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Occupational Safety and Health in the Construction Sector in Serbia

Petar Bulat, Kenichi Hirose, Jovan Protić

OCCUPATIONAL SAFETY
AND HEALTH



DECENT WORK TECHNICAL SUPPORT TEAM AND COUNTRY OFFICE FOR CENTRAL AND EASTERN EUROPE



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Foreword

Construction is one of the largest and most hazardous industrial sectors globally. Construction workers suffer a high number of work accidents, especially severe and fatal ones, which raise a serious concern of the tripartite constituents of the International Labour Organization (ILO).

The purpose of this report is to provide a comprehensive review of the current occupational safety and health (OSH) situation in the construction industry in Serbia by assessing gaps in the national OSH system and identifying priority areas for national OSH policies and programmes.

This report was drafted by Prof Petar Bulat, Faculty of Medicine, University of Belgrade, with supplementary contributions from Mr Kenichi Hirose, Senior Specialist in Social Security of the ILO Decent Work Technical Support Team for Central and Eastern Europe (ILO DWT/CO-Budapest), and Mr Jovan Protic, ILO National Coordinator for Serbia. This final report incorporates comments from the OSH experts and social partners at the validation workshop organized on 3 October 2018, in Belgrade.

The report is organized as follows: Section 1 is an overview of the Serbian construction sector, with a focus on the subcontracting structure. Sections 2 and 3 analyze work accidents in construction, based on reported data and interviews of key stakeholders. Section 4 presents the review of the national OSH system including OSH legislation, national actions and compensation. Section 5 concludes with the summary of key issues and recommendations.

We trust that key findings and recommendations in this report will serve as a basis for national authorities, OSH experts and social partners to improve safety conditions in the construction industry in Serbia.

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1. The construction sector in Serbia

Key statistical indicators of the Republic of Serbia from 2007 to 2016 are presented in Table 1. The current population of Serbia is slightly above seven million while showing a declining and ageing trend. Moreover, the unemployment rate has been consistently high for the last decade, although it has decreased from 23.9 percent in 2012 to 15.3 percent in 2016 (11.9 percent in the second quarter of 2018). However, the unemployment rate among the youth is more than double at 33.3 percent. The economic growth has been stagnant since the global economic crisis that started in 2008, with an average annual growth of around 1 percent. After a decade of modest growth Serbia's economy is expected to grow by 3.5 percent in 2018. The GDP per capita, adjusted by Purchasing Power Parity, was equivalent to 14,511 USD in 2016, which is at the level of 36 percent of the EU-28 average.

The size of the Serbian construction sector ranges between 4.0 percent and 4.5 percent of GDP. This level is comparatively lower than its neighbouring countries such as Albania (10.2 percent), Former Yugoslav Republic of Macedonia (9.0 percent), and Romania (6.7 percent). The construction sector in Serbia was seriously affected by the global economic crisis. As shown in Table 2, the number of construction workers decreased by 23 percent from 177,454 in 2008 to 136,779 in 2009. This negative trend has been continuing in the subsequent years. In 2016 the number of construction workers was 115,900, which is 35 percent less than the pre-crisis level and accounts for 4.3 percent of the employed population.

Almost 90 percent of construction workers are men. By age group, as shown in Table 3, the construction workers are concentrated in the age group of 35-44 years, followed by 45-54 years and 25-34 years. By educational level, most of construction workers have completed secondary school. It is observed that the share of workers with primary school education has been decreasing while the share of workers with university degrees has been slightly increasing. Almost half of the registered workers are engaged in "specialized construction activities," and the remaining half are almost equally divided into "construction of buildings" and "civil engineering."

The construction sector in Serbia exhibits a high degree of informality. As shown in Table 2, the percentage of unregistered construction workers has increased significantly since 2013. It is estimated that 24.0 percent of construction workers were not registered in 2016.

As shown in Table 4, almost 90 percent of construction companies in Serbia are micro enterprises employing less than 10 workers, where the number of such companies has been rising in recent years. About 95 percent of micro enterprises are engaged in construction of buildings and specialized construction activities, while medium and large construction companies are mainly engaged in civil engineering. An estimated average number of construction workers, including unregistered workers, per company was 15.5 in 2016.

As in other countries, subcontracting is a common practice within the construction sector in Serbia. Large construction companies usually become the host companies and subcontract various types of suppliers at various stages of construction projects. Depending on the size and complexity of the projects, a single construction project may involve multiple chains of suppliers and subcontractors. Eventually, small companies and self-employed workers are the ones who finally carry out the building work. In the context of Serbia, typical roles of construction companies in the contractual structure of construction projects can be described as follows:

- Foreign companies operate in the Serbian market either through their branch offices or by establishing local subsidiary companies. They usually undertake large and medium scale construction projects, which typically comprise of multimillion euro construction projects such as multi-story buildings, highways, bridges etc. These companies usually employ a limited number of their own staff and a relatively small number of local managers for the supervision of construction sites. Moreover, they engage several local subcontractors which could go up to five or six subcontracting levels depending on the size and complexity of projects. Generally, those local subcontractors operate under strict supervision of the foreign company to apply its operational rules including the ones on OSH.
- Large and medium Serbian construction companies execute large and medium projects as the main contractors. They usually engage local subcontractors up to three levels of subcontracting. In this case, almost all foremen are employees of the main contractor company and they provide full-time supervision at the construction sites.
- Small and micro Serbian construction companies undertake small projects, which are usually less than a million euro such as construction of apartments, individual buildings, roads etc. They also receive subcontracting works from larger companies. In both cases, these companies engage subcontractors especially as the project deadline approaches. At this level, there are not many subcontractors involved, usually less than ten. These subcontractors are often unregistered workers, who are often not paid in full, or in time. These companies provide limited supervision and have limited expertise in OSH. Moreover, micro construction projects are rarely inspected by labour inspectors.

Table 1. Key demographic and economic indicators of Serbia, 2007-2016

Indicator	units	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total population	thousands	7,382	7,350	7,321	7,291	7,237	7,201	7,167	7,132	7,095	7,058
Working age population (15-64 years)	thousands	4,968	4,959	4,955	4,956	4,946	4,911	4,862	4,806	4,745	4,689
Economically active population*	thousands	3,241	3,267	3,119	2,965	2,924	2,930	2,967	3,157	3,126	3,209
Employed population	thousands	2,656	2,822	2,616	2,396	2,253	2,228	2,311	2,544	2,574	2,719
Unemployed population	thousands	586	445	503	569	671	701	656	613	552	489
Share of working age population	percent	67.3%	67.5%	67.7%	68.0%	68.3%	68.2%	67.8%	67.4%	66.9%	66.4%
Labour market participation rate	percent	65.2%	65.9%	63.0%	59.8%	59.1%	59.7%	61.0%	65.7%	65.9%	68.4%
Unemployment rate	percent	18.1%	13.6%	16.1%	19.2%	22.9%	23.9%	22.1%	19.4%	17.7%	15.3%
Youth unemployment rate	percent	43.7%	35.2%	41.6%	46.2%	50.9%	51.1%	49.4%	47.5%	43.2%	-
GDP per capita at current prices	USD (PPPs)	10,472	11,922	11,842	12,099	12,963	13,104	13,768	13,804	14,112	14,511
GDP real growth rate	percent	5.9%	5.4%	-3.1%	0.6%	1.4%	-1.0%	2.6%	-1.8%	0.8%	2.8%

Source: Statistical Office of the Republic of Serbia.

* including population aged 65 or over

Table 2. Statistics of workers in the construction sector in Serbia, 2007-2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Employed persons in construction	161,251	177,454	136,779	120,689	118,726	114,853	126,620	115,100	116,700	115,900
- Males	144,403	160,992	122,075	104,536	106,795	105,022	112,542	98,700	103,200	105,100
- Females	16,848	16,462	14,704	16,153	11,751	9,831	14,078	16,400	13,500	10,800
As % of the employed population	6.1%	6.3%	5.2%	5.0%	5.3%	5.2%	5.3%	4.5%	4.5%	4.3%
- Males	9.3%	10.0%	8.2%	7.6%	8.2%	8.1%	8.2%	6.8%	7.0%	6.9%
- Females	1.5%	1.4%	1.3%	1.6%	1.2%	1.1%	1.4%	1.5%	1.2%	0.9%
Distribution by education level:										
- No or incomplete primary school	-	4.7%	0.2%	2.9%	3.1%	0.4%	0.0%	-	-	-
- Primary school	-	25.9%	27.1%	19.2%	20.1%	24.2%	18.8%	-	-	-
- Secondary school	-	58.3%	60.4%	63.6%	63.3%	59.1%	66.7%	-	-	-
- High school or University degree	-	11.1%	12.2%	14.3%	13.5%	16.3%	14.5%	-	-	-
Registered workers in construction	135,828	139,036	119,669	107,651	103,655	97,846	92,883	88,652	88,123	88,127
% of non-registered workers in the employed persons in construction	15.8%	21.6%	12.5%	10.8%	12.7%	14.8%	26.6%	23.0%	24.5%	24.0%
Distribution by type of work:										
- Construction of buildings	27.2%	27.1%	27.7%	23.8%	23.4%	21.5%	21.7%	21.4%	25.6%	24.9%
- Civil engineering	24.3%	23.5%	24.9%	26.0%	27.5%	29.6%	29.7%	29.5%	26.2%	27.4%
- Specialised construction activities	48.6%	49.4%	47.5%	50.2%	49.0%	48.8%	48.7%	49.1%	48.2%	47.7%

Source: Statistical Office of the Republic of Serbia.

Table 3. Age distribution of the workers in the construction sector in Serbia, 2012-2013

Age-group	2012		2013	
	Number	%	Number	%
15-24	5,299	4.9%	3,996	3.2%
25-34	20,574	19.0%	29,762	23.5%
35-44	30,047	27.8%	38,144	30.1%
45-54	30,338	28.1%	30,608	24.2%
55-64	21,217	19.6%	22,605	17.9%
65 or above	573	0.5%	1,506	1.2%
Total	108,048	100.0%	126,621	100.0%

Source: Statistical Office of the Republic of Serbia.

Table 4. Number of enterprises in the construction sector in Serbia by type and size, 2010-2014

By type	By size	2010	2011	2012	2013	2014
Construction of buildings	Micro (0-9)	2,739	2,785	2,889	3,001	3,011
	Small (10-49)	367	354	337	308	300
	Medium (50-249)	63	66	48	44	45
	Large (250 or more)	11	8	7	6	3
	Total	3,180	3,213	3,281	3,359	3,359
Civil engineering	Micro (0-9)	179	221	254	302	325
	Small (10-49)	68	86	95	105	107
	Medium (50-249)	76	80	77	82	73
	Large (250 or more)	34	35	35	30	31
	Total	357	422	461	519	536
Specialised construction activities	Micro (0-9)	3,058	3,112	3,125	3,179	3,085
	Small (10-49)	460	447	431	397	383
	Medium (50-249)	34	77	72	65	60
	Large (250 or more)	9	9	8	7	8
	Total	3,561	3,645	3,636	3,648	3,536
All types	Micro (0-9)	5,976	6,118	6,268	6,482	6,421
	Small (10-49)	895	887	863	810	790
	Medium (50-249)	173	223	197	191	178
	Large (250 or more)	54	52	50	43	42
	Total	7,098	7,280	7,378	7,526	7,431

Source: Statistical Office of the Republic of Serbia.

2. Work accidents in construction

2.1. Problems with reporting

Article 22 of the Law on Pension and Disability Insurance¹ defines ‘work accident’ as “an injury of an insured worker that occurs in spatial, temporal and causal connection with the performance of work on the basis of which he/she is insured, caused by immediate and short-term mechanical, physical or chemical action, sudden changes in the position of the body, sudden body load or other changes in the physiological state of the organism.” On the other hand, Article 33 of the Law on Health Insurance² defines work accident as “any injury, illness or death arising as a result of an accident at work, or as a result of any unexpected or unplanned event, including an act of violence resulting from work or related to work and which has led to the injury, illness or death of the insured person immediately or in the period of 12 months from the date of the occurrence of the injury at work.” Both laws recognize commuting accidents as work accidents.

Table 5 presents statistics of work accidents in Serbia from three different sources. It is important to be aware of the issue of underreporting while examining the work accident statistics.³ According to the Law, employers are obliged to report all work accidents resulting in an absence of three or more days.⁴ However, this obligation is not fulfilled in many cases, specifically with regards to minor injuries. In Serbia, the Occupational Safety and Health Directorate (hereinafter referred to as the OSH Directorate) and the Institute of Public Health are responsible for collecting data on work accidents and on occupational diseases, respectively. However, the official register of work accidents and occupational diseases has not been properly functional.⁵

A more plausible total number of work accidents can be obtained from the Health Insurance Fund. Each year the Health Insurance Fund records approximately 20,000 work accidents. However, the OSH Directorate registers less than half of that number. It should also be noted that the current employment injury benefit system, which imposes employers to directly pay sick leave benefits for up to six months in cases of work-related accidents and diseases,⁶ may act as disincentives for

¹ Official Gazette of the RS No. 34/2003, 85/2005, 5/2009, 107/2009, 101/2010, 93/2012, 62/2013, 108/2013, 75/2014, 142/2014.

² Official Gazette of the RS No. 107/2005, 57/2011, 119/2012, 99/2014, 123/2014, 106/2015.

³ For details, see ILO (2013).

⁴ Within the current system, the employer should notify the Labour Inspectorate within 24 hours of the occurrence of the accident, and complete a work injury report form to claim employment injury benefits. One copy of the form will be submitted to the injured worker, the employer, and the OSH Directorate each, and two copies to the Health Insurance Fund (the second copy will be submitted to the Pension and Disability Insurance Fund when the beneficiary is assessed to be permanently disabled and eligible for disability pensions). The Labour Inspectorate is not included in the list of recipients of the report forms.

⁵ This is particularly the case with occupational diseases, which recorded only 19 cases in 2012.

⁶ In case of non-work-related accidents, employers are liable only for the payment of the first 30 days of sick leave.

reporting work accidents and diseases. A comparative analysis between Serbia and Germany suggests that the number of reported work accidents per 1000 workers in Serbia is three times less than that of Germany. This indicates that the number of reported work accidents and occupational diseases in Serbia accounts for only a small portion of the actual figures.⁷

In addition, the Labour Inspectorate is in charge of investigating severe, collective and fatal work accidents. As it is difficult for an employer to avoid reporting fatal, severe and collective injuries, the data recorded by the Labour Inspectorate are considered to be the most reliable, although some discrepancies are found between the Labour Inspection data and the Health Insurance Fund data.⁸

2.2. Reported work accident data in construction

The work accident data disaggregated by sector are only available for severe and fatal cases from the Labour Inspectorate. As shown in Table 5, the construction sector accounts for 16 percent of severe work accidents and 52 percent of fatal work accidents in 2016. Furthermore, the construction sector exhibits 3.8 times higher incidence rate of severe accidents and 12 times higher incidence rate of fatal accidents than the rates of all industries.

The Labour Inspection is responsible for investigating the cause of fatal accidents. As shown in Table 6, the top cause of fatal accidents is ‘fall from height’ which accounted for 31 percent of all fatal accidents in 2016. Furthermore, Table 7 presents the number of fatal accidents according to their cause in the construction sector. It should be observed that 92 percent (12 out of 13) of fatal accidents by ‘fall from height’ occurred in the construction sector during 2016.

Table 5. Number of work accidents in all sectors in Serbia, 2009-2016								
	2009	2010	2011	2012	2013	2014	2015	2016
Health Insurance Fund								
Number of employment injury benefits	21,870	22,301	19,717	15,843	17,556	17,759	19,393	19,549
Severe accidents	4,172	4,130	3,631	2,841	3,268	3,103	3,395	3,223
Fatal accidents	32	37	26	22	32	25	23	47
OSH Directorate								
Number of reported work accidents	9,391	8,670	10,247	6,765	7,766	7,457	7,991	9,064
Severe accidents	1,472	1,222	1,387	829	1,237	1,153	1,176	1,236
Fatal accidents	12	4	10	6	3	1	5	8
Labour Inspectorate								
Number of inspected work accidents	1,286	1,322	1,082	1,243	1,146	1,100	947	900
Severe accidents	1,004	1,026	958	1,003	849	904	780	774
Fatal accidents	37	35	43	39	35	38	38	42
Indicence rates per 1000 workers								
Severe accidents	0.38	0.43	0.43	0.45	0.37	0.36	0.30	0.28
Fatal accidents	0.014	0.015	0.019	0.018	0.015	0.015	0.015	0.015

⁷ ILO (2013).

⁸ Labour inspection distinguishes fatal work accidents from severe work accidents with fatal outcome but only for legal reasons, thus, in further text those two groups will be merged since the ultimate outcome is fatal.

	2009	2010	2011	2012	2013	2014	2015	2016
of which: construction sector								
Severe accidents	201	178	144	142	112	117	101	124
Fatal accidents	12	14	23	22	14	12	15	22
Share of the construction sector								
Severe accidents	20.0%	17.3%	15.0%	14.2%	13.2%	12.9%	12.9%	16.0%
Fatal accidents	32.4%	40.0%	53.5%	56.4%	40.0%	31.6%	39.5%	52.4%
Indicence rates per 1000 construction workers								
Severe accidents	1.47	1.47	1.21	1.24	0.88	1.02	0.87	1.07
Fatal accidents	0.088	0.116	0.194	0.192	0.111	0.104	0.129	0.190

Source: Labour Inspectorate annual reports

Table 6. Fatal work accidents in all sectors in Serbia by cause, 2010-2016								
	2010	2011	2012	2013*	2014	2015	2016	Total 2010-16
Fall from height	12	9	14	-	2	13	13	63
Electric shock	6	8	9	-	9	8	7	47
Falling object	2	5	5	-	11	10	9	40
Moving parts of machine	5	8	5	-	0	2	6	25
Earth backfilling	6	11	0	-	4	0	1	22
Drowning	0	0	3	-	0	2	3	8
Explosion	0	0	2	-	0	3	2	6
Choking	2	1	0	-	0	0	0	3
Other	2	2	2	-	13	2	1	21
Total	35	43	39	35	38	38	42	235
Share								
Fall from height	34.0%	21.0%	37.0%	-	5.0%	33.0%	31.0%	26.7%
Electric shock	17.0%	18.0%	23.0%	-	24.0%	20.0%	17.0%	19.8%
Falling object	6.0%	11.0%	12.0%	-	28.0%	25.0%	21.0%	17.2%
Moving parts of machine	14.0%	18.0%	12.0%	-	0.0%	4.0%	14.0%	10.5%
Earth backfilling	17.0%	25.0%	0.0%	-	10.0%	0.0%	3.0%	9.3%
Drowning	0.0%	0.0%	8.0%	-	0.0%	4.0%	7.0%	3.2%
Explosion	0.0%	0.0%	4.0%	-	0.0%	8.0%	4.0%	2.7%
Choking	6.0%	3.0%	0.0%	-	0.0%	0.0%	0.0%	1.4%
Other	6.0%	4.0%	4.0%	-	33.0%	6.0%	3.0%	9.1%
Total	100.0%	100.0%	100.0%	-	100.0%	100.0%	100.0%	100.0%

Source: Labour Inspectorate annual reports

*Note. Labour Inspectorate annual report for 2013 does not contain data on causes of fatal work accidents.

Table 7. Fatal work accidents in the construction sector in Serbia by cause, 2013-2016

	2013	2014	2015	2016	Total 2013-16
Fall from height	8	7	10	12	37
Earth backfilling	3	1	2	5	11
Electric shock	1	1	1	2	5
Falling object	0	1	0	2	3
Other	2	2	2	1	7
Total	14	12	15	22	63
Share					
Fall from height	57.1%	58.3%	66.7%	54.5%	58.7%
Earth backfilling	21.4%	8.3%	13.3%	22.7%	17.5%
Electric shock	7.1%	8.3%	6.7%	9.1%	7.9%
Falling object	0.0%	8.3%	0.0%	9.1%	4.8%
Other	14.3%	16.7%	13.3%	4.5%	11.1%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Share of all sector					
Fall from height	-	57.1%	83.3%	92.2%	81.2%
Earth backfilling	-	50.0%	100.0%	79.4%	76.0%
Electric shock	-	80.0%	13.2%	28.0%	40.5%
Falling object	-	9.4%	22.2%	56.7%	28.1%
Other	40.0%	31.6%	39.5%	52.4%	41.5%

Source: Labour Inspectorate annual reports

As provided in the previous section, the size of construction enterprises can be regarded as a proxy indicator of their position in the supply chain. Table 8 presents the number of severe and fatal work accidents by the size of enterprises in the construction sector.⁹ It should be observed that in 2016, 80 percent of fatal accidents occurred in micro and small construction companies. Moreover, an increasing number of severe accidents occurred in medium construction companies. Experts point out that the actual number of severe accidents in small and micro companies could be higher because it is possible to hide even severe work accidents in small and micro construction sites as they are rarely inspected by labour inspectors. These observations support the view that the use of subcontracting transfers accident risks to workers at the end of the supply chain who often experience poor working conditions and have relatively less protection.

⁹ The authors express sincere appreciation to the Labour Inspectorate of Serbia for compiling the data of work accidents in the construction sector by size of enterprises for the purposes of this study.

Table 8. Severe and fatal work accidents in the construction sector in Serbia by size of enterprises, 2013-2016

Severe accidents					
	2013	2014	2015	2016	Total 2013-06
Micro (0-9)	16	17	15	10	58
Small (10-49)	33	29	21	19	102
Medium (50-249)	29	28	38	69	164
Large (250 or more)	34	33	27	24	118
Total	112	107	101	122	442
Share					
Micro (0-9)	14.3%	15.9%	14.9%	8.2%	13.1%
Small (10-49)	29.5%	27.1%	20.8%	15.6%	23.1%
Medium (50-249)	25.9%	26.2%	37.6%	56.6%	37.1%
Large (250 or more)	30.4%	30.8%	26.7%	19.7%	26.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
Fatal accidents					
	2013	2014	2015	2016	Total 2013-06
Micro (0-9)	3	3	4	8	18
Small (10-49)	7	3	6	10	26
Medium (50-249)	2	5	3	3	13
Large (250 or more)	2	1	2	1	6
Total	14	12	15	22	63
Share					
Micro (0-9)	21.4%	25.0%	26.7%	36.4%	28.6%
Small (10-49)	50.0%	25.0%	40.0%	45.5%	41.3%
Medium (50-249)	14.3%	41.7%	20.0%	13.6%	20.6%
Large (250 or more)	14.3%	8.3%	13.3%	4.5%	9.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

3. Views of key stakeholders

To supplement the analysis of work accident data, a series of interviews were conducted with key stakeholders in Serbia. The interviews were conducted in August and September of 2017. Annex 1 summarizes the list of interviewed persons and their backgrounds. The main points are summarized as follows:

Representatives of construction companies claimed that there is a serious shortage of qualified workforce. They suggested that vocational education programmes in building and construction should be improved and focus more on OSH. Furthermore, it is essential for managers and foremen to improve their capacity to implement OSH measures at construction sites. Some employers and foremen tend to neglect technological discipline or safety rules in order to lower their costs or to speed up the process to meet the deadlines.

All interviewed persons deem subcontracting necessary for the construction industry. This is mainly due to the lack of skilled craftsmen in Serbia, where contracting companies need to use subcontractors for tasks which cannot be completed by their own workers, such as heating and climatization. Large companies usually create a list of specialized technicians for these special works and maintain business relationships with them as subcontractors. Subcontractors are also used for certain tasks in the final craft works, as it is more efficient for a company to outsource some of the final craft works to subcontractors than to finish them with its own existing employees. The subcontractors are paid on the basis of the tasks accomplished. Thus, they are more motivated to finish the job as soon as possible and move on to the next one. More importantly, subcontracting helps large and medium construction companies to cope with seasonal market fluctuation while maintaining a fixed number of their own workforce.

In general, large construction companies are committed to allocate resources to develop OSH expertise and apply safety procedures and standards. Many large companies in Serbia have obtained certification of ISO 9000, ISO 14000 and ISO 18000 standards. Some main contractors even require their subcontractors to sign an annex on OSH to the main contract.¹⁰ The OSH annex specifies the duties of each contracted party and OSH coordinator. Furthermore, some main contractors also assume the responsibility for work accidents of the workers of subcontractors under their supervision.

In cases of violation of OSH rules, labour inspectors submit inspection reports to the court. However, such cases are rarely prosecuted in the court.

¹⁰ An example is attached as Annex 2.

In many cases, use of personal protective equipment is not fully complied with. Even though employers provide modern personal protective equipment, there is a tendency among the workers to avoid its use. Employers should ensure that their employees use personal protective equipment properly.

In addition, it was reported that only large construction companies conduct alcohol testing for all workers at their construction site. No construction company in Serbia provides the test of psychoactive substance abuse. Employers should not allow workers to work in high risk work places without proper health screening, including a strict control of the use of alcohol and psychoactive substances.

Some interviewees highlighted the lack of regulation within the construction sector in Serbia. They stated that there are no minimum criteria for the registration of construction companies. For instance, some small construction companies are established for a single use. They typically employ unregistered workforce and are closed after finishing one project. It would be hard to expect that such companies pay due attention to OSH.

4. Review of the current national OSH system for the construction sector

4.1. Legislation on OSH in construction

The Law on Occupational Safety and Health¹¹ is a fundamental law in the field of OSH. The Law establishes the rights and obligations of workers and employers, and foresees prevention measures of work accidents and occupational diseases. The Law reflects the requirements set forth in the current ILO Conventions and Recommendations as well as other international standards in this field. The Labour Code¹² also contains the provisions on OSH.

Concerning the construction sector, Article 18 of the Law on Occupational Safety and Health requires the employer to notify the Labour Inspectorate about the commencement of construction eight days in advance and provide the Inspectorate with a plan of the construction site. The employer is obliged to provide, maintain and implement safety and health measures at the construction site, and promptly inform the Labour Inspectorate in the event of any damages which could jeopardize the construction work.

The Law on Planning and Construction¹³ regulates the responsibilities of contractors and subcontractors. Article 152 of this Law stipulates that subcontractors are liable for preventive OSH measures on construction sites for their employees.

Article 4 of the Regulation on safety and health at work on temporary or mobile construction sites¹⁴ stipulates that when an investor contracts two or more contractors at the same time, the investor is obliged to designate project coordinators responsible for supervision at each construction site. However, there is no limit to the number of construction sites supervised by one coordinator. In addition, if a construction work takes more than 30 days and involves more than 20 employees working on a construction site, or if the planned work takes a total of more than 500 person-days, the investor is obliged to submit a Prevention Plan and the construction site report forms to the responsible Labour Inspection Office. However, the implementation of this regulation is facing challenges. Currently, only about 20 percent of the investors have nominated project coordinators.

¹¹ Official Gazette of the RS No. 101/2005, 91/2015 and 113/2017.

¹² Official Gazette of the RS No. 24/2005, 61/2005, 54/2009, 32/2013, 75/2014, and 113/2017.

¹³ Official Gazette of the RS No. 72/2009, 81/2009, 64/2010, 24/2011, 121/2012, 42/2013, 50/2013, 98/2013, 132/2014 and 145/2014.

¹⁴ Official Gazette of the RS No. 14/2009 and 95/2010.

More detailed rules on OSH in the construction sector are provided in a number of rulebooks.¹⁵ The two most relevant among them are:

- the Rulebook on the contents of the project of the layout of the construction site, which requires that the construction project must be carried out at the actual site, and that necessary information must be included such as the list of high-risk job positions, names of the workers engaged in those positions and the results of their medical examinations, as well as the list of employees trained in OSH measures set out in the relevant study, and
- the Rulebook on protection at work during construction activities, which regulates preventive OSH measures that must be provided by the employer and applied directly at each site, regardless of the type of work. It prescribes special OSH measures that are applied during construction work, such as the setup of the construction site, groundwork, work on heights, work on platforms and ladders, protection from the falls from height, masonry works, etc.

4.2. Key actors and national actions in OSH in construction

In Serbia, the Labour Inspectorate and the OSH Directorate, under the Ministry of Labour, Employment, Veteran and Social Policy, share the responsibility for the development and enforcement of the national OSH policy. The OSH Council – a multi-party body consisting of representatives of relevant ministries, academic and medical institutions as well as social partners – prepares the national OSH strategy and its action plan. In addition, the Ministry of Construction, Traffic and Infrastructure is in charge of the supervision of the Construction inspectorate. There is no formal coordination mechanism between these institutions which work on OSH in construction.

The Labour Inspectorate currently has 240 labour inspectors.¹⁶ The Government plans to increase the number of labour inspectors to 274 by the end of 2019. During 2017 each labour inspector was tasked to conduct at least 90 labour inspection with regard to OSH, most of which took place in hazardous construction sites.

Both the Labour Inspectorate and the OSH Directorate are aware that the construction sector in Serbia has a record of high numbers of severe and fatal occupational accidents. Thus, the construction sector in Serbia has been the target of various awareness-raising campaigns and trainings on OSH.

¹⁵ A list of rulebooks related to occupational safety and health in construction is found in Reference.

¹⁶ The estimated number of employees per labour inspector was 11,500 in 2017 in Serbia. The level exceeds the ILO benchmark for transition economies (20,000) and is close to the benchmark for industrialized economies (10,000).

Actions taken by the Labour Inspectorate have mostly been clustered in campaigns of intensive inspection of major infrastructure construction sites, while little has been done on capacity building of workers with regards to OSH.¹⁷ During these intensive inspection campaigns the focus has been on OSH, but also the identification of unregistered workers.

In addition, trade unions of construction workers have organized several campaigns called “Let’s build safely” between 2004 and 2016 with support from various partner organizations, including the ILO. The campaigns have focused mostly on awareness raising of the trade union members through the dissemination of information and education materials.

4.3. Assessment list of construction companies

The Ministry of Construction, Traffic and Infrastructure prepared and published the “White” and “Black” list of companies in 2014. According to the Ministry, the ranking was based on the ILO Labour Clauses (Public Contracts) Convention, No. 94, which Serbia ratified in December 2014. Construction companies are ranked on the basis of their total points calculated from the following table:

Worker in open-ended employment	+3 points per worker
Worker in temporary employment	+2 points per worker
Worker in periodical employment	+1 point per worker
Unregistered worker	-1,000 points per worker
Severe work injury	-500 points per case
Minor work injury	-100 points per case
Debt	-1 point per 10,000 RSD

As provided in the above table, the point system attaches more emphasis on the informal employment than work accident record. Moreover, the system does not consider fatal work accidents.

The list from 2014 included 540 construction companies, of which 327 were on the White list and 213 on the Black list. It is not clear as to how the two groups of companies were distinguished in terms of their cut-off point. Out of the 213 companies on the Black list, 87 were so-called “phantom” companies without employees. In December 2016 the Ministry updated the list of 605 construction companies, of which 330 were on the White list and 275 on the Black list.¹⁸

There is a need for an updated profile of each construction company to be used as reference for the bidding of state-financed infrastructure projects. However, the “White and Black” list cannot serve this purpose, because it does not include key company data, e.g. experiences, total capital, technical equipment, accident record.

¹⁷ In 2008 and 2009, the state authorities started national action “Safety and health on construction sites” with support of “Holcim.” Experts visited construction sites and advised contractors on preventive measures.

¹⁸ <http://www.mgsi.gov.rs/cir/dokumenti/bodovne-liste-izvodjacha-i-dobavljacha>

4.4. Employment injury benefits

Article 53 of the Law on Occupational Safety and Health stipulates that “Employer shall be liable to insure employees for injuries at work, occupational diseases and work-related diseases, in order to ensure compensations. The financial means for insurance (...) shall be borne by employer.”

Employment injury benefits are provided mainly through two social insurance systems. They are based on the Health Insurance Law administered by the Health Insurance Fund, and the Pension and Disability Insurance Law administered by the Pension and Disability Insurance Fund. It should be noted that the payment of sick leave benefits (salary benefits) for temporary incapacity to work is a direct financial liability of the employer. The main employment injury benefits are summarized below:

(i) Medical care

Workers can receive comprehensive medical care from health care providers contracted by the Health Insurance Fund. For work-related cases, the health insurance covers the full cost of examination, treatment and (medical) rehabilitation.

(ii) Cash benefits for temporary incapacity to work

On the occurrence of an accident or a disease, cash sickness benefits for temporary incapacity to work, commonly referred to as salary benefits, are payable for up to six months. For work-related cases, the benefit is set at 100 percent of the base salary and the employer is responsible for the payment of the benefit throughout the entire duration of the incapacity.

(iii) Disability pensions for permanent loss of capacity for work and other benefits

If the injured worker is not fit for work after six months and assessed as permanent disability, disability pensions are payable by the Pension and Disability Insurance Fund.

In addition, the Pension and Disability Insurance Fund provides a fixed-rate cash benefits on grounds of “bodily impairment” caused by a work injury or an occupational disease. There is also cash compensation payable for individuals who provide care for insured persons or pensioners who, due to injury or sickness, require constant attendance for their basic life needs.

(iv) Survivors’ pensions and funeral grants

In the event of fatal cases, survivors’ pensions are payable. In addition, a funeral grant is payable to a person who covered the funeral cost of the deceased person.

For compensations which are not directly related to the capacity for work, victims of work accidents or their family have the right to initiate a lawsuit against the employer.

In Serbia, occupational risk management is undertaken by different institutions, including the OSH Directorate, the Labour Inspectorate, the Health Insurance Fund, and the Pension and Disability Insurance Fund. For a better occupational risk management, a closer coordination between these institutions should be promoted. This view is recognized by the Law on Occupational Safety and Health of Serbia. Article 52 of the Law states that “Employers, trade unions, insurance companies, organizations authorized for health and pension and disability insurance shall be liable to cooperate in adopting common views on issues concerning promotion of safety and health at work, as well as to take care about development and promotion of the general culture regarding safety and health at work, in accordance with this Law.”

Also, Article 53 of the same Law stipulates that “Employer shall be liable to insure Employees for injuries at work, occupational diseases and work-related diseases, in order to ensure compensations. The financial means for insurance (...) shall be borne by Employer, and they shall be determined subject to the level of risk from injury, professional disease or work-related disease with regard to the workplace and working environment. The requirements and procedures concerning insurance from injuries at work, occupational diseases and work-related diseases of Employees shall be governed by the Law.” The government plans to prepare a draft law on the employment injury insurance by 2022.

5. Conclusions and recommendations

From the analysis made in this report, the following conclusions and recommendations can be derived:

(i) Effective enforcement of the OSH legislation in construction

Serbia has comprehensive legislation on OSH in the construction sector, however the recognized problem is its enforcement. The major issues are as follows:

- OSH committees in most of the construction companies are not established or not functioning. As a result, not all employers in the construction sector have conducted risk assessment according to the rulebook on risk assessment on workplace and working environment. Moreover, even if construction companies did conduct risk assessment, most of them were done formally and did not take action to reduce the assessed risk.
- Despite the regulatory requirement, only 20 percent of employers in the construction sector have nominated OSH coordinators. Furthermore, one coordinator is responsible for several construction sites at the same time. For an effective supervision, limits should be introduced on the number of construction sites and the number of workers per one coordinator.

It should also be noted that national standards for the construction sector need a revision to keep up with modern technological standards, especially those concerning scaffolds and fall protection equipment for work at height. For instance, tubular scaffolding which are widely used by Serbian construction companies are not considered safe enough.

Despite the prevalence of non-reporting, the reported work accident statistics indicate that 80 percent of fatal accidents occurred in small and micro construction companies which mainly work as subcontractors in the supply chain within construction. It is, therefore, important that the national effort to improve the OSH conditions should effectively cover small and micro construction sites. The OSH coordinators should play a key role in ensuring that safety measures are properly observed by all workers on construction sites that they supervise.

Concerning occupational health, it is widely known that mandatory medical check-ups are not organized regularly. Moreover, check-ups are superficial and of low quality. Apart from periodical check-ups, only a limited number of employers in the construction sector have contracts with occupational health services.

Simultaneously, the construction market in Serbia should be better regulated so as to limit the abuse of subcontracting as well as to increase the transparency of mutual responsibilities of the investors and contractors.

(ii) Improvement of labour inspections of construction sites

Labour inspection is a major regulatory instrument for the enforcement of labour laws including OSH legislation and standards. Apart from the shortage of equipment for labour inspection, only a limited number of labour inspectors have technical expertise in the inspection of construction sites. The technical capacity of labour inspectors should be strengthened so as to provide integrated services and conduct more safety inspections with the currently available resources. In view of the high number of work accidents in construction, it is recommended that additional training should be provided to labour inspectors with regards to inspection of construction sites, particularly focusing on small and micro construction sites.

Prevalence of the informal employment is one of the major causes of the poor OSH performance of the construction sector. Concerted and immediate actions should be taken to combat against the informal employment. However, the informal economy is a deep-rooted problem. Measures for the reduction of unregistered work require long-term commitment and continuous efforts of all stakeholders. Above all, there should be a strong political will to change the current situation.

(iii) Need for strengthening the capacity of employers and workers, particularly construction site supervisors

As compared to large enterprises, small and medium construction companies only possess limited resources and expertise in OSH. Many small enterprises are still using outdated technical equipment for construction work. As small and micro construction sites are rarely visited by labour inspectors, these sites involve serious OSH risks.

There is a large unmet need for both employers and employees to strengthen their capacity to improve OSH in construction. In particular, it is crucial that OSH coordinators should be better trained in order to find best possible solution for construction technology and implement practical OSH measures effectively. Trade unions should also increase their activity on OSH by organizing education and training on OSH and promoting a safety and preventative culture.

(iv) Improvement in reporting of work injuries and occupational diseases

Generally, the lack of comprehensive knowledge on work accidents and occupational diseases is a fundamental weakness in the current OSH system in Serbia. A significant under-reporting hinders the formulation of effective prevention policies. Priority action should be taken to improve the current system of notification and recording of work accidents and occupational diseases by a greater use of IT systems.

Concluding remarks

The construction sector in Serbia is facing huge challenges in protecting workers from workplace hazards, preventing occupational accidents and diseases, and improving the general working environment. To achieve these goals, the Government and social partners should be committed to develop and implement effective OSH policies with an enhanced capacity, and to promote a safety and preventative culture.

The ILO stands ready to support this process in order to improve occupational safety and health in the construction industry in the framework of the Decent Work Country Programme for Serbia.

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Law on Planning and Construction (Official Gazette of RS No. 72/09, 81/09 – correction 64/10 – SC, 24/11, 121/12, 42/13 – SC, 50/13 – SC, 98/13 – SC, 132/14 and 145/14).

Regulation on safety and health at work on temporary or mobile construction sites (Official Gazette of RS No. 14/09 and 95/10).

Rulebooks:

Rulebook on the contents of the project of the layout of the construction site (Official Gazette of RS No. 121/12 and 102/15).

Rulebook on preventive measures for Safety and Health at Work (Official Gazette of RS No. 21/09).

Rulebook on protection at work during construction activities (Official Gazette of RS No. 53/97).

Rulebook on risk assessment on workplace and working environment (Official Gazette of RS No. 72/06, 84/06 – correction 30/10 and 102/15).

Rulebook on preventive measures for safe and healthy work when using equipment for work (Official Gazette of RS No. 23/09, 123/12 and 102/15).

Procedure of inspection and verification of equipment for work and working environment conditions (Official Gazette of RS No. 94/06 and 108/06 – correction 114/14 and 102/15).

Rulebook on general measures of protection at work from the dangerous effect of electrical current in buildings intended for work, workspaces and worksites (Official Gazette of RS No. 21/89).

Rulebook on preventive measures for safe and healthy work when using personal protective equipment (Official Gazette of RS No. 92/08).

Rulebook on preventive measures for safe and healthy work during asbestos exposure (Official Gazette of RS No. 108/15).

Rulebook on preventive measures for safe and healthy work when using chemicals (Official Gazette of RS No. 106/09).

Rulebook on preventive measures for safe and healthy work for manual load lifting (Official Gazette of RS No. 106/09).

Websites:

Statistical Office of the Republic of Serbia.	http://www.stat.gov.rs
United Nations Economic Commission for Europe	http://w3.unece.org/PXWeb/en
Serbian Ministry of Labour, Employment, Veteran and Social Policy	http://www.minrzs.gov.rs
College of Civil Engineering and Geodesy	http://www.vggs.rs/index.html
Paragraf Lex Serbian Legal and Financial Information Database	http://www.paragraf.rs

Annex 1.

List of persons interviewed

Mr. Boro Cvijanović, Energoprojekt Visokogradnja (Serbian construction company with 650 employees)

Mr. Jovan Krstović, Secretary of the Association of Construction and Building Materials and Housing (member of the Chamber of Commerce and Industry of Serbia)

Mr. Nikola Malbaša, Owner of Jadran D.O.O. (Serbian construction company of final craft works employing 386 workers)

Mr. Zoran Opačić, Director of ZOP Inženjering (Serbian construction company with about 250 employees)

Mr. Aleksandar Seizović, Head of Department for Unified Procedure, Ministry of Construction, Transport, and Infrastructure of Serbia

Mr. Saša Torlaković, President of the Autonomous Union of Building and Construction Industry Workers of Serbia (member of the Confederation of Autonomous Trade Unions of Serbia)

Mr. Dragoslav Tomović, President of the Society of Occupational Safety and Health of Serbia

Ms. Ivana Vuletić, Deputy Secretary of the Association of Construction and Building Materials and Housing (member of the Chamber of Commerce and Industry of Serbia)

Annex 2.

Example of OSH annex in a subcontractor contract

CONTRACT FOR CONSTRUCTION WORKS

Made on the day of XXXX in XXXX,
between:

XXXX (hereinafter: **Contractor**)

and

XXXX (hereinafter: **Subcontractor**)

Article 1

Contracting parties jointly state that the Contractor has signed the Contract with the Employer "XXXX", registered with the Contractor under the number XXXX on the execution of construction works on XXXX which shall present an integral part of this Contract (hereinafter: **Main Contract**).

The Subcontractor shall confirm that they have reviewed and accepted the main Contract provisions and that they shall accept all relevant rights and liabilities related to their part of the contracted works awarded to the Contractor pursuant to the aforementioned contract.

SUBJECT OF THE CONTRACT

Article 2

The subject of this Contract is the execution of construction and craft works by the Subcontractor for the needs of the construction works on the facility referred to in the Article 1 of this Contract.

The Contractor shall allow and the Subcontractor shall accept to use their proper construction equipment, machines and workforce to carry out construction craft works, as well as all other operations required for the full execution of the works specified in this Contract, in accordance with the project documentation, work schedule, technical description and specifications, valid technical rules, accessibility standards, quality standard and norms applying to specific types of works, equipment and installations, workmanship rules, this Contract and the accepted Bid submitted by the Subcontractor on XXXX which forms an integral part of this Contract (hereinafter: **the Bid**) and contains a detailed description of works referred to in Article 1 with agreed unit costs, and in accordance with the laws, regulations, standards and norms regulating this type of works and in line with workmanship rules (hereinafter: **Works**).

MANNER OF WORKS' EXECUTION

Article 3

The Subcontractor shall execute and complete the Works in a professional and high quality manner in accordance with the laws, regulations, standards and norms regulating this type of works and in line with workmanship rules.

The Subcontractor shall execute and complete the Works with due entrepreneurial

diligence, i.e. the level of attention required in the legal transactions within the framework of a business relationship.

The Subcontractor shall execute and complete the Works with due professional diligence, i.e. the level of increased attention required from a professional operating in a certain field, in accordance with the workmanship rules and customs.

The Subcontractor shall take into consideration the specificities of the site and hence shall respect all limitations related to special transport regimes, protection of environment from pollution, as well as implement other occupational safety and health measures, as well as other measures specified by relevant regulations.

DEADLINES

Article 4

The Subcontractor shall initiate the execution of Works immediately after the signing of this Contract, and shall complete the said Works within XX days from the possession of site at the latest. It shall be considered that the Subcontractor is in the possession of site after the fulfilment of following requirements:

- The Subcontractor has received the technical and project documentation needed for the initiation of Works,
- The Subcontractor has received the decision on the appointment of the Consulting Engineer,
- Contractor has paid the agreed advance payment after the signing of the Contract and timely delivery of collateral,
- Contractor has given unobstructed possession of the site,
- Contractor has delivered the decision on appointment of licensed contractor.

The Subcontractor shall register the date on which they received possession of the site in the construction log book and that date shall be considered as the first day of works.

In the case the Subcontractor fails to initiate works after taking possession of site, or within the additional 8 day timeframe, the Contractor shall be allowed to unilaterally annul this Contract, with return of advance payment and execution of collateral.

VALUE OF WORKS AND PAYMENT METHODS

Article 5

The value of the works has been contracted per measurement unit, and without VAT it amounts to XXXX dinars.

The total value of executed works shall be determined as the product of actually executed amount of works and the unit costs provided in the Bid.

VAT is calculated and paid pursuant to relevant laws.

The agreed price identified in the Bid shall be fixed and it shall not be amended in the case of fluctuating market prices of labour force and materials. It covers all the costs related to contracting of the Subcontractor's proper equipment, machinery and workforce, as well as the costs of site protection and security during the execution of works in the location where the Works are performed.

Article 6

(...)

GUARANTEES

Article 7

(...)

WARRANTY PERIOD

Article 8

The Subcontractor shall guarantee for the quality of all works executed under this Contract for the period of 2 (two) years, starting from the day of the technical acceptance by the authorized institution. The Subcontractor shall perform all the works,

repairs and elimination of defects appearing in his work at their own expense, and at the written demand of the Contractor resulting from the inspection requested by the Owner and/or Supervisory and/or authorized institution prior to the expiry of the warranty period.

In the case the Subcontractor fails to remove all the observed defects out of any reason, the Contractor shall reserve the right to contract another Subcontractor at the expense of the first Subcontractor, where the first Subcontractor shall provide compensation for any damages the Contractor has incurred.

(...)

OBLIGATIONS OF THE SUBCONTRACTOR

Article 9

The Subcontractor shall perform the contracted works with due care and diligence, in accordance to the relevant regulations, and after the completion of works shall deliver them to the Contractor.

The Subcontractor shall especially:

- provide all preventive and protective measures for secure, safe and healthy work of all persons, equipment and materials present at the site, pursuant to the law, where the Contractor shall not be held liable during the execution of works until the delivery thereof.
- provide written notice to the Contractor on perceived defects in the technical documentation and the unforeseen circumstances influencing the execution works and implementation of the technical documentation.
- The Subcontractor shall provide the workforce and technical equipment required for the execution of contracted works in order to meet the deadlines.
- The Subcontractor shall repair any damages to persons or buildings made during the execution of works, and shall do so at their own expense.

ADDITIONAL WORKS

Article 10

If the need for additional works as defined in the Article 9, paragraph 1, item 5 of The Specific Rules on Construction (“Official Gazette of SFRY, No.18/77”) arises during the execution of contracted works, The Subcontractor shall halt the execution thereof and provide a written notice (entry in the construction log book) to the Contractor and the Consulting Engineer.

After the delivery of Contractor’s written approval (entered in the construction log book by the Contractor’s Consulting Engineer), the Subcontractor shall execute additional works, where the total value thereof shall not exceed 10% of the contracted value within the framework of the assessed value.

Unit costs for all certificates in line with specification of works from the Subcontractor’s accepted bid for which additional works are identified shall remain fixed and unchangeable.

Execution of the additional works in the value of up to the 10% of the total value of contracted works shall not result in the prolonged deadlines for the completion thereof.

The total contracted cost shall be reduced in the case of registered absence of works identified in bill of quantities’ unit costs.

The real value of executed works identified by this contract shall be determined through final calculation on the basis of actually executed quantity of works entered in the construction log book, verified by the Consulting Engineer and Contractor, through implementation of fixed unit costs provided in bill of quantities, and in line with the provisions of this Contract and requirements provided in tender documents.

The complete documentation required for verification of certificates: construction log

book papers, appropriate certificates for materials and equipment, and other documents shall be delivered by the Subcontractor to the Consulting Engineer who shall keep that documentation until the acceptance of works and final calculation, where the certificates shall not be paid otherwise.

RESPONSIBILITIES OF THE CONTRACTOR

Article 11

The Contractor shall:

1. Appoint an authorized representative – Consulting Engineer
2. Execute all payments to the Subcontractor in the agreed deadline
3. Accept the executed works in the agreed deadline.

COLLATERALS

Article 12

(...)

SUPERVISION OF WORKS

Article 13

The supervision over the works identified in this Contract shall be implemented by the Contractor's Consulting Engineer.

The Subcontractor shall accept all remarks provided by the Contractor's Consulting Engineer that relate to the works quality and timetable.

COMPLETION OF WORKS, DELIVERY AND FINAL CALCULATION

Article 14

After the completion of works, the Subcontractor shall inform the Consulting

Engineer and the Contractor that the works have been completed, and the date of completion shall be entered in the construction log book.

Minutes shall be taken during the acceptance of the works, and if defects are registered on this occasion, the Subcontractor shall remove them at their own expense without any further ado or in the deadline provided by the Contractor. If the Subcontractor fails to remove the said defects in the provided deadline, the Contractor shall recruit another Subcontractor for these purposes at the expense of the original Subcontractor.

The acceptance minutes shall be signed by the representatives of the Contractor and Subcontractor.

After the completion of works, the Subcontractor shall remove all the equipment and temporary facilities used during the works from the site, as well as remaining debris.

TRANSITIONAL AND FINAL PROVISION

Article 14

The contracting parties shall attempt to resolve any disputed issues from this Contract peacefully, and if this proves impossible, the dispute shall be adjudicated by the local competent court.

The contracting parties shall agree that their relationship shall be subject to the substantive law of the Republic of Serbia and The Specific Rules on Construction.

Article 15

(...)

CONTRACTOR

SUBCONTRACTOR
