

BUDGET FOR GENDER EQUALITY IN A TIME OF PANDEMIC:

HINDERING PROGRESS OR CLOSING THE GAP

COUNTRY REPORT
SERBIA

This report is produced within the framework of the regional project 'Transformative Financing for Gender Equality towards more Transparent, Inclusive and Accountable Governance in the Western Balkans', which is financially supported by the Government of Sweden - SIDA.

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The authors are grateful to the Ministry of Finance, the Ministry of Economy and the Ministry of Culture and Information for their collaborative partnership on both the quantitative and qualitative data and their feedback on the report.

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Published in February 2021

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Abbreviations

APV	Autonomous Province of Vojvodina
BRA	Serbian Business Registers Agency
CCB	Cultural Centre of Belgrade
EENCA	European Expert Network on Culture and Audiovisual
EU	European Union
GDP	Gross domestic product
GRB	Gender responsive budgeting
IFC	International Finance Corporation
IPA	Instrument for Pre-Accession Assistance
IPARD	Instrument for Pre-Accession Assistance for Rural Development
MCI	Ministry of Culture and Information
MS	Micro and small enterprises
MSE	Micro, small and medium size enterprises
NES	National Employment Service
NGO	Non-governmental organisation
ODIHR	Office for Democratic Institutions and Human Rights
OHCHR	Office of the High Commissioner for Human Rights
OSCE	Organization for Security and Co-operation in Europe
SIDA	Swedish International Development Agency
SME	Small and medium enterprises
SORS	Statistical Office of the Republic of Serbia
RSD	Republic of Serbia Dinar
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization

INTRODUCTION



Purpose of the gender analysis

This gender analysis was created in an effort to gain a better insight into and understanding of the impact that public finance management has during major crises, such as the current COVID-19 pandemic and the mid to long-term and far-reaching effects in terms of gender equality and the everyday quality of life for citizens. Gender responsive budgeting is mandatory under Serbia's Budget System Law, with gender equality being set as one of the goals of the budget.¹ As stated in the Law, the budget should aim to achieve "efficiency of allocations, which entails the allocation of funding from the national budget with the aim of promoting gender equality."²

At the same time, COVID-19 is perceived as an opportunity to draw attention to the needs of men, women, girls and boys from different groups as well as to remove the structural barriers to achieving full gender equality. There are several reasons for this, but the key reason is that every budget expenditure as well as lack of funding affects all citizens, both men and women, and therefore the budget is not gender-neutral but constitutes a direct link between what is financed through public money and the services that citizens receive.

We need to consider the extent to which the response to the crisis has contributed to the set goal of achieving gender equality, as stated in the Budget System Law, but at the same time it is important that we analyse the impact that the budget reallocations have had on women and men. In the future, this will help to minimise the negative consequences on gender equality and at the same time to maximise the positive impact that can be gained during times of crisis and challenges facing society. Every crisis is a challenge and in every challenge lies opportunity. It pushes us outside the boundaries of the status quo and moves us to open our minds and to seek new, different and often improved solutions. Yet this is not a spontaneous process. We need to make a conscious and focused effort to learn from this crisis. This gender analysis is one such attempt and its contribution should be reflected primarily in the opening of a dialogue on its findings and recommendations, in the application of the proposed tools and solutions during similar future situations and in finding new ways to do business such as those that have come to light in these extraordinary circumstances even under regular circumstances. The research team owes its gratitude to the experts of the Ministry of Finance, the Ministry of Culture and Information and the Ministry of Economy, without whose support this endeavour would not have been possible.

1 Article 4 of the Budget System Law ('Official Gazette of the Republic of Serbia', nos. 54/2009, 73/2010, 101/2010, 101/2011, 93/2012, 62/2013, 63/2013 – amended, 108/2013, 142/2014, 68/2015 – as amended, 103/2015, 99/2016, 113/2017, 95/2018, 31/2019 and 72/2019)

2 Ibid.

Description of the methodology and the limitations

The methodology applied by the analytical team relied on a collaborative approach involving representatives of relevant stakeholders from the public administration who participated in the adoption and implementation of decisions on budget reductions and/or reallocations in response to COVID-19 and in drawing up a gender assessment of the impact that the COVID-19 pandemic has had on women and men in the targeted sectors.

The gender analysis produced by application of this methodology also includes recommendations for the improvement of gender equality in order to help ensure a timely response to crises that may arise in the future. The implementation of the gender analysis of budget reductions and reallocations made in response to COVID-19 was carried out in four steps.

The first step (1) was based on the available data contained in the 2020 Republic of Serbia Budget Law and the related budget revisions. We identified the most important changes, namely the three largest cuts and the three biggest increases in expenditure of direct budget beneficiaries resulting from the two budget revisions that took place in April and November 2020. The gender analysis does not contain an in-depth analysis of the social and healthcare sectors because there was already an abundance of analytical products and knowledge available in connection with the impact of the new circumstances on these sectors, both in Serbia and in the region. Instead, our focus was on the less explored sectors that have had a major impact on improving gender equality but where the repercussions of the budget revisions were less consistently documented.

Therefore, this is an in-depth analysis of the budget revisions enacted in line with the Law amending³ the 2020 Republic of Serbia Budget Law in relation to two ministries:

- the **Ministry of Culture and Information** (because culture is one of the sectors significantly affected by the introduction of the national state

of emergency and the measures implemented to contain the spread of the virus and by the reduction of its budget appropriation),

- the **Ministry of Economy** (as one of the institutions with the highest registered budget increase).

The next step (2) involved an analysis of the legal and administrative basis for the changes made as well as an analysis of the budget revision process itself. Accordingly, we reviewed the publicly available data and the data obtained from these two ministries as the institutions with the highest/most significant reductions and increases in expenditure. In addition, we analysed other relevant data used in the decision-making process. In this step, in compliance with the measures introduced to contain the spread of the COVID-19 virus, the analytical team conducted online interviews with the relevant representatives of the Ministry of Culture and Information and the Ministry of Economy⁴ in order to gain an understanding of the legal basis on which the budget changes were considered and how these amendments were implemented in procedural and administrative terms. This included a review of the criteria applied in order to determine the final amount of the budget changes/reallocations.

In the third step (3), we carried out a gender analysis of how the cuts and increases in budget expenditure effected the Ministry of Culture and Information and the Ministry of Economy; more specifically, an analysis of the impact that the changes in expenditure had on gender equality. It was important here to understand the extent to which implementation of the measures to contain the COVID-19 virus and the corresponding budget revisions effected the budget programmes, programme activities and projects. As COVID-19 is an unprecedented crisis that caught governments around the world unprepared, it is important to draw lessons from this crisis in order to strengthen resilience to future crises. In the third step, the analytical team identified the existing and potential impact of the

³ The Law Amending the Law on the Budget of the Republic of Serbia for 2020 ('Official Gazette of the Republic of Serbia', nos. 84 dated 29 November 2019, 60 dated 24 April 2020, as amended, 62 dated 29 April 2020, as amended, 65 dated 6 May 2020, as amended, and 135 dated 12 November 2020).

⁴ Annex 1 contains a list of the questions that the Ministry of Economy and the Ministry of Culture and Information were invited to answer.

revisions whilst assessing and analysing the type of impact that these budget revisions of direct budget beneficiaries had on the implementation of policies and strategies on gender equality.

Lastly, in the fourth step (4), we considered recommendations for action in potential future crises with respect to swift budget responses on the one hand and avoiding a deepening of the gender gap on the other. The resulting recommendations are intended for the Ministry of Finance, the Ministry of Culture and Information and the Ministry of Economy as they are fully adapted to the gender aspects of their mandates and are consistent with the legislative and policy framework in the areas concerned. The gender-responsive recommendations concerning the policies and budgets are intended to assist in managing future crises and are based on the lessons learned during the current crisis. The ultimate aim is to ensure that no one is left behind and that the needs of all are considered and addressed. The recommendations aim to integrate as far as possible in the Republic of Serbia the relevant findings of available analyses of the response to COVID-19 prepared by UN Women and other United Nations agencies as well as by civil society organisations.

In addition to and directly linked with these recommendations, the analytical team prepared a user-friendly 'Checklist of Activities' that lists the steps and procedures intended for the Ministry of Finance and the other relevant ministries included in this gender analysis. The aim of the Checklist is to help these ministries to maximise the positive impact on gender equality in times of crisis derived from the need to examine the specific situation of certain groups of women and men and in particular those at risk of multiple discrimination when making decisions on budget revisions.

The gender analysis of budget reductions and reallocations took place at the time of enactment of the amendments to the 2020 Republic of Serbia Budget Law in November 2020. In addition to these amendments, the analysis also covers the changes based on the Regulation on Amendments to the General Proceeds and Revenues, Expenditures and Outlays of the Budget of the Republic of Serbia for 2020 that came into effect in April 2020 and were designed to mitigate the adverse effects of the COVID-19 pandemic.⁵

The main limitation of the gender analysis was the timeline, which preceded the submission of the budget execution reports by the institutions in receipt of the budget funds. It is for this reason that it was not possible to reflect the entire process from decision making on the set of measures up until capturing their effects based on the available indicators for the budget programmes, programme activities and projects. This information will only be available in March 2021.

Another limitation at that point was that the analytical team did not have the opportunity to collect primary data or to conduct focus groups with citizens, entrepreneurs, and other recipients of budget funds through various measures and support programmes. Instead, the analytical team had to rely on publicly available and additional secondary data gathered from the Ministry of Finance, the Ministry of Economy, the Ministry of Culture and Information and the Statistical Office of the Republic of Serbia. Unfortunately, not all of the data pertaining to women and men was available disaggregated according to sex. The analytical team sought to overcome this flaw by obtaining additional sources of information and gender analyses as listed in Annex 2.

⁵ Regulation on changes to the general proceeds and revenues, expenditures and outlays of the Republic of Serbia Budget for 2020 to mitigate the adverse impact of COVID-19 caused by SARS-CoV-2 virus ('Official Gazette of the Republic of Serbia', No. 60/2020 dated 24 April 2020).

The subject of the gender analysis

The main focus of this gender analysis is the budget of the Republic of Serbia for 2020 and the subsequent revisions, namely the increases and reductions made to the budget for 2020 in response to the COVID-19 crisis.

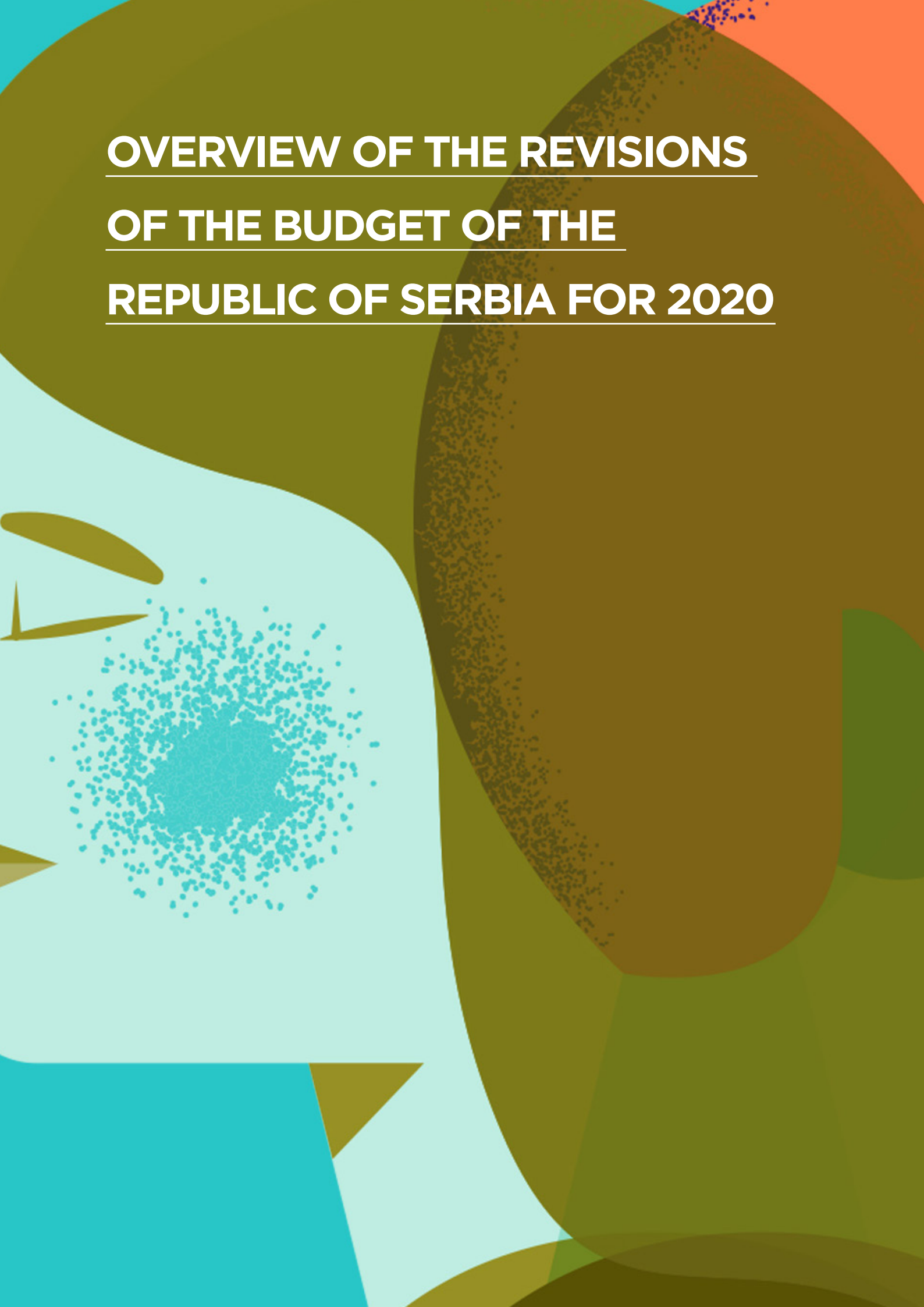
In addition to providing a general overview of the budget cuts and increases in all budget segments, primarily the whole and broader picture of cash flows and the possible impact on budget beneficiaries and the resources intended to enable them to implement planned or new measures and the subsequent indirect impact on citizens, both men and women, we also carried out an in-depth analysis of two ministries:

- **Ministry of Economy,**
- **Ministry of Culture and Information.**

The main reason for this selection was that the Ministry of Economy received the highest budget increase through the budget revision, primarily because of the comprehensive package of support for businesses. It was particularly important to look at the effects

on the economy, especially those measures targeted at micro, small and medium-sized enterprises, and citizens - both men and women. The cultural sector, which in terms of its share of the total budget of the Republic of Serbia was already underfunded, suffered further reductions and support for this sector was largely absent or with significant delays. Considering the lack of analysis and in particular gender analysis of this sector, we wanted to shed light on the situation of cultural workers. In general, these workers are underpaid and work predominantly under temporary contracts that are reliant on project-based financing and therefore many of them lost their income virtually overnight. The aim of the gender analysis was to highlight the impact the budget reductions have had so that in future crises the authorities will be better prepared to respond and avoid the significant loss of livelihood that has affected a large share of the population during the current pandemic crisis.

OVERVIEW OF THE REVISIONS
OF THE BUDGET OF THE
REPUBLIC OF SERBIA FOR 2020

The background features a complex abstract design with overlapping organic shapes in shades of teal, olive green, and brown. A prominent feature is a large, light blue circular area on the left side, which contains a dense, circular cluster of smaller blue dots, resembling a starburst or a data visualization. The overall aesthetic is modern and graphic.

Budget of the Republic of Serbia

Figure 1. Budget of the Republic of Serbia for 2020 (adopted in December 2019)



The Budget of the Republic of Serbia⁶ for 2020 set the projected revenue at RSD 1,314.5 billion and expenditure at RSD 1,334.7 billion. The estimated deficit was RSD 20.2 billion or 0.3 per cent of the Gross Domestic Product (GDP). The budget planning applied a projected GDP growth rate of four per cent and a projected inflation rate of two per cent in 2020. In the budget for 2020, 41 of the 47 direct budget beneficiaries implemented Gender-Responsive Budgeting based on the Annual Plan for the Introduction of Gender-Responsive Budgeting (GRB) issued by the Minister of Finance.⁷

GRB was implemented in 66 programmes, 83 programme activities and 21 projects and was expressed through 86 gender-responsive targets and 232 gender-sensitive indicators.⁸ We sought through the gender analysis of the budget reallocations to investigate if and to what extent the changes had effected the programmes that applied GRB.

⁶ Adopted by the National Assembly of the Republic of Serbia on 28 November 2020 ('Official Gazette of the Republic of Serbia', No. 84/2019).

⁷ Ministry of Finance of the Republic of Serbia, Annual Plan for the Introduction of Gender-Responsive Budgeting, adopted on 31 March 2019.

⁸ Available from www.rodnaravnopravnost.gov.rs/sr/rodna-ravnopravnost/rodno-odgovorno-budzetiranje/izveshtaj-o-napretku-za-2020-godinu.

Start of the pandemic and the declaration of a State of National Emergency

The Decision declaring a State of National Emergency⁹ was adopted on 15 March 2020.¹⁰ The state of national emergency lasted until 6 May when it was officially abolished.¹¹ During the state of emergency, different measures were adopted with the aim of containing the spread of COVID-19 on an almost daily basis. These measures entailed the imposition of a lockdown and restrictions on certain activities or changes to working regimes. This effected working time and the way activities were carried, which necessitated changes to the day-to-day functioning ranging from supply chains and education to medical treatment and the need to meet the diverse range of priority needs.

The lives of all citizens were radically changed and as not all citizens have equal access to services and resources and even rights under normal circumstances the pandemic further exacerbated their vulnerability.¹² The different impact that the COVID-19 measures and the state of national emergency itself had on different groups of citizens, both men and women, were analysed through a set of studies conducted both during and after the state of national emergency in Serbia.¹³ Table 1, below, shows the measures that were adopted and their level of implementation by the end of September 2020.

Table 1. Adopted measures aimed at reducing the negative impact of the COVID-19 pandemic

Measure	Plan		Completion as of 30 September 2020	
	In billions RSD	% of GDP	In billions RSD	% of GDP
Tax policy measures				
Deferred payment of payroll taxes and contributions for the private sector during the state of national emergency and for one additional month; private companies will repay these liabilities in instalments, but not before January 2021.	168.0	3.0	97.3	1.8
Deferred payment of advance payments toward corporate income tax in the second quarter of 2020	21.0	0.4	13.5	0.2
VAT exemption for all donors	-	-	-	-
TOTAL	189.0	3.4	110.8	2.0
Direct support to the private sector				

9 Decision Declaring a State of National Emergency ('Official Gazette of the Republic of Serbia', No 29/2020 of 15 March 2020).

10 The President of the Republic of Serbia, the Speaker of the Parliament and the Prime Minister adopted this Decision. For additional information on the procedure for declaring a state of national emergency and on the impact that this measure had on different social groups please refer to the Gender Analysis of COVID-19 in the Republic of Serbia as well as to other analytical documents presented in Annex 2.

11 Decision on the Abolition of the State of National Emergency ('Official Gazette of the Republic of Serbia', No. 2020 of 15 March 2020).

12 Prof. Dr. Marijana Pajvančić, Prof. Dr. Dubravka Valić Nedeljković and Sofija Mandić, Our Breached Rights (Naša urušena prava), April 2019, Women's Development Platform of Serbia.

13 An overview of all studies is available in Annex 2 to this analysis.

Direct support to sole proprietors who pay a flat rate of tax and sole proprietors who pay taxes on real income as well as micro, small and medium-sized enterprises in the private sector that were eligible for disbursement of net minimum wages for three months and 60% of the net minimum wage for an additional two months.	128.8	2.3	130.1	2.4
Direct support to large private companies amounting to the equivalent to 50% of the net minimum wage (during the state of emergency) for employees whose employment was terminated (pursuant to articles 116 and 117 of the Labour Law).	4.5	0.1	1.6	0.0
Direct support for the hotel sector: EUR 350 per bed and EUR 150 per room.	2.0	0.0	1.2	0.0
TOTAL	135.3	2.4	132.9	2.4
Measures to preserve private sector liquidity				
Financial Support Programme during the COVID-19 crisis through the Development Fund of the Republic of Serbia	24.0	0.4	14.6	0.3
Guarantee schemes to support businesses during the COVID-19 crisis	240.0	4.4	145.1	2.6
TOTAL	264.0	4.8	159.7	2.9
Other measures				
A moratorium was placed on the payment of dividends up until the end of the year, excluding public enterprises and loss of income arising from dividends.	16.0	0.3	-	-
Salary increases and other direct financial assistance (10% increase in the salaries of healthcare workers, direct financial assistance to the amount of RSD 4,000 for all pensioners and support to farmers).	16.0	0.3	16.0	0.3
Fiscal incentive: boosting domestic demand ¹⁴	70.0	1.3	72.0	1.3
TOTAL	102.0	1.9	88.0	1.6
Estimated impact of the fiscal measures	450.3	8.1	346.3	6.3
Total package of measures	690.3	12.5	491.4	8.9
Other costs related to COVID-19 (medical equipment and medicines)	-	-	60.0	1.1
Total costs related to COVID-19 up until 30 September 2020	690.3	12.5	551.4	10.0

Source: Ministry of Finance, Explanatory Statement on the Draft Law Amending the Law on the Budget of the Republic of Serbia for 2020, budget revision in November 2020.

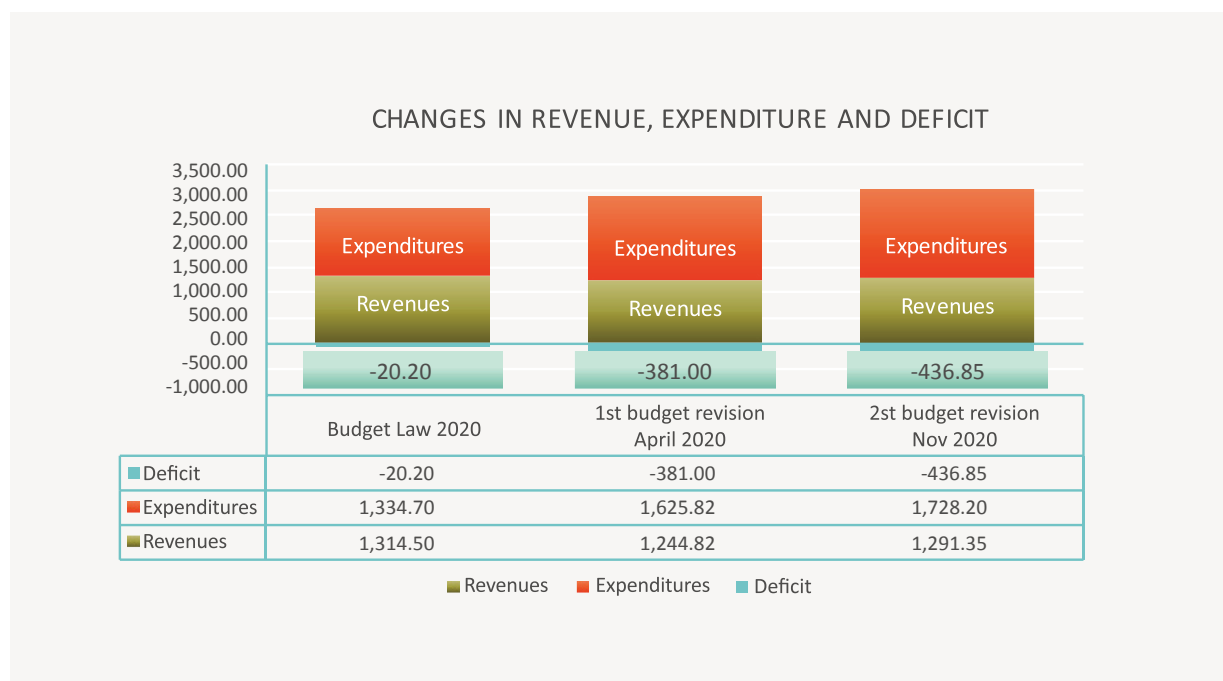
¹⁴ This measure entailed the disbursement of EUR 100 to all adult citizens of the Republic of Serbia.

Changes to the budget after the first and second revision

Soon after the declaration of the state of national emergency and the introduction of safety measures that significantly slowed the economy, the Government of the Republic of Serbia announced that it was preparing a set of measures to support

businesses and the population. The first budget revision was implemented in April¹⁵ and the second by the end of November¹⁶ 2020 in order to secure the funds for implementing the measures to mitigate the negative impact of the pandemic.

Figure 2. Changes to the budget of the Republic of Serbia after the adopted reallocations



The budget revision in April already envisioned a reduction in revenue of RSD 1,244.8 billion and an increase in expenditure equivalent to RSD 1,625.82 billion with a deficit increase of up to RSD 381 billion. The abrupt increase in expenditure of RSD 291 billion relative to the initially approved budget was driven by the need to secure budget funds to implement the measures adopted by the Government of the Republic of Serbia to mitigate the negative social and

economic impact of the pandemic on businesses and the population.

The second revision implemented in November 2020 led to a further increase in expenditure reaching RSD 1,728.2 billion, which drove the deficit up to a total of RSD 436 billion. The increase in expenditure resulted in a cost overrun of over RSD 393 billion against the initial budget planned for 2020.¹⁷

¹⁵ The Regulation on changes to the general proceeds and revenue, expenditure and outlays of the budget of the Republic of Serbia for 2020 to mitigate the adverse impact of COVID-19 caused by SARS-CoV-2 virus ('Official Gazette of the Republic of Serbia', No. 60/2020 of 24 April 2020).

¹⁶ The National Assembly adopted the Law Amending the Law on the Budget of the Republic of Serbia for 2020 on 12 November 2020 ('Official Gazette of the Republic of Serbia', No. 135/2020).

¹⁷ Ibid.

The most significant percentage and nominal changes to the public budget and recipient budgets

After the first and the second budget revisions, increases and decreases in available funds were registered along with the return of funds through the second revision. With a few exceptions, most budget beneficiaries recorded an increase in available funds. The Ministry of Economy received the largest increase (695%), while the biggest cuts applied to the appropriations of the Ministry of Justice (13%), the Ministry of Environmental Protection (26%),

the Ministry of Culture and Information (14%) and the Ministry of Labour, Employment and Veteran and Social Affairs (4%). The Public Investment Management Office (97%), the Office for Information Technologies and eGovernment (47%), the Ministry of Construction, Transport and Infrastructure (40%) and the Ministry of Energy and Mining (30%) also registered significant increases.

Table 2. Changes based on the rebalances of planned expenditure for selected budget users

Selected budget beneficiaries that recorded significant changes	Planned in the 2020 Budget EXPENDITURE	EXPENDITURE after the first revision in April 2020	EXPENDITURE after the second revision in November 2020	Changes in EXPENDITURE	%
Ministry of Economy	23,091,469,000	133,667,216,000	183,644,138,000	160,552,669,000	695%
Ministry of Culture and Information	13,286,217,000	10,704,047,000	11,483,833,000	-1,802,384,000	-14%
Ministry of Finance	969,226,818,000	1,124,199,698,000	1,019,186,564,000	49,959,746,000	5%
Ministry of Agriculture, Forestry and Water Management	51,993,012,000	50,678,309,000	56,067,890,000	4,074,878,000	8%
Ministry of Mining and Energy	12,680,682,000	11,743,713,000	16,539,193,000	3,858,511,000	30%
Ministry of Construction, Transport and Infrastructure	97,943,549,000	90,633,642,000	137,163,757,000	39,220,208,000	40%
Ministry of Health	32,668,796,000	22,571,719,000	34,804,029,000	2,135,233,000	7%
Ministry of Labour, Employment and Veteran and Social Affairs	139,183,478,000	137,605,434,000	133,481,018,523	-5,702,459,477	-4%
Ministry of Defence	92,431,451,000	89,147,572,000	104,013,602,000	11,582,151,000	13%
Ministry of Justice	20,740,589,000	4,531,660,000	17,980,398,000	-2,760,191,000	-13%

Ministry of Environmental Protection	7,900,287,000	6,498,132,000	5,880,142,000	-2,020,145,000	-26%
Ministry of Trade, Tourism and Telecommunications	7,133,391,000	7,470,422,000	7,663,644,000	530,253,000	7%
Public Investment Management Office	13,024,199,000	12,631,556,000	25,606,642,000	12,582,443,000	97%
Office for Information Technologies and eGovernment	6,679,570,000	6,268,292,000	9,815,571,000	3,135,998,000	47%

Source: Ministry of Finance.

Table 3. The three budget recipients with the largest percentage increase or decrease respectively after the budget rebalance

Largest percentage increase		Largest percentage decrease	
Ministry of Economy	+695%	Ministry for Environmental Protection	-26%
Public Investment Management Office	+97%	Ministry of Culture and Information	-14%
Office for IT and eGovernment	+47%	Ministry of Justice	-13%

Nominally, the Ministry of Economy recorded the maximum increase in planned expenditure up from RSD 23.0 billion to RSD 183.64 billion. This was because of the implementation of a set of economic measures aimed at mitigating the negative effects of the pandemic on businesses and the population.

The Ministry of Defence recorded an increase from 92.4 billion to 104 billion RSD. The Public Investment Management Office also recorded an increase from RSD 13.0 billion to RSD 25.6 billion. The purpose of the increases in planned expenditure for the Ministry of Defence and the Public Investment Management Office was not clear in the programme structure of the appropriations for these two budget beneficiaries. As far as the Ministry of Defence is concerned, the assessment of the Fiscal Council¹⁸ states, "In 2020, the state also significantly increased the Defence Ministry's capital budget. In the November revision, the capital expenditure of this Ministry was set at

the level of around RSD 39 billion, which was an increase of almost 40 (RSD 11 billion) compared to the original plan. These expenditures are not clearly presented in the revision, consequently, based on budget figures alone, we could not directly establish what the increase was related to and had to seek the answer indirectly. Specifically, around RSD 4 billion went to the construction of COVID-19 hospitals in the military compounds in Batajnica and Kruševac, while the remaining amount of approximately RSD 7 billion was allocated for the procurement of machines and equipment to ensure the operation of the Ministry of Defence and the Serbian Armed Forces. As this is a general programme, it was not possible to determine whether this entailed new procurement of arms, payments under previous contracts, or something else. If we add the reduced capital budget of the Ministry of Internal Affairs (RSD 10 billion) to the capital expenditures of the Ministry of Defence without the health sector (RSD 35 billion), the total

¹⁸ Available from www.fiskalniasavet.rs/doc/ocene-i-misljenja/2020/FS_Ocena_predloga_rebalansa_budzeta_Republike+preporuke_za_2021.pdf.

capital expenditures for procurement of equipment and arms of the security sector reached a high of RSD 45 billion this year. Just as a reminder, investments in health care in 2020 were worth RSD 27 billion, which is only two-thirds of the capital budget of the security sector. Such a redistribution of public funds is unjustified in a situation when the country faces an unprecedented health crisis.”

Almost all budget positions of the Office for Information Technologies and eGovernment recorded an increase in budget expenditure (47%). The project ‘Serbia at a touch: Digital transformation for development’, which aims to support implementation of the e-Government strategy and introduce e-services in other institutions as well as for the ICT infrastructure, showed the largest increase in expenditure up from RSD 14.4 billion to RSD 294.4 billion (1.946%). The budget funds were also allocated for the Office to support the effort to improve the digital transformation for the benefit of all segments of society and to improve accountability within the public administration in order to provide better services to citizens and the economy. However, the existing information did not provide sufficient insight into the reasons for this increase, i.e. it was not possible to determine whether the increase in expenditure was caused by an increase in needs, extension of the scope of the project, the increased number of beneficiaries or something else. An almost identical situation existed in relation to other increased budget expenditure of the Office for Information Technologies and eGovernment, with no adequate rationale provided for the increase in expenditure. In relation to the originally planned budget for 2020, the revisions conducted in April and November 2020 led to the approval of three new projects for the Office for Information Technologies and eGovernment: 1) Implementation of the system for Digitisation and Approval and Storage of incoming Invoices and supporting Documents; 2) Establishment of a System for support of mass Services of the Ministry of Finance to the Economy and Citizens and 3) VM WARE licenses. However, no relevant or adequate information on the purpose of these projects was available.

The Ministry of Construction, Transport and Infrastructure also saw a high increase in planned expenditure up from RSD 97.9 billion to RSD 137.1 billion. This was a result of the Government’s intention

to maintain a high level of public investment, primarily in the area of the road and railway infrastructure, caused by the increase in subsidies to the public enterprises ‘Roads of Serbia’ and ‘Corridors of Serbia’ for building new and maintaining the existing roads. The Ministry of Finance saw the next significant increase in expenditure in this budget section up from RSD 969.9 billion to RSD 1,019.1 billion. The first increase came in April and amounted to RSD 154 billion, which was reduced in November by RSD 105 billion. Compared to the budget initially planned for the Ministry of Finance under the Law on the Budget of the Republic of Serbia for 2020, expenditure increased by just under RSD 50 billion through the latest revision in November 2020. These budget increases were intended primarily to raise the appropriation for the National Pension and Disability Insurance Fund (NPDIF) and the National Health Insurance Fund (NHIF), for the measures implemented to mitigate the impact of the COVID-19 epidemic, for the reduction of scheduled debt repayment and for the disbursement of EUR 100 one-off assistance to all adult citizens of the Republic of Serbia.

Ministry of Mining and Energy expenditure grew because of increased subsidies for public enterprises in the electricity sector.

The budget of the Ministry of Agriculture, Forestry and Water Management first saw its expenditure reduced by RSD 1.3 billion through the April revision and then increased by RSD 4 billion in the November revision, relative to the initial plan defined under the 2020 Budget Law. The increased expenditure was in connection with the increase in subsidies of almost RSD 3 billion to help farmers mitigate the impact of the pandemic as well as direct grants totalling RSD 4 billion for purchases linked to agricultural mechanisation. The biggest registered cuts in expenditure related to the RSD 1 billion reduction in funds for investment and the RSD 2 billion cut in expenditure under the IPARD scheme, animal health protection and forest roads construction.

The Ministry of Health saw a 7 per cent increase in expenditure, which was attributable to the redirection in funds for efforts to mitigate the adverse impact of the pandemic, support in the form of equipment for COVID-19 hospitals and the reconstruction of the Clinical Centre of Serbia.

The Ministry of Environmental Protection saw a RSD 2 billion cut in expenditure relative to the initially planned amount. This was a result of the reduction in subsidies for the recycling industry in relation to the reuse of waste and the cut of around RSD 1.4 billion for planned contingency funds for the prevention of environmental pollution. This reduction could potentially have negative consequences in respect to the quality of the daily lives of citizens and in terms of gender equality.

The appropriation of the Ministry of Culture and Information was reduced by 14 per cent. Since this Ministry already had very scarce resources (0.99% of the total budget), this decrease was significant not

only in terms of its possible impact on workers in culture but also in terms of the availability of culture and cultural content for citizens in 2020.

The Ministry of Justice saw a reduction in expenditure of 13 per cent in the April revision. This effected the segment of expenditure on free legal aid and the material support provided for activities of the judicial authorities related to the changes to and impaired functioning of the judicial system as well as for investment in the rehabilitation of the buildings of judicial bodies. Free legal aid is an essential service for many citizens because it allows them to gain access to justice and other bodies that protect or help them to claim their rights.

Table 4. The four budget recipients that had the largest nominal increase or decrease respectively after the two budget rebalances

Largest nominal increase		Largest nominal decrease	
Ministry of Economy	+160.64 bn	Ministry of Labour, Employment and Veteran and Social Affairs	-5.70 bn
Ministry of Finance	+49.96 bn	Ministry of Justice	-2.76 bn
Ministry of Construction, Transport and Infrastructure	+39.2 bn	Ministry of Environmental Protection	-2.02 bn
Public Investment Management Office	+12.58 bn	Ministry of Culture and Information	-1.80 bn

Changes made to the budget according to the type of expenditure

If we look at the structure of expenditure, we see that funds have been increased in almost all budget positions with the except of the following expenditure and outlays that were affected by the cuts: grants and transfers, repayment of interest and associated borrowing costs as well as social insurance and social care. Subsidies and grants for mandatory social insurance registered the largest nominal increase.

Table 5. The structure of budget expenditure and outlays that changed after the first and the second revision

Budget expenditure and outlays	Budget 2020 (billion RSD)	Revision in April 2020, (billion RSD)	Revision in November 2020 (billion RSD)	Index	Expenditure structure in the revision of April 2020 (%)	Expenditure structure, revision of Nov 2020 (%)
TOTAL EXPENDITURE AND OUTLAYS	1,334.68	1,625.82	1,774.41	109.14	100.00%	100.00%
Current expenditure	1,119.49	1,439.25	1,526.56	106.07	88.52%	86.03%
Payroll expenditure	318.58	318.91	322.42	101.10	19.62%	18.17%
Goods and services	138.13	128.62	135.42	105.29	7.91%	7.63%
Interest and associated borrowing costs	111.44	106.95	108.45	101.40	6.58%	6.11%
Subsidies	95.83	202.98	278.16	137.04	12.48%	15.68%
Donations to foreign governments	0.00	0.25	0.28	109.43	0.02%	0.02%
Grants to international organisations	5.42	5.08	6.15	120.89	0.31%	0.35%
Transfers to subnational government tiers	89.01	95.32	93.83	98.44	5.86%	5.29%
Grants to mandatory social insurance organisations	186.63	349.04	341.63	97.88	21.47%	19.25%
Other grants and transfers	15.85	6.74	9.91	146.98	0.41%	0.56%
Social insurance and social care	124.95	123.71	119.07	96.25	7.61%	6.71%
Other current expenditure	33.65	101.63	111.24	109.46	6.25%	6.27%
Non-financial assets	198.93	154.14	201.65	130.82	9.48%	11.36%
Principal debt repayment (for the purpose of public policy implementation)	6.70	8.80	7.80	88.64	0.54%	0.44%
Procurement of financial assets (for the purpose of public policy implementation)	9.56	23.63	38.41	162.51	1.45%	2.16%

Source: Ministry of Finance.

Changes in budget-financed subsidies

Budget-financed subsidies registered a significant increase compared to the planned amount up from RSD 95.83 billion to RSD 278.16 billion. Only cultural subsidies were reduced, down from RSD 2.15 billion to RSD 1.67 billion or 22 per cent.

Table 6. Changes to the Republic of Serbia budget for 2020 – subsidies

	Plan - 2020 Budget Law	Budget Revision of April 2020	Budget Revision of November 2020	Change	%
TOTAL subsidies	95,831,212,000	202,981,314.00	278,158,784.00	182,327,572.00	190%
Subsidies to businesses	13,524,000,000	109,824,000,000	145,538,573,000	132,014,573,000	976%
Agricultural subsidies	41,008,753,000	41,165,130,000	46,784,627,000	5,775,874,000	14%
Railroad subsidies	14,000,000,000	14,000,000,000	14,042,000,000	42,000,000	0.3%
Road subsidies	7,900,000,000	19,900,000,000	44,600,000,000	36,700,000,000	465%
Tourism subsidies	1,225,000,000	3,027,500,000	3,003,500,000	1,778,500,000	145%
Culture subsidies	2,150,000,000	1,679,625,000	1,679,625,000	-470,375,000	-22%
Other subsidies	16,023,459,000	13,358,059,000	22,510,459,000	6,487,000,000	40%

The increase in subsidies was to the greatest extent a result of direct fiscal incentives for the private sector in the form of subsidised minimum wages for micro, small and medium-sized enterprises, and specific support for the hotel sector. It was also a result of the increase in subsidies to road companies for the completion of ongoing activities on building the road infrastructure; however, it is not quite clear how the originally planned needs in this area changed in a few months, given that technical and planning preparations that are a requirement prior to the start of construction works. In comparison, agricultural subsidies increased by a mere 14 per cent after the second rebalance in November. This was in spite of the fact that, as reiterated on many occasions, farm holdings suffered losses caused by the two-month lockdown and the imposition of the state of national emergency, especially small farm holders that supply the population directly.

Although allocations to the culture sector represented the smallest share of total state subsidies, this was the only sector that suffered an additional cut reaching as high as 22 per cent or RSD 470 million.

Changes in the transfer segment of the budget

Transfers to subnational government tiers included transfers to mandatory social insurance organisations (the National Pension and Disability Insurance Fund and the National Health Insurance Fund), transfers to municipalities and cities, and transfers to employees in education in the Autonomous Province of Vojvodina (APV).

While funds for cities and municipalities increased by RSD 5.1 billion or 5.8 per cent the transfers to mandatory social insurance organisations increased by RSD 154.95 billion or 83 per cent. Amendments to the segment of transfers to mandatory social insurance organisations related to compensation for unpaid contributions, the procurement of additional equipment in the healthcare sector and increased wages for healthcare professionals.

Table 7. Changes to the Republic of Serbia budget for 2020 - transfers

	Plan - 2020 Budget Law	Budget Revision of April 2020	Budget Revision of November 2020	Change	%
Transfers to subnational government tiers	88,706,106,000	95,320,582,000	93,831,165,920	5,125,059,920	5.8%
Transfers to municipalities and cities	33,307,366,000	33,832,366,000	34,243,466,000	936,100,000	2.8%
Transfers for employees in the education sector in the APV	36,217,213,000	36,217,213,000	36,217,213,000	0.00	0.0%
Other transfers	19,181,527,000	25,271,003,000	23,370,486,920	4,188,959,920	21.8%
Transfers to mandatory social insurance organisations	186,632,075,000	349,040,867,000	341,626,626,000	154,994,551,000	83.0%

Direct support to the population aimed at boosting domestic demand was listed under the 'other current expenditure' position, which included the disbursement of EUR 100 to all adult citizens (around RSD 72 billion in total) and one-off assistance to pensioners at RSD 4,000 (total cost of around RSD 7 billion).

Table 8. Other current expenditure in the Republic of Serbia budget for 2020

	Plan - 2020 Budget Law	Budget Revision of April 2020	Budget Revision of November 2020	Change	%
Other current expenditure	34,670,150.00	101,631,162.00	111,240,839.79	76,570,689.79	221%

Comment from the gender perspective on the measure to pay EUR 100 to all adult citizens of the Republic of Serbia

Given that the disbursement of EUR 100 as one-off assistance was universal support to adult citizens and not targeted support and because the assistance scheme did not take into consideration the differing socioeconomic backgrounds or vulnerabilities and needs, it received widespread criticism from both professionals and the public in general. The criticism centred on the fact that there are differences in income levels among women and men in Serbia. It was estimated that the funds obtained through loans were spilled over to individuals for whom this amount did not really make a difference, while the amount was insufficient to meet the need of those in need of assistance. There was also the criticism that the Government's arguments were populist rather than solidary.

From the gender perspective, however, this measure is not controversial. There are several reasons behind this claim. The first is that this is the only measure that has encompassed women working in the informal economy or on a service contract, part time or temporary duty contract, i.e. the types of contracts that do not have the same level of security as full time employment. This measure included many rural women, Roma women and other women without regular access to income. Therefore, the measure was gender sensitive and contributed to the protection of women and men from the initial shock of the pandemic crisis in the country.

The second reason is that the majority of women and men in the Republic of Serbia live on income that cannot sustain shocks or additional expenses. According to the Statistical Office of the Republic of Serbia (SORS) data, the average net salary (without taxes and contributions) for October 2020 amounted to RSD 60,109 and the median net salary for the same month amounted to RSD 46,382 with 50 per cent of employees earning a salary up to this amount.¹⁹ In 2019, almost every fourth citizen was at risk of poverty (At Risk of Poverty Rate of 23.2%) and the data for 2020 is likely to indicate an increase in the risk level.²⁰ On the other hand, based on the Survey on Household Expenditure²¹ conducted by the Social Inclusion and Poverty Reduction Team of the Government of the Republic of Serbia and SORS in 2019, the ratio of the wealthiest 10 per cent and the poorest 10 per cent of households was 1:5.6. Therefore, there was some spillover. Yet not everyone even among the richest 10 per cent was rich enough to accommodate the additional expenditure without problems. It should also be borne in mind that targeting implies additional cost and that the data registries and records that would serve as the basis for targeting the poorest women and men were not sufficiently accurate or up-to-date. By taking into account only the recipients of social assistance, for example, targeting would miss many women and men, especially those living in rural areas where landowners are not entitled to social assistance. Although one-off and instantaneous, this assistance also contributed to the survival of seasonal workers who were unable to work.

The procedure for making decisions on whether to reduce or increase budget spending

When preparing the revisions of the Budget of the Republic of Serbia for 2020, the Government of the Republic of Serbia sent instructions to direct budget beneficiaries recommending that all expenditure be cut by 20 per cent with the exception of salaries and investments. When preparing this gender analysis and in our contact with the Ministry of Culture

and Information and the Ministry of Economy, the analytical team was therefore interested in finding out how the ministries made decisions within the frame of the recommended 20 per cent reduction threshold and on the budget positions that would be changed whether by reducing or increasing the funds earmarked under these positions.

Consideration of the models for budget reduction from the gender perspective

Linear reduction is the most common type because it is the easiest to implement. It has the appearance of 'being fair', the decision is 'the same for everyone' and it is the easiest for responding to resistance. However, 20 per cent out of 10 and out of 1,000 units is not the same. In other words, 20 per cent for small budget recipients means that during the budget reduction almost nothing could be done to improve the scope of work whereas for larger budget recipients it would mean that less work would be done than planned.

From the gender perspective, such cuts have proven to be potentially dangerous. Practice has shown that when there is linear reduction gender equality receives lower priority treatment or even ceases to be a priority. If the decision has already been made to apply linear reduction, then it can be implemented with additional instructions related to common rules and flexibility in terms of the budget beneficiary and the design of the criteria for implementing the reduction. Despite a 20 per cent reduction, for example, it is still possible to set the criterion not to touch or even to increase investment in gender equality, because this need is indicated through a needs analysis. Experience shows that a linear reduction usually ends in a negotiated reduction whereby the arguments of the political power take precedence over the arguments related to the real needs. Thus, for example, only the Ministry of Environmental Protection ended with an overall reduction of 26 per cent, which was more than the projected 20 per cent average, while other ministries, some more and others less successfully, negotiated part of the funds. If a targeted reduction model were chosen then it would be possible to set the condition that gender equality must be promoted through the response to the

19 Available from www.stat.gov.rs/sr-Latn/oblasti/trziste-rada/zarade.

20 The consumption of the so-called consumer unit in the poorest decile of citizens amounted to RSD 11,161 per month compared to RSD 62,800 in the richest decile. According to the data of the National Bank of Serbia, 458 savers keep more than half a million euro in their accounts.

21 Available from www.stat.gov.rs/sr-Latn/oblasti/potrosnja-prihodi-i-uslovi-zivota/prihodi-i-uslovi-zivota.

crisis as one of the criteria for retaining a larger part of the budget or approving additional funds through a rebalance. It could be decided, for example, to pay special attention to the balanced distribution of unpaid work through different measures in each of the sectors. In this way, the crisis presents an opportunity for the development of gender equality.

The budget cuts could also be conditional to process changes or the application of certain technologies or procedures. Although the crisis does not necessarily provide a good framework for reform, it does generate some opportunities to change the established way of working. Therefore, if new user databases were created it would be necessary for them to be disaggregated and searchable according to sex and other important characteristics of the end users. Such conditions are not difficult to set if a normative strategic foundation already exists and there is a lack of practical application.

Gender transformative reduction, for example, would be guided by the criterion that citizens, women, men, girls and boys, are at the centre of the budget and that anything that does not contribute significantly to their quality of life in times of crisis should be considered for reduction. This would mean, for example, increasing investment in health, education, public care services for children and the elderly, combating violence against women and strengthening gender equality and potentially, upon analysis and consultation, reducing investment in infrastructure works that are not a priority in a given budget year or the procurement of military equipment or other expenditure that could be transferred to the subsequent budget year without incurring harmful consequences for citizens.

It should be noted here that the first of the two budget revisions of the Republic of Serbia budget for 2020, implemented in April, was enacted through an expedited procedure. The Government of Serbia, together with the co-signature of the President of the Republic, issued a Regulation amending the general proceeds, revenue, expenditure and outlays of the Republic of Serbia budget for 2020 in order to contain the adverse impact of the COVID-19 pandemic.²² Thus, the conditions were created for additional state borrowing and implementation of measures to aid economic recovery during the pandemic; such measures would not have been implemented without a budget revision because they were not planned in the original budget. The Law confirming the regulations issued by the Government, with the co-signature of the President of the Republic, during the State of National Emergency²³ confirmed this Regulation.

The second budget revision, enacted in November 2020, was prepared and passed in accordance with the regular procedure as defined in the Law on the Budget System, by passing the Law Amending the Law on the Budget of the Republic of Serbia for 2020.²⁴

When it came to the criteria for implementing these reductions and increases in the budget positions, no common document (instruction or recommendation) outlining the criteria to be applied were sent to the direct budget beneficiaries. This would have facilitated the process of changing the budget positions, by defining the procedural and practical aspects of this process.

Given the urgency of the situation in which the state apparatus found itself and the expectation of a rapid response, the procedure for prioritising and redirecting budget funds was informal and was of course implemented in consultation with all relevant stakeholders. Here we primarily refer to the relevant line ministries and other organisational units within the ministries directly engaging in the implementation of project activities. The Ministry of Economy first reviewed the unspent positions, except for the accounts payable. The process was informal, respecting the needs of the potential beneficiaries above all and took into consideration the possibility of project activities implemented under new circumstances.

22 'Official Gazette of the Republic of Serbia', No. 60/2020.

23 'Official Gazette of the Republic of Serbia', No. 62/2020.

24 'Official Gazette of the Republic of Serbia', No. 135/2020.

Significance of the criteria for budget cuts/reallocations and procedures from the point of view of gender equality

It is easier in informal processes for the priorities of women and other underrepresented groups not to be taken into consideration and therefore not respected than in processes that are formalised with the integration of the gender perspective. For this reason, it is important to provide a comprehensive view of reality through a formalised and binding procedure. The steps should include a review of gender responsive statistics and additional consultation with gender competent/relevant stakeholders. In addition to the main stakeholders, who usually have access because of their size, economic or political strength or closeness to the decision-makers, representatives of underrepresented groups and minority interests should be included.

It is also important that the most significant findings and recommendations of the analyses that served as the basis for decision-making and the drafting of the measures are publicly available. In this way, the representatives of different stakeholder groups would be able to supplement them with their unique insights, additional data and suggestions. There is no ideal way to reduce or reallocate the budget. Therefore, regular communication with various public groups, in consultation with all stakeholders, is an important step in creating a sustainable and acceptable revision during a crisis and minimising the damage to the most vulnerable groups.

When deciding on the changes to the budget appropriations, the Ministry of Culture and Information made reductions in those cases where it was clear that some of the competitions could not be implemented (because of the closure of the borders and travel restrictions affecting the artists) and therefore the envisaged funds were redirected to other activities.

The missing element in Serbia (which was implemented elsewhere) was for the Ministry to consider new activities so that cultural activities could be implemented during the pandemic. Increasing appropriations for individual creation, artists who were working from home, for example, would have assisted them in using their time creatively and productively during the hiatus.

The importance of public competitions in terms of gender equality

Judging from the experience gained in the pandemic, there was a need to define a set of criteria by which it could be determined whether a certain activity should be cancelled, postponed or modified in order to be implemented. Although many live activities and programmes were not implemented, it was possible to switch to online activities. By redirecting funds to programmes aimed at disseminating cultural content during the pandemic a new value would have been created.

It is important from the gender perspective to include men and women whose contributions have been hampered by the diversion of funding for competitions. In this way, despite the demand for their cultural creativity during the pandemic, they themselves were left without a market and without support. It would help, for example, to elaborate on the criterion 'no possibility of implementation' that was applied.

One of the verification points in the implementation of this criterion should be the impact that the termination of activities would have on women and men working in the sector as this would allow for a reaction based on complete, timely and gender-sensitive information. Thus, the improvement of gender-responsive data in this sector is a prerequisite for achieving a gender-responsive approach to crisis management.

Key findings on the overall budget changes

Serbia implemented two budget revisions in 2020, concluding with the November revision. This resulted in an increase in planned expenditure from RSD 1,334.7 billion to RSD 1,728.20 billion. There was a reduction in estimated revenue from RSD 1,314.5 billion to RSD 1,244.82 billion and the total deficit, i.e., the negative balance, reached RSD 436.85 billion. To be able to implement all of the planned measures to mitigate the adverse impact of the pandemic Serbia, in addition to the budget revisions carried out under the state register, also had to incur additional debt to the amount of almost EUR 2.5 billion. It was not possible to assess the expediency and effects of this borrowing at the time of preparing this gender analysis. More data will be available after the submission of the report on the performance of budget beneficiaries in March 2021.

Decisions to reduce or increase expenditure were made without formal criteria, initially based on a linear 20 per cent reduction that was not implemented consistently. Therefore, it can be concluded that the final decisions during the first and second rebalance were made through informal consultation and negotiation between the Ministry of Finance and individual budget recipients. A formalised and transparent process with clear criteria and a clearly defined goal to be achieved through the package of measures as a whole would have been more favourable to the promotion of gender equality. Recommendations regarding the improvement of the process led by the Ministry of Finance are given in the Checklist on Elements of a Gender Responsive Intervention in Crisis Response Planning.

The largest increase in appropriations occurred in the Ministry of Economy (695%) and the largest reduction in the Ministry of Environmental Protection (26%), the Ministry of Culture (14%) and the Ministry of Justice (13%). However, the Public Investment Management Office (97%), the Office for Information Technologies and eGovernment (47%), the Ministry of Construction, Transport and Infrastructure (40%) and the Ministry of Energy and Mining (30%) also registered significant increases. The Ministry of Economy and the Ministry

of Culture were selected for further analysis within this gender analysis, noting that, from the gender perspective, the drastic cut in the budget of the Ministry of Environmental Protection was not understandable²⁵ and the budget increase for the Ministry of Defence requires further analyses.

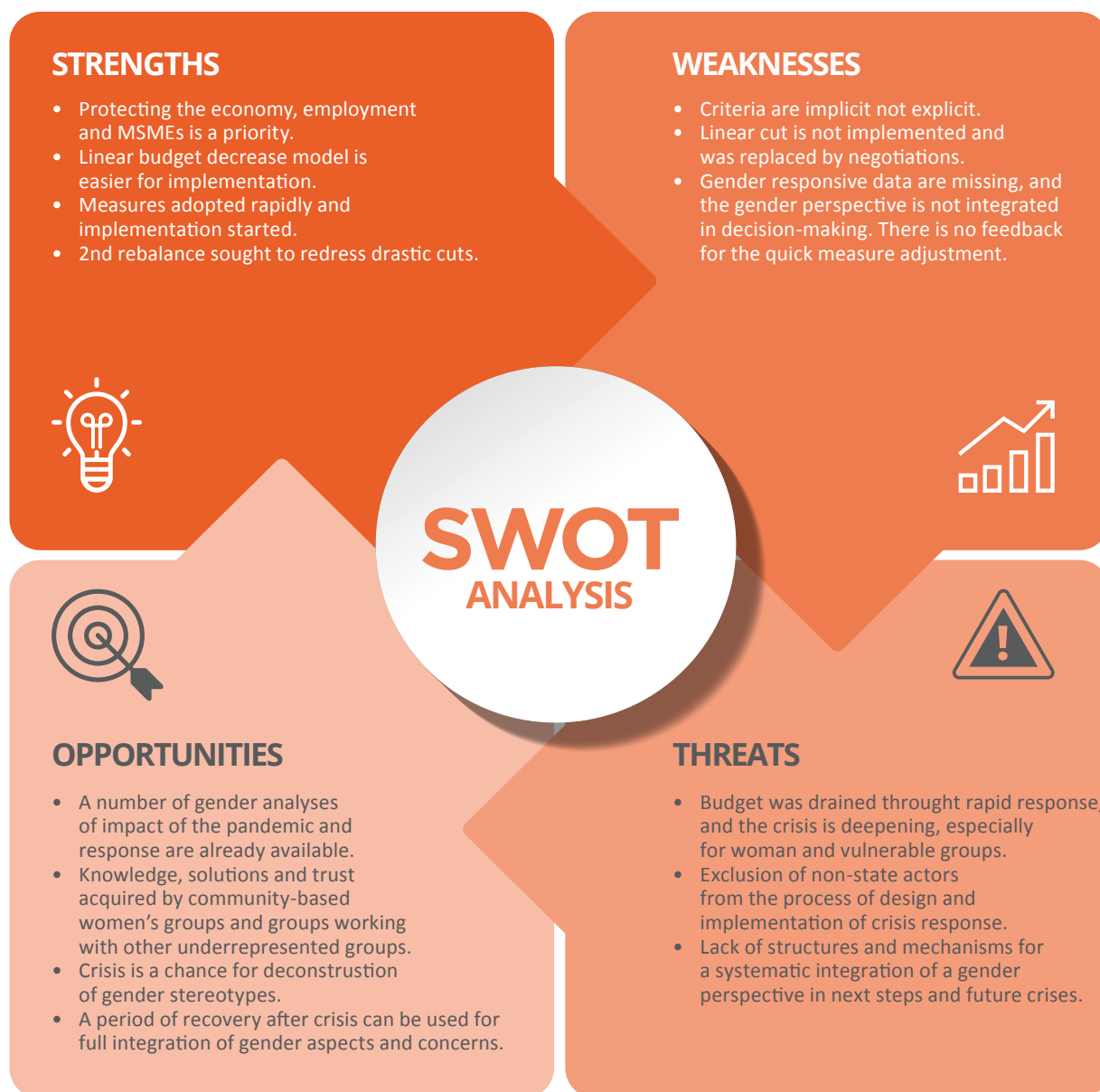
If we look at the structure of expenditure then we see that almost all budget positions received an increase, except for grants and transfers, repayment of interest and associated borrowing costs, social insurance and social care. The largest nominal increase was registered in the subsidies and grants for the mandatory social insurance position. The budget-financed subsidies position registered a large increase up from the planned RSD 95.83 billion to RSD 278.16 billion. Only cultural subsidies were reduced by 22 per cent down from RSD 2.15 billion to RSD 1.67 billion.

In the next segment of this paper, we present an in-depth analysis of the changes to the appropriation of the Ministry of Economy as the biggest 'winner' in the budget reallocations and the Ministry of Culture and Information that despite its already low share of total budget expenditure and overlays suffered a further budget cut of 14 per cent or RSD 1.8 billion.

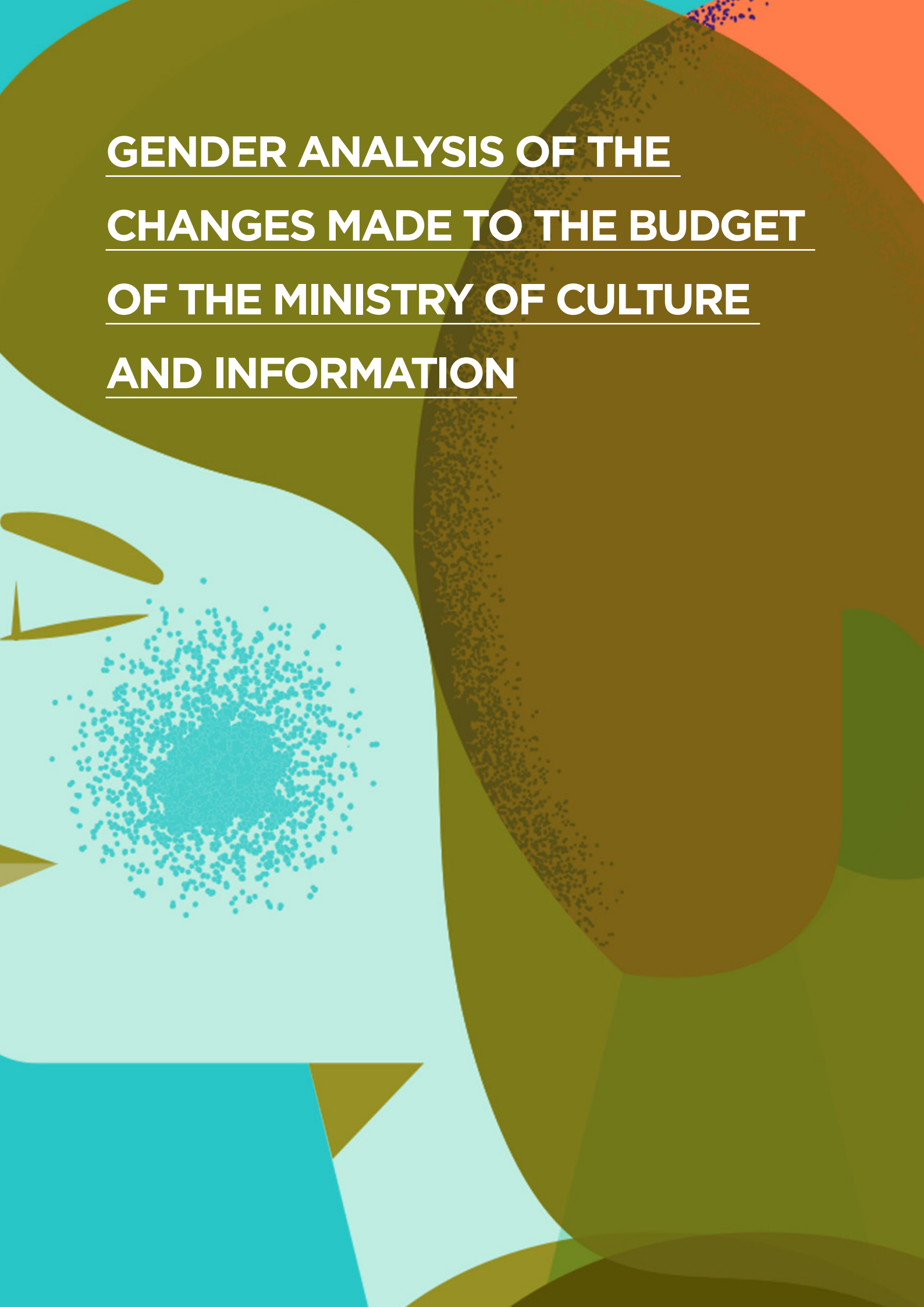
The strengths, weaknesses, opportunities and threats of the chosen approach to reducing the budget and redirecting resources in response to the crisis are summarised at the end of this chapter.

²⁵ Women's groups throughout the country are advocating for green development and a more dedicated commitment to environmental protection, unpolluted air, water and land. At the same time, Serbia is facing big challenges resulting from pollution.

Infographic 1. Strengths, weaknesses, opportunities and threats in the selected budget reduction/reallocation model from the gender perspective



GENDER ANALYSIS OF THE
CHANGES MADE TO THE BUDGET
OF THE MINISTRY OF CULTURE
AND INFORMATION



Overview of the changes to the budget of the Ministry of Culture and Information

In the budget of the Republic of Serbia for 2020, 0.99 per cent of total funds or just over RSD 13 billion was allocated to the Ministry of Culture and Information.

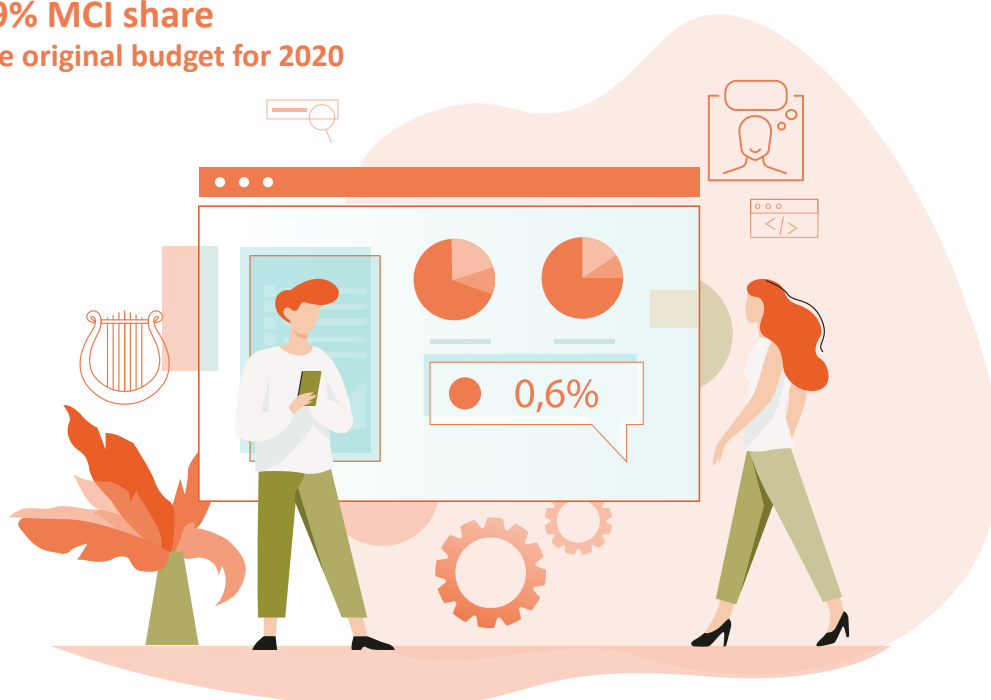
In the first budget revision in April 2020, there was a reduction of RSD 2.5 billion in the appropriation to the Ministry. In the second budget revision of November 2020, the Ministry recovered some of

the funds so that in the end the total reduction amounted to 14 per cent or RSD 1.8 billion. Thus, the Ministry's share of total expenditure planned in the second budget revision remained at the same level of 0.6 per cent as in the first revision. Budget changes for this budget recipient are presented in infographic 2 below.

Infographic 2. Changes to the budget of the Ministry of Culture and Information in 2020

MINISTRY OF CULTURE AND INFORMATION

**0.99% MCI share
in the original budget for 2020**



MCI budget:

RSD	RSD	RSD	
13 bn	10.7 bn	11.5 bn	0.6%
	after rebalance I (19.43%)	after rebalance II (13.57%)	final share in the overall budget by MCI after two budget rebalances

At the EU level, 2019 average (last available data) is 1% share of the budget for culture and 0.4% for information.

Source: Eurostat

Table 9. Planned expenditure and overlays of the Ministry of Culture and Information, including changes deriving from the revisions of April and November 2020

	MCI	Difference	% difference
2020 Budget Law	13,286,217,000,000	/	/
Budget Revision of April 2020	10,704,047,000,000	2,582,170,000,000	-19.43
Budget Revision of November 2020	11,483,833,000,000	1,802,384,000,000	-13.57

The budget of the Ministry of Culture and Information was divided into 6 programmes, 38 programme activities and 5 projects. The Ministry exercises its mandate by making direct payments to cultural institutions and through public calls for proposals. A large part of the annual activities pertains to the preparation and launch of public calls for proposals and grant awards for projects in various fields of culture and information.

The average value of financed projects dropped in four out of six observed categories. The biggest drop (17%) was recorded in Digitisation of Cultural Heritage and Modern Art. Table 10, below, presents the comparative average values of projects for all Ministry of Culture and Information sectors.

Table 10. Comparative average project values in 2019 and 2020 for the Ministry of Culture and Information sectors and % difference

	MCI Sector	2019	2020	% difference
↘	Digitisation of cultural heritage and modern art	565,217	470,287	- 17%
↘	Information and media	599,562	564,948	- 6%
↗	Cofinancing projects through individual grants	823,529	1,000,000	+ 21%
↘	Contemporary creation and creative industries	512,575	476,199	- 7%
↘	International relations and European integration in the field of culture	192,308	184,284	-4%
↗	Cultural heritage	904,491	1,048,458	16%

Source: Ministry of Culture and Information.

Only individual grants in the field of information and media and the Sector for Cultural Heritage recorded an increase in the average value of the project during 2020.

According to data from the Ministry's Sector for Modern Art and Creative Industries,²⁶ the competition for 2020 co-financed 16 projects that contribute to gender equality, primarily the role of women in society, to a total of RSD 4,990,000. This does not include the Municipality of Crna Trava project 'Sedeljka, waiting for the Migrant Worker', which the Ministry emphasised as being particularly important and was funded within the Competition for Cities in Focus. This project worth RSD 3,400,000 was conceived as a means of showing gratitude to the women who while waiting for their husbands to come back from abroad built a local community on this migrant route.

Unfortunately, at the time of preparing this gender analysis, data on the beneficiaries of various projects and on the sex of the project applicants was not available. According to the budget calendar, annual reports on the performance of budget beneficiaries are submitted in March of the current year for the previous year. It is recommended that the Ministry of Culture and Information improve its gender statistics because this type of this data was not available at the time of reporting. Article 40 of the Law on Gender Equality states that the collection of and reporting on gender statistics is mandatory. However, the implementation is lacking in practise.

At the request of the analytical team, the Statistical Office of the Republic of Serbia provided partial data disaggregated by sex on employment in the sector. According to this data, which included both formal and informal employment in line with the Labour Force Survey, this sector achieved parity in employment in the third quarter of 2020. However, only two activities are included here: 1) creative, artistic and entertainment related activities and 2) the activities of libraries, archives, museums and galleries.

Table 11. Employment in culture

	Total	Male	Female
Overall in 2019	20,577	12,454	8,123
In 3rd quarter of 2020	20,812	10,467	10,345

Source: Labour Force Survey and Statistical Office of the Republic of Serbia

Please Note:

Data in table includes both formal and informal employment. The following activities were considered:

900 creative, artistic and entertainment related activities

910 activities of libraries, archives, museums and galleries

This classification is much narrower than that mentioned by the Nomenclature of Economic Activities (Nace Rev 2), which includes book publishing, publishing of newspapers, publishing of magazines, publishing of computer games, production of film, video and television programmes and sound recording and music publishing as well as the preparation and broadcasting of TV programmes, the activities of news agencies, architectural activities, specialised design activities, cultural education, creative, artistic and entertainment activities, libraries, archives, museums and other cultural activities.²⁷

Seen from the gender perspective, the definition of the sector is too narrow and limiting. As a result, tens of thousands of men and women working in this sector are effectively excluded and consequently they are not taken into consideration. The cultural and creative industries should include all sectors of organised activity that have as their main objective the production or reproduction, the promotion, distribution or

²⁶ Data on gender-responsive projects in other sectors was not provided.

²⁷ Available from https://ec.europa.eu/eurostat/web/nace-rev2/correspondence_tables.

commercialisation of goods, services and activities of content derived from cultural, artistic or heritage origins.²⁸ It is necessary to monitor the statistical data in a manner that is harmonised with the Nomenclature of Economic Activities. It is also noteworthy that the European Union is in the process of further expanding this sector in such a way that it will include culture and creative industries.²⁹ The backbone of the culture and creative industries sectors consists of advertising, architecture, archives, libraries, cultural heritage, literary publishing, newspapers and magazines, cultural education, design (including fashion design) and visual arts, music, performance and artistic creation, radio and TV, software and games, video and film. There are also initiatives to add the fashion industry to this group as well as other high-end industries.

Table 12 below provides comparative data on the projects funded by the Ministry of Culture and Information based on public calls in 2019 and 2020.

Despite the overall decrease of 8.6 per cent across the sectors the Ministry launched practically the same number of public calls as in 2019 (51) and even one more in 2020 (52). The biggest reduction (55.6%) occurred in the Sector for International Relations and European Integration in the Field of Culture. The

process of the digitisation of the cultural heritage and modern art of Serbia also experienced a significant decrease in budget, which for public calls amounted to 33.1 per cent. Modern art and creative industries suffered a decrease of 27.8 per cent. The Sector for Information and Media did not register a reduction. Co-financing projects through individual grants registered a significant increase in funds for public calls (85.7%). The Sector for Cultural Heritage received more funds for fewer projects.

Table 12. Number of approved Ministry of Culture and Information projects by sector in 2019 and 2020 and the average value and percentage difference in relation to the total value of the approved projects

SECTOR	2019				2020				% difference in the overall value of funded projects
	No. of calls	No. of supported projects	Value of the supported projects	Average project value (in RSD)	No. of calls	No. of supported projects	Value of the supported projects	Average project value (in RSD)	
Digitisation of Cultural Heritage and Modern Art	1	92	52,000,000.00	565,217	1	74	34,801,240.00	470,287	-33.1
Information and Media	9	457	274,000,000.00	599,562	9	485	274,000,000.00	564,948	0
Projects co-financed through individual grants ³⁰	/	17	14,000,000.00	823,529	/	26	26,000,000.00	1,000,000	85.7
Modern Art and Creative Industries	17	1282	657,120,684.00	512,575	16	996	474,294,184.00	476,199	-27.8

²⁸ The UNESCO Framework for Cultural Statistics.

²⁹ European Parliament Resolution of 13 December 2016 on a coherent EU policy for cultural and creative industries (2016/2072(INI)).

³⁰ Based on Law on Public Information and Media ('Official Gazette of the Republic of Serbia', nos. 83/2014, 58/2015 and 12/2016 – authentic interpretation).

Serbia Film Centre	18	/	908,892,898.00	/	20	/	912,388,979.00	/	0.4
International Relations and European Integration in the field of Culture	5	284	54,615,372.00	192,308	5	132	24,325,500.00	184,284	-55.6
Sector for Cultural Heritage (1 call that included all 7 areas)	1	355	321,804,476.00	904,491	1	325	340,749,000.00	1,048,458	5.9
TOTAL	51	2.487	2,282,433,430.00	516,280	52	2.038	2,086,558,903.00	624,029	-8.6

Source: Ministry of Culture and Information.

Overview of the budget changes per programme

All programmes in the budget of the Ministry of Culture and Information had their funding reduced in all positions. Only the Programme for the Establishment and Development of the Cultural and Information System was allotted an increase, but not for the existing positions but in the form of a special appropriation that was added in the budget revision of November 2020 as a measure to mitigate the consequences of the pandemic.

Table 13. Overview of changes to the Ministry of Culture and Information budget for 2020 per programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
➤	Culture and Information System Regulation and Development	426,970,000.00	356,072,000.00	594,051,000.00	167,081,000.00	39%
➤	Improving the System for the Protection of Cultural Heritage	1,080,852,000.00	838,545,000.00	861,984,000.00	218,868,000.00	-20%
➤	Strengthening Cultural Production and Artistic Creativity	589,200,000.00	435,800,000.00	438,100,000.00	151,100,000.00	-26%
➤	Public information system	3,402,819,000.00	2,702,855,000.00	2,789,355,000.00	613,464,000.00	-18%
➤	International Cultural Cooperation	675,076,000.00	388,910,000.00	386,686,000.00	288,390,000.00	-43%

✚	Awards for Contributions to Culture	224,000,000.00	195,000,000.00	208,429,000.00	15,571,000.00	-7%
✚	Improving the System for the Protection of Cultural Heritage	3,897,859,000.00	3,152,295,000.00	3,256,503,000.00	641,356,000.00	-16%
✚	Strengthening Cultural Production and Artistic Creativity	2,935,543,000.00	2,582,671,000.00	2,897,026,000.00	38,517,000.00	-1%
✚	Public Information System	53,898,000.00	51,899,000.00	51,699,000.00	2,199,000.00	-4%
	TOTAL	13,286,217,000.00	10,704,047,000.00	11,483,833,000.00	-1,802,384,000.00	-14%

Looking at the Ministry of Culture and Information budget structure per programme, the largest reduction of funds (43% or RSD 288 million) was recorded by the International Cultural Cooperation programme and in the Strengthening Cultural Production and Artistic Creativity programme (26% or RSD 151 million).

The programme Strengthening Cultural Production and Artistic Creativity is extremely important because the programme finances and/or co-finances projects in all artistic fields:

- The arts and music, including performing arts, dance, visual arts, literature, film, etc., and through the cultural activities of vulnerable groups/national minorities supports persons with disabilities, children, youth, etc. The funds are non-refundable and distributed through a public competition. All cultural operators and artists are eligible to participate, including cultural institutions, civil society organisations and individuals.
- The activities and programmes of cultural institutions founded by the state in the fields of music, theatre, opera, ballet, traditional folklore creativity, film and audio-visual creativity as well as scientific culture and art research programmes.

Based on this insight alone, it can be surmised that this reduction has deprived a significant number of workers employed in culture, both women and men, of their only source of income. It is not possible to specify the number or share of women affected

because sex-disaggregated data was not available for the full spectrum of culture workers. Thus, without additional research it was not possible to prove or disprove this hypothesis.

In June, the Government began the direct disbursement of RSD 30,000 per month over a three-month period (RSD 90,000 in total) to individuals who had the status of independent professional artists (2,353 persons had this status but sex-disaggregated data was not available). This measure was delayed compared to the one designed for SME sector employees. The latter started receiving this form of assistance in May, first for three months and then for an additional two months (5 months in total), whereas independent professional artists were only supported over a three-month period.

Cuts in funding were also recorded by all other programmes within the Ministry of Culture and Information budget structure within a range of 20 per cent, which was in line with the Government's demand for a 20 per cent reduction in expenditure (excluding salaries and investment). The rationale behind this solution was not very clear. In fact, the preservation of jobs in culture should be equally important as the preservation of jobs and/or incomes in the public administration, local government, large enterprises and SMEs in other sectors.

Overview of the budget changes per programme activity

Bilateral cooperation and international cultural exchange

An analysis by programme activity revealed that the largest reduction in funding (54% or RSD 68 million) occurred in the Bilateral Cooperation and International Cultural Exchange position. This was understandable to a certain extent because of the decline in the number of international cultural events and the mobility of artists due to the coronavirus pandemic. A significant reduction in expenditure was also noted within the European Integration and Cooperation with International Organisations programme activity (52% or RSD 52 million).

Table 14. Overview of the changes to the International Cultural Cooperation programme

	Programme structure/ programme activities	2020 Budget Law	Change first revision (April)	Change second revision (November)	Change	%
✎	International Cultural Cooperation	675,076,000.00	388,910,000.00	386,686,000.00	288,390,000.00	-43%
✎	European Integration and Cooperation with International Organisations	98,400,000.00	46,800,000.00	46,018,000.00	52,382,000.00	-53%
✎	Bilateral Cooperation and International Cultural Exchange	117,900,000.00	54,100,000.00	49,668,000.00	68,232,000.00	-58%
✎	Novi Sad 2021 - European Capital of Culture	252,276,000.00	152,276,000.00	152,276,000.00	100,000,000.00	-40%
✎	Novi Sad, Youth Capital of Europe 2019 - OPENS 2019	145,000,000.00	75,000,000.00	75,000,000.00	70,000,000.00	-48%
➤	IPA support for participation in EU programmes	61,500,000.00	60,734,000.00	63,724,000.00	2,224,000.00	4%

Source: Ministry of Finance.

Regulation and Development of the Culture and Information System programme

Under the Regulation and Development of the Culture and Information System programme, every position, namely all programme activities planned under the 2020 Budget, were affected by the reductions. The increase was a result of the allocation of RSD 250 million in the second budget revision in November for the implementation of measures to prevent and mitigate the impact of the COVID-19 virus. However, based on the existing budget structure of the Ministry of Culture and Information it was impossible to deduce what the specific intended purpose of these funds was and how they were to be spent. One of the questions addressed to the Ministry concerned the intended purpose of the funds allocated under the appropriation for the Prevention and Mitigation

of the Impact of the COVID-19 disease caused by the SARS 19-CoV-2 virus. Up until the time of preparing this gender analysis, we had not received a response from the Ministry. One possibility is that these funds (RSD 90,000) were awarded as non-refundable assistance to independent professional artists.

The funds for strengthening the capacities of the cultural sector at the local level were reduced by 34 per cent or RSD 51 million. Considering that investment in culture at the local level is normally minimal, any further reduction would undoubtedly have affected local cultural organisations that as a rule only have the means for their basic functioning but not for any programmes or activities.

Table 15. Overview of the changes to the Regulation and Development of the Culture and Information System programme

	Programme structure	2020 Budget Law	Change, first revision, April	Change, second revision, November	Change	%
↗	Culture and Information System Regulation and Development	426,970,000.00	356,072,000.00	594,051,000.00	167,081,000.00	39%
↘	Regulation and Monitoring of the Culture Sector System	70,427,000.00	68,427,000.00	66,302,000.00	4,125,000.00	-6%
↘	Development of the Public Information System and Oversight of Implementation	29,076,000.00	22,077,000.00	20,357,000.00	8,719,000.00	-30%
↘	Administration and Management	131,767,000.00	119,868,000.00	113,213,000.00	18,554,000.00	-14%
↘	Affairs entrusted to Representative Cultural Associations	45,700,000.00	45,700,000.00	45,000,000.00	700,000.00	-2%
↘	Support for Strengthening the Capacities of the Cultural Sector at the local level	150,000,000.00	100,000,000.00	99,000,000.00	51,000,000.00	-34%
↗	Prevention and Mitigation of the Impact of the COVID-19 Pandemic caused by the SARS-CoV-2 virus	0.00	0.00	250,179,000.00	250,179,000.00	100%

Source: Ministry of Finance.

Improving the Cultural Heritage Protection System programme

Under the Improving the Cultural Heritage Protection System programme, the largest reduction (RSD 186 million) occurred within the position on Support for Research, Protection and the Preservation of Immobile Cultural Heritage. The appropriation for Supporting the Development of Library and Information Services and the Library and Information

Services of the Union of the Blind of Serbia was reduced. This will have a negative impact on people with disabilities who already have insufficient accessibility to information. Thus, from the gender perspective, this budget cut could potentially have an adverse impact on gender equality.

Table 16. Overview of the changes to the Improving the Cultural Heritage Protection System budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
▼	Improving the Cultural Heritage Protection System	1,080,852,000.00	838,545,000.00	861,984,000.00	218,868,000.00	-20%
▼	Support for Research, Protection and Preservation of Immoveable Cultural Heritage	623,000,000.00	440,600,000.00	437,785,000.00	185,215,000.00	-30%
▼	The Restoration and Conservation of the Monastery of Hilandar	80,000,000.00	60,000,000.00	60,000,000.00	20,000,000.00	-25%
▲	Maintenance of the Dedinje Royal Compound	62,000,000.00	54,000,000.00	78,000,000.00	16,000,000.00	26%
▼	Support for the work of Matica Srpska	51,000,000.00	37,900,000.00	37,900,000.00	13,100,000.00	-26%
▼	Digitisation of Cultural Heritage	62,030,000.00	44,222,000.00	45,089,000.00	16,941,000.00	-27%
▼	Support for Research, Protection and Preservation of Immoveable and Movable Cultural Heritage	146,822,000.00	146,822,000.00	148,721,000.00	1,899,000.00	1%
▼	Support for the Development of Library and Information Services and Library and Information Services of the Union of the Blind of Serbia	55,000,000.00	55,000,000.00	54,488,000.00	512,000.00	-1%
▼	Support for the work of the Institute for the Protection of Cultural Monuments and Historical Archives	1,000,000.00	1,000.00	1,000.00	999,000.00	-100%

Source: Ministry of Finance.

Strengthening cultural production and artistic creativity

The Strengthening Cultural Production and Artistic Creativity programme allocation saw a reduction of RSD 151 million or 26 per cent, with cuts made to all programme positions. The reasons for this reduction in funds for literary creativity was not entirely clear at the time as the pandemic does not necessarily prevent activities in this area, considering that this is not a

festival type of activity that had to be cancelled. In response to our question, the Ministry of Culture and Information stated that the reduction of this allocation occurred after the budget revision had affected different competition areas in different ways.³¹ The Ministry explained that although competitions such as the competition for financing activities entrusted to

³¹ Information provided during a meeting with UN Women held on 19 November 2020.

representative cultural associations in 2020 had been fully implemented prior to the revision process and hence the available amount was not reduced other competitions could not be carried out as planned. The Ministry cited the competition for co-financing the organisation and implementation of the annual presentation of Serbian literature and publishing at international book fairs in 2020 as an example where the reserved funds were returned to the budget for further disposal.

However, it is important in these cases to recognise the importance of the continuity of cultural activities and the option to change the way such activities are organised such as, for example, online. This also applies to music, film, the visual arts and multimedia.

Programme funds for Supporting Cultural Activities of Socially Vulnerable Groups were reduced by 7 per cent, although the information we received in our interview with representatives of the Ministry did not confirm our findings. In fact, the Ministry stated that the budget appropriation for the cultural activities of socially vulnerable groups had not changed. From both the gender and human rights perspective, an important criterion that should be applied to budget cuts during crises is that funds that support groups at greatest risk of exposure to multiple forms of discrimination should not be reduced. As in the previous case, it is possible to pursue cultural activities online and therefore this should have been considered.

Table 17. Overview of changes to the Supporting Cultural Activities of Socially Vulnerable Groups budget programme

	Programme structure	2020 Budget Law	Change, first revision, April	Change, second revision, November	Change	%
▼	Strengthening Cultural Production and Artistic Creativity	589,200,000.00	435,800,000.00	438,100,000.00	151,100,000.00	-26%
▼	Support for the Development of Visual Arts and Multimedia	85,000,000.00	58,100,000.00	57,680,000.00	27,320,000.00	-32%
▼	Support for Film and Other Audio-visual Works	88,000,000.00	64,000,000.00	65,284,000.00	22,716,000.00	-26%
▼	Support for the Development of Literary Creativity and Publishing	170,000,000.00	131,500,000.00	131,760,000.00	38,240,000.00	-22%
▼	Support for the Development of Musical Creativity	72,000,000.00	50,000,000.00	50,236,000.00	21,764,000.00	-30%
▼	Support for Cultural Activities of Socially Vulnerable Groups	46,000,000.00	43,000,000.00	42,670,000.00	3,330,000.00	-7%
▲	Digitisation of Modern Art	8,000,000.00	8,000,000.00	8,240,000.00	240,000.00	3%
▼	Support for Strengthening Modern Art of Serbian Diaspora	12,200,000.00	9,200,000.00	9,200,000.00	3,000,000.00	-25%
▼	Support for the Development of Dance	36,000,000.00	21,000,000.00	21,000,000.00	15,000,000.00	-42%
▼	Support for Strengthening Performing Arts	72,000,000.00	51,000,000.00	52,030,000.00	19,970,000.00	-28%

Source: Ministry of Finance.

In regard to the competitions and the projects financed through these allocations, the Ministry stated as follows: “when we look at the number of competitions, we see no evidence of any significant impact of the crisis year, since 17 of the 18 planned activities were implemented. Nevertheless, the number of projects that could have been supported has been reduced under the changed circumstances.”

Because the year had not yet ended the exact number of projects implemented and the number of projects not implemented was unknown at the time of drafting of this gender analysis. This data will be disclosed in March 2021, once the budget beneficiaries have submitted their performance reports.

Public information system

The Public Information System programme saw a reduction of 18 per cent or RSD 614 million. The largest reductions were recorded in the programme activities related to Project based Financing of Public Service Broadcasters (55% or RSD 27.5 million) and Financing the Core Activities of Public Service Broadcasters, i.e., the reduction in expenditure intended to finance the activities of Radio Television Serbia and Radio Television of Vojvodina (19% or RSD 582 million). At a time when there is an increased need to provide citizens with information it is not clear how these reductions were deemed appropriate.

Table 18. Overview of the changes to the Public Information System budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
▼	Public Information System	3,402,819,000.00	2,702,855,000.00	2,789,355,000.00	613,464,000.00	-18%
▼	Support for the Achievement of Public Interest in the field of Information	208,200,000.00	208,200,000.00	207,185,000.00	1,015,000.00	-0.5%
↗	Support for providing News Services in the Serbian Language to the Citizens of the Autonomous Province of Kosovo and Metohija	9,280,000.00	9,280,000.00	9,295,000.00	15,000.00	0.2%
▶	Support for providing News Services in the Serbian Language to Serbian nationals living in the Countries of the Region	21,320,000.00	21,320,000.00	21,320,000.00	0.00	0.0%
▶	Support for providing News Services to National Minorities in their own Language	40,559,000.00	40,559,000.00	40,559,000.00	0.00	0.0%

▶	Support for providing News Services to Persons with Disabilities	13,460,000.00	13,460,000.00	13,460,000.00	0.00	0.0%
↘	Financing the Core activity of Public Service Broadcasters	3,050,000,000.00	2,378,036,000.00	2,468,036,000.00	581,964,000.00	-19.1%
↘	Project-based Financing of Public Service Broadcasters	50,000,000.00	25,000,000.00	22,500,000.00	27,500,000.00	-55.0%
↘	International Cooperation in the field of Information	10,000,000.00	7,000,000.00	7,000,000.00	3,000,000.00	-30%

Source: Ministry of Finance.

Digitisation in the field of culture

The largest reduction in funds allocated for implementation of the programme activities of cultural institutions occurred under the Digitisation in the field of Modern Art programme activity (83% or RSD 1.6 million).

This amount and the cut in expenditure for the Digitisation of Cultural Heritage programme activity, under which the Ministry of Culture and Information implements grant competitions, amount to a total reduction of RSD 19.4 million for digitisation projects.

This cut has had a drastic impact in terms of the reduction in public competitions and funding for the activities of cultural institutions and projects related to the digitisation of modern art and cultural industries of Serbia as well as on the strengthening of the infrastructural capacities of these institutions. Yet at a time when digitisation has proven to be key to increasing access and overcoming the challenges of the pandemic an increase in investment in this area would have been more appropriate.

Improving the cultural heritage protection system

The April budget revision entirely abolished the funds intended for the reconstruction and extension of the Museum of Naïve and Marginal Art in Jagodina as well as for research into and the preservation and presentation of the Belo Brdo archaeological site at Vinča. However, part of the RSD 94 million was returned in the November budget revision bringing the total reduction to RSD 156.9 million or 63 per cent.

Table 19. Overview of the reductions to the Improving the Cultural Heritage Protection System budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
▼	Improving the Cultural Heritage Protection System	3,897,859,000.00	3,152,295,000.00	3,256,503,000.00	641,356,000.00	-16%
▼	Support for the activities of Institutions in the field of Protection and Preservation of Cultural Heritage	3,512,146,000.00	3,091,325,000.00	3,103,700,000.00	408,446,000.00	-12%
▼	Digitisation in the field of Protection and Preservation of Cultural Heritage	94,810,000.00	60,970,000.00	58,803,000.00	36,007,000.00	-38%
▼	Reconstruction and Extension of the Museum of Naive and Marginal Art in Jagodina	250,903,000.00	0.00	94,000,000.00	156,903,000.00	-63%
▼	Research, Preservation and Presentation of the Belo Brdo Archaeological Site in Vinča	40,000,000.00	0.00	0.00	40,000,000.00	-100%

Source: Ministry of Finance.

Conclusions on the Ministry of Culture and Information budget changes

The gender-based inequalities in Serbia have been noted, captured and described in a number of social research documents. Starting from 2016,³² these inequalities have been monitored by means of the Gender Equality Index.³³ Article 5 of the Convention on the Elimination of All Forms of Discrimination against Women stipulates as follows:³⁴

States Parties shall take all appropriate measures: (a) To modify the social and cultural patterns of conduct of men and women, with a view to achieving the elimination of prejudices and customary and all other practices which are based on the idea of the inferiority or the superiority of either of the sexes or on stereotyped roles for men and women; (b) To ensure that family education includes a proper understanding of maternity as a social function and the recognition of the common responsibility of men and women in the upbringing and development of their children, it being understood that the interest of the children is the primordial consideration in all cases.

³² Based on 2014 data.

³³ Available from www.rodnaravnopravnost.gov.rs/sr/akademski-kutak/publikacije/indeks-rodne-ravnopravnosti-za-republiku-srbiji-2018.

³⁴ The Convention on the Elimination of All Forms of Discrimination against Women. Available from www.zensklavada.org.rs/downloads/konvencija_diskriminacija.pdf.

The Ministry of Culture and Information performs administration tasks on behalf of the state related to the following:³⁵

- development and promotion of culture and artistic creation;
- monitoring and research in the field of culture;
- providing a material basis for cultural activities, development and promotion of literary, translation, music and stage creation, fine and applied arts and design;
- film and creative work in other fields of audio-visual media;
- protection of immovable and movable cultural heritage;
- library, publishing, cinematographic and music and stage activities;
- endowments and foundations;
- the public information system;
- monitoring the implementation of laws in the field of public information;
- monitoring the work of public companies and institutions in the field of public information;
- monitoring the activities of foreign information institutions, foreign media and correspondents and correspondents in the Republic of Serbia;
- informing national minorities;
- registration of foreign information institutions and assisting in the work of foreign journalists and correspondents;
- cooperation in the field of the protection of cultural heritage, cultural creativity and information in the language and alphabet of the Serbian nationals in the region;
- establishment and development of cultural information centres abroad;

- creating the conditions for access to and implementation of projects financed through pre-accession funds of the European Union, donations and other forms of development assistance within the competence of the Ministry, and participation in regional projects;
- other tasks determined by the Law.

These tasks are the backbone of de facto gender equality in society, which differs from the formal (de jure) gender equality that exists in the laws today; however, it is not always consistently present in practice. The effects of the pandemic and the government measures in response to them through the culture and information sector within the context of long-term structural gender inequalities were also observed.

Based on the available data, it was concluded that only one measure was adopted and implemented in this sector to address the consequences of COVID-19. The measure included just 2,353 independent artists who overall received a total disbursement of RSD 211,770,000. There was no data available on the distribution according to sex. This measure was implemented later than a similar measure aimed at employees in the SME sector. The assistance provided to culture sector covered two months less than the assistance provided to the SME sector. Thus, it can be concluded that compared to full-time employees in the state administration and employees in the private sector the position of independent artists is less favourable.

Women and men working in the culture sector who did not have the status of full-time employees were left without support. The lack of broader support for cultural workers can also be attributed to the framework of activities for this sector, because it is not harmonised with the Nomenclature of Economic Activities.

There are strong gender patterns in the daily lives of women and men who work in culture, or are users of cultural content, visitors to cultural and artistic events or admirers of works of art, the cultural tradition or contemporary cultural expression. These patterns include different division of risks, responsibilities and burden sharing in public and private spheres, which

35 Available from www.kultura.gov.rs/tekst/54/o-nama.php.

causes different impact of the crisis on their well-being. However, this cannot be identified based on the available statistics in sector.³⁶

Additional efforts should be made in this regard to monitor the actual and potential impact that the budget changes to the culture sector have on women and men in two respects: 1) citizen access to cultural content, including from an economic standpoint, more precisely, 2) opportunities for workers in culture to perform their assigned activities in order to provide their source of income and livelihood in the crisis situation caused by the pandemic.

After the first budget revision, the culture and information sector was closest to the projected linear decrease of 20 per cent whereas environmental protection exceeded it by 6 per cent³⁷ after both budget revisions. Although the Republic of Serbia is well below the EU average³⁸ in terms of investment in culture and information the original adopted budget that put culture and information at 0.99 per cent was reduced down to 0.6 per cent. There were no formal consultations with institutional or non-institutional stakeholders regarding the projected budget cuts or in relation to the additional needs and priorities emerging through the crisis. In principle, subsidies were not reduced and yet subsidies in culture were cut nonetheless by 22 per cent.³⁹

The data on employees in the sector was not comprehensive or in line with the Nomenclature of Economic Activities.⁴⁰ Employment in the observed sector was predominantly female, about two-thirds of employees in the institutions were women. Although women were more numerous and employed in public cultural institutions, there was no adequate representation of women in management positions. Thus, there were 14 women in management positions⁴¹ in the 34 institutions founded by the Republic of Serbia.

Salaries in this sector were lower than the national average and, except for employees in public institutions, were reduced further because of the crisis. A large number of women work in an informal status and without regular income in an attempt to find support for their work in the market or through public competitions. Flexible forms of work that are often informal, such as additional night work or on weekends, leave women with other jobs and those without another source of income at great risk of stress. This represents the reality of women in culture, especially in the visual arts and literature. This model is characterised by informal work, the necessity of self-promotion and independent networking based on acquaintances and strong competition.⁴²

Under the conditions of a pandemic, this means that many jobs and assignments have been cancelled and that investment in time and financial resources are made independently without any form of support when attempting to transition to online forms of work, such as content design, and have to match the technical and epidemiological possibilities. A large number of cultural workers would certainly welcome any support in making the transition to online modes of work.

As this is one of the sectors most affected by the crisis reductions, the position of women in the sector and gender equality in society have inevitably suffered adverse effects. Without sex-disaggregated data, it was not possible to quantify the impact. It is therefore necessary to improve the gender statistics in this sector, both for current use and for future crises.

36 UN Women, *Consequences of COVID-19 on women's and men's economic empowerment*, UNFPA, July 2020.

37 See Table 2.

38 According to Eurostat, the EU average is 1% for culture and 0.4% for information.

39 From RSD 2.15 billion to RSD 1.67 billion or a difference of RSD 470 million.

40 NACERev 2.

41 Of the 36 such institutions data was not publicly available for two of them. A list of the institutions considered is provided in Annex 3.

42 The organisation of travel and guest appearances, for example, is often a semi-private arrangement in order to reduce costs and increase the chances of realising the plan.

The Cultural Centre of Belgrade is a good example from the gender perspective

Although not funded through the national but rather the City budget, the Cultural Centre of Belgrade is a good illustrative example of the shift in focus caused by the new situation. This institution saw a significant reduction in its budget during the pandemic and yet the programmes continued online. This was thanks to an initiative by the employees supported by the Art Director who organised training on the digital presentation of cultural products. This training contributed to the development of the skills and knowledge of the employees, which are mostly women, and the quality of the offer presented by the Cultural Centre of Belgrade during the pandemic. Four two-hour lectures on the 'Possibilities and use of Digital Formats' were organised internally. The lecturers were young people and friends of the house who were very willing to share their knowledge with the employees of the Centre. This example of a quick reaction resulted in quality video content on the YouTube channel, conversations with artists on the sound cloud (audio cloud) in the audio version and improved use of the Facebook and Instagram social networks.

The reduction of the budget of the Ministry of Culture and Information did not affect the number of public calls but it did contribute to a reduction in the already low average values of approved projects in most of the observed sectors as well as a 19 per cent reduction in their number.⁴³ As a result, the reduction has directly affected cultural workers, both female and male, and indirectly those citizens who are the end users of this support for culture. Although sex-disaggregated data on the individual public calls, applicants and project beneficiaries as well as on the approved project topics was not available to the analytical team, it was possible to analyse the impact further based on these parameters.

Cultural institutions could help freelance artists and cultural workers to network during the crisis and organise various platforms to promote their work so that they have a better chance of getting a job when the crisis passes, if not sooner.

The reduction in expenditure in the field of culture caused a reduction in the funds intended for local cultural institutions and thus cultural content became less accessible to citizens, both women and men. Women are the most regular visitors at cultural events.⁴⁴

Yet at the global level the pandemic has shown that cultural content can be quickly, qualitatively and affordably made available free of charge to the widest audience and that the potential of virtual content has been underutilised. Often this is cited as one of the positive consequences of the pandemic and one that will leave a strong mark in the future. Such content represents an invaluable contribution by culture in helping women, men, girls and boys during this crisis. UNESCO points to this fact and governments around the world have recognised its value.⁴⁵ Yet this type of institutional recognition was lacking in Serbia, although there have been individual attempts in the right direction to adapt the cultural offer to the new situation.

Good examples of theatre from the gender perspective

The National Theatre in Belgrade started direct streaming of its plays on the Internet on 18 March 2020.⁴⁶ The first on the virtual repertory was 'Coffee with Milk' by Aleksandar Popović, directed by Milan Nešković. The audience can still watch various performances on the website of the National Theatre and on its YouTube channel. The Serbian National Theatre in Novi Sad has also made its plays available online. During the state of emergency, the 'Pinocchio' Puppet Theatre streamed its plays via the Internet and the 'Vuk' Theatre organised performances and readings of Serbian folk tales online. Many publishers have opened their online libraries to make books more accessible to a wide diverse audience. Yet such leaps from the standard way of doing business were not visible in the budget. Budgeting responses to future crises should

⁴³ The average value of the approved projects ranged from RSD 184,000 to just over RSD 1,000,000. The analytical team could not access this further because of the absence of more detailed information.

⁴⁴ Institute for Research into Cultural Development, *Cultural needs, habits and attitudes of citizens of Serbia*, 2015.

⁴⁵ Available at <https://ficdc.org/en/publications/culture-in-times-of-pandemic-a-remedy-that-needs-to-be-taken-care-of/>.

⁴⁶ Available at www.youtube.com/channel/UCkLf3JjJ41f7PIJKkFnAAA.

aim to activate programme activities and/or projects in each sector. This should a) strengthen the availability of and accessibility to culture for citizens (women, men, girls and boys) during a crisis and b) promote gender equality through culture. Funding should be provided for various activities and projects under the shared objectives of a and b as a response to the crisis.

In future crises, the potential of this sector for the elimination of gender-based inequalities should be used more consistently, in partnership with organisations that have expertise in the field of gender equality, such as the portal for women's creativity Femix.⁴⁷ Such organisations have specific knowledge and experience on how to use popular culture as a tool to regulate social relations and re-examine the gender roles and expectations we have of men and women.

“So, on the one hand, we can look at mass and popular culture as a space of freedom, a subversive space, some new open doors that happened to women and some other groups that were previously, historically speaking, excluded from elite culture. On the other hand, as mass and popular culture are a reflection of relationships that exist in society in general, they also include relationships of discrimination, marginalisation and some negative social tendencies: misogyny, sexism, patriarchy, exploitation of the female body and profit based on the female body, stereotypes, prejudice, etc. So, on the one hand, women are given a certain space in mass culture and popular music, which did not enjoy elite culture so much before, and on the other hand, that mass culture reflects patriarchy, as well as capitalism, which exist in society as a whole.”⁴⁸

Gender equality priorities in the culture domain

This section provides an overview of some of the most important gender issues in culture in order to facilitate gender mainstreaming. Each sector within the Ministry of Culture and Information as well as other institutional and non-institutional actors has an important role to play in addressing these issues. Public calls, as the core mechanism of support to non-institutional actors, can in part or in full also focus on some of the issues outlined below.

1. Deconstruction or incorporation of gender stereotypes: There are no ‘gender neutral’ cultural policies or measures. Thus, cultural policies and cultural production deliberately work to break down gender stereotypes but sometimes unintentionally perpetuate them. The National strategy for Gender Equality⁴⁹ sets the goal of changing gender patterns and improving the culture of gender equality. Insufficient understanding of the position of different groups of women and men in culture and the insufficient visibility of the role played by women in creating cultural traditions are among the most common causes of insufficient

commitment to seeking opportunities to dismantle gender stereotypes actively and systematically. There is also the common practice of interpreting the problem of gender-based inequality as already having been solved through the formal equalisation of positions. However, this interpretation circumvents the importance of substantive equality, which has yet to be achieved in practice, and therefore misses the opportunity to accelerate gender equality by combining the gender perspective with specifically created measures. Lastly, representatives of cultural institutions that manage the funds for public calls are of the opinion that only the ‘quality of the project is crucial’ and that it does not matter whether the applicants are men or women. Such an interpretation does not recognise fostering a culture of equality and confronting gender-based stereotypes as part of the quality of a project and therefore is not in line with the public policies proclaimed in relation to gender equality and culture as a public domain. According to the Budget System Law, it is necessary for every budget recipient to make a conscious and focused effort to quash negative gender stereotypes and to

⁴⁷ Available from <https://femix.info/>.

⁴⁸ Nikolić, Tatjana, Femiks - portal of female creativity. Available from www.youtube.com/channel/Ucklf3Jjj41f7PIJKkFnAAA.

⁴⁹ National Strategy for Gender Equality for the period from 2016 to 2020 and the Action Plan for the period from 2016 to 2018.

strengthen the culture of gender equality and non-discrimination through their work and public calls that support other actors.⁵⁰ This includes the need for comprehensive and continuous gender statistics that are publicly available in the cultural sector.

2. The participation of women in decision-making and in managerial and leadership positions in the culture sector: In almost all areas, girls are more numerous in higher education enrolment.⁵¹ According to their share of employment in the culture sector, women form the backbone of the institutional framework. The chances of women successfully embarking on the path leading to leadership positions vary depending on the type of employment, the cultural industry and the institution. They have better access to decision-making positions in public cultural institutions than in other areas of culture. However, cultural policies do not take into account the reality that women work long hours throughout the day and often at night in order to 'make up' for their absence from their position for reasons of pregnancy, child support or other the unpaid work they do at home. Women are usually the primary care givers for children and this slows down and hinders them in the development of their careers. During the pandemic, this has practically prevented many women from doing creative work.

3. Access to resources and the payment gap in culture.⁵² It was not possible to determine the exact payment gap in culture based on the available data. No information was available on how much women and men received, for example, from the budget for the public calls for different cultural and arts subsectors. Judging by international experience in culture as well as domestic experience in other

sectors, it is common for women to have less access to public resources and the average amount tends to be less than that received by men. The payment gap for the Republic of Serbia in 2016 was estimated at 8.7 per cent,⁵³ while a later estimate from 2020 raised it to the range of 11 to 16 per cent.⁵⁴ The lack of data on employees and sex-disaggregated data on employees in culture meant that it was not possible to calculate the gender pay gap in culture. However, based on the available information, the pay gap in the culture sector relates mostly to the underrepresentation of women in management positions.

It is important to note here that employees in cultural institutions, where around two-thirds of women work with one-third of men, are protected by a special collective agreement that regulates the most important issues related to work and labour rights: employment, changes to the contractual conditions for labour, working hours, holidays and leave, salaries, wages and other income, termination of employment and the safety and health of employees as well as the right to strike and to the peaceful settlement of disputes.⁵⁵

When it comes to the gender dimension of access to resources, the most important thing to keep in mind is the different position of women and men employed in cultural institutions and those employed in other statuses in the market of cultural products and creative content. Again, precise data on their number was not available. This is a problem because invisible groups are not provided with assistance in times of crisis. Therefore, one of the priorities is to ensure that statistics on cultural workers according to gender and sector as well as data on the total number of women and men who live by their work in the market of cultural and creative products and cultural institutions are regularly and publicly available. Without this data,

50 The Budget System Law ('Official Gazette of the Republic of Serbia', nos. 54/2009, 73/2010, 101/2010, 101/2011, 93/2012, 62/2013, 63/2013 - corr., 108/2013, 142/2014, 68/2015 - other law, 103/2015, 99/2016, 113/2017, 95/2018, 31/2019, 72/2019 and 149/2020).

51 According to SORS data for 2016, 146,899 women compared to 115,190 men. Men dominate engineering and manufacture, construction engineering, and information and communication technology.

52 The gender pay gap represents the difference between the average hourly earnings of employed men and women as a percentage of average hourly earnings of employed men. Statistical Office of the Republic of Serbia, *Women and Men in Serbia*, 2017.

53 Ibid. p. 82. Available from www.rodnaravnopravnost.gov.rs/sites/default/files/2018-07/%C5%BDene%20i%20mu%C5%A1karci%20u%20Srbiji_2017_0.pdf.

54 Available from www.danas.rs/ekonomija/mihajlovic-platni-jaz-izmedju-muskaraca-i-zena-u-srbiji-iznosi-u-proseku-od-11-do-16-odsto/.

55 A special collective agreement for cultural institutions founded by the Republic of Serbia, the Autonomous Province and a unit of local self-government, ('Official Gazette of the Republic of Serbia', No. 106/2018 and 144/2020).

it is not possible to determine whether there is gender segregation in employment in the culture sector.⁵⁶

4. Access to the art market and the market for cultural products and creative content: These markets are small and comprise cultural institutions and entrepreneurial cultural and artistic initiatives. Informal contacts and relationships are of great importance for private productions, while public calls represent a chance for market penetration for those who meet the formal requirements stipulated in the public call. As in all sectors, it is important in the culture sector to keep in mind the fact that women bear the burden of unpaid work at home. Presented in financial terms, this work, if paid, would earn women an average of EUR 6,560 per year or EUR 546 per month whereas men would earn EUR 5,220 net per year or EUR 435 per month.⁵⁷ Thus, in addition to their paid work, women have the extra burden of unpaid work because of the unfair distribution of responsibility within the family. The Republic of Serbia has undertaken to address this gender-based inequality through interventions in all sectors, including culture. Given the working practices in culture, arts and other creative industries, it is important that decision makers address the status of women working in the culture sector. This is characterised by multiple intersections of aggravating factors, such as informal work, the importance of networking and self-promotion, project funding and the precarious nature of employment and the highly competitive nature of relationships with ingrained gender stereotypes. Special attention should be paid to the position of single mothers working in the culture sector, unions in which both parents lack access to steady income, mothers of young children returning to the labour market after maternity leave and those without permanent employment, women with disabilities and women engaged in cultural work

in small communities where the market is smaller as well as women aged 45+ who have not paid their taxes and contributions regularly and do not have a regular income.

5. Sexual harassment of women working in the culture sector: As in other parts of society, this phenomenon remains below the surface and invisible in the cultural sector. It is exacerbated by the gender-based power relations, the highly competitive environment and the patriarchal cultural model that survives parallel to the model of formal equality as well as the importance that informal networks and relations have in this sector. We find out about this issue indirectly through comparative international studies,⁵⁸ because such research is not available in our country at this point. That is why it is important to re-examine the reality of this work, including access and barriers to women and men working in different sub-sectors within culture. One of the global advocacy campaigns aimed at making sexual harassment more visible in order to eradicate it is the #MeToo movement.

6. Culture as an expression of gender relations: Cultural expression in its various forms, including cinema, the performing arts, the visual arts, literature and design, affect the perception of gender identity and gender relations and therefore inevitably affect gender equality either directly or indirectly. If there is a gender imbalance among cultural creators then there is certainly a gender imbalance in the content of culture.⁵⁹ Culture is shaped by people and people by culture. It is a dynamic interaction.⁶⁰

Gender aspects are relevant both in relation to the broad definition of culture as a 'social construction' and in the way in which cultural policy is designed and implemented. Gender is inherently associated with culture, because the socially constructed roles of women and men are culturally determined and differ

56 Work 'segregation' by sex in the cultural industries is researched in other contexts. There is, for instance, a high presence of women in marketing and public relations roles and high numbers of women in production co-ordination and similar roles, while men dominate the more prestigious creative roles and technical jobs. Stereotypes or prevailing discourses, concerning the distinctive attributes of women and men that influence such segregation include the following: that women are more caring, supportive and nurturing; that women are better communicators, that women are 'better organised' and that men are more creative because they are less bound by rules. David Hesmondhalgh and Sarah Baker, *Sex, gender and work segregation in the cultural industries*, *The Sociological Review*, 2015 May, 63 (Suppl 1) pp. 23–36.

57 UN Women, *Gender Analysis Economic Value of the Unpaid Care Work in the Republic of Serbia*, 2020.

58 One example is the European Expert Network on Culture and Audiovisual (EENCA), *Gender Gaps in the Cultural and Creative Sectors* (with the exception of the audio-visual sector), which was funded under the Creative Europe Programme.

59 UNESCO, *Re-Shaping Cultural Policies: Advancing creativity for development - The 2018 Global Report*.

60 Available from <https://eige.europa.eu/gender-mainstreaming/policy-areas/culture>.

according to time and place. Gender is a cultural and social construction defined by the power relations that exists between women and men and the norms and values related to the perceived ‘male’ and ‘female’ roles and behaviour. Thus, collective beliefs about ‘typical male’ or ‘typical female’ roles can contribute to the creation of stereotypes that can limit the ability of women and men to act in line with their cultural context.

Women and men should enjoy “the right to equally determine and interpret cultural heritage; decide which cultural traditions, values or practices are to be kept intact; which are to be retained but modified, and which are to be discarded altogether. The right

to participation includes the right not to participate in any ritual, custom or practice which contravenes the human dignity of girls and women, regardless of cultural justifications. Women and girls must enjoy the freedom to join, leave and re-join as well as create new communities of shared cultural values around any markers of identity they want to privilege, without fear of punitive actions, including any form of violence.”⁶¹

The following table presents a summary of the gender issues referred to above together with illustrative strategies intended to address them.

Table 20. Summary of the gender gaps within culture and different strategies to close the gender gap

Development strategies for culture	Gender neutral: Gender aspects and the gender gap are not recognised or included in policies. If they were, this strategy would be the backbone of the process, both in regular operations and in crises.
Programmes to support culture	Gender neutral: Gender aspects and the gender gap are not recognised and nor are opportunities to promote gender equality. There would be enough money to close the gender gap if the gender perspective was included.
Women and men	The presentation of the historical and contemporary contribution of women and men to culture is visibly unequal. Women are less visible or completely invisible. Therefore, it is necessary to make additional efforts and ensure additional funds to promote the role and contribution of women in culture.
Gaps in gender responsive data	The lack of sex-disaggregated data on the culture sector is a factor that hinders visibility and evidence of the gender differences. Making the decision to collect and monitor sex-disaggregated data and other relevant characteristics would strengthen the potential for gender-responsive crisis measures in this sector.
Urban and rural areas, the elderly and children and persons with disabilities	They do not have equal access to culture, neither as creators nor as users of cultural goods and content. Additional resources need to be invested in order to strengthen the accessibility and inclusiveness of culture, both in regular activities and during the crisis.

61 UNESCO, *Gender Equality Heritage and Creativity*, 2014, p. 7.

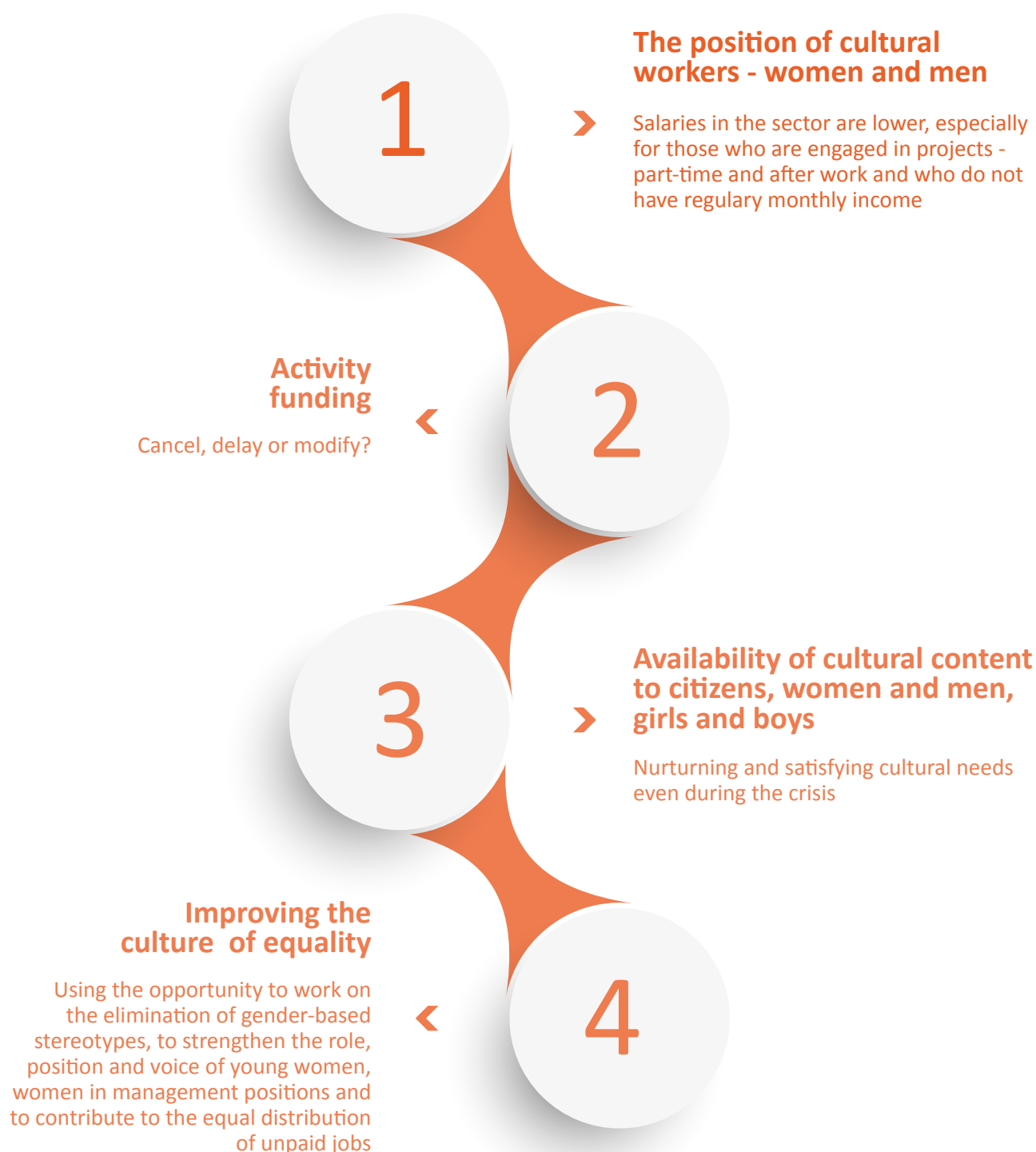
Gender gap in cultural 'consumption'	Many more women than men regularly consume cultural goods. ⁶² More decisive action is needed to expand the coverage of cultural content (men, women and men in rural areas and women and men from underrepresented groups). Crises can be a chance to expand coverage, such as through the digitisation of content, but it is important not to lose sight of those who do not have access to online content.
The gender imbalance in higher education	Although women make up the majority of those enrolled in university programmes related to culture and the arts and comprise the majority of employees in the sector, this pattern is not a reflection of career advancement in culture.
Unequal access to decision-making positions in professions in the culture sector	Despite a strong female presence in various professions within the culture sector, the chances of men advancing in this field are higher in comparison to women (glass ceiling). Sex-disaggregated data should be collected on a regular basis and made publicly available, while consistent implementation of affirmative action measures should be used to address emphasized imbalances.
Segregation in the labour market in culture	The uneven distribution of women into different types of cultural industries and activities and their segregation within certain professions and types of employment in the culture sector (glass wall): Women are overrepresented in the administration of public cultural institutions and the informal sector. Competitions and other tools should be used as a means to encourage women and men to get involved in the industries and jobs in which they are underrepresented. Affirming women in unusual and rare professions or the success of different women in culture encourages other women to get involved in these professions.
Imbalance in the representation of women in culture	There is insufficient representation of female artists, theatre or film directors, composers, etc. in museum collections and in the programmes of cultural institutions. The commercial value of works by female artists is lower when compared with the works of male artists.
Imbalance in the distribution of unpaid work	Unpaid work at home; often poor employment conditions in the cultural sector (part-time work, contract work, informal employment, etc.)

The five steps listed below in Infographic 3 are necessary when a budget recipient is planning a response to a crisis in order to better and more comprehensively integrate the gender perspective through the allocation of funds in the culture and information sector.

⁶² Along with the feminisation of the teaching profession and journalism, there has been an increase in the number of women consuming cultural content. According to a survey conducted by the Institute for Research into Cultural Development in 2017, only 6.5% of citizens in Serbia cited visits to cultural programmes as one of their three favourite leisure activities and just 6.1% cited cultural creativity. On average, every fourth citizen was involved in some form of cultural creativity ten years ago whereas in 2017 this amounted to just 15.5%. Among those who spent their free time on cultural activities, young women who lived in cities and had a high level of education stood out. In contrast, the typical representative of the male audience was middle-aged with secondary education living in an urban area. The exceptions were cinemas, whose audience were mostly the oldest citizens, and theatre performances, where young people often attended. Women read twice as many books (32.9% of women compared to 14.7% of men) and a significantly higher percentage visited cultural institutions (8.1% of women compared to 4.6% of men).

Infographic 3. The necessary steps of a gender responsive intervention in response to a crisis such as COVID-19 in the culture sector

Important to bear in mind in planning crisis response



GENDER ANALYSIS OF THE
CHANGES TO THE BUDGET OF
THE MINISTRY OF ECONOMY

The background features a complex, abstract design with overlapping organic shapes in shades of teal, olive green, and brown. A prominent feature is a large, light teal shape on the left side, which contains a dense, circular cluster of small blue dots. The overall aesthetic is modern and graphic.

Overview of the changes to the budget of the Ministry of Economy

In the 2020 budget of the Republic of Serbia, the planned expenditure and outlays of the Ministry of Economy were set at RSD 23 billion or 1.73 per cent of total planned expenditure and outlays. Yet the COVID-19 pandemic caused the Ministry's appropriation to be increased through two budget rebalances in April and November 2020 by 695 per cent compared to the initially approved budget up from RSD 23 billion to RSD 183.6 billion.

Table 21. Overview of the changes to the budget of the Ministry of Economy for 2020 after the two rebalances (April and November)

	EXPENDITURE planned in the 2020 budget (in thousands RSD)	EXPENDITURE after the first revision in April 2020 (in thousands RSD)	EXPENDITURE after the second revision in November 2020 (in thousands RSD)	Change in EXPENDITURE	Change %
Ministry of Economy	23,091,469.00	133,667,216.00	183,644,138.00	160,552,669.00	695%

Source: Ministry of Finance.

This was due to the extensive package of measures intended to help businesses that the Government of the Republic of Serbia introduced and which this Ministry implemented. The Government of the Republic of Serbia very quickly, within less than a month of declaring an epidemic, came up with a plan to mitigate the economic consequences, which deserves a positive mark.

The measures were adopted on 10 April 2020 and the implementation began on 10 May. The speed of reaction had a gender dimension, because women have less capital, less income and have less access to resources and therefore any crisis in entrepreneurship affects them faster and any delay in responding increases the chances of women's businesses shutting down. Therefore, the speed of the adoption of the measures certainly benefited women in business.

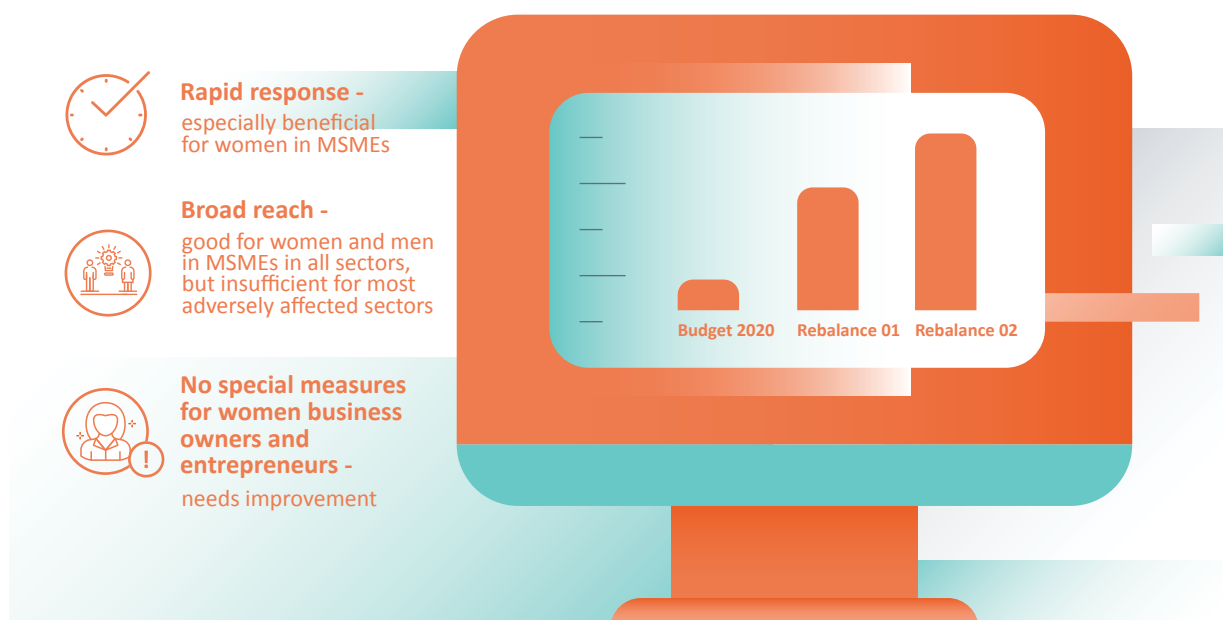
According to their objectives, the new Government measures were largely aimed at maintaining the existing employment levels and liquidity of economic actors. As stated by the Ministry of Economy in a written communication,⁶³ the objective of these measures was to provide support to business entities through access to working capital and support for maintaining liquidity in order to settle their obligations to business partners, employees and the state. After the budget revision, through the appropriation for the Prevention and Mitigation of the Consequences caused by the COVID-19 Virus caused by the SARS-CoV-2 virus, RSD 11 billion was allocated to support companies in maintaining liquidity. This was done in the form of loans from the Development Fund and RSD 131.1 billion for the payment of minimum wages. The budget changes seen from the gender perspective are presented below in Infographic 4.

⁶³ Written communication dated 2 December 2020.

Infographic 4. Changes to the budget of the Ministry of Economy from a gender perspective

ECONOMIC PRIORITIES IN RESPONSE TO CRISIS

Ministry of Economy budget increase of 695%



Overview of the budget changes per programme

The Ministry of Economy directed the additional funds obtained through the two rebalances to finance the response to the COVID-19 crisis through measures intended to support the economy. The Regulation and Supervision in the field of Economic and Regional Development programme received an impressive increase in funds. Increases were registered in two other programmes, namely Regulation in the field of Safety and Quality of Products on the Market (6%) and Incentives for the

Development of Economic Competitiveness (8%). Yet three programmes saw a reduction in funds for implementation of sectorial policies in this area, namely the Attraction of Investments programme, the Directorate for Measures and Precious Metals programme and the Regional Development programme. The Regional Development programme recorded the largest reduction (25%). The remaining three programmes remained unchanged.

Table 22. Overview of the budget changes to the Ministry of Economy for 2020 per programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
↗	Regulation of Safety and Quality of Products on the Market	32,456,000.0	32,456,000.0	34,456,000.0	2,000,000	6%
↘	Regional Development	4,014,177,000.0	3,265,972,000.0	2,992,841,000.0	-1,021,336,000	-25%
↗	Regulation and Oversight in the field of Economic and Regional Development	1,004,543,000.0	114,279,543,000.0	162,769,486,000.0	161,764,943,000	16103%
↗	Incentives for the Development of Business Competitiveness	3,251,827,000.0	2,720,034,000.0	3,498,144,000.0	246,317,000	8%
↘	Attracting Investment	14,189,000,000.0	12,789,000,000.0	13,769,000,000.0	-420,000,000	-3%
↘	Directorate of measures and precious metals	224,584,000.0	205,329,000.0	205,329,000.0	-19,255,000	-9%
▶	Standardisation facility	153,484,000.0	153,484,000.0	153,484,000.0	0	0%
▶	Accreditation facility	221,397,000.0	221,397,000.0	221,397,000.0	0	0%
▶	Quick response administration	1,000.0	1,000.0	1,000.0	0	0%
↗	Total ministry of economy 2020 budget	23,091,469,000.0	133,667,216,000.0	183,644,138,000.0	160,552,669,000	695%

Source: Ministry of Finance.

Overview of the budget changes according to programme activities

Regulation and Oversight in the field of Economic and Regional Development programme

The nominal and relatively largest increase in planned expenditure in both budget revisions was recorded in the Regulation and Oversight in the field of Economic and Regional Development programme, up from the initially planned RSD 1 billion to RSD 162.7 billion. This rapid increase in expenditure was the result of a new programme activity/project, namely the Prevention and Mitigation of the Impact of the COVID-19 Virus caused by the SARS-CoV-2 virus in response to the crisis.

As shown in Table 27, the Government adopted measures that sought to reduce the negative effects of the pandemic on the economy, including tax relief

through deferred payment of taxes and contributions and subsidising the minimum wage during the state of emergency.

The largest part of the increase (just over RSD 130 billion) related to the measures to support the private sector within which entrepreneurs and micro, small and medium-sized enterprises were first paid subsidies to cover the minimum wage for three months followed by an additional 60 per cent of the minimum wage per employee for another two months. Within the same package of support measures, large companies received 50 per cent of the minimum wage per employee.

Table 23. Overview of the changes to the Regulation and Oversight in the field of Economic and Regional Development budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
➤	Regulation and Oversight in the field of Economic and Regional Development	1,004,543,000.0	114,279,543,000.0	162,769,486,000.0	161,764,943,000	16103%
▶	Control and Oversight of the activity of Public Enterprises	23,669,000.0	23,669,000.0	23,669,000.0	0	0%
➤	Economic and Regional Development Policies and Measures	108,347,000.0	108,347,000.0	107,347,000.0	-1,000,000	-1%
➤	Management of the Privatisation process and Bankruptcy	196,889,000.0	196,889,000.0	194,889,000.0	-2,000,000	-1%
➤	Administration and Management	303,285,000.0	278,285,000.0	488,285,000.0	185,000,000	61%
▶	Settlement of Debt issues and Termination of Business - IFC	3,200,000.0	3,200,000.0	3,200,000.0	0.00	0%
▶	Credit support to Enterprises in the Privatisation process	300,000,000.0	300,000,000.0	300,000,000.0	0.00	0%
▶	Improvement of Corporate Governance in Public Enterprises	3,000,000.0	3,000,000.0	3,000,000.0	0.00	0%
➤	IPA 2013 - Private sector Development 2	66,153,000.0	66,153,000.0	119,228,000.0	53,075,000	80%
➤	Prevention and Mitigation of the Impact of COVID-19 Disease caused by the SARS-CoV-2 virus	0.0	113,300,000,000.0	161,529,868,000.0	161,529,868,000	100%

Source: Ministry of Finance.

Regional Development

Funding for implementation of the Regional Development programme was reduced by 25 per cent down from RSD 4.01 billion to RSD 2.9 billion. This programme recorded the largest reduction in

the Local and Regional Infrastructure Development as well as the Support for Business Infrastructure Development positions (including support for business incubators).

From the gender perspective, the centralisation of economic support usually has a less positive effect on gender equality than when it is provided in a decentralised manner albeit relative to the local needs and specificities. The intersectional approach, which involves good horizontal and vertical cooperation between institutions and the inclusion of women in the needs analysis, design of solutions, implementation and monitoring of the results, has proven to be the most sustainable contribution to gender equality.

Given that business circumstances have completely changed for a large number of market participants, it is necessary to strengthen support in terms of access to advisory services for micro and small enterprises. This is especially the case in the field of determining strategic directions, the transition from off-line to online

business, changing marketing strategies and tactics, developing new skills and knowledge and potentially changing the activities of those working in sectors that will change a lot during the recovery period or that will shrink or shut down over time.

Some examples are air ticket sales and cruises, event organisation, agribusiness, administrative services sales, fitness, the so-called HORECA sector, restaurants, nursing economy, the beauty and care industry, fashion, retail with the exception of food products, street sales, markets, cultural and music services and content and the entertainment industry.

As women enter entrepreneurship mostly out of necessity and less often out of a recognised opportunity in the market for their business ideas, they also bring their indecision, resistance and fear of failure and they often hesitate when it comes to taking additional risks as they are more burdened by caring for children and family and doing household chores. Thus, they find it more difficult to balance the professional and private spheres if support services do not exist or are not available to them. If the immediate and broader environment is unsupportive then it is harder for women to decide to change their area of work and start afresh after a business failure prompted by a crisis. This is why it is important for gender-responsive support measures to focus on removing any additional barriers encountered by women entrepreneurs and/or business owners and be limited to those shared by women and men.

Table 24. Overview of the changes to the Regional Development budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
↘	Regional Development total	4,014,177,000.0	3,265,972,000.0	2,992,841,000.0	-1,021,336,000	-25%
↘	General Economic and Commercial affairs	1,674,177,000.0	1,545,972,000.0	1,272,841,000.0	-401,336,000	-24%
↗	Contingency Funds to supplement Sectorial NIP Projects	0.0	749,000.0	749,000.0	749,000	100%
↗	Extension of the Hospital Facility in Jagodina	0.0	9,784,000.0	9,784,000.0	9,784,000	100%
↗	Construction of the Municipal and Regional Infrastructure - European Investment Bank	0.0	62,625,000.0	15,852,000.0	15,852,000	100%
▶	Reconstruction of local Streets in order to Access and Build a Public Garage	0.0	1,358,000.0	0.0	0.00	0%
↘	Support to Local and Regional Infrastructure Development	351,944,000.0	149,223,000.0	149,223,000.0	-202,721,000	-58%
↘	Support for Business Infrastructure Development	1,322,233,000.0	1,322,233,000.0	1,097,233,000.0	-225,000,000	-17%
↘	Multi-purpose Development Projects	2,340,000,000.0	1,720,000,000.0	1,720,000,000.0	-620,000,000	-26%
▶	Fostering Balanced Regional Development	60,000,000.0	60,000,000.0	60,000,000.0	0.00	0%
↘	The Podrinje Development Programme	30,000,000.0	10,000,000.0	10,000,000.0	-20,000,000	-67%
↘	Building Apartments for Members of the Security Forces	2,250,000,000.0	1,650,000,000.0	1,650,000,000.0	-600,000,000	-27%

Source: Ministry of Finance.

Attracting Investments

Reductions occurred in all positions in the Attracting Investments programme with the highest in the following programme activity: Republic of Serbia Founder Share in Companies, which suffered a cut of 49 per cent.

Table 25. Overview of the changes to the Attracting Investments budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
➤	Attracting Investments	14,189,000,000.0	12,789,000,000.0	13,769,000,000.0	-420,000,000	-3%
▶	Professional and Administrative support in the field of Economic and Regional Development	800,000,000.0	800,000,000.0	800,000,000.0	0.00	0%
▶	Incentives for Direct Investment	504,000,000.0	504,000,000.0	504,000,000.0	0.00	0%
➤	Investments of Special Interest	9,330,000,000.0	9,330,000,000.0	10,310,000,000.0	980,000,000	11%
➤	Republic of Serbia Founder Share in Companies	2,855,000,000.0	1,455,000,000.0	1,455,000,000.0	-1,400,000,000	-49%
▶	Incentives for Investment in the Production of Audio-Visual Works	700,000,000.0	700,000,000.0	700,000,000.0	0.00	0%

Source: Ministry of Finance.

Support for the development of business competitiveness

The largest reduction (33%) in the Support for the Development of Business Competitiveness programme occurred in the activity Support for the Development of Entrepreneurship. The funding initially planned for disbursement in the form of grants for investment in equipment, procurement, extension, reconstruction, adaptation, rehabilitation, investment maintenance, production facilities or

business premises, permanent working capital as well as for the provision of software and other intangible investments by micro, small and medium-sized enterprises, sole proprietors and cooperatives in order to boost their competitiveness, improve and enhance their business and internationalise as well as create new jobs was later reduced by one-third or RSD 1 billion.

From the gender perspective, significant reduction in the Support for the Development of Entrepreneurship programme gives cause for concern, taking into account the fact that these funds were also intended to support businesses that had been in operation for up to two years and that had experienced difficulty when attempting to access funds. Furthermore, this programme activity incorporated gender responsive budgeting and therefore the reduction represents a reduction in funds directly intended to strengthen gender equality within the sector. In a crisis, when viewed from the gender perspective, it is necessary to increase, intensify and expand support for women's entrepreneurs through the provision of additional measures and programmes as opposed to reducing the already planned support. It is clear that the funds were redirected to the big basket where they were shared universally. What is missing is the integration of the gender perspective into general measures and programmes as well as in the funding for additional special measures to strengthen women's entrepreneurship and to remove the barriers that women encounter in entrepreneurship.

Table 26. Overview of the changes to the Support to the Development of Business Competitiveness budget programme

	Programme structure	2020 Budget Law	Change, first revision (April)	Change, second revision (November)	Change	%
➤	Incentives for the Development of Business Competitiveness	3,251,827,000.0	2,720,034,000.0	3,498,144,000.0	246,317,000	8%
➤	Support for Entrepreneurship Development	3,066,000,000.0	2,066,000,000.0	2,066,000,000.0	-1,000,000,000	-33%
▶	Support through a Standardised set of Services for SMEs	35,000,000.0	35,000,000.0	35,000,000.0	0.00	0%
▶	Support Programme for the activities of the Association for the Promotion of the Development of Entrepreneurial Education	10,000,000.0	10,000,000.0	10,000,000.0	0.00	0%
➤	Apex III B: Loan for Small and Medium-sized Enterprises and Other Priorities	0.0	470,207,000.0	1,181,887,000.0	1,181,887,000	100%
➤	IPA 2014 - Competitiveness sector	42,827,000.0	40,827,000.0	107,257,000.0	64,430,000	150%
▶	IPA 2014 - Support for Participation in EU Programmes (COSME)	98,000,000.0	98,000,000.0	98,000,000.0	0.00	0%

Source: Ministry of Finance.

Measures seeking to mitigate the adverse consequences viewed from the gender perspective

Summary of the measures included in the package designed in response to COVID-19:



Three months of net minimum wages aid for employees of entrepreneurs, micro businesses and SMEs.



Aid for an additional two months at 60% of the net minimum wage for employees of entrepreneurs, micro businesses and SMEs.



Direct aid to the Hotel and Leisure sector to the amount of approximately RSD 1.4 billion or EUR 350 per bed and EUR 150 per room.⁶⁴



Four months of deferred payment of payroll tax and contributions for the private sector with private companies expected to repay these obligations in instalments but not before January 2021.



Loan programmes to the private sector through the Development Fund totalling RSD 1.7 billion.



The State Guarantee Scheme of commercial banks for loans to private sector entrepreneurs, micro business and SMEs worth RSD 170 billion.



The My First Salary Programme implemented through the National Employment Service targeted at the private sector and intended to provide direct subsidies to around 10,000 first-time employees with a secondary school or university education.

When considering measures from the gender perspective, the analytical team was guided by the latest data on entrepreneurial activity in the economy and the findings of two gender analyses.⁶⁵ The first dealt with the impact that the pandemic had on citizens, which referred in part to the newly adopted support measures prior their implementation, and the second that analysed the gender gap in programmes intended to support entrepreneurship and the economy in 2019.⁶⁶

Important to note: This gender analysis uses the following definitions to describe a “women-owned enterprise/company” that complies with the following:⁶⁷

- (1) a company where at least one woman owns at least 51% share,
- (2) a company where a woman is the legal representative (manages the business operations of the company on a day-to-day basis and makes long-term business decisions),
- (3) a company that is not part of a group and is therefore independent in relation to other enterprises that are not female owned.

Table 27 provides an overview of the economic measures implemented from the gender perspective. This was done through a prism consisting of five filters: 1) the advantages for the economy, 2) the disadvantages for the economy, 3) the gender aspect, 4) recommendations to improve the measures and 5) complementary measures that contribute to the economic empowerment of women.

⁶⁴ The direct transfer amount was set in EUR and paid based on the official exchange rate on the date of payment.

⁶⁵ Prof. Marijana Pajvančić, Prof. Nevena Petrušić, Sanja Nikolin, Aleksandra Vladislavljević and Višnja Baćanović, Gender Analysis of COVID-19 Response in the Republic of Serbia, OSCE, May 2020.

⁶⁶ National Alliance for Local Economic Development (NALED) and UN Women, Gender Analysis of Economic Programmes and Financial Measures in Serbia, 2019.

⁶⁷ Keric Chinthe, Power of Procurement: How to Source from Women-Owned Businesses Corporate Guide to Gender-Responsive Procurement, UN Women (New York, 2017).

Infographic 5. Economic measures in response to COVID-19 from the gender perspective based on available data



Table 27. Overview of the economic measures in response to the pandemic through the perspective of gender equality on the advantages and disadvantages for the economy, gender aspects, proposals for improvement and proposed complementary measures contributing to the empowerment of women

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: State aid for liquidity				
<p>The speed of adoption and the support for maintaining employment in the private sector cushioned the first shock.</p> <p>It was good that the situation of entrepreneurs and the owners of micro and small enterprises were taken into consideration.</p> <p>The measure was also important to medium and large companies. This measure protected the employment rate from the first impact of the crisis.</p>	<p>The focus was on employees, and less priority was given to companies. Yet maintaining a business is not possible solely by safeguarding the employees and sometimes a short-term reduction in the number of employees can save a company.</p>	<p>The historically low level of access to capital, finance and other resources meant that women in entrepreneurship faced the risk of closure under the burden of debt after just one month of the crisis.</p>	<p>Measures that delay but do not reduce the burden of indebtedness for women owned companies generally only delay the cessation of work. It is necessary to determine through research what the average debt levels are for different sectors in order to direct support to where it is most needed.</p>	<p>Debt write-off for arrears in taxes and the payment of contributions and/or parafiscal levies, e.g., lease of local self-government owned space, primarily by micro and small enterprises owned by women (youth and persons with disabilities), after submission of a copy of proof of registration from BRA and bank statements for the last 3 months by online registration.</p>
	<p>This measure was of benefit to companies in sectors more able to operate at a reduced volume unlike micro companies that could not operate at all and lay-offs of even one worker were forbidden after receiving assistance.</p>	<p>Most women owned businesses had between 1 and 9 employees. Therefore, this measure meant that they were in effect forced to keep staff even at the expense of the survival of the company. For the most part, these businesses had already depleted their thin savings to service their company's liability.</p>	<p>Micro-enterprises, where women are the most represented, should not be required to ban lay-offs above 10% because this is in fact an absolute ban. If it is necessary for the support to be linked to the preservation of employment then it should be expressed numerically, e.g. up to 4 employees, maximum 1, from 5 to 9, maximum 2, etc.</p>	<p>In addition to support for employees, establish a fund to support women's entrepreneurship and a balanced distribution of unpaid work. This fund or guarantee scheme should address gender based difficulties in entrepreneurship.</p>

Temporary relief from part of the liabilities left companies with funds available for business. At the same time, it relieved the state budget by avoiding a large number of payments to potentially newly unemployed.	The budget revision did not increase the funds for employment support programmes or various unemployment benefits. It is important how the state will respond to the increasing needs for various NES services and unemployment benefits.	Women's businesses in the service industry generally went in three directions: 1) they continued their line of work, although recovery was unlikely; 2) they slowly recovered, but with reduced expectations; 3) they gave up. Most lacked the skills capital, resources, support, time and information required to develop new business ideas.	Organise support for enterprise restructuring or a change of activities where recovery is not possible. Support should consist of soft support for the development of ideas, information on opportunities and support, mentoring and financial support for restart (e.g. through familiarisation with virtual markets and e-commerce and identifying relevant competencies that could be transferred to other sectors or jobs).	Set up a solidarity fund for support to women entrepreneurs and women-owned micro companies that have cash flow problems and a turnover drop above 40%. Support them to the amount that bridges the difference between their achieved turnover and 75% of their pre-crisis turnover. Establish a guarantee scheme to support women's businesses and entrepreneurs (youth and persons with disabilities) who recognise the chances of entering a new sector, growth or development based on identified demand in the local market due to the pandemic (e.g. masks, food or online learning support services).
All business entities (micro, small and medium-sized enterprises as well as sole proprietors), commercial farmers and cooperatives were covered.				
Although citizens' associations were not specifically recognised by the Regulation, their employees were also able to receive the wage subsidy.				
Additional measures enabled easier access to finance and loans at lower interest rates, with a grace period and a longer repayment period.	Access to favourable financing through loans was not only dependent on the conditions under which the funds were approved but also on the expectations of the business entities with respect to their ability to repay the loan in the future. At the time, it was not possible to estimate how many businesses would utilise this opportunity.	Compared to men women in entrepreneurship are considered more cautious and less prone to taking risks. With the additional burden of unpaid housework when working from home, for some of them the conditions for taking additional risk were sub-optimal. Encouragement is needed in order to move forward along with innovative services related to supporting the schooling of children from home and a balanced distribution of unpaid work.	Associations of women entrepreneurs and women's NGOs in cooperation with the Ministry of Economy, the National Mechanism for Gender Equality, the Chamber of Commerce, the Association of Consultants and banks could create a broad network to support women entrepreneurs under the working title Crisis is a Chance for Solidarity and Equality. ⁶⁸	The Crisis is a Chance for Solidarity and Equality initiative should be supported by the creation of a database on Women's entrepreneurship and enterprises. The database should collect all data through a situation analysis survey as well as direct support. In this way, it would be easier to test programmes and measures and to conduct gender responsive research in the future.

68 The objective of this network would be to a) gather information on individual cases and the needs of female owned enterprises and female entrepreneurs, b) take the pulse of the implementation of measures, c) organise consultations with sectorial experts and gender equality experts in order to improve gender mainstreaming, d) provide free management consulting advice tailored to the specific situation of female entrepreneurs and business owners.

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: Non-refundable financial aid for all citizens (All adult citizens received a grant of EUR 100)				
<p>A one-off direct transfer to citizens safeguarded public consumption levels and as a short-term measure sought to offset the economic pessimism among citizens, women and men and to provide a brief respite from the economic struggles.</p> <p>It also serves as indirect support to the economy, because these funds were injected back through spending. Yet precise targeting came at a cost and took time because the available registries and databases were not accurate enough to warrant a rapid and well targeted crisis support intervention.</p>	<p>Universal coverage was the most criticised measure in the expert and general public because it lacked targeting. The coverage was unnecessarily broad and the assistance spilled over to those who were not in need and was insufficient for those citizens who were in real need. Another concern was that the funds were provided through loans.</p>	<p>It responded to the needs of a large number of citizens, women and men, who were not permanently employed or self-employed but earned income as seasonal workers, were engaged in the informal economy on the basis of temporary or occasional jobs or service agreements, those that had no income and were not covered by social assistance and micro farmers who sold their produce in markets that had been closed.</p> <p>This was the only measure that contributed to mitigating the shocks of the crisis for this large group, whose estimated share of the economy is in the range of 20% to 30% of GDP. Therefore, these are actually citizens who were not covered by the existing support measures and neither were they in the system as users of various other services.</p>	<p>In future interventions, the preconditions for more efficient targeting should be met through the improvement of gender-responsive statistics on enterprises and entrepreneurs, registers and records on the beneficiaries of programmes and measures disaggregated by sex and company size, in accordance with the ODIHR recommendations and those of the Commissioner for Access to Information of Public Importance and Personal Data Protection.</p> <p>It is also necessary to apply the Checklist for gender-responsive interventions attached to this gender analysis consistently.</p>	<p>Available registries and records, such as those on the beneficiaries of social assistance, do not include the poor who live just above the poverty line or those who lost their income because of the crisis and were not previously poor. In all these groups, there is above average representation of women.</p> <p>In addition to direct transfers to citizens, there is a need to strengthen the databases on women and men in the informal economy. This should be done in cooperation with the BRA through additional surveys.</p>

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: Regulation on fiscal and direct benefits⁶⁹				
<p>The measure was introduced in order to mitigate the economic consequences caused by the COVID-19 pandemic.</p>	<p>Business decisions on reducing or increasing activities and the number of employees in order to access measures were delayed and this may have caused additional damage to some businesses.</p>	<p>The measure was gender-blind, which means that it did not consider the specifics of micro-enterprises where the representation of women as company owners and/or small shop or agency owners is far higher than in groups of small, medium size or large enterprises.</p>	<p>In subsequent crises, it would be necessary to remove the conditionality of banning lay-offs in excess of 10% because this means that companies with up to 9 employees cannot lay-off any employees.</p>	<p>The long-term consequences of the crisis will require continuous work.</p>
<p>Deferral of payment of personal income tax on salaries and wage compensations as well as social security obligations due as from 1 April to 30 July and taxes and contributions on personal earnings of entrepreneurs and farmers for March to May (or April to June) on 4 January 2021.</p> <p>Deferral of advance payment of taxes and contributions on income from self-employment from March to May for taxpayers who did not opt for personal earnings, advance payments of corporate income tax for March to May.</p>	<p>Obligations were postponed temporary in order to allow for more liquidity in January. It is not certain whether the fulfilment of these obligations is realistically possible, especially having in mind the new wave of COVID-19 and the introduction of additional measures that ban or restrict business operations.</p>	<p>The specific position of those companies and entrepreneurs that had a complete ban on their activities was not given sufficient consideration. For them, only the write-off of liabilities represented real assistance for the period when they could not operate (March and April).⁷⁰</p>	<p>This conditionality enabled small, medium and large companies to react with more flexibility in response to the conditions of drastically reduced or suspended turnover by reducing costs and employees in equal relation to other companies.</p> <p>The second recommendation concerned debt write-offs for women-owned companies whose turnover reduction was assessed according to a sliding scale (e.g. a 30% to 50% reduction for a 60% debt write-off, a 51% to 70% reduction for an 80% debt write-off and for above 71% a 100% write-off for the period covered by the recommendation.</p>	<p>Establish a fund to support the recovery and growth of women's entrepreneurship and the development of a green economy that would be managed by the state and banks through PPPs in cooperation with the National Mechanism for Gender Equality.⁷¹</p>
<p>Immediate assistance and relief from part of the obligations at a time when it was not entirely clear how long the crisis would last led to delayed business decisions.</p> <p>The possibility to redirect funds in order to cover other costs and/or investments or to cover the costs related to several months of reduction in activities.</p> <p>Entrepreneurs paying lump-sum taxes could defer payment of their dues on the basis of advance payments of taxes and contributions to income from self-employment for March-May until 4 January 2021, with the payment divided in 24 instalments.</p>	<p>The measure is good for small and medium businesses but less favourable for micro enterprises, which make up more than 95% of the economy.</p> <p>In order to gain access to this measure, micro-enterprises were forbidden from laying off any employees. The eligibility rule was less than 10%, i.e. if the enterprise went above this limit then it automatically meant that it would lose access to this measure.</p>		<p>For the measure currently in place, it should be determined how many micro-enterprises used the measure and how many of them were forced to reduce their workforce in spite of the ban.</p>	

69 Regulation on Fiscal and Direct Benefits to Private Sector Enterprises and Financial Assistance to Citizens to Mitigate the Economic impact of COVID-19 ('Official Gazette of the Republic of Serbia', nos. 54/2020 and 60/2020).

70 Female entrepreneurs are more often engaged in service activities, especially in those activities most affected (touristic services, hairdressing, cosmetic services, playrooms, etc.).

71 The aim of the Fund is to eliminate or mitigate the specific challenges faced by enterprises owned by women as well as to recognise and support the growth and development of enterprises owned by women and female entrepreneurs who recognise the opportunities in the new situation. The estimated optimal initial funding for fulfilment of the intended impact on the structural level is EUR 50 million for a three-year period. Part of the funds are directed through non-refundable grants (for liquidity, equipment and activity changes), while the other part is directed through grants that are refunded after successful initiatives, based on the programme 'Co-financing of Innovations' by the Innovation Fund. Support is provided for all phases of development of women's businesses via simple procedures and without applying costs. The public call is constantly open, with support for the preparation of the application, in cooperation with female organisations and associations, regional development agencies and the Serbian Chamber of Commerce and Industry.

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: Direct budget-based subsidies to private sector businesses				
<p>MSMEs received a non-refundable minimum wage from the budget paid to a special account for each employee (RSD 30,000). This helped companies pay salaries to employees. It was important because women and men who worked were not left without income, especially in those activities that were completely suspended.</p>	<p>Not all business activities were affected equally and the measure was linear.</p> <p>The amount of RSD 30,000 was often higher than that paid by sole proprietors, which meant that they were then obliged to pay higher taxes and contributions.</p> <p>Throughout the duration of the measure, micro-enterprises were unable to lay-off any employee beyond the 10% upper limit for lay-offs that was imposed by the state.</p>	<p>The measure was gender blind because it did not take into account the specific situation of women and men as business owners and entrepreneurs.</p> <p>The measure could increase costs based on taxes and contributions if the amount of personal earnings before the crisis was less than this minimum amount. In addition, although it helped in the immediate term, this measure did not solve the problem of the prolonged crisis and the structural changes that hit women harder because they do not have the reserves to mitigate such shocks.</p>	<p>Approve additional assistance for women-owned companies whose turnover fell by more than 50% compared to previous year (according to the submitted final accounts for 2019 and 2020 for companies and entrepreneurs who keep books as well as according to the bank statements for the period March to December for entrepreneurs on a lump sum tax basis) to the amount of the contributions paid to fuel cash flow in 2021.</p> <p>Entrust certified accountants according to the regions in Serbia with the task of entering the data, with a fee from the state paid in accordance with the number of entries. Entrust control of the accuracy of the entry to certified auditors.</p>	<p>Interest-free deferral of VAT payments up until 01 February 2022 for MM companies in the VAT system in sectors particularly affected in order to give them a better chance of recovery.</p>
<p>A non-refundable payment of 50% of the amount of the minimum wage per employee applied to large companies.</p>		<p>The measure is potentially gender-negative because the largest number of women entrepreneurs are among the owners of entrepreneurial shops engaged in service activities and therefore they were not able to use the measure if they laid off at least one employee (which is often a sensible thing to do in a crisis when work has stopped because of a prohibition of operation, uncertainty regarding the length of the crisis and there is also unemployment insurance to offset the negative consequences for the employee).</p>		<p>Provide loans for operating capital (liquidity) for women entrepreneurs and women's companies (youth and companies owned by persons with disabilities) to an amount up to RSD 2 million, with a repayment period of 60 months, a grace period of 6 months and subsidised interest on credit facilities (liquidity loan) from 1.90%.</p>

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: Financial support to business entities for liquidity and working capital in the difficult economic situation due to the COVID-19 pandemic caused by SARS-CoV-2 virus				
<p>Allocation of credit funds to business entities for maintaining liquidity and working capital in order to preserve the stability of the financial and economic system.</p> <p>The programme was intended for MSMEs and cooperatives that had existed for at least two years and that had made business profits. The Government in cooperation with the Development Fund and the Export Credit and Insurance Agency of the Republic of Serbia (AOFI) implemented the programme with the funds provided through the budget.</p>	<p>Micro-enterprises were at a disadvantage because they were not allowed to lay-off any employees whereas other companies could cut staff by 10%.</p> <p>As most micro-enterprises had up to 10 employees, these benefits were used more by medium-sized businesses that already had easier access to working capital in the market.</p>	<p>The measure was gender blind and potentially negative because it could lead to a deepening of the existing gender gap. Women-owned enterprises, especially micro-enterprises, had difficulty accessing finance. Women operate more in the service sector, in less capital-intensive activities and have fewer assets. Service activities suffered a particularly strong adverse effect during the pandemic.</p>	<p>A similar measure targeted at women-owned enterprises, namely micro-enterprises and entrepreneurs, intended for the improvement of business operations (e.g. purchase of services, marketing, training, liquidity, purchase of equipment and other needs of service activities) under equally favourable conditions.</p>	<p>Measures to support and empower women in the economic sphere cannot be sufficiently successful without a simultaneous and synchronised investment in the equal distribution of unpaid work, services for women victims of domestic violence and partnerships and work to prevent gender-based violence, the socioeconomic exclusion of rural women and women aged 45+, the empowerment of Roma women and young women and the development of soft services and products that are adapted to women from different groups.</p>
<p>The excellent repayment conditions of 1% interest rate, 24-month grace period and repayment in dinars represented favourable money in the market and this was of considerable importance to the companies.</p>	<p>The security measures were bills of exchange and pledges on equipment and mortgages on real estate. Capital-intensive manufacturing companies found greater use for this, while the service industries were the ones most affected by the pandemic.</p>			

Advantages for the economy	Disadvantages for the economy	Gender aspects	Recommendations for improvement of the measure from the gender perspective	Proposed complementary measures for the empowerment of women
Measure: Guarantee scheme as a measure of support for businesses to mitigate the impact of the COVID-19 pandemic caused by SARS-CoV-2 virus				
<p>It foresaw the need to ensure funds for the issuance of guarantees by the Republic of Serbia in accordance with the guarantee scheme for the approval of loans for financing liquidity and working capital.</p> <p>Bank placements enabled up to EUR 2 billion. The programme was intended for banks that grant loans to the SME sector and agricultural holdings.</p>	<p>Businesses in the SME sector that had experienced any difficulty in maintaining their business operations were not able to use these funds. The number of entities actually involved requires further investigation.</p>	<p>The measure was gender blind because it did not take into account the obstacles that can lead to the exclusion of a number of women's companies. If there was no intervention to integrate the gender perspective into the process as a whole then this measure could potentially prove to be negative for gender equality because it could lead to the perpetuation or deepening of the existing gender gap.</p>	<p>Initiate a similar (specific) measure that should be made available to women-owned enterprises, i.e. micro-enterprises and entrepreneurs, for the improvement of operations (e.g. purchase of services, marketing, training, liquidity, purchase of equipment and other needs of service activities).</p>	<p>With the support of the state, in order to advance gender equality in access to finance conduct a gender analysis and revision of the criteria and procedures used by the banks as the basis for their assessment and approval granting access to financial resources.</p>
<p>An additional source of finance with a repayment period of 36 months and a grace period of 12 months sought to expand access to the levels of finance necessary to ensure the operation of the SME sector.</p>	<p>Limitations put in place in regard to what the funds could be used for, for example, funds could not be used to finance liabilities, was another reason why companies often sought credit, especially those operating in the service sector and those owned by women.</p>	<p>It was necessary to take into account the specifics of the micro-enterprises in the services sector as well as additional issues related to the position of women in entrepreneurship and ownership of enterprises.</p>		
	<p>The envisioned manner of the banks involvement in servicing was important. At the level of regulations and procedures for access to loans, additional barriers were set for the women-owned businesses. A gender analysis of the procedures and criteria should be made in order to remove as many barriers unwittingly imposed by the banks as possible.</p>	<p>Mostly companies that normally find it easier to get loans through the market used this measure and this is usually not the case with women-owned companies.</p>		<p>Initiate programmes and measures for micro-enterprises and for women and men entrepreneurs in those sectors formally or actually excluded from the existing programmes.</p>

The Ministry of Economy channelled more than RSD 160 billion to support the economy by preserving liquidity and existing employment. To date, around 250,000 business entities have received support through the support measures adopted in response to the COVID-19 pandemic. Unfortunately, no sex-disaggregated user data was available.

In addition to the funds for the payment of minimum wages per employee, those business entities in operation for up to two years also had at their disposal the Entrepreneurship Support Programme that incentivised beginners in business through financial support in 2020.

Table 28. Amount of support according to the size of the business entity in 2020

Size of the business entity	No.	Value of the investment	Approved grants
Small	251	4,721,772,728.25	915,211,311.56
Micro	225	1,634,086,954.31	355,764,730.18
Medium	51	1,605,962,839.22	288,057,461.12
Large	2	118,676,000.00	12,500,000.00
Total for all three programmes	529	8,080,459,786.55	1,571,533,502.86

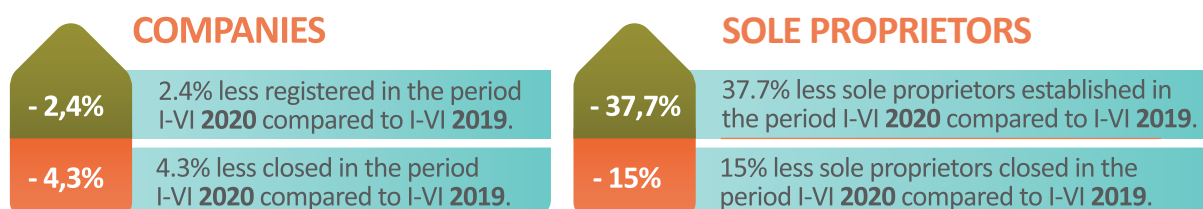
Source: Ministry of Economy.

Context of the budgetary measures in support of the economy during the COVID-19 pandemic

According to data provided by the Serbian Business Registers Agency (BRA)⁷² for July 2020, Serbia witnessed a decline in entrepreneurial activity. Entrepreneurial activity registered a decrease in the first six months of 2020 relative to the same period in 2019. Hence, the negative impact of the pandemic on entrepreneurial activity was already evident.

In the first six months relative to 2019, we saw a decline of 2.4 per cent in the number of companies incorporated and a sharp 37.7 per cent decline in the number of sole proprietorships established. At the same time, there were also fewer entities deleted from the Register compared to the same period in 2019.

Figure 3. Registered companies and sole proprietorships in 2019 and 2020 according to BRA



Source: The website of the Serbian Business Registers Agency.

A breakdown by month shows that the biggest reduction in activity occurred in April, which is understandable since the state of national emergency was introduced in mid-March and lasted until early May 2020. Already from June, we saw an intensification of activity.

⁷² Serbian Business Registers Agency. Available from www.apr.gov.rs/%D0%B8%D0%BD%D1%84%D0%BE%D0%B3%D1%80%D0%B0%D1%84%D0%B8%D0%BA%D0%B5.4317.html

Figure 4. Companies registered or deleted during the period January to June 2020

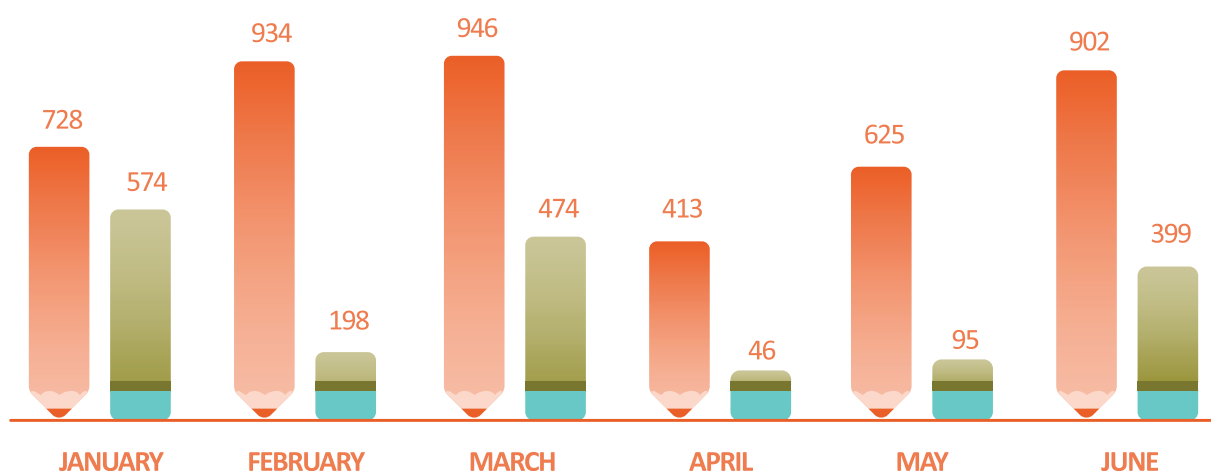
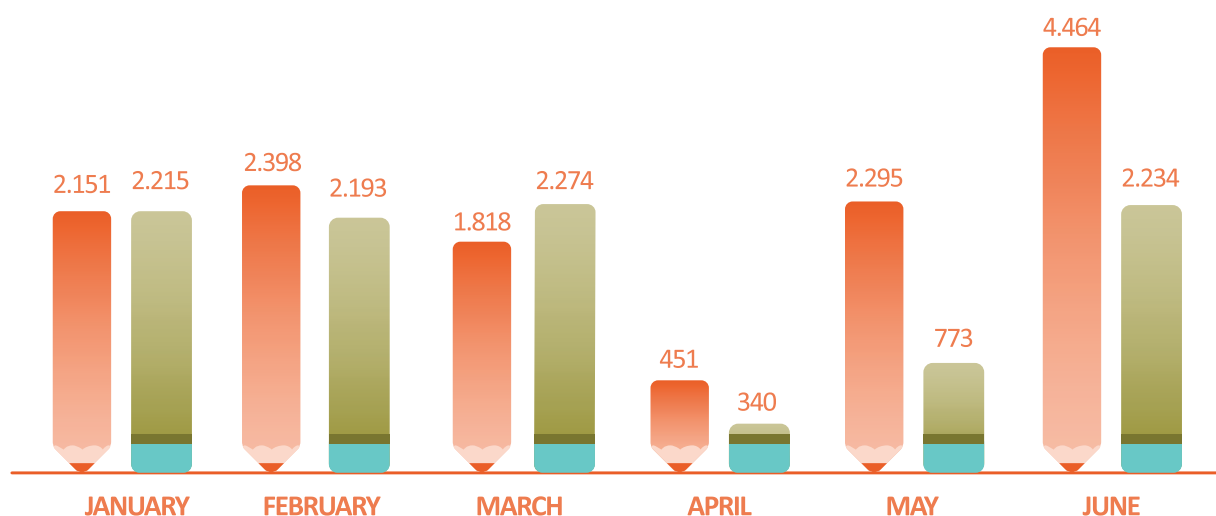


Figure 5. Entrepreneurs registered or deleted in the period January to June 2020



Source: The Serbian Business Registers Agency.

The real picture of the situation will only emerge after the processing of the data for the entire year and once the financial statements are compiled in 2021. Precise data on the share of women enterprises in the micro, small and medium-sized enterprises segment was not available because there was still no adequate sex-disaggregated data at the Serbian Business Registers Agency. This was despite the

fact that improving gender statistics was one of the objectives identified in the Strategy for Supporting the Development of Small and Medium-Sized Enterprises, Entrepreneurship and Competitiveness for the period from 2015 to 2020 and the related Action Plan. The collection and disaggregation of data according to sex is a statutory obligation under Article 40 of the Law on Equality between the Sexes.⁷³

⁷³ Law on Equality between the Sexes ('Official Gazette of the Republic of Serbia', No. 104/2009).

However, it was possible to assess the indirect negative impact that COVID-19 has had on women owned businesses. As previously mentioned in this gender analysis, women in business are more often owners of entrepreneurial companies in the services sector. This sector was hardest hit by the suspension of business activity, especially in March and April 2020 and as the pandemic progressed in November. The full consequences will be measured over the forthcoming years.

Conclusions and recommendations regarding the measures intended to support the economy

1. From the gender perspective, the pace at which the Ministry of Economy absorbed almost 700 per cent budget increase and allocated it to economic support measures aimed at dealing with and overcoming the consequences of the pandemic was commendable and appropriate to the crisis. Another important fact is that the attention of this budget beneficiary was focused from the start on all business entities, including micro and small, and not solely on medium and large enterprises. The support was provided in order to maintain employment levels and liquidity through deferred tax relief and access to finance. The support measures focused mainly on women and men with the status of employees, companies, entrepreneurs and to some extent farmers.

2. The economic measures were inclusive of MSMEs and entrepreneurs from all sectors with additional targeted measures planned for those sectors, primarily tourism, particularly affected by the pandemic. Business entities owned by women were also widely covered. Yet to date no special measures have targeted support for the needs of women-owned businesses and women entrepreneurs in response to COVID-19, although there is a need for them. The measures that have reached women in the economy are insufficient to assist the survival and recovery of women-owned businesses effectively. In order to preserve them and support their recovery, it will be necessary to allocate additional funds to be invested in measures that directly target gender-based inequalities in terms of access to finance, the development of services that contribute to a balanced distribution of unpaid housework during the crisis, for innovative and entrepreneurial ideas of women who recognise the market and opportunities that arise in

a crisis, digitalisation of business, the restructuring of companies and support for access to information, knowledge and the resources needed to move to new activities when recovery is not possible.

3. During and after the crisis, programmes and measures aimed at those entrepreneurs and market participants who do not have the same starting position are required. This includes Roma women and men, women and men with disabilities, young women and men, rural women and new women and men entrepreneurs. Thus far, such measures have not been included in the assistance package. Elements of a future response aimed at this target group should include support for opening or closing companies, shops and agencies; capacity building for planning and business management in a crisis situation, favourable loans for liquidity and equipment, subsidised services of an accountant, a management consultant or lawyer and servicing business premises that can be used in a crisis situation when reduced customer influx and insufficient turnover make it difficult to rent office space and when it is sometimes necessary to leave the house to do the work, especially for women.

4. The inconsistent collection, publication and use of gender statistics in the sector constitute a major obstacle to integrating the gender perspective into all policies and measures, especially those that should strengthen the resilience of the economy during a crisis. It is necessary to ensure that statistics on business owners and entrepreneurs is available disaggregated by sex in all records, databases and registers related to business entities.⁷⁴ Through the annual reports on the situation in SMEs, it will be possible to monitor the development of the sector in terms of its gender dimension. In that way, the

⁷⁴ In line with Article 40 of the Law on Equality between the Sexes.

planning of gender-responsive measures will be more efficient and cheaper. This is important because there is never enough money in the budget.

5. The adoption and consistent use of a streamlined definition of women's enterprises would also help to monitor and compare progress systematically during regular operations as well as during periods of crisis. It is proposed to classify as women's companies those that are a) at least 51% owned by one or more women, b) where a woman is the legal representative (manages the business operations of the company on a daily basis and makes long-term business decisions) and c) the company is not in a group and has independence from companies that are not owned by women (to prevent abuse).

6. Gender-responsive data alone is not enough. In order for it to be used properly, it is essential that the decision-making team is gender competent. Therefore, it is important to include the institutional national mechanism for gender equality in the make-up of the body that makes decisions on economic measures. This would ensure consistent and timely integration of the gender perspective in all phases from the assessment of the economic effects to the design of the measures to support the elimination of negative economic consequences as well as subsequent support for the development of MSMEs after the end of the pandemic. At the same time, an integrated, gender-responsive approach is the fastest cheapest but also the most effective way of achieving this.

7. Before allocating funds for the next set of measures, it is necessary to perform a gender-responsive analysis of those subsectors most effected in order to direct aid instruments such as grants for enterprises as directly as possible. The objective consequences of this crisis were different for those unable to perform their business activity at all, those who could perform it on a reduced scale and for those who were able to continue without much difference. Any company welcomes assistance but equal treatment of the unequal (in terms of size, activity and access to finance) deepens the existing gender gap.

8. It is important to capture the effects of the existing measures on women-owned and men-owned businesses in different sectors. The Ministry of Economy in cooperation with various associations, including those associations whose main goal is to promote gender equality and the economic empowerment of women, should conduct such an assessment in this regard. Such cooperation would allow for a broader sample, gaining new insights into the everyday life of women in the economy and help capture and reflect the regional, sectorial, gender-based and other differences in the effects of the measures.

9. A lesson learned in micro enterprises, where there are more women owners than in larger business entities and which have the largest share in all areas of work, is that making budget support conditional to maintaining employment levels according to linear parameters that apply to all entities regardless of size is not suitable for micro companies and entrepreneurs. It would be more sustainable for this subset of business entities to have a set numerical criterion rather than a percentage. The strict percentage-based criterion that practically excludes staff lay-offs prevented a number of women-owned companies from accessing the support measures in the Government package for companies with up to 9 employees, despite the fact that many women's micro businesses are in the service sector and therefore affected severely by the pandemic.

10. The gender dimension of the crisis concerns the informal or grey economy, which includes a large number of women whose labour rights have been reduced and who have been left completely without income and without support.⁷⁵ In subsequent crises, assistance to this group should consist of non-repayable financial support (grants), subsidised loans, extension of the grace period and postponement of instalments for existing assumed credit obligations as well as deferred payment of debts or debt write-off in support of liquidity. Self-identification of such businesses could be the basis for free registration in the Register of Enterprises and Entrepreneurs with the Serbian Business Registers Agency, subject to the mandatory opening

⁷⁵ For example, seasonal workers and farmers who sell fresh products at green markets who have been left without goods and without income, with the exception of a small number of those in the vicinity of bigger cities who supplied consumers through direct delivery.

of a bank account as a precondition for exercising the right to support. It is important that the transition to the formal economy is not a shock that stifles entrepreneurial initiative and so one of the options would be to exempt newly registered entrepreneurs and those who have moved from the informal to the formal economy from paying contributions for the period to which the support refers. Lastly, more affordable rates for high-speed Internet and easily and constantly available training for digital business would also contribute to allowing those who participate in the informal economy to use more digital tools and thus increase their chances of survival as registered businesses and of becoming active financial contributors to the budget.⁷⁶

11. Partial debt write-off for public services, such as electricity, public utilities or rent for spaces owned by the local self-government unit, or for taxes and contributions would also provide relief to companies and entrepreneurs in the sectors particularly affected and increase the chances of recovery for micro enterprises and shops owned by women.

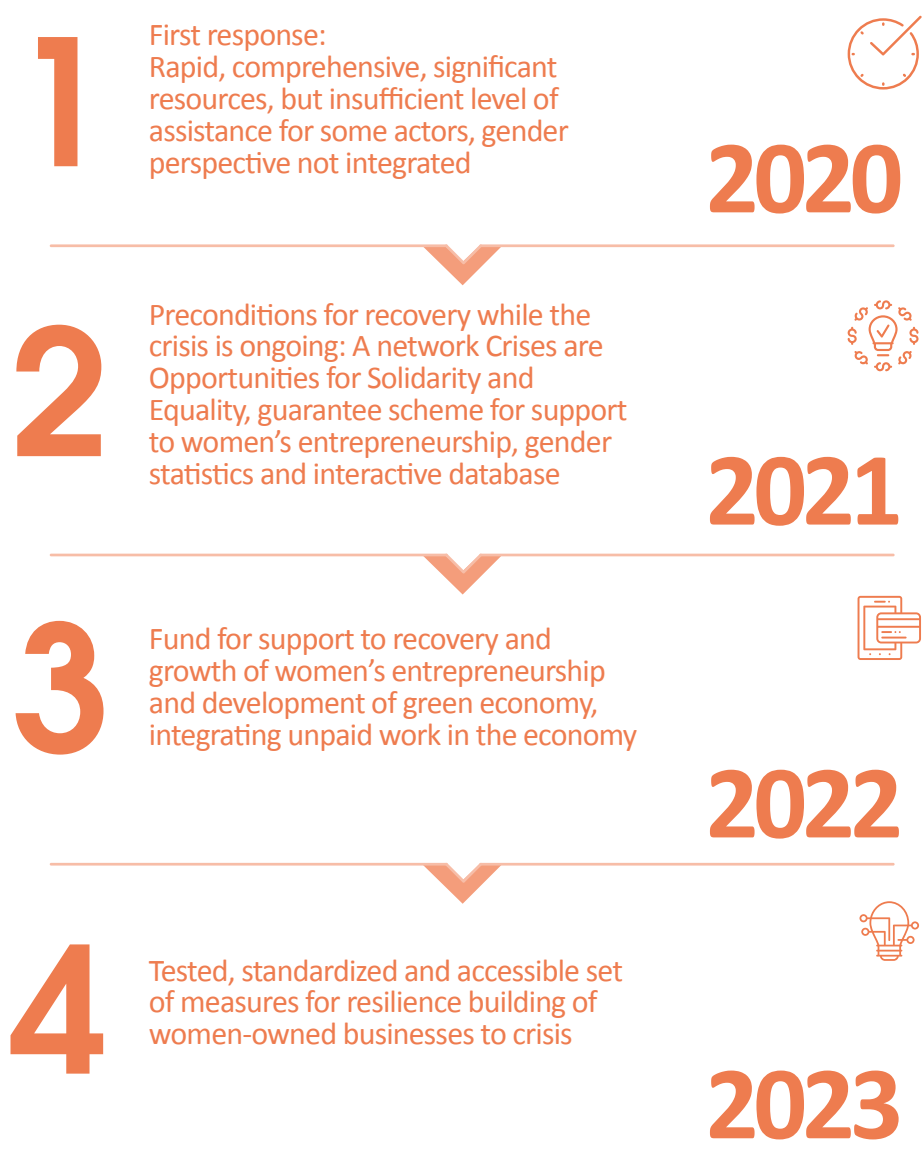
12. A large number of active participants in the economy engaged under different types of contracts would benefit from one-off measures for women and men. Such measures were lacking when addressing the consequences of the current crisis. This beneficiary group should not be forgotten in future emergency response planning.

A summary overview of the priority strategic initiatives over the next three years is presented below in Infographic 6.

⁷⁶ For example, websitebuilder, GoogleAnalytics, Chartbeat, customer relationship management, social media management and digital marketing, various software for video conferencing, meetings, webinars, etc.

Infographic 6. Strategic initiatives aimed at overcoming the adverse consequences of crises on entrepreneurship from the gender perspective

ADDRESSING THE CONSEQUENCES OF CRISIS ON WOMEN'S ENTREPRENEURSHIP IS A LONG-TERM ENDEAVOR



RECOMMENDATIONS FOR THE
GENDER MAINSTREAMING OF
CRISIS RESPONSE MEASURES



Recommendations for the gender mainstreaming of crisis response measures

Based on the gender analysis of the two budget revisions conducted by the Republic of Serbia in response to the crisis caused by COVID-19, the following aspects should be taken into consideration when defining support measures for the potential responses to future crises.

1. The adopted measures account for a significant share of budget allocations and are reliant on borrowing, which makes social agreement regarding the most efficient use of these public funds imperative. Women and men must participate to an equal extent in this agreement. There is no evidence that advocates of gender-responsive approaches participated in the economic section of the crisis committee, as stipulated by the normative strategic framework in the Republic of Serbia and the Budget System Law that introduced the obligation of gender-responsive budgeting.

2. Measures should always be adopted in consultation and cooperation with professional and other relevant associations, even during a crisis. When it comes to the gender impact of measures, it is certainly important to include organisations such as, for example, the Association of Business Women and the Women's Platform for the Development of Serbia as well as other organisations actively engaged in the economic empowerment of women from different groups.

3. It is important that activities to improve the status and economic position of women in the informal economy be intensified. A better understanding of the type and amount of support required to ensure sustainable and effective help for women working in the informal economy to make the transition to the mainstream economy is therefore a priority.

4. Economic recovery measures should cover the care economy. A significant share of the population works in the care economy (care of the elderly and infirm and maintenance of households) and women constitute the major share of this group. During the epidemic, informal service providers as well as private sector service providers in the care

economy were left with no income. It is expected that this will put a lot of pressure on the measures offered by the National Employment Service. Therefore, the funds allocated for active employment and self-employment measures as well as for measures to facilitate making the transition from the informal economy to regular flows should be increased. Long-term measures should be designed to reduce the level of vulnerability of this large group, which predominantly consists of women.

5. Additional measures for women-owned businesses should address the other barriers faced by women entrepreneurs, especially during the public health crisis that triggered the economic crisis. Debt write-off, for example, should be enabled in order to support the liquidity of companies in the service sector owned by single mothers and other vulnerable women. These women face accumulated debts resulting from alimony arrears, personal health issues or child illness and other shocks that prevent their regular business operations. In such cases, the entire burden of debt is transferred to the women sole proprietors themselves.

6. Establish 'soft' support for women and men doing business in the economic sectors that no longer have a foreseeable future or market. Examples of these can be found in some segments of travel industry, for example air ticketing that no longer has a future as the number of people purchasing tickets online increases by the day, or parts of event industry that will take a very long time to recover, well beyond what SMEs can afford to wait.⁷⁷ Such programmes for transitioning from one activity to another (or reskilling) should consider the experience and knowledge previously acquired by these women and men as sole proprietors and facilitate the transfer of their knowledge to new entrepreneurial spheres supported by additional technical support

77 M. Pajvancic, N. Petrusic, S. Nikolin, A. Vladislavljevic and V. Bacanovic. 2020. Gender Analysis of COVID-19 Response. OSCE

and assistance for connecting the elements of a new business idea.

7. The crisis caused by the pandemic has once again highlighted the need for measures that will recognise the problem of unpaid work. A fair and balanced distribution of unpaid work would support innovative solutions. Such support measures should help ensure the fair distribution of unpaid work and achievement of a work-life balance. This core cause of gender-based inequality within the economy will only be addressed fully once unpaid work is integrated into the economy.

ANNEXES

The background features a complex, abstract composition of overlapping shapes. Large, semi-transparent circles in various shades of green and brown dominate the right side. On the left, there are white and light blue shapes, including a large white area with a cluster of small blue dots. The top left corner is a solid light blue, and the top right corner is a solid orange. The overall style is modern and graphic.

Annex 1. Questions for the Ministry of Economy and the Ministry of Culture and Information

In accordance with the adopted methodology for the Gender Analysis, interviews were conducted with representatives of the target ministries and sectors. Based on the online interviews with the ministries, which were held in the second half of November 2020, and the presented data and the answers received, the communication with the ministries continued through the collection of further information and detailed clarification.

The questions addressed to the ministries were formulated in such a way as to obtain precise information related to decision-making on the reallocation of funds as well as how the budget changes were implemented procedurally and administratively. In addition to the above formal and administrative issues, the aim was to collect evidence on the results of the implemented support programmes (public calls for example) to the extent that this data was available at the time of the preparation of the Gender Analysis and bearing in mind that the fiscal year was still ongoing and that most programmes had not been finalised.

In this regard, the Ministry of Culture and Information received questions about the number of planned and issued public calls as of 31 October 2020, the number of planned and issued calls by cultural institutions, the number and value of supported projects for the public calls launched by the Ministry and the calls issued by cultural institutions.

Furthermore, the analytical team was interested in the criteria through which the assessment of the amount of the reduction of expenses and expenditure in the budget appropriations within the budget revisions conducted in April and November 2020 was based and whether any additional criteria were used in the decision-making process that were separate to the Instruction by the Ministry of Finance on the 20 per cent linear reduction of expenses and expenditure (with the exception of salaries and investments). In connection with the new appropriation introduced through the budget revision for the Prevention and Mitigation of the Consequences of the COVID-19 Disease Caused by the SARS-CoV-2 Virus, the analytical team asked about the purpose of the funds, how the funds were allocated and how they were to be spent.

Bearing in mind the objectives of the Gender Analysis, the analytical team was interested in how the priorities that should be financed in order to eliminate or mitigate the negative consequences of the pandemic in the sector, especially for cultural workers, would be further determined. The set of questions and clarifications was supplemented by the question on whether reports were produced and if so how often were these reports on the implementation of the programme prepared and whether there were any changes in the implementation of the gender responsive budget objectives during the two budget revisions.

The Ministry of Economy was asked about the ways in which the priorities for financing were determined in order to eliminate or mitigate the negative consequences of the pandemic in the sector and what kind of support was provided for financing from the appropriation seeking to offset the negative impact of COVID-19.

In the case of the Ministry of Economy, the issue of the criteria used for the distribution of funds intended to reduce the negative consequences of COVID-19 was raised with regard to the measures that were approved for financing.

In view of the sector specifics and the competence of the institutions, the Ministry of Economy was asked to elaborate in more detail on the programmes aimed at supporting the micro, small and medium size enterprise (MSME) sector on the one hand and the programmes aimed at supporting the large enterprises sector on the other.

In this regard, the questions related to the scope of support intended to reduce the negative consequences of COVID-19 in both sectors (MSMEs and large enterprises) and the amount of support targeted at these sectors (to establish the ratio of support funds to the MSME sector and the large enterprise sector) and whether the needs of women entrepreneurs and owners of micro, small and medium-sized businesses had been considered when introducing the measures to reduce the negative consequences of the epidemic.

Given that some of the main entrepreneurship support programmes that have been ongoing for the past several years take gender issues into account, the analytical team was interested in the number of women owners of companies benefiting from the Equipment Procurement Programme in 2020, the number of women entrepreneurs as beneficiaries of the Support for Development Projects programme during 2020, the number of women entrepreneurs as beneficiaries of the support for starting a business programme in 2020 and the number of women entrepreneurs as beneficiaries of the standardised set of services during 2020.

In order to prepare and conduct the Gender Analysis and present the situation in the selected sectors as accurately as possible, a request for the relevant documents (if available at the time of preparing the Gender Analysis) was submitted and included the semi-annual performance report, the quarterly activity report and the individual programme/competition implementation reports.

Annex 2. List of Consulted Gender Analyses

1. Бити дете за време пандемије КОВИД-19 – Анализа истраживања утицаја мера ванредног стања на децу током пандемије КОВИД-19 у Србији, Мрежа организација за децу Србије – МОДС, април 2020.
2. UN Women (април 2020). *Voices of Women's Organisations on COVID-19 (Women with disability or chronic illness, and those living with HIV)*.
3. Друштвени аспекти пандемије корона вируса, Центар за социолошка истраживања, Нови Сад, април 2020.
4. UN Women (јул 2020). Економија бриге у време пандемије КОВИД-19 и мере за њено спречавање у Србији, , Secons,
5. UN Women Утицај мера уведених током КОВИД-19 епидемије на социјална и економска права жена са инвалидитетом, истраживање групе Из круга у партнерству са FemPlatz и сарадњи са.
6. Утицај КОВИД-19 на друштвено-политичко учешће особа са инвалидитетом, истраживање спровео Центар за самостални живот особа са инвалидитетом Србије уз подршку IFES.
7. UNICEF (септембар 2020). Истраживање о утицају пандемије КОВИД-19 на породице са децом у Србији – други талас. Available from www.unicef.org/serbia/media/15861/file/Istrazivanje%20o%20uticaju%20pandemije%20Covid-19%20na%20porodice%20sa%20decom%20u%20Srbiji_drugi%20talas.pdf.
8. UN Women (јун 2020). *Impact of the COVID-19 Pandemic on Specialist Services for Victims and Survivors of Violence in the Western Balkans and Turkey: A proposal for addressing the needs*.
9. КОВИД-19 и рад у неформалној економији, Ipsos Strategic Marketing у сарадњи са Тимом Уједињених нација за људска права, уз подршку Канцеларије Високе комесарке за људска права (ОНСНР), август 2020;
10. UN Women (2020). КОВИД-19: Како укључити маргинализоване и рањиве особе (укључујући ОСИ) у комуникацију о ризику и у ангажовање заједнице.
11. КОВИД-19 и LGBTI заједница у Србији, удружења Loud & Queer и Egal, април 2020. Available from <https://borismilicevic.files.wordpress.com/2020/05/lq-i-egal-analiza-covid-19-i-lgbti-zajednica-u-srbiji.pdf>.
12. Медијска и информациона писменост и родна равноправност – Информисање и родна равноправност током КОВИД-19 пандемије, FemPlatz и KomunikArt у сарадњи са Новосадском новинарском школом, септембар 2020.
13. Остваривање права, и ограничења и изазови са којима су се ОСИ сусретале током пандемије КОВИД-19 и ванредног стања, истраживање Националне организације ОСИ – НОО-ИС у сарадњи са ОЕБС.
14. Последице пандемије на пословање малих и микро предузећа у Србији, SMART колектив и Форум за одговорно пословање, март 2020. Available from http://smartkolektiv.org/wp-content/uploads/2020/09/MMSP-analiza_Posledice-pandemije-na-poslovanje_SK-i-FOP.pdf.
15. ОНСНР. *Relevance of Human Rights Recommendations in responding to the Pandemic* (Релевантност препорука механизма УН за људска права у одговору на пандемију), United Nations.
16. Утицај епидемије КОВИД-19 на положај и права радница и радника у Србији, уз посебан осврт на раднике и раднице на првој линији и у неформалној економији и вишеструко погођене категорије, Тим Уједињених нација за људска права, уз подршку Канцеларије високе комесарке за људска права (ОНСНР) и Фондације Центар за демократију (ФЦД), септембар 2020.

17. Утицај епидемије КОВИД-19 на положај особа са инвалидитетом у Републици Србији, Центар за подршку и инклузију HELP NET, уз подршку Тима за социјално укључивање и смањење сиромаштва Владе Републике Србије.
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Annex 3. Cultural Institutions:⁷⁸ Leadership positions according to sex⁷⁹

Institutions of cultural protection

No.	Name of Institution	Sex
1.	National Museum in Belgrade	W
2.	Historic Museum of Serbia	W
3.	Ethnographic Museum	W
4.	Modern Art Museum	M
5.	Applied Arts Museum	W
6.	Museum of Theatre Art	M
7.	Nature Museum	M
8.	Museum of Science and Technology	M
9.	Museum of Genocide Victims	M
10.	Museum of Yugoslavia	W
11.	Museum of Naïve and Marginal Art Jagodina	W
12.	Open Air Museum 'Old Village' Sirogojno	W
13.	National Library of Serbia	M
14.	Yugoslav Film Archive	M
15.	National Institute for Protection of Cultural Monuments	W
16.	Historic Archive of Belgrade	M
17.	Archive of Yugoslavia	M
18.	Film News	M
19.	Central Conservation Institute	W

Institutions of modern art

No.	Name of Institution	Sex
20.	National Theatre in Belgrade	W
21.	Belgrade Philharmonic	M
22.	Ensemble 'Kolo'	M
23.	Film Centre of Serbia	M
24.	Institute for Studying Cultural Development	M

⁷⁸ Available from www.srbija.gov.rs/ustanove_kulture/329785.

⁷⁹ The websites were accessed on 2 January 2021.

Cultural institutions in Kosovo and Metohija

No.	Name of Institution	Sex
25.	Archive of Kosovo and Metohija in Priština	W
26.	Inter-municipal Historic Archive Prizren	M
27.	Provincial Institute for Protection of Cultural Monuments	
28.	Library 'Ivo Andrić' in Priština	M
29.	Museum in Priština	
30.	National Theatre in Priština	M
31.	Ensemble 'Venac' (Wreath) in Priština	W

Cultural institutions in Vojvodina

No.	Name of institution	Sex
32.	Library of Matica Srpska	M
33.	Gallery of Matica Srpska	W
34.	Serbian National Theatre	M
35.	Provincial Institute for Protection of Cultural Monuments	M
36.	Museum of Vojvodina	W

Total

	Women	Men	Total
Institutions for culture protection	9	10	19
Institutions of modern art	1	4	5
Cultural institutions in Kosovo and Metohija			7
Cultural institutions in Vojvodina	2	3	5
Total			36

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