

European Pillar of Social Rights Western Balkan performance

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Background

- EC conducted reviews of the performance of each Western Balkan economy with regard to the implementation of the EPSR in 2019.
- Under ESAP 2, an update was made in 2020.
- A social scorecard was produced covering 15 headline indicators and 79 breakdown indicators.
- EPSR comparative report: <https://www.rcc.int/docs/549/regional-overview-of-western-balkan-economies-regarding-the-european-pillar-of-social-rights>

1. Equal opportunities and access to the labour market

1.1 Education, training and life-long learning

- Substantial education sector reforms
- Overall, the education systems remain inclusive
- Need to further improve the quality of their education systems, with a particular focus on aligning them with labour market needs
- Adult participation in formal and non-formal education and training is very modest by EU standards

1.2 Gender equality

- Legislation, institutional settings and policies to ensure and promote equality of treatment and opportunities between women and men are mostly in place in the Western Balkans
- In practice, women in the region still lack equal conditions for realizing their human rights and equal opportunities to contribute and benefit from political, economic and social development
- Persistent and pronounced gaps remain in the labour market with regard to participation, employment and wages
- Many of the obstacles to ensure full gender equality relate to practical cultural aspects of the society

1.3 Equal opportunities

- The institutional and legislative frameworks for the protection and promotion of human rights and freedoms and protection against discrimination are well developed and mostly aligned to EU directives
- In practice, ensuring equal opportunities, especially for marginalized groups, remains an important challenge

1.4 Active support to employment

- The Western Balkans cope with unfavourable labour market outcomes, particularly for vulnerable groups (37% of the total working age population is inactive, youth unemployment is 32%)
- Active labour market policy (ALMP) measures are underfunded and the coverage is limited and modest

2. Fair working conditions

2.1 Secure and adaptable employment

- Recent amendments to the labour codes and regulations
- Part-time and temporary employees are principally entitled to the same level and scope of rights as full-time employees
- More efforts need to be made to accommodate and regulate atypical contracts
- Informal employment constitutes a substantial share of employment in all Western Balkan economies, estimated to range from 18% to around 30%

2.2 Wages

- Wage levels in the Western Balkans are low by European standards and have been growing at low rates in real terms
- A legally binding minimum wage is in place in all Western Balkan economies
- High labour taxation affects take-home earnings, while low-wage earners are often at a disadvantage because of the low progressivity of labour taxation

2.3 Information about employment conditions and protection in case of dismissals

- Labour Laws regulate the content of the employment contract
- Relatively good protection of workers is provided by labour legislation in case of dismissal

2.4 Social dialogue and involvement of workers

- Social dialogue is in place, but in practice underdeveloped and ineffective
- The Labour Laws regulate industrial relations and the actors and procedures of collective bargaining in the region

2.5. Work-life balance

- The Constitutions and Labour Laws in the Western Balkan economies guarantee protection to families and children, and provide for suitable leave and flexible work arrangements
- Western Balkan citizens are more likely than EU citizens to face challenges in their work-life balance

2.6. Healthy, safe and well-adapted work environment and data protection

- The legislative and institutional framework for healthy, safe and well-adapted work environment is in place in the majority of economies in the region
- There is room for improvement in the area of health and safety at work in terms of implementation and institutional capacity

3. Social protection and inclusion

3.1. Childcare and support to children

- Children are disproportionately exposed to poverty in the Western Balkans
- Although improving, preschool education coverage is still low
- Strategic and institutional frameworks for childcare and support to children exist in the Western Balkans and have undergone recent improvements

3.2. Social protection

- Comprehensive systems of social protection are in place in the Western Balkans and include social and health insurance, passive and active labour market programmes and social assistance
- Better coordination among the different social protection programmes is needed in order to ensure complementarity towards job creation and poverty reduction

3.3 Unemployment benefits

- The Western Balkan economies have legal frameworks for unemployment benefits in place, but there is a need to strengthen activation efforts
- The coverage rate of persons registered as unemployed by unemployment assistance benefit is very low

3.4. Minimum income

- The main income support programmes for individuals and households with low or no income are social assistance programmes
- Coverage of the poor by the social assistance programmes is low due to restrictive eligibility criteria and the high poverty rate

3.5. Old age income and pensions

- Pension system coverage rate is high in most Western Balkan economies
- Sustainability remains a concern and pensions are funded from the general budget on top of the contributions from salaries

3.6. Health care

- Public spending on health is low and on the decline often throughout the region
- Coverage and access to health care are not universal, and compare unfavourably to EU Member States, demonstrating stark variation among different groups of population and regions
- High out-of-pocket expenses reveal the shortcoming of the health system and the inability to meet citizens' needs

3.7. Inclusion of people with disabilities

- The legal framework guarantees equal rights and non-discrimination for people with disabilities, however implementation remains limited
- The participation of persons with disabilities in the labour market is very low
- The major type of support service to people with disabilities is the residential institutional care

3.8. Long-term care

- Long-term care is characterised by unavailability and unaffordability of professional service for a lot of elderly
- The Western Balkan economies differ in their progress to establish legal and institutional support for long-term care

3.9. Housing and assistance for the homeless

- Laws that regulate housing issues and strategies for social housing are in place
- Governments support internally displaced, refugees and war veterans with housing projects
- Homeless persons are often not recognised as a specific category of persons in need and Data on housing needs are often incomplete

3.10. Access to essential services

- Access to water and sanitation is high across the region with some exceptions in remote areas
- Access to electricity is almost universal but not everyone can afford it.
- Public transport is not available in many municipalities
- Internet access has improved significantly in recent years in the WB.
- Digital skills are moderately developed
- Access to financial services is improving, however far from universal, especially for particular groups of population

What next from the ESAP perspective?

- Set up an annual process of monitoring progress in the implementation of the 20 principles of the EPSR: this entails further improvement of data collection and harmonization across the region
- Develop a compendium of good practices and promote mutual learning and support within the region and with the EU

Thank you for your attention!