



***Free Movement of Labor Force between the Countries Signatories
of the Dayton Agreement
Using the Experiences of the Nordic model of cooperation.***
Implemented by **Igman Initiative**
Supported by the **Embassy of Denmark in Belgrade**



Narrative report from Consultative session

Sarajevo, Bosnia and Herzegovina

May 20th 2014.

With support from the Danish Embassy, at the beginning of 2014, the Igman Initiative started with the implementation of the project *Free Movement of Labor Force between the Countries Signatories of the Dayton Agreement Using the Experiences of the Nordic model of cooperation*. Within the project a diverse expert team was formed including the representatives from the four countries, whose task is to assess national legislation as well as bilateral agreements concluded between the four countries and draft recommendations for the improvement of national legislation and conclusion of missing bilateral agreements. Considering that the expert group already concluded the first phase of their research Consultative Session was organized on May 20th 2014 at the Parliamentary Assembly of B&H to which representatives of competent parliamentary bodies and government institutions from the four countries were invited to participate.

At the beginning of the session the opening words were given by Halid Genjac representative of the Parliamentary Assembly of B&H. He highlighted that the priority issue in B&H is unemployment where more than 560 000 people are unemployed making it 40% of population. He also stressed that the movement of labour force within B&H is regulated by bilateral agreements. Of the neighboring countries B&H concluded Bilateral Agreements with Serbia and Montenegro, while with Croatia the Bilateral Agreement has been initiated but not concluded. He stated that within the framework of the IPA pre-accession funds one of the priority objectives is securing of million new jobs in the Balkans.

Vehid Sehic, Co-president of the Igman Initiative for B&H stated that one of the reasons this project was initiated is due to the unemployment rate in B&H that reached 40%. He reminded the participants that the Igman Initiative, seven years ago, set off the initiative aimed at facilitating inter-governmental cooperation in the area of protection against natural disasters. He also stresses that this CSO network will offer recommendations to the existing issues using the experiences of the Nordic model of cooperation.

Aleksandar Popov, Co-president of the Igman Initiative for Serbia informed the participants that closing event within the project is planned to be organized in the fall also in Sarajevo. He stated that for three years now the Igman Initiative has been working on transferring experiences of the Nordic model of cooperation to the countries signatories of the Dayton Agreement. At the Consultative session held in February 2013 the six following areas of cooperation have been identified in which inter-parliamentary cooperation is to be strengthened: labor force, protection against natural disasters, energy, environment protection, economy and culture. He highlighted that the area of movement of labor force is not so political but live issue. There are numerous examples in practice where workers in the construction and tourism industry work "off the books" because bilateral agreements among their domicile and residency countries have not been concluded. He also provided a brief summary of the expert team work to this



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point specifying that the experts have analyzed national legislation in all four countries and identified inadequacies which should be discussed and improved.

Dragica Misljenovic, Igman Initiative expert from Serbia and Ariana Nikolic Vucinic Director of the Montenegrin Directorate for Work Force and Labor Market participated in the Study Visit to the Nordic Council on the occasion of which they have an opportunity to learn about the model of free movement of labor force among those countries. Popov informed that, in addition to the expert work, lobby and public advocacy activities aimed at exerting a positive pressure on policy and decision makers in the four countries to adopt the expert team recommendations and realign towards the resolve will be conducted.

Zoran Pusic, Co-president of the Igman Initiative for Croatia also pointed out that this project represents one of the many attempts of the Igman Initiative to do something useful for the countries of the region, improve the lives of its citizens and offer solutions to numerous outstanding issues. Nordic model of cooperation needs to be applied through small steps but far reaching vision, thus creating a sound basis for a better life in the region. Ideological barriers are hard to dissolve, which is one of the major issues for this region. By initiating projects of utmost importance, creating a dialogue between government and civic sector and insisting on the topics and issues that need resolve the Igman Initiative is attempting to find the solutions that will be resistant to political changes.

Vesna Simovic, Igman Initiative expert for Montenegro notified that, in Montenegro according to legal framework in the area of employment and the Law on Foreigners, which regulates the employment of foreigners, from 2008 all persons who are not the citizens of Montenegro have the status of foreigners and the procedures of their employment are being regulated by the previously mentioned Law. In Montenegro documents necessary for foreigners to establish employment eligibility are work permit, residency permit, which serves as the basis for employment contract. There is also Identification Document which provides foreigners to equally apply for a job alongside Montenegrin citizens. Montenegro has not concluded any of Bilateral Agreements in the area of employment and labor force. Employment of foreigners is being conducted in accordance with the quota system determined by the Government of Montenegro. She noted that Montenegro has concluded bilateral agreements in the area of social insurance and that they could serve as a model for bilateral agreements in the area of employment. Montenegrin Employment Bureau has signed bilateral agreements related to the planning and realization of active employment policies with other bureaus. She also mentioned that in Montenegro is in negotiations in the area of chapter 2. Free Movement. Once the negotiations have been concluded and Montenegro has gained the status of a member state the quotas for foreigners will cease while the EU for new member states advocates the limits for employment to seven years (2+3+2).

Jagoda Milidrag Smid, Igman Initiative expert for Croatia highlighted that in Croatia the movement of labor force is regulated by the directives of the EU. She pointed out that the immigration policy of the EU is rigid and limiting. Migration centers, which were part of the Employment Bureaus, have been replaced by the EURES offices which mediate in finding employment. She suggested that the countries of the region should conclude bilateral agreements and that it is beneficial that there are no language barriers between these countries. She is also of opinion that the migrant workers should be organized within unions as unions provide certain level of protection. In Croatia employment of foreigners is also regulated through the quota system determined by the Government through consultations with key stakeholders in this area. A seasonal worker could obtain a job for the period of six months. In Croatia permits for work and



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residency are integrated in one document (u to 90 days), in favorable position are persons with vocational qualifications that are in demand, while third countries have different treatment from the EU member countries. In Croatia workers for rent have minimum of guaranteed rights and they can be often found in unfavorable position.

Dragica Misljenovic, Igman Initiative expert for Serbia mentioned that the major issue in Serbia is the absence of the Law on Foreigners. The employment of foreigners is being regulated through the issuance of permits. In her opinion the key insufficiency of the institutions in Serbia is the lack of transparency of information, insufficient cooperation and cross referencing of data. The unions of workers are advocating for the flexibility of the system of employment of foreigners. One of the most important advantages of the Nordic model of cooperation is the fact that it is based on the culture of social dialogue; Nordic countries every year draft programs aimed at improving mutual relations. This year they signed the Declaration *The Nordic Region - together we are stronger*, related to the harmonization of their legislation with the legislation of the EU. She suggested that one of the results of this project should be signing of a Declaration on Freedom of Movement of labor force between the four countries.

After these addresses a discussion commenced during which participants had an opportunity to express their suggestions that could contribute to the better formulation of recommendations.

Vesna Krstovic Spremo, representative of the Parliamentary Assembly of B&H mentioned that it is necessary to articulate sensibility towards migrants, considering that the EU laws in this area are rigid. Special attention should be given to the harmonization of the work health and safety laws and guided by the International Labor Organization. She supported the recommendation of Mrs. Misljenovic about the signing of a joint declaration which would integrate different legislative frameworks.

Mrs. Smid added that the challenge to harmonize administrative structures into the system social security.

DRagan Dasic, representative of the Ministry of Internal Affairs of Montenegro informed the participants of the session that Montenegro is in the process of making the new Law on Foreigners which will integrate residency and work permits into a single identification document, using the experiences of Croatia. The Law should be adopted by the end of the year if it passes all obligatory procedures.

To the question of Tanja Bakalbasic "Which are positive experiences form the Nordic system related to the free movement of labor force that could be transferred to the this" Mrs. Misljenovic answered that the Nordic countries are first and foremost a stable system and it is unlikely to be transferred to its fullest. Countries of this region should first work on protecting domestic labor force and improve implementation of the existing laws. She added that the Nordic Council was established in 1952 and it is constantly developing and improving. Using their experience as an example the countries of this region should define the areas in which they will allow free movement of labor force. They should also work towards the suppression of the grey economy.

According to the opinion of Slobodan Popovic, representative of the Parliamentary Assembly o B&H the regulations of the former SFRY should be updated considering that the legislation in the area of employment was at a high level. In his opinion for the bilateral agreements to be concluded political will is necessary. (Political will is the basis for cooperation among the Nordic countries).



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Stjepan Kresic, representative of the Parliamentary Assembly of B&H pointed out that in the parliament certain barriers can be felt that could hinder liberalization of the system related to free movement of people and labor force. He suggested that it is necessary to adjust the system of demand for labor force with the system of education in all involved countries. He deems that cCroatia should be an instigator of changes in the region.

Mr. Genjac mentioned that Bilateral Agreement that B&H signed with Serbia in 2011 is not being implemented properly. In his opinion Mrs. Misljenovic rightfully stressed out that it is necessary to attain the transparency of institutions and suppression of grey economy. Mr. Genjac demems that it is necessary to identify the real needs and incorporate them into bilateral agreements.

Mrs. Smid highlighted that bilateral agreements, which Croatia signed with the third countries are effective, while those signed with the EU member states are no longer valid.

Mrs. Misljenovic added that the problem in the region is not only with foreigners but with employed persons in general. Unemployment rate is high, therefore citizens are will to accept a job offer under almost any kind of circumstances. Chamber of commerce should be included in the project. Serbian Chamber of Commerce is already willing to get involved.

Mr. Dasic informed the participants that in Montenegro the number of employed foreigners is in the rise while the number of employed citizens is in decline. The new Law on Foreigners should regulate that.

Mrs. Smid reminded that through cooperation and agreement the sectors in which the employment should be reinforced will be determined.

Mrs. Zvicer added that Montenegrin unions are very pro-active reminding the participants of their campaign "For back to become white". She pointed out that the concern of the Government to rise the number of employed citizens could hinder the talks on bilateral agreements.

Boris Kovacic, representative of the Croatian Parliament expressed the pleasure of participating in the session and mentioned that there are numerous common points between the four countries which is the reason more for them to unite in finding the resolve to common problems. Bilateral agreements are certainly prerequisite for overcoming the crisis.

At the very end of the meeting Aleksandar Popov concluded that the discussion was very useful as it essentially confronted the issue and that the conclusions will be very useful for the experts who need to concretize their standpoints.