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[45]   OECD (2017), *Monitoring Report: Serbia*, OECD, Paris, p. 76-77, http://www.sigmaweb.org/publications/Monitoring-Report-2017-Serbia.pdf.

[46]   CSL, Article 66, paragraph 2.

[47]   CSL, Article 67a, paragraph 2.

[48]   Information provided by the Serbian authorities during the High Level Policy Dialogue meeting on PAR in Belgrade, 2 April 2019.

[49]   CSL, 67a, paragraph 2.

may remain in the position only until 1 July 2019[50]. It is yet to be seen how the amended CSL will be implemented in practice by 1 July 2019 concerning the above-mentioned two new regulations: a) only civil servants might remain on "acting head" positions; and b) acting heads shall remain in office until the expiration of his/her term of office, and no later than 1 July 2019.

A new provision has reduced the required number of years of overall professional experience. A candidate can now apply with fewer years overall professional experience but more targeted managerial experience[51]. It is a balanced approach, which aims to attract more eligible candidates to apply for the SCS positions.

Some concerns remain over the new CSL provisions on senior managerial positions. First, there are tight deadlines for completing a competitive procedure and for the appointment of a high number of senior civil servants (around 250). Second, the legislation provides that if the selection procedure does not result in an appointment or is unsuccessful, the status of "acting head" can be extended for an additional three months[52]. This would seem to leave the door open for additional delays in appointment. Third, passing a state exam is a special requirement for applying to the senior managerial posts. The applicants who have not passed the exam have 20 days "to present" (that is, to pass) a certificate of completion. This is questionable for two reasons: 1) the state exam requires a candidate to memorise a considerable amount of information on the functioning of the public administration and may not be an appropriate tool for selecting top managers in the civil service 2) a deadline of 20 days seems too short to prepare for the state exam.

The objectivity of the criteria for the demotion and termination of the employment of civil servants has slightly changed, especially for senior civil servants who manage civil service institutions (e.g. directors of special organisations). The criterion of termination of employment of a senior civil servant managing a civil service institution in the case of "serious disturbance in the operation of the body he/she manages" has been slightly improved. The amendments of the CSL require the Government to state and explain that serious disturbance is the consequence of failure to reach strategic objectives and implement organisational plans[53]. As senior civil servants that are managing civil service institutions[54] are not subject to performance appraisal, this criterion for termination of employment is, by the opinion of the MPALSG, the only tool for ensuring their accountability to the Government[55]. This is a serious breach of the otherwise objective system for terminating the employment of senior civil servants, because it leaves room for possible political influence without defining the procedure and the criteria for termination.

The right to appeal against unfair dismissal to the Government Appeals Commission does not apply to senior managerial positions, but the Government's decision may nevertheless be contested before the Administrative Court.

Overall, the value for the indicator on merit-based recruitment and dismissal of senior civil servants remains 2.

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[50]   Law amending the Law on Civil Servants, Official Gazette No. 95/18. Transitional provision, Article 94: "Acting persons appointed to the position until the beginning of the implementation of this Law shall remain in office until the expiration of his/her term of office, and no later than 1 July 2019".

[51]   CSL, Article 45, paragraph 3.

[52]   CSL, Article 67a, paragraph 4.

[53]   Article 78, paragraph 3, now reads: "A civil servant who manages a state authority shall also be removed from office if the authority or body in charge of his/her appointment finds that a serious disturbance occurred in the work of the state authority he/she manages, due to his/her liability for failure to achieve work plans and strategic goals."

[54]   CSL, Article 83, paragraph 2, subsection 1.

[55]   This institute is currently not used in practice at all, but this might change if the situation with the "acting heads" improves.

Merit-based recruitment and dismissal of senior civil servants

This indicator measures the extent to which the legal framework and the organisation of recruitment and tenure conditions of the senior civil service support a professional senior management, free from undue political influence in access or termination of employment in senior civil service positions. This indicator relates to all competitions for senior positions, both external and internal.

Recruitment and dismissal in senior positions is treated under a separate indicator due to the importance of the role of this group of civil servants and the increased risk of politicisation and favouritism. High priority accorded to merit and competitiveness in the recruitment process reduces the possibility of political influence in appointments to such positions.

Overall indicator value	0	1	**2**	3	4	5

Sub-indicators	**Points**
Legal framework and organisation of recruitment and dismissal of senior civil servants	
1. Appropriateness of scope for senior civil service in legislation	2/3
2. Adequacy of legislative framework for merit-based recruitment for senior civil service positions	11/15
3. Objectivity of criteria for termination of employment of senior civil servants in the legislative framework	0/4
4. Legislative protection of rights of senior civil servants during demotion	2/2
Merit-based recruitment and termination of employment in senior civil service positions in practice	
5. Application in practice of recruitment procedures for senior civil service	3.5/9
6. Ratio of eligible candidates per senior-level vacancy	0/4
7. Effectiveness of recruitment for senior civil service positions (%)	0/4
8. Women in senior civil service positions (%)	4/4
9. Stability in senior civil service positions	3/4
10. Dismissal decisions confirmed by the courts (%)	0/4[56]
11. Implementation of final court decisions favourable to dismissed senior civil servants (%)	0/4[57]
Total[58]	**25.5/57**

Direct and indirect political influence on filling senior managerial positions is one of the critical issues in the civil service, and the number of acting heads remains very high. The CSL amendments aim to address this issue in several ways, but with a limited deadline that does not appear to be practicable, and one of the measures prescribes an alternative if a position is not filled by the Government within the prescribed deadline. The criterion of "serious disturbance" as a reason for the demotion of a civil service manager has been specified in the CSL amendments, slightly improving the objectivity of the criteria for termination of employment of senior civil service positions but remains too discretionary and may open ways for unfair dismissal.

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[56]   No data provided.

[57]   *Idem.*

[58]   Point conversion ranges: 0-10=0, 11-19=1, 20-28=2, 29-37=3, 38-46=4, 47-57=5.

Principle 5: The remuneration system of public servants is based on job classification; it is fair and transparent.

Salaries of civil servants are based on the system of job classification, which has been in force since the adoption of the Civil Service Law in 2005. The classification system is governed by the Decree on Job Classification and Criteria for Job Descriptions of Civil Servants, which was amended in early 2019 to allow for the introduction of competences in the job descriptions[59]. The Decree prescribes the process of job classification of civil service posts, which is based on comparing an individual job description with the standard job description for a certain type of job.

The principles of job classification were introduced in the local self-government units. The Government adopted the Decree on Criteria for the Classification of Job Posts in Autonomous Provinces and Local Self-Government Units[60]. This has provided a basis for classifying the posts of local government employees, which has begun to be implemented in local government units for the first time.

The Catalogue of Job Posts in the Public Services was also completed in 2018. The Government adopted the amendments of the Decree on the Catalogue of Job Posts in the Public Services and Other Public Sector Organisations[61] in May 2018, with the Catalogue of Job Posts attached as an annex to the Decree. The Catalogue sets out a list of jobs and their standard job descriptions (including the requirements for the job) in the area of health, education, social protection, culture, sports, tourism, organisations of compulsory social insurance and in other public sector organisations. The Catalogue also includes standard job descriptions for supporting and auxiliary technical jobs in the public sector. The Catalogue will provide the basis for the demanding task of job classification of a large number of public sector employees.

The civil service salary system has not been subject to changes and is clear and transparent. It is governed by the Law on Civil Servants' and Employees' Salaries[62]. The net base salary is calculated by multiplying the base pay by the coefficient. The base pay is determined annually by the Budget Law, while the coefficients are determined in the Law on Civil Servants' and Employees' Salaries. Civil service posts are classified into pay levels from VI to XIII, depending on the job classification process, while managerial civil service positions are assigned to pay levels from I to V. Coefficients of managerial civil servants' posts are fixed, while other civil servants' pay levels include eight horizontal pay steps. The progression on the horizontal pay scale is linked to performance appraisal.

The number of salary supplements remains low. The most important supplement is the length of service allowance, which is set at 0.4% per year of service up to a maximum of 16% for men and 14% for women. Other supplements include payments for specific conditions of work, such as overtime, shift allowances and hazardous working conditions. They are separate from the base salary, so that the base salary of a job reflects the true relative value of the job itself as performed under normal conditions.

In early 2017, the Government allowed horizontal progression of civil servants on the salary scale, based on the results of the performance appraisal over the past few years[63]. Although envisaged by the Civil Service Salary Law, horizontal pay progression was frozen for two years, for reasons of fiscal consolidation. As fiscal conditions improved, the Government allowed horizontal progression again. The maximum allowed progression is by two pay steps, in the case of exceptional performance of a civil

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[59]   Official Gazette Nos. 79/05, 81/05, 83/05, 64/07, 67/07, 116/08, 104/09, 99/14, 94/17, 16/2018, 2/2019 and 4/2019.

[60]   Decree on Criteria for the Classification of Job Posts and Criteria for the Description of Job Posts of Civil Servants in Autonomous Provinces and Local Self-Government Units, Official Gazette Nos. 88/2016 and 113/2017.

[61]   Decree on the Catalogue of Job Posts in Public Services and Other Public Sector Organisations, Official Gazette Nos. 81/2017 and 43/2018.

[62]   Official Gazette Nos. 62/2006, 63/2006, 115/2006, 101/2007, 99/2010, 108/2013, 99/2014 and 95/2018.

[63]   A civil servant whose performance is assessed as "exceptional" for two consecutive years is eligible to be promoted by two pay steps. A civil servant whose performance is assessed as "excellent" for two consecutive years, or as "exceptional" and "excellent", irrespective of the sequence of the assessments, should be promoted by one pay step. A civil servant whose performance is assessed as "good", or as "excellent" and "good", irrespective of the sequence of the assessments, for three consecutive years is eligible to be promoted by one pay step.

servant over the previous two years. Progression by one horizontal step allows for an increase of 5% of the base salary, and the maximum salary increase (a progression by two pay steps) is 10% of the base salary.

Relatively little information on salaries is available. The information on total salaries in the civil service (disaggregated into different categories) is available on the web pages of all civil service bodies, in information booklets that provide general information about the operation of civil service bodies. Statistics on salaries related to gender, however, are not available. One of the key reasons for this is the poor functioning of the HRMIS system, which does not allow for easy preparation of analytical reports and statistics, including salary levels. Information on salary level is also not provided in job announcements.

The base salary compression ratio, the ratio between the highest and lowest base salary, has remained the same, at 1:6.4 [64]. The difference in pay levels between different managerial civil servants (in categories I to V) is 12.5%, while for lower civil servants, it ranges from 10% to 12.5 %.

Ministries and other civil service institutions, with the exception of Tax Administration, do not give discretionary end-of-the-year bonuses to their staff. Bonuses are not provided under the Law on Salaries of Civil Servants and are not paid to civil servants. One exception is the Tax Administration, which has its own Rulebook on Remuneration[65], with separate base salary levels, supplements and bonuses for its staff. In 2018, the Tax Administration aligned base salary coefficients for middle management and lower civil service positions with the Law on Salaries of Civil Servants, but has kept the structure of special allowances to the base salary. The number of bonuses in the Tax Administration is up to 30% of the base salary, which exceeds the usual limit of best international practices (20% of the base salary)[66].

No comparative surveys are carried out to compare private sector with civil service salaries. The HRMIS does not provide data on the average salary levels of civil servants.

As with the salary system for all public sector employees, implementation of the Law on the Salary System in the Public Sector was postponed for the third time to 2020. This is a systemic law, which sets the main principles and transparently regulates the salary system in the public sector. The Law envisages classifying all public sector employees into 13 pay grades, based on a common job-evaluation system and a unique base pay. Civil service salary levels are currently around 30 percent higher than the salary levels of employees in the public services (education, health, culture institutions, etc.), so it would be difficult to ensure the implementation of this Law without significant increases in the wage bill. Possible mechanisms for implementing this Law are being analysed by the Government.

Two specific salary laws that should complement the implementation of Law on the Salary System in the Public Sector were adopted during the reporting period. The first is the Law on Salaries of Civil Servants and General Service Employees in the Bodies of Autonomous Provinces and Local Self-Government Units[67], which regulates salaries, salary compensation, reimbursement of expenses and other income of civil servants and general service employees in autonomous provinces and local self-government bodies. The Law was adopted in December 2017 and its implementation set for the beginning of 2020. The second is the Law on Salaries in Public Agencies, adopted in 2018[68]. This is a positive development, because the Law establishes the legal framework for salaries of employees in public agencies for the first time. However, the Law on Public Agencies is implemented only at a limited number of agencies, as some

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[64]   Junior clerks are ranked lowest, while the highest rank is No. 1 of senior managerial positions, which includes heads of autonomous civil service organisations (so-called "special organisations").

[65]   Rulebook on Salaries and Other Remuneration in the Ministry of Finance-Tax Administration, Official Gazette Nos. 88/09 , 47/10 , 21/11 , 43/13 , 104/13 , 67/17 , 101/17 , 23/18 and 72/18.

[66]   SIGMA's *Methodological Framework for the Principles of Public Administration* requires that the percentage for bonuses not exceed 20% of a total salary.

[67]   Official Gazette Nos. 113/2017 and 95/2018.

[68]   Official Gazette Nos. 47/2018 and 95/2018.

have completely an unclear status[69]. The implementation of the Law on Salaries in Public Agencies has also been postponed until 2020[70].

Pay levels of independent institutions (e.g. the SAI and the Constitutional Court) are not fully aligned with the provisions of the civil service Salary Law. Pay levels of state auditors are aligned with the pay levels of appointed positions in the civil service. In all other aspects, the status of staff of the SAI conforms with the provisions of the CSL. The status of Ombudsman's staff is governed fully by the CSL. Salaries of employees in these institutions, are, however, significantly different: while SAI employees[71] can receive salary increases of up to 30% (as can those of the Constitutional Court[72]), employees of the Ombudsman do not have this right.

Overall, the value for the indicator on the fairness and competitiveness of the remuneration system for civil servants is 3.

Fairness and competitiveness of the remuneration system for civil servants
This indicator measures the extent to which the legal framework and the organisation of the civil service salary system support fair and transparent remuneration of civil servants, in terms of both the legislative and organisational preconditions and the performance and fairness of the systems in practice.

Overall indicator value	0	1	2	**3**	4	5

Sub-indicators	Points
Legal framework and organisation of the remuneration system	
1. Legal obligation to base salaries on job classifications	2/2
2. Comprehensiveness, clarity and transparency in legal definitions of salary, criteria and procedures for allocation	2/2
3. Availability of salary information	1/3
Performance and fairness of the remuneration system in practice	
4. Fairness in allocation of base salaries in the job classification system	2/4
5. Base salary compression ratio	2/2
6. Managerial discretion in the allocation of bonuses	1/4
7. Motivational character of bonuses (%)	2/2
8. Competitiveness of civil service salaries (%)	0/3[73]
Total[74]	**12/22**

The salary structure for civil servants is transparent, fair (with minor inconsistencies) and based on a job-classification system. The implementation of the Law on the Salary System in the Public Sector was delayed again until 2020, as was the Law on Salaries in Public Agencies, for financial reasons. The pay levels of independent institutions (e.g. the SAI, Constitutional Court) are not fully aligned with the provisions of the CSL, since their special laws stipulate significant differences in the salaries of employees of the institutions.

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[69]   Agency for Energy is not organised as an Agency, a company, nor as a state organisation institution.

[70]   The situation in the area of public agencies needs special attention regarding not only salaries but also the employment policy and overall organisation, including accountability.

[71]   Official Gazette Nos. 101/2005, 54/2007, 36/2010 and 44/2018, Law on SAI, Article 56a.

[72]   Official Gazette Nos. 09/2007, 99/2011, 18/2013, 103/2015 and 40/2015, Law on Constitutional Court Article 27g.

[73]   No data provided.

[74]   Point conversion ranges: 0-3=0, 4-7=1, 8-10=2, 11-13=3, 14-16=4, 17-20=5.

Principle 6: The professional development of public servants is ensured; this includes regular training, fair performance appraisal, and mobility and promotion based on objective and transparent criteria and merit.

The main change during the reporting period was the establishment of the NAPA[75] at the end of 2017. The NAPA took over the responsibility for training civil servants from the HRMS and moved into the premises of the HRMS, taking over the HRMS Department for Professional Development and its employees, which facilitated the transition. In 2018, the NAPA gradually began to carry out its responsibilities. A set of secondary and tertiary legislation was passed, either by the Government or by the director of NAPA[76], at the end of 2018. The team of NAPA is committed to build a truly modern professional development and training institution. Obviously, it will take some time, but the goodwill and commitment is clearly visible.

The responsibility for professional development is now divided between the MPALSG, the NAPA and the HRMS. The Government is responsible for adopting training programmes, while the NAPA is in charge of the preparation and delivery of training programmes. The NAPA and the HRMS co-operate in analysing training needs, with the HRMS gathering data on performance appraisal, which is used as a source of information for the analysis of training needs. The HRMS has the authority to assess individual civil servants' capacities and competences and provide proposals for their professional and career development. This service is provided in the Centre for Career Development (the organisational unit of the HRMIS), usually upon the request of individual civil servants. It is too early to assess the efficiency of the new institutional set-up for the professional development of civil servants.

In 2017, the HRMS conducted 267 training courses serving 4 832 participants, and in 2018 the NAPA and HRMS organised 208 training courses serving 4 081 participants. In addition, coaching and mentoring are being used as development tools to conduct training programmes. Apart from the general training programmes organised by HRMS, almost 8 300 civil servants participated in other training programmes organised by different public authorities and the Ministry of European Integration.

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[75]   Law on the National Academy of Public Administration, Official Gazette No. 19/2017.

[76]   Official Gazette Nos. 20 and 21/2108.

Figure 6. Training courses and participants, 2015-2018
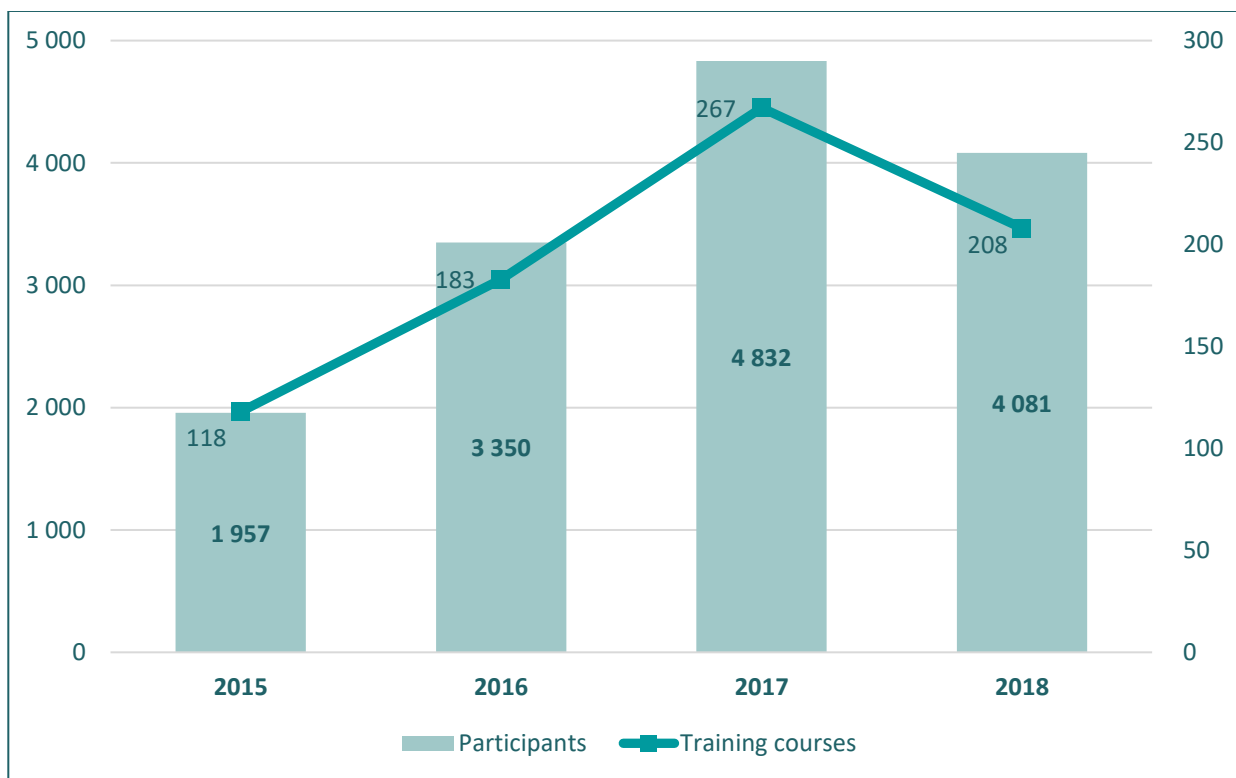
Source: Data provided by Human Resource Management Service.

A new Decree on Assessment of Performance of Civil Servants was passed at the beginning of 2019[77], introducing a new model of performance appraisal for civil servants. The objective of the Decree is to introduce the concept of team performance, in which annual targets are set only for the organisational unit and not for individual civil servants, to encourage teamwork towards common annual work targets. The performance appraisal of lower level (non-managerial) civil servant posts would focus on the assessment of their competences, accounting for 80% of the overall score, while achievement of organisational unit targets would account for only 20% of the overall score. The primary responsibility for achieving a unit's annual targets will be on the middle and senior management level, whose main performance appraisal criterion would be based on achieving annual organisational targets.

Both the assessment of employees and the development of annual goals are handed down by the head of authority (a political appointee) to the senior managerial level, and from the senior to junior managerial level. However, the method of fulfilment of the annual objectives is discussed between the appraiser and the employee, but no mutual development of goals nor a joint assessment of performance are proposed under this top-down management style. The annual interview is seen purely as a way to inform the employee of the findings of an appraisal, rather than a joint discussion on how to improve performance and develop competences.

The methods of appraisal [78] involve elaborate details and complicated mathematical calculations, representing a significant burden for line managers, HR units and the civil servants to understand and implement[79], especially since the HRMIS system is not functional and cannot support its operation.

Appraised civil servants have the right to appeal their rating. In 2018, 208 appeals of performance appraisal ratings were submitted to the Government Appeals Board, amounting to 10.3% of the total
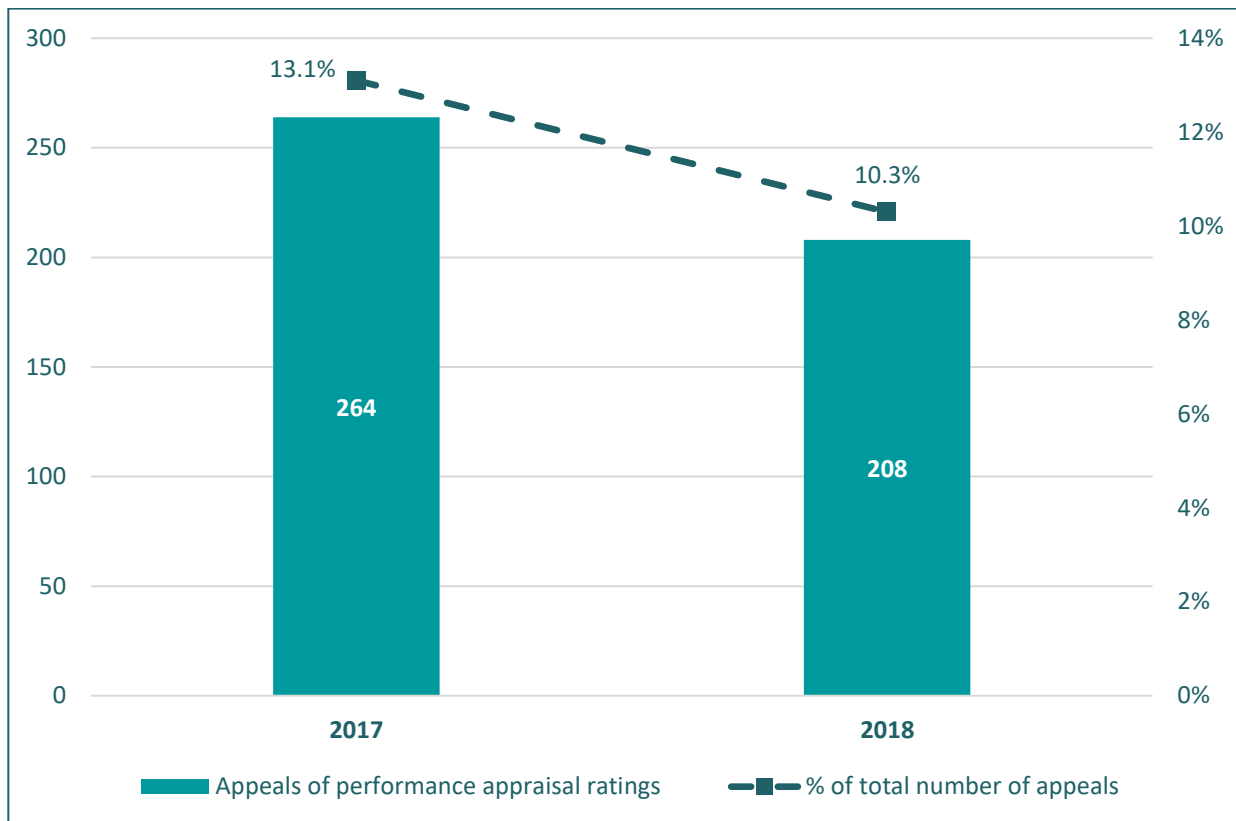
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[77]   Official Gazette No. 2/2019.

[78]   Decree on Assessment of Performance of Civil Servants, Article 7 and following.

[79]   Confirmed in interviews conducted in January 2019 with the HR Units.

number of appeals, while in 2017, 264 performance appraisal decisions were appealed (13.1% of the total number of appeals).

Figure 7. Appeals of performance appraisal, 2017-2018

Source: Data provided by Human Resource Management Service.

The HRMS is also responsible for the internal labour market. The CSL has extended the scope of the data[80] to be entered into the system. At present, only one civil servant has asked for a transfer within the internal market system of the HRMS[81] .

Overall, the value for the indicator on the professional development and training for civil servants is 3.

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[80]   CSL, Article 160.

[81]   http://www.suk.gov.rs/sr_latin/interno_trziste_rada/index.dot?osnov_trazenja=1.

Professional development and training for civil servants	
This indicator measures the extent to which the legal framework and the organisation of training, performance appraisal, mobility and promotion support fair professional development in the civil service.	
Overall indicator value	0 1 2 **3** 4 5

Sub-indicators	Points
Legal framework and organisation of professional development	
1. Recognition of training as a right and a duty of civil servants	2/2
2. Co-ordination of the civil service training policy	3/3
3. Development, implementation and monitoring of training plans	3/3
4. Evaluation of training courses	2/2
5. Professionalism of performance assessments	3/4
6. Linkage between performance appraisals and measures designed to enhance professional achievement	2/4
7. Clarity of criteria for and encouragement of mobility	1/2
8. Adequacy of legislative framework for merit-based vertical promotion	2/2
9. Absence of political interference in vertical promotions	0/2
10. Right of civil servants to appeal against performance appraisal decisions	2/2
11. Right of civil servants to appeal mobility decisions	2/2
Performance of professional development practices	
12. Training expenditures in proportion to the annual salary budget (%)	0/4[82]
13. Participation of civil servants in training (%)	0/5
14. Perceived level of meritocracy in the public sector (%)	2/5
Total[83]	**24/42**

The organisation and responsibilities for professional development of civil servants were modified with the creation of the NAPA; this new institution is still in the process of development, therefore its assessment will be carried out in the future. The concepts of team performance and detailed competency assessment have been introduced through a new performance appraisal system. The use of the new system raises concerns that it might be turned into a technical exercise, not a genuine appraisal to support the development and performance of the staff, especially since the HRMIS system is not yet operational and cannot back it up.

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[82]   No data provided.

[83]   Point conversion ranges: 0-6=0, 7-13=1, 14-21=2, 22-29=3, 30-36=4, 37-42=5.

Key recommendations

Short-term (1-2 years)

1) The Government should ensure that all senior managerial positions are filled on the basis of a competitive process within the prescribed deadline in line with requirements set forth by the legislation.

2) The HRMS and the NAPA should ensure that the new competency framework is systematically applied. They should also help strengthen the capacity of members of selection committees in recruitment and selection; build capacity of HRM units and line managers to introduce competences in job descriptions and to conduct performance appraisals.

3) The Government should strengthen the capacity of the HRMS, so that it can perform the demanding job of testing general functional and behavioural competences of all eligible civil service applicants.

4) The HRM units of the central state administration bodies should establish a formal network for co-operation and exchange of experience in HRM matters.

5) The MPALSG should ensure that performance appraisal is supported online, to help implement the new system. Substantial training for all line managers, to fully understand the point of modern performance appraisal, should be provided.

6) The Government should allocate separate funds for training of individual civil service bodies, to be able to design special training programmes for their staff.

7) The MPALSG should publish annual data on turnover at aggregate level and by individual institutions.

8) The Government should assess the feasibility of introducing a unified remuneration system for the public sector in 2020 and consider options for phasing it in gradually.

9) MPALSG together with the NAPA and the HRMS should prioritise the professional development of senior civil servants, both by elaborating tailored training activities and by seeking additional funding for such activities.

Medium-term (3-5 years)

10) The Government should consider the centralisation of administrative aspects of HRM, by centralising the record keeping function and payroll-related decisions (overtime pay, jubilee awards, etc.) in a shared services centre, while leaving the substantive HRM work in the individual civil service bodies.

11) The capacities of HRM units in individual institutions need to be continuously strengthened to be able to implement modern HRM tools and functions. In this respect, possibilities of technical assistance projects should be sought.

Service Delivery

SERVICE DELIVERY

1. STATE OF PLAY AND MAIN DEVELOPMENTS: JULY 2017 – MARCH 2019

1.1. State of play

The commitment and initiatives of the Government of Serbia to improve public service delivery are continuing and visible. The development of e-government and digital solutions are in the spotlight and have significant political support which also help advance the overall development of service delivery. As a result, three out of four areas of service delivery have improved indicator values. Although legislation does not mandate a single institution with the overall responsibility for service delivery, the Ministry of Public Administration and Local Self-Government (MPALSG) has the widest responsibility for service delivery policy, but several other institutions also play an important role. Institutional set-up has been enhanced by the establishment of the Office for Information Technologies and e-Government[84] (the e-Gov Office), which together with the Delivery Unit of the Prime Minister's Office (OPM) provide leadership for digital government reforms. The reforms for administrative simplification are led by the Public Policy Secretariat (PPS) and the Ministry of Economy (MoE).

While many highly successful cases of service redesign and simplification can be noted, there has not been a major wave of service transformation yet. Although the policy focus of the Government has largely been on e-services and digitisation, the share of the population using digital signature is still very low (5%). The administration is planning to introduce mobile authentication and signature in October 2019, which is expected to increase usage. Compared to the 2017 assessment, there have been positive developments regarding instant and e-payments which will pave the way for rapid uptake across the administration.

Digital accessibility to services has continued to improve as more registries have been linked through the Government Service Bus (GSB) and many services are available from the e-Government Portal. The new e-Government Portal with all the modern functionalities (smooth payment systems, improved interoperability, reminders, etc.) should be ready by the end of 2019.

No monitoring system is in place to take stock of improvements in service delivery and to measure user experience across the administration. More institutions use quality management and user engagement tools, however, they are still not systematically promoted nor shared across government institutions.

Although the adoption of the new Law on General Administrative Procedures (LGAP) in 2016 along with principle of "once only" strengthened the legal framework, its implementation is still uneven across the administration. Citizens are often unaware of their improved rights, which makes it easier for the public administration bodies to keep the old and cumbersome procedures. Harmonisation of special laws with the LGAP has been a challenge, due to capacity issues throughout the administration, most notably in the MPALSG.

Accessibility is still an important issue as not all the service providers are using electronic channels, and it varies a lot by region. While electronic service delivery keeps advancing and is centrally steered, there is no overall policy for ensuring accessibility. However, physical accessibility is still a big concern, especially for people with disabilities.

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[84]   Website of the Office for Information Technologies and e-Government: https://www.ite.gov.rs/.

1.2. Main developments

The Government has achieved further progress in service delivery and the simplification of administrative processes. Registering a company can now be completed entirely online in less than a day. The Geodetic Authority was the first institution to take advantage of payment using a point-of-sale (POS) terminal to pay for its services. As of 1 October 2018, enterprises no longer need to use a company seal, and existing companies will gradually convert to the new system. The most well-known project, "Baby, welcome to the world", has successfully entered into phase two; enabling parents to apply for parental allowances. E-enrolment to primary schools via a new information system has been made available, impacting approximately 75 000 new pupils and saving parents from submitting 150 000 paper documents. E-prescription, available since November 2017, has been used for around 54.6 million prescriptions, as a result, patients go to the general practitioners six times less than before. Another novelty in 2019 is the unified Information System for Local Tax Administrations, which simplifies payment of taxes for around 135 000 enterprises and 258 000 entrepreneurs[85].

The challenge is to simplify administrative procedures so that they are better suited to operating in the digital environment, where data is exchanged between government institutions and the users of administrative services are no longer required to submit the necessary documents. Some of the limitations government bodies face are structural (for example, if they have no instant-payment option or lack interoperability), while others are due to poor service design and a reluctance to embrace new systems.

The Government has stepped up central management of digital government reforms, which has great potential for providing better services to businesses and citizens. The mandate of the e-Gov Office, which was set up in 2017, is to design, harmonise and develop the e-government system and to co-ordinate the software and hardware development[86]. The e-Gov Office is also involved in efforts to simplify individual services and procedures. The Government established the Co-ordination Council for e-Government in February 2018[87]. The e-Gov Office is preparing a new Programme on e-Government and its action plan under the Public Administration Reform (PAR) Strategy 2014. This programme will complete the strategic framework, as the last e-Government Development Strategy expired in 2018.

The Delivery Unit, a catalyst for reforms, has shifted its attention from administering individual projects with high potential to co-ordinating work on setting up the key elements of digital government[88]. A major new piece of legislation in this area is the Law on e-Government[89] and its by-laws, adopted in 2018, which sets out the legal framework for the infrastructure of digital government. One crucial element in this area is the interoperability framework, the GSB[90]. It is an information system launched in June 2017 to support the implementation of the LGAP by making it easier to obtain documents and electronically exchange data between public administration bodies. It is a major tool for automating administrative procedures and for the introduction of digital governance in Serbia. GSB has already facilitated 1.4 million transactions since its launch in June 2017 which resulted in considerable savings in both time[91] and money. A missing base registry, the Central Population Registry, will be set up by 1 September 2020 as foreseen by the recently adopted Law[92].

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85   Data obtained from the e-Government Office, 2 April 2019.

86   Regulation Establishing the Office for Information Technologies and Electronic Government, Official Gazette Nos. 73/2017-3 and 8/2019-96.

87   Decision Establishing the Co-ordination Council for e-Government, Official Gazette No. 104/2017-124.

88   Interview with the Delivery Unit, 29 January 2019.

89   Law on e-Government, No. 27 of 6 April 2018.

90   In Serbian *eZUP*.

91   Time saving has been estimated at 600 000 hours, data provided by the MPALSG.

92   The Law on Population Registry was adopted by the Parliament on 14 March 2019. Official Gazette No. 17/2019-3.

The Law on e-Government reinforces the implementation of another new law, the Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business[93], which harmonised this area with the European Union (EU) eIDAS Regulation[94]. It lays out the conditions under which digitised documents verified by a digital signature or stamp can have the same legal status as hand-written signatures. The Law introduced trusted new services, such as e-stamp, e-identification and digital archiving, to facilitate digital communication and set out the rules in this area. These recent developments are likely to play an important part in increasing the use of digital services, which is still relatively rare. In 2017, only 5% of the population used a digital signature[95].

The registry of administrative procedures has been set up to map the steps in each procedure and the data requirements needed to complete them. Its aim is to identify what information can be obtained by the administration in the exercise of its functions and to standardise the procedures to the extent possible. A meta-register to keep track of all the state registers and types of data is also being established[96]. This will help eliminate unnecessary duplication of data entry throughout government.

Where access to services is concerned, Serbia still has a way to go. Work on one-stop shops has been progressing slowly. At the end of 2018, the MPALSG launched a public call [97] inviting municipal administrations to establish or improve their single points of contact. This is a pilot project on which the rules and standards for the one-stop shop can be based. As part of the administrative simplification process under the co-ordination of the PPS, new one-stop shops are also being created. The Ministry of Labour, Employment, Veteran and Social Affairs set up a working group in October 2018 to draft the Strategy on People with Disabilities 2019-2024 and its action plan, to address the topic of access systematically.

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[93] Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business, No. 94/2017.

[94] eIDAS (Electronic Identification and Trust Services for Electronic Transactions in the Internal Market), https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2014.257.01.0073.01.ENG.

[95] Interview with the Ministry of Trade, Tourism and Telecommunications on 30 January 2019.

[96] Regulation on the on the Method of Managing the Meta-Register, the Method of Approving, Suspending and Cancelling the Access to the Government Service Bus and the Mode of Operation of the e-Government Portal, Official Gazette No. 104/2018-6.

[97] MPALSG, "Public Call for Applications by Local Self-Government Units and Town Municipalities for Support During the Establishment of One-Stop Shops," available online at: http://mduls.gov.rs/obavestenja/javni-poziv-lokalnim-samoupravama-za-pilot-projekat-ministarstva-jedinstveno-upravno-mesto/?script=lat.

2. ANALYSIS

This analysis covers four Principles for the service delivery area. It includes an analysis of the indicator(s) and sub-indicators used to assess the Principle, and an overall summary of the state of play. Short- and medium-term recommendations are presented at the end of the section.

Key requirement: the public administration is citizen-oriented; the quality and accessibility of public services is ensured.

The values of the indicators assessing Serbia's performance under this key requirement are displayed below.

Developments in service delivery since June 2017 have had a positive impact on three out of four indicator values. The biggest advancement is in the existence of enablers for public service delivery area, which improved by two steps. Improvement of interoperability infrastructure, elaboration of legal framework of digital signatures, and positive changes in user engagement and quality management contributed to the increase of the score. Fairness and efficiency of administrative procedures improved by one step, now being the highest scoring area of service delivery in Serbia. One step advancement of the accessibility of public services is positive, but it is still the weakest area compared to the others.

Indicators	0	1	2	3	4	5
Citizen-oriented service delivery				◈		
Fairness and efficiency of administrative procedures				□	◆	
Existence of enablers for public service delivery		□		◆		
Accessibility of public services		□	◆			

Legend: □ 2017 indicator value   ◆ 2019 indicator value

Analysis of Principles

Principle 1: Policy for citizen-oriented state administration is in place and applied.

The strategic framework for improving service delivery is diverse. In general, it favours service delivery through digital channels over paper-based processes. The PAR Strategy from 2014 is the general strategic framework for service delivery reform. The strategic intentions are further set out in the area of digital government solutions. In 2018, the e-Government Development Strategy 2015-2018 (e-Gov Strategy) expired, creating a temporary vacuum in the strategic framework of e-Government policy. However, PAR Strategy only briefly discusses some of the e-government building blocks and states the need for the adoption of the e-Gov Strategy and the appropriate Action Plan that will set forth the actions that will help reach this objective[98]. Now that the e-Gov Strategy has expired and the new e-Government Programme is under development[99], there is no common and approved vision for further development of this area. As the legal framework for e-government has recently been substantially improved, the new vision would need to

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[98]   Public Administration Reform Strategy in the Republic of Serbia, Official Gazette No. 9/14 and 42/14-corr., adopted on 24 January 2014, page 26.

[99]   The new e-Government Programme will replace the previous e-Government Strategy, following the new system of policy documents according to the Law on the Planning System. The e-Government Programme is planned to be ready by summer 2019.

concentrate on the next strategic steps along with the implementation of the new set of regulations in this area.

The Strategy for Information Society Development until 2020 (SISD) is another key building block in creating the enabling environment for digital government solutions. While the e-Gov Strategy was principally concerned with digitisation of registries, interoperability, provision of services in the e-Government Portal and open government, the SISD focuses on developing the digital market, e-commerce and internet access for all, and also on e-government, e-health and e-justice. In the e-government area, the SISD aims to provide citizens with an electronic identity for using public sector services, and to popularise the use of information and communications technology (ICT), in particular by facilitating the introduction of the electronic signature in the population at large and developing the e-Government Portal[100]. The two strategy documents are thus complementary.

Finally, the Regulatory Reform and Improved Public Policy Management Strategy 2016-2020 (Regulatory Reform Strategy) includes among its chief objectives streamlining administrative procedures and monitoring the administrative burden on businesses and other parties. The Regulatory Reform Strategy included an operational-level document, the Plan of Priority Activities for Reduction of Administrative Burdens 2016-2018 (Stop Bureaucracy Plan), the most concise and service improvement-oriented of all the documents administered by the Delivery Unit. However, the Plan expired at the end of 2018. Since the objectives have only been partially attained, the new Programme for the Simplification of Administrative Procedures and Regulations for 2019-2021 is being prepared[101].

Central co-ordination of service delivery reforms is conducted by several organisations. Overall PAR co-ordination, as well as management of certain areas, such as the harmonisation of special laws with the LGAP and the establishment of the Population Registry, is the responsibility of the MPALSG. The recently created e-Gov Office is the centrepiece of digital government reforms, supported by the Delivery Unit, whose mandate is to help set up key enablers of digital government. While the Regulatory Reform Strategy is managed by the PPS, the Ministry of Economy together with the PPS play the key role in the implementation of the Regulatory Reform Strategy, including regular co-operation with the business community. The Ministry of Trade, Tourism and Telecommunications is responsible for creating the legal framework for digital signature. The PAR Council, at the ministerial level, convenes a few times a year to discuss matters of current importance, not necessarily related to the PAR Strategy[102]. In February 2018, the Prime Minister created the Co-ordination Council for e-Government, which consists of 50 members from all the relevant institutions, as well as stakeholders from outside the Government.

The Agency for Business Registers (ABR) is considered one of the digital champions in Serbia. In addition to the multiple digital services it provides, the most recent of which is electronic registration of beneficial ownership[103], it is one of the catalysts for use of the digital signature (in addition to the Tax Administration). Since 2013, every company has been required to submit annual accounts electronically, digitally signed. The ABR has also played a leading role in abolishing the requirement of the stamp (or seal) on documents, saving companies time and money. The E-Gov Office has launched an awareness raising campaign by disseminating special stickers to communicate widely that stamps are no longer needed and companies still using stamps should be reported. Below is an example of the sticker:

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[100]   Website of the e-Government Portal: https://www.euprava.gov.rs/.

[101]   The PPS plans to present the Programme for the Simplification of Administrative Procedures and Regulations for 2019-2021 (renewed Stop Bureaucracy Plan) for adoption by the Government in spring 2019. An accompanying Action Plan for 2019-2020 will be approved together with the Programme.

[102]   Interview with the MPALSG, 29 January 2019.

[103]   Law on Central Register of Beneficial Owners, Official Gazette No. 41/2018-119.
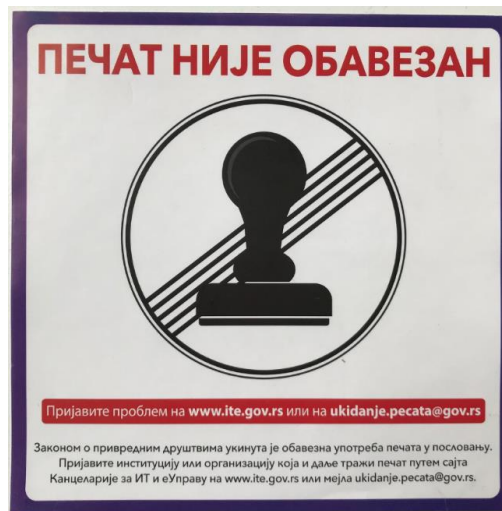
Given its strong IT capacity, it was decided[104] that as of 2016, the ABR would develop the information system for processing construction permits. As a result, in two years, the time required to issue a construction permit dropped from 156 days to 106, and cut the costs almost in half[105]. Registering a new business can now be completed in a single day rather than in seven days[106], which represents significant progress.

Exchanging ownership of a private vehicle is still, however, an excessively cumbersome process. Eight forms and at least seven institutional contacts are required to complete the procedure, which cannot be finalised in one day. Since it involves paying motor vehicle tax, it requires visiting two institutions, the police and the Tax Administration, three times. Part of the difficulty is that it takes a day to register the payment, based on the Tax Administration's evaluation of the value of the vehicle. First, the Tax Administration issues a tax decision, and instead of transferring it directly to the police, a citizen must first receive the tax decision, then pay the tax and act as the courier. Good practices from several countries where this procedure can be completed in minutes have been studied, but no substantial change has occurred.

Another service administered at police stations, the issuance of an ID card, is relatively easy and can be obtained in a few days (every Serbian citizen older than 16 is required to obtain one). However, the application procedure for renewals[107] is not digital, although appointments can be booked through the e-Government Portal. Again, a complicated part of the procedure is the payment of the fee. Even though this could be paid by bank transfer, the receipt must be stamped by the bank to constitute valid proof. The Police Department, in co-operation with the e-Gov Office, is currently piloting the use of payment terminals in the police station of Belgrade. After the pilot project, payment terminals will be installed across all police stations, simplifying considerably the process[108].

Declaring income and paying taxes has improved in the past two years. In 2017, 37% of the individuals who submitted personal income tax declarations did so electronically, an increase of 3 percentage points since 2016. As of January 2019, requests for VAT exemption in regard to donations, loans and other

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[104]   Article 8g, Law Amending and Supplementing the Law on Planning and Construction, Official Gazette No. 132/2014.

[105]   World Bank Group, *Doing Business 2017 and 2019 reports on Serbia*, http://www.doingbusiness.org/content/dam/doingBusiness/country/s/serbia/SRB.pdf. For cost calculations, a model warehouse value has been set as a standard; the cost of obtaining a construction permit in relation to that value has decreased from 3.2% to 1.7%.

[106]   This comparison relies on the information for 2019 from the ABR and for 2017 from the World Bank's *Doing Business report on Serbia*.

[107]   The Administrative Instruction for issuance of ID cards does not distinguish between the first issuance and renewal of the ID card.

[108]   Information provided by e-Government office on 2 April 2019.

matters subject to international treaties can be now fulfilled electronically. However, personal income tax declarations are not pre-filled.

One recent Government measure to improve the business environment was to set a goal to reduce the administrative burden on the economy to less than 3% of GDP[109]. The PPS is in charge of the e-Paper project, intended to reduce administrative costs to the economy by preparing public institutions to use digital communication rather than paper-based procedures. Since it was launched in 2016, with 84 government institutions[110], it has collaborated with businesses, calling upon them to propose solutions. The National Alliance for Local Economic Development (NALED), a non-governmental organisation that acts as a pressure group, has been a long-term partner of the Government in compiling and sharing a list of recommendations for removing administrative barriers to business in Serbia. These are collected in a series of Grey Books[111], 11 of which have been issued.

Work has begun on identifying and collecting all business-related administrative procedures and making them publicly available on a dedicated portal. A total of 2 500 procedures have been identified, some of them relating both to citizens and businesses. Two goals of the project are to reduce the number of procedures, by simplification or abolishment of the excessive ones, and to create one-stop shops along digital solutions for applying for permits and licences whenever possible[112]. The PPS has processed and made recommendations for 871 procedures, of which 472 have so far been accepted by the responsible "owners" and another 218 are in the process of alignment[113]. The PPS has drafted a Methodology for simplification of administrative procedures and calculation of expenses for this purpose.

The Public Policy Secretariat[114] is responsible for Regulatory Impact Assessments (RIA). A new RIA procedure was approved by the Government in February 2019[115]. The PPS along with the Republic Secretariat for Legislation supports the MPALSG in ensuring that no draft law is presented to the Government that is not harmonised with the LGAP. The PPS also receives draft laws for opinion, given its role in RIA[116]. They also draw attention to the need to harmonise the law with the LGAP or explain the reasons why it cannot be harmonised. The MPALSG can see the opinion of the PPS in advance of a Government committee session and react appropriately.

Overall, the value for the indicator on citizen-oriented service delivery is 3.

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[109]   https://www.ite.gov.rs/tekst/en/38/epaper.php.

[110]   Interview with the PPS, 29 January 2018.

[111]   For more on NALED Grey Books, see http://naled.rs/baza-publikacija.php.

[112]   "Public Policy Secretariat, Operational Activity Plan for Establishing a Single Public Registry of Administrative Procedures and Other Business Requirements"; ePapir Brochure, available at https://www.epapir.rsjp.gov.rs/RSJP%20brosura%20ePAPIR.pdf.

[113]   As of 13 March 2019, information provided by e-Gov Office on 2 April 2019.

[114]   Law on Ministries, Article 33 Paragraph 2. https://www.paragraf.rs/propisi/zakon_o_ministarstvima.html.

[115]   Regulation on the Methodology of Public Policy Management, Impact Analysis of Public Policies and Regulations, and the Content of Individual Public Policy Documents, Official Gazette No. 30/18, adopted on 8 February 2019.

[116]   Rules of Procedure of the Government, adopted 18 June 2006, latest version published in Official Gazette No. 8/2019- 79 (DR).

Citizen-oriented service delivery
This indicator measures the extent to which citizen-oriented service delivery is defined as a policy objective in legislation or official government plans and strategies. It furthermore measures the progress of implementation and evaluates the results achieved, focusing on citizens and businesses in the design and delivery of public services. Implementation and results are evaluated using a combination of quantitative and perception-based metrics.

Overall indicator value	0	1	2	**3**	4	5

Sub-indicators	Points
Policy framework for citizen-oriented service delivery	
1. Existence and extent of application of policy on service delivery	6/8
2. Existence and extent of application of policy on digital service delivery	0/8
3. Central co-ordination for digital government projects	2/4
4. Established policy on administrative simplification	8/12
Performance of citizen-oriented service delivery	
5. Perceived quality of public service delivery by citizens (%)	2/6
6. Renewing a personal identification document	2/6
7. Registering a personal vehicle	1/6
8. Declaring and paying personal income taxes	3/6
9. Perceived quality of public service delivery and administrative burdens by businesses (%)	3.5/6
10. Starting a business	5.5/6
11. Obtaining a commercial construction permit	3/6
12. Declaring and paying corporate income taxes	6/6
13. Declaring and paying value-added taxes	5/6
Total[117]	**47/86**

The Government's commitment to public service delivery and its initiatives in the area are continuing and visible. E-government and digital solutions have a high profile and significant political support, which helps to advance the improvement of service delivery. The strategic framework for service delivery is broadly in place, although the Stop Bureaucracy plan for 2019-2021 and the new e-Government Programme are being prepared to fill the gap left by the expiration of the previous documents in the end of 2018. The creation of the e-Government and IT Office in 2017 has improved the management of digital government reform. While some services have been improved in the past two years, others have not been modernised and are complicated to use. The Government policy on administrative simplification is in place and RIA procedures have been redefined recently.

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[117]   Point conversion ranges: 0-14=0, 15-28=1, 29-42=2, 43-56=3, 57-70=4, 71-86=5.

Principle 2: Good administration is a key policy objective underpinning the delivery of public service, enacted in legislation and applied consistently in practice.

The LGAP took effect as of 1 July 2018. While the new law is modern in complying with the European principles of public administration, it is also conducive to operating in the digital government environment[118].

The most radical innovation of the 2016 LGAP was the introduction of the "once only" principle. The LGAP's Article 9 stipulates that the proceedings shall be conducted without delay and at the lowest possible cost to the party involved, and that the authority shall *ex officio* review information about the facts necessary for decision-making of which official records are kept, and shall obtain and process them. A government body may require from applicants only the data necessary to identify them and the documents that confirm the facts that are not in official records. The MPALSG is to draw attention to the need to eliminate regulations that require a citizen to submit documents that the administration can obtain in the exercise of its duties. However, in practice, officials are often reported to suggest that it would be quicker for applicants to bring the document from another government body by themselves[119]. Interviews[120] confirmed wide variations in how closely service providers follow the requirements introduced by the LGAP, even across local branches of the same service provider. This is partly due to the lack of knowledge and capacity of the service providers, as well as the lack of digital solutions. Citizens are often not aware of their legal rights, which allows the administration to maintain the old, cumbersome procedures.

A total of 270 laws are to be harmonised with the LGAP by 1 June 2020, two years later than the initial plan stipulated. In 2018, 42 laws were harmonised and 100 laws are scheduled for harmonisation in 2019[121]. This task has proved challenging, given the lack of capacity both in the MPALSG and in line ministries and the other government bodies involved. The RIA procedure (see also under Principle 1) was to ensure that no new draft law be presented if it was not harmonised with the LGAP. While the MPALSG is focusing on the harmonisation of laws with the LGAP, the PPS's work on administrative simplification (see Principle 1) includes reviewing individual legislative propositions (including secondary legislation) to make sure it harmonises with the LGAP. PPS objects the instances of non-compliance with the LGAP and as a result, PPS has prepared a list of 40 laws and 95 by-laws that need alignment with the LGAP[122]. However, there is still a high risk that by-laws are not being systematically harmonised because MPALSG is not covering the harmonisation of secondary legislation and the PPS is reviewing by-laws as part of the broader simplification process, which will take many years to complete. Therefore, this process could benefit from better co-ordination[123], to keep track of which stage of the legislation (whether primary or secondary) has been harmonised, to avoid omissions and target the same pieces of legislation twice.

The MPALSG also monitors the inspector control reform, another major undertaking. In addition to laws, a further 829 additional regulations need to be harmonised. An initiative is also under way to develop a model of administrative procedures (involving a standard description of each procedure and its application modalities) for local self-governments. From one local government unit to another[124], the procedures vary widely, which is especially problematic for businesses[125]. Training local government staff, and the staff of deconcentrated units of state administration bodies, about the provisions of the

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[118]   For more specific assessment of the Law, see the 2017 SIGMA Monitoring Report on Serbia: http://www.sigmaweb.org/publications/Monitoring-Report-2017-Serbia.pdf.

[119]   The Grey Book of Public Services (2018), European Policy Centre: https://cep.org.rs/en/publications/grey-book-of-public-services/.

[120]   Focus group with civil society organisations, 1 February 2019, the same was confirmed during the interviews of the different service providers.

[121]   Interview with the MPALSG on 31 January 2019.

[122]   Information provided by the PPS, 4 April 2019.

[123]   It was also indicated during interviews with the PPS on 29 January 2019 and with the MPALSG on 31 January 2019.

[124]   Stop Bureaucracy Plan.

[125]   Interview with NALED, 31 January 2019.

LGAP and on how to apply them, is imperative[126]. The National Academy of Public Administration (NAPA) is supporting the reforms of harmonisation of special laws with the LGAP as well as digital government reform, with extensive training[127].

When citizens were asked about their perception of the efficiency of administrative procedures in public institutions, the 2019 survey[128] showed a significant improvement in positive views the previous two years, from 39% to 51%[129]. This suggests that citizens have noticed the Government's efforts to improve public service delivery.

Of the 18 665 cases decided by the administrative court a year, 5 130 cases (representing 27.5%) were decided in favour of the claimant and returned to the respective administrative bodies for reconsideration.

Overall, the value for the indicator on the fairness and efficiency of administrative procedures is 4.

Fairness and efficiency of administrative procedures
The indicator measures the extent to which the regulation of administrative procedure is compatible with international standards of good administration and good administrative behaviour. This includes both the legal framework for administrative procedure and its practical applications.

Overall indicator value	0	1	2	3	**4**	5

Sub-indicators	Points
Legal framework for administrative procedure	
1. Existence of legislation on administrative procedures of general application	3/3
2. Adequacy of law(s) on administrative procedures to ensure good administration	7/7
Fairness and efficiency of administrative procedures	
3. Perceived efficiency of administrative procedures in public institutions by citizens (%)	2/4
4. Repeals of, or changes to, decisions of administrative bodies made by the administrative courts (%)	2/4
Total[130]	**14/18**

Harmonisation of special laws with the LGAP has proceeded more slowly than anticipated. Of 270 laws that required harmonisation, 43 were harmonised in 2018. Reduction of the administrative procedures regulating businesses continues. A joint effort of the key players in RIA should ensure that all the special laws are properly harmonised with LGAP and that no new draft law conflicts with the LGAP. Implementation of the LGAP by service providers still needs improvement, as does raising public awareness of citizens' rights to demand that the principles of the LGAP be adhered to, such as following the principle of 'once only' and accepting digitally signed documents.

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[126]   Focus group meeting with civil service organisations, 1 February 2019.

[127]   NAPA, General Training Programme for Civil Servants 2019.

[128]   Balkan Barometer, annual survey conducted by the Regional Co-operation Council.

[129]   The responses "tend to agree" and "totally agree" have been combined.

[130]   Point conversion ranges: 0-3=0, 4-6=1, 7-9=2, 10-12=3, 13-15=4, 16-18=5.

Principle 3: Mechanisms for ensuring the quality of public service are in place.

Monitoring of service delivery performance is still rudimentary. Information on the volume of services delivered via the e-Government Portal is available, but statistics on the volume of services delivered through different channels, cost per service, or information on user feedback are not centrally collected or otherwise available.

This to some extent reflects the fact that the administration has not shifted its focus from administrative procedures to the concept of administrative service. The LGAP strongly emphasises the concept of "service", suggesting that activities that would accelerate such cultural change are inevitable and that the results of the LGAP reform will show in practice. With this in mind, the PPS set up a catalogue of administrative procedures[131] scheduled to be turned into a registry by 2021. To systematise information, every administrative procedure is broken down into individual steps to identify which information is already available to the Government and from where. The registry will also function as a control mechanism: every change in administrative procedure will have to pass through it. Eventually, the registry will be made public for the sake of transparency. If a citizen notices that a public body is not acting in conformity with the law, a complaint can be submitted. That being said, the catalogue does not consider administrative procedures from the perspective of user-facing administrative services. An inventory of this kind will be created in the second stage[132].

Implementation of the interoperability solution, the GSB, has progressed well. At present, 23 datasets from 8 institutions are interoperable and 321 government bodies are connected to the GSB[133]. More than 1.4 million transactions have been registered since it was launched in June 2017[134]. However, data harmonisation is laborious and slows down the process of connecting more registries to the GSB. For example, address data varies in different systems (due to a problem of semantic interoperability) and a standard needs to be set up before the address registry is declared authoritative. A big gap will be filled after the launch of the Central Population Registry, foreseen by 1 September 2020 by the recently adopted Law. Another major initiative under way is setting up the meta-register. This, with the Registry of administrative procedures, will identify which data is stored where and determine the optimum solution for collecting and storing that data in future (whether in primary or secondary registers). Based on this information, a mechanism can be designed to get rid of duplicate data sources. The e-Gov Office does not at present have the mandate to instruct data holders to eliminate duplicate data, so that given the poor data quality, adding more registers to the GSB could increase the risk of dysfunction.

The digital signature framework has been reinforced by the adoption of the Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business[135]. Hopefully this will enable digital signature to significantly increase. However, a user needs to express their consent to have the card chip and they must apply for the certificate to enable digital signature. So far, 73% of the ID cards have been issued with the chip (4.8 million), and 27% without a chip (1.7 million)[136]. While the digital signature is in use, its use is still very limited (by an estimated 5% of the population in 2017). There are five certification service providers currently on the market. One of them is the Ministry of Interior (MoI), which is the only one to provide the digital signature free of charge, but the software applications are cumbersome to use. From an agency perspective, this is an even bigger problem, because all these applications for use of a digital signature must communicate with its own systems, which is costly. A cloud-based digital signature solution is now being developed, and the legal basis has been created for it[137]. The e-Gov Office will

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131   Interview with the PPS, 29 January 2019.

132   Interview with the e-Gov Office, 28 January 2019.

133   Data provided by e-Gov Office, 2 April 2019.

134   *Ibid*.

135   Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business No. 94/2017.

136   Information from the MoI.

137   Law on Electronic Document, Electronic Identification and Trust Services in Electronic Business, No. 94/2017.

provide this service free of charge for public administration employees in agreement with the MoI[138]. In October 2019, mobile operators should be ready to launch digital signatures by mobile phone[139].

As another positive development, the e-Gov Office launched in December 2018 a special Contact Center for Public Administration to support the introduction of new digital e-Government services and ensure their uniform application across the administration [140] This Center is intended for two-way communication with employees in the state administration and local self-government bodies. As it is a rather new initiative, more services supported by the Center will be added in future.

The administration has made the significant steps toward accepting direct payments at the point of service. The Republic Geodetic Authority was the first to co-operate with the e-Gov Office, which installed POS terminals at its counters in mid-2018. This allows users to pay service fees with a card[141] and avoid going to the bank. Other government authorities are following through, for example the Traffic Police Directorate, Police Stations and local self-governments are already accepting instant payments[142]. Citizens can choose between paying on a POS terminal with a bank card or a mobile phone by scanning the QR code[143]. Considering that QR codes are already printed on bills issued by 28 public utility companies, kindergartens and public enterprises in seven pilot municipalities, this practice will certainly increase rapidly[144]. Another big potential advancement for digital payments that has yet to be resolved is allowing payments over the internet from anywhere recognised by the administration, directly and without delay. This would reportedly require a major upgrade of the Treasury systems. Recognising a printout as proof of payment of the fee is a matter of Treasury instruction. At present, without a bank stamp, such printouts are not yet recognised as a valid proof[145].

The Government does not as of yet systematically support the development of quality management. The Law on Ministries does not yet specify such a mandate for any ministries such as promoting quality management throughout the administration[146]. However, the MPALSG has a good overview of which quality assurance tools and user feedback mechanisms are in use at the central government level. The ministry has started exploring a Common Assessment Framework for its own use and intends to roll out its introduction in other government institutions[147]. Individual government bodies use different quality assurance tools at their own initiative, most frequently the ISO 9001 quality management system[148]. User feedback mechanisms are also in widespread use, most notably in the format of surveys, rather than methods that actively involve users. Common standards for public service delivery have not yet been introduced throughout the administration[149].

According to a survey of citizen perception in the Western Balkans[150], 70% of respondents from Serbia (compared to the Western Balkans average of 59%) agree with the statement that "In the past two years, the government has increasingly been moving towards digitisation".

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[138]   Information from the Delivery Unit.

[139]   Interview with the Delivery Unit, 29 January 2019.

[140]   As of April 2019, support is provided for a few centrally harmonised services, such as "Baby, Welcome to the World", "eZUP" and "eInspector" projects, as well as for the Local Tax Administration, civil service exams, and exams for Registry officers. Information obtained from e-Gov Office on 2 April 2019.

[141]   http://www.rgz.gov.rs/vesti/2829/vest/pos-terminali-u-produkciji.

[142]   Information obtained from the e-Gov Office on 2 April 2019.

[143]   *Ibid*.

[144]   *Ibid*.

[145]   Interview with the MoI, 29 January 2019.

[146]   Law on Ministries, Official Gazette Nos. 44/2014-3, 14/2015-3, 54/2015-13, 96/2015-11 (DR), 62/2017-3.

[147]   Interview with the MPALSG, 29 January 2019.

[148]   Information from the MPALSG.

[149]   As an example of good practice, see the UK Government Digital Service Standard: https://www.gov.uk/service-manual.

[150]   Western Balkan PAR Monitor 2017/2018: https://weber-cep.s3.amazonaws.com/data/attachment_914/western_balkan_par_monitor.pdf.

Overall, the value for the indicator on the existence of enablers for public service delivery is 3.

Existence of enablers for public service delivery
This indicator measures the extent to which citizen-oriented service delivery is facilitated by enabling tools and technologies, such as public service inventories, interoperability frameworks, digital signatures and user feedback mechanisms. It evaluates how effective the central government is in establishing and using these tools and technologies to improve the design and delivery of public services.

Overall indicator value	0	1	2	**3**	4	5

Sub-indicators	Points
Central and shared mechanisms to better enable public service provision are in place	
1. Central monitoring of service delivery performance	0/3
2. Adequacy of interoperability infrastructure	3/3
3. Existence of common standards for public service delivery	0/3
4. Legal recognition and affordability of electronic signatures	3/3
Performance of central and shared mechanisms for public service delivery	
5. Use of quality-management tools and techniques	2/4
6. Adoption of user engagement tools and techniques	3/4
7. Interoperability of basic registers	2/4
Total[151]	**13/24**

Performance and quality monitoring systems remain weak. There is no central approach nor central co-ordination of them. However, the administration has increased its use of quality management and user feedback tools. Digital enablers are also making strides: 23 registers are connected to the interoperability platform and the use of digital signatures has made substantial progress. As for digitisation of service delivery, the most positive development is that a systematic approach, with strong co-ordination and leadership from the IT and e-Government Office and Delivery Unit, has been established. However, some key registers are still not interoperable, given the need for a significant overhaul of these registries. A solution for expediting payments has been introduced, but digital payments are still not widely available. Engagement and interaction with end users is still in the early stages.

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[151]   Point conversion ranges: 0-4=0, 5-8=1, 9-12=2, 13-16=3, 17-20=4, 21-24=5.

Principle 4: The accessibility of public services is ensured.

There is no explicit policy on accessibility. The network of offices across Serbia has been traditionally widespread. For example, the Republic Geodetic Authority has 170 offices around Serbia, although those in municipalities only conduct a few services a day. Around 190 police stations issue personal documents and driving and vehicle licences. The Tax Administration used to have 178 branch offices across the country, of which 95 were closed (as of 23 November 2017) because they became sections within larger affiliates[152]. As of 1 July 2019, the Transformation Plan[153] of the Tax Administration anticipates a further reduction of the remaining 78 offices to 38 (37+LTO).

As for the organisation of the delivery of public services, not much information is available from which to generalise, but a survey of police administrative services revealed that 61% of respondents were dissatisfied with its lack of organisation[154]. Police services (for the issue of ID cards, and registering a private vehicle, for example) must often be conducted at the location where a citizen is officially domiciled. As a rule, an applicant has to go to the police station where the domicile is registered, both to apply for and to receive the service, which restricts access to service. For example, registering a vehicle cannot be completed in one day (see Principle 1 for more details). According to a survey of perception of civil society in the Western Balkans[155], only 14% of respondents from Serbia (the same as the Western Balkans average) agree[156] with the statement that "Across the territories of the country, administrative service providers are adequately distributed in such a way that all the citizens have easy access".

The LGAP provides for an administrative one-stop shop. Article 42 of the LGAP calls for a citizen to be served at a single window, whether or not the procedure requires co-operation between different government bodies. However, the Law is vague on the details and delegates the design of detailed conditions, criteria and standards to the Government in the form of a by-law. The MPALSG has not yet drafted this regulation and has instead explored the possibility of introducing the one-stop shops at the local government level. At the end of 2018, a public call was made inviting municipal administrations to submit requests for establishing or improving their one-stop shops[157]. Eight projects funded by the MPALSG are currently under way. New one-stop shops at the central government level are also being created as a result of the administrative simplification process under the co-ordination of the PPS. For example, PPS in collaboration with a number of public administration bodies, is currently preparing a one-stop shop for issuing temporary residence documents and work permits for foreigners[158].

The e-Government Portal[159] serves as the one-stop shop for digital services in Serbia[160]. The Law on e-Government defines the legally electronic one-stop shop (Article 4) and provides that administrative bodies may establish electronic one-stop shops at the e-Government Portal (Article 14). As of July 2018, it contained information on 774 services, 320 of them for businesses. There are about 800 000 registered

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[152] Act on the Internal Organisation and Systematisation of Workplaces in the Ministry of Finance/Tax Administration No. 08:112-01-1/408-1-2017 of 4 August 2017.

[153] Transformation Programme of the Tax Administration: http://www.poreskauprava.gov.rs/o-nama/program-transformacije.html.

[154] The Grey Book of Public Services (2018), European Policy Centre: https://cep.org.rs/en/publications/grey-book-of-public-services/.

[155] Western Balkan PAR Monitor 2017/2018: https://cep.org.rs/wp-content/uploads/2018/12/Western-Balkan-PAR-Monitor.pdf.

[156] Based on the responses "agree"; no responses were registered for "strongly agree".

[157] MPALSG, "Public Call for Applications by Local Self-Government Units and Town Municipalities for Support During Establishing of One-Stop Shops," available online at http://mduls.gov.rs/obavestenja/javni-poziv-lokalnim-samoupravama-za-pilot-projekat-ministarstva-jedinstveno-upravno-mesto/?script=lat.

[158] The legal framework will be presented to the Government for adoption in spring 2019. The full service should be ready by the end of 2020. Information provided by PPS on 4 April 2019.

[159] www.euprava.gov.rs/eusluge.

[160] Law on e-Government, Official Gazette 27/2018-25.

users, which is only 11.4% of the population of Serbia (excluding Kosovo[161]). One of the most frequently used services is digital registration of appointments for renewal of vehicle registrations, which has been in place since 2012 and has been used 3.4 million times (to September 2018). Another popular service is e-scheduling for various government offices, which has been used 890 000 times since 2011. The e-Government Portal is organised around such topics as health, education, documents, cadastre, etc., but not yet around life events. The titles and description of services are written in a very bureaucratic language, mostly copied from legal acts, which makes it extremely difficult for people to find the service they want. As such, it is not very user-friendly for finding the necessary information. However, a new version of the e-Government Portal is in preparation, to include many user-friendly features (such as automatic notifications, e-payments, etc.) and should be ready by the end of 2019.

The regulatory framework to ensure accessibility for people with impaired mobility is in place[162]. Also, the Law on the Use of Sign Language regulates the right to use the sign language[163]. The Ministry of Labour, Employment, Veteran and Social Affairs set up a working group in October 2018 to draft a Strategy on People with Disabilities 2019-2024 and its action plan. The Commissioner for the Protection of Equality received the highest number of complaints for discrimination against people with disabilities, mostly related to physical barriers preventing the use of services or facilities[164]. According to the survey of civil society perception in the Western Balkans[165], only 6% of respondents (compared to 5% of the average for the Western Balkans) agree with the statement that "Administrative service provision is adapted to the needs of vulnerable groups".

Version 5.0 of the Guidelines for Developing Web Presentation of State Administration, Territorial Autonomous Units and Local Self-Government Units[166] was developed in 2014. On the basis of the Guidelines, a Decree on the Conditions for the Establishment and Maintenance of Websites of Public Administration Bodies[167] was developed by the e-Gov Office and it entered into force in January 2019. Compliance of government websites with the international Web Content Accessibility Guidelines (WCAG) 2.0 is not mandatory[168], but the websites function fairly well. SIGMA's test of websites of state administration agencies demonstrates an improvement since 2017: the average number of accessibility errors is 16.5 (as opposed to 26 in 2017). Surprisingly, the new Government of Serbia portal, set up in October 2018, performs the least well in this respect. Government websites increasingly include a text-to-speech option for the visually impaired.

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[161] This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of independence.

[162] Law on Planning and Construction, Rulebook on Technical Standards of Planning, Design and Construction of Facilities Ensuring Unhindered Movement and Accessibility for Persons with Disabilities, Children and the Elderly, Official Gazette No. 22/2015-95.

[163] Law on the Use of Sign Language, Official Gazette No. 38/2015-26.

[164] Abridged version of 2017 Regular Annual Report of the Commissioner for the Protection of Equality.

[165] Western Balkan PAR Monitor 2017/2018: https://cep.org.rs/wp-content/uploads/2018/12/Western-Balkan-PAR-Monitor.pdf.

[166] Guidelines for Development of Web Presentation of State Administration, Territorial Autonomous Units and Local Self-Governments v.5.0, published in 2014: http://arhiva.ite.gov.rs/doc/Smernice_5_0.pdf.

[167] Official Gazette No. 104/2018.

[168] Guidelines for Development of Web Presentation of State Administration, Territorial Autonomous Units and Local Self-Governments v.5.0, published in 2014.

Figure 1. Number of content accessibility problems on Serbian Government websites, 2019
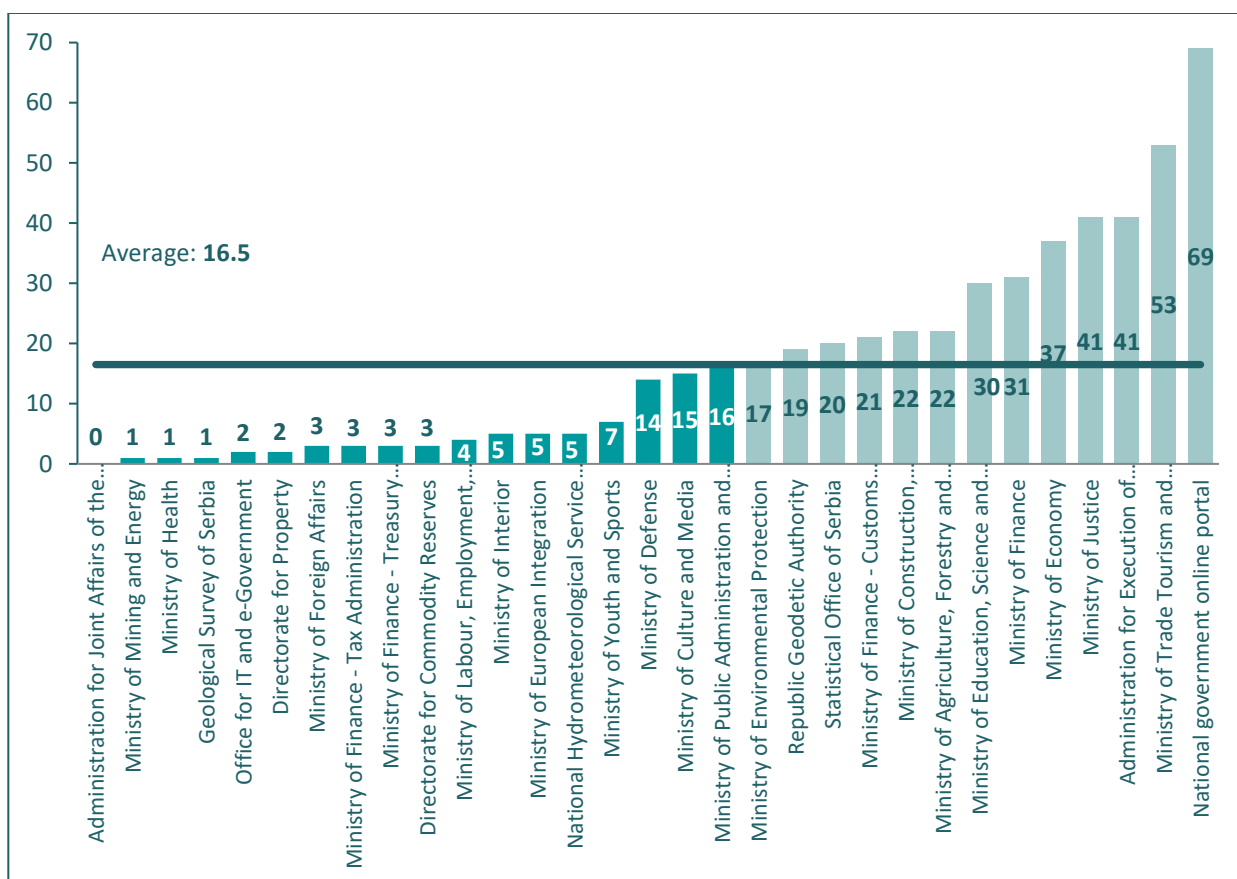
Serbia has been part of the Open Data Initiative since 2015[169], and the movement has been gaining support. The National Open Data Portal, data.gov.rs, run by the Office for IT and e-Government, serves as the entry point for government data, including 132 datasets from 30 public organisations. In co-operation with the United Nations Development Programme, the Government recently launched an Open Data Challenge. The objective is to invite civil society organisations and enterprises to present innovative solutions that help create an enabling environment for data-based decision-making and innovative services[170]. The by-law on Open Data under the Law on e-Government is in force[171].

Overall, the value for the indicator on the accessibility of public services is 2.

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[169]   Strategy of e-Government Development 2015-2018.

[170]   Socijalnousockljucivanje.gov.rs.

[171]   Regulation on the Mode of Operation of the Open Data Portal, Official Gazette No. 104/2018-9.

Accessibility of public services

This indicator measures the extent to which the access to public services is promoted in policy formulation and implementation. It evaluates whether this policy framework leads to measurably easier access for citizens, measures citizens' perceptions of accessibility to public services and tests the actual accessibility of government websites. Dimensions covered are territorial access, access for people with disabilities and access to digital services.

Overall indicator value	0	1	**2**	3	4	5

Sub-indicators	Points
Policy framework for accessibility	
1. Existence of policy for the accessibility of public services	1/3
2. Availability of statistical data on accessibility to public services	1/3
3. Adequacy of policy framework for public service users with special needs	2/4
4. Existence of common guidelines for government websites	1/2
Government performance on accessibility	
5. Compliance of government websites with Web Content Accessibility Guidelines (WCAG)	2/3
6. Perceived satisfaction with public services across the territory by population (%)	2/3
7. Perceived accessibility of digital public services by population (%)	1/3
8. Perceived time and cost of accessing public services by citizens (%)	1.5/3
Total[172]	**11.5/24**

There is no specific government policy on accessibility to public services. However, more attention has been paid to creating one-stop shops and new service transformations. Digital accessibility to services has continued to improve, as more registries have been linked through the Government Service Bus and the e-Government Portal serves as the entry point to digital services. A new, more user-friendly and technically advanced e-Government Portal is under construction and should be ready at the end of 2019. Content and presentation of information on government websites is quite good. However, accessibility is still an important issue, since not all the service providers are using electronic channels, and accessibility varies widely, depending on the location. The regulatory framework for access to people with disabilities is in place, but its implementation is poor.

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[172] Point conversion ranges: 0-4=0, 5-8=1, 9-12=2, 13-16=3, 17-20=4, 21-24=5.

Key recommendations

Short-term (1-2 years)

1) The Government should continue with the transformation of administrative services into user-friendly ones by supporting individual agencies with various tools to overcome legal, technological and administrative hurdles. For that purpose, the support provided by the e-Gov Office, the Delivery Unit and the PPS should be reinforced by deploying interdisciplinary teams to guide with the simplification and re-design of life-event related services.

2) A clear message – preferably by the Prime Minister - should be communicated to the senior managers indicating that they are responsible for and should therefore take the lead role in service transformation in their work area to deploy the enablers in place.

3) The Government should clearly assign responsibility for developing service delivery across the administration to a relevant body/bodies. Such responsibility should include the elaboration of a comprehensive policy for ensuring and improving accessibility to the public services, installing an effective monitoring system over service delivery improvements, organising exchanges of best practices and further developing policies and standards in the service delivery area.

4) The e-Gov Office should make sure that the digital signature becomes more appealing and convenient for individual citizens, by ensuring the successful launch of mobile phone-based solutions in co-operation with other stakeholders and by active promotion of the digital signature across the administration as well as among citizens.

5) The e-Gov Office with the backing of the Government should ensure the implementation of the interoperability framework. Rules should be established and enforced to grant legitimate data-seekers access to registries to apply the 'once only' principle and allow for pre-filled digital application forms in practice.

6) The MPALSG and the PPS should strengthen co-ordination between the harmonisation of special laws and relevant by-laws with the LGAP and administrative simplification efforts. The Government should raise awareness of all the public administration bodies delivering public services as well as the service users about the key principles of LGAP to accelerate the implementation of LGAP.

Medium-term (3-5 years)

7) The Government should introduce a policy on user engagement into service delivery improvement across the administration, from identifying the needs of the user to analysing feedback on quality and accessibility in order to inform of further improvements.

8) The Government should significantly improve public service accessibility for people with disabilities across different public service providers all over the country. A regular public report on the efforts of government bodies and municipalities concerning the situation with accessibility to public services for people with disabilities should be published.

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