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**Enabling Labor
Mobility Project
(ELMO)
Bosnia-Herzegovina**

in cooperation with

the Ministries of Labor and Inspection
Administrations of Republika Srpska and
the Federation of Bosnia i Herzegovina,

selected Cantonal Administrations,

the District of Brcko and the Social Partners of
RS and the FBiH

Project ELMO, Component 3: Labour Inspection
Systems Development

4 years on: Some lessons learnt

Banja Luka, 18 May 2010

Bosnia and Herzegovina (BiH):

Two Entities: Republika Srpska
and the Federation of BiH
10 Cantons within the FBiH, and
the District of Brcko



Project ELMO: 3 Components

1. Tax reform
2. Labor Law and Industrial Relations Reform
3. Labor Inspection Systems Reform



The Point of Departure: (May 2006)

- A country in the process of reconstruction
- Very heterogenous, outdated legal frame
- A still largely « socialist » OS&H concept
- Payment for Risk (« Danger money »)
- Dychotomy between «relations » and « protection » inspection
- No modern Occupational Health Inspection
- No separate Workmens Compensation Insurance
- No **PREVENTION** focus



The Point of Departure: (continued)

- ILO C. 81: Ratified in 1993 but not implemented
- C. 129: LI in Agriculture Convention: likewise
- C. 148: Working Environment: ratified, not applied
- C. 155: Occupational Safety and Health: ditto
- C. 161: Occupational Health Services: likewise

- EU OS&H Directive 89/391: not transposed, not applied, Social Partners not readily aware of its content, purpose
- Social Partners, administrations widely unfamiliar with the more than 20 « Daughter » Directives, e.g.: 89/654 on Minimum Safety and Health Requirements for the Workplace



The Point of Departure: (ctd)

- ❖ Newly set up Inspection Administrations with LI services in RS, FBiH, BD and a minority of Cantons
- ❖ But: RS, FBiH and BD Ministries of Labor still responsible for LI Policy, Legislation, Regulations
- ❖ **No responsibility for the State of Bosnia i Herzegovina in Labor and Social Policy matters**
- ❖ But the State is responsible for ratification and application of ILO Conventions -
- ❖ Which, if they cover LI or OS&H, require an integrated, nationwide approach to Implementation



ELMO Component 3 (LI): “Foster Compliance & Enhance Enforcement”

- **Task 3.1:** Enable the legal framework to strengthen the role of labor inspection nationwide
- **Task 3.2:** Upgrade the technical and inspection capacity of selected labor inspectorates
- **Task 3.3:** Provide hardware and software to selected LIS to enhance technological capacity for verification of compliance with labor law obligations
- **Task 3.4:** Develop and deliver training to tax inspectors on technical aspects of enforcement of social contributions obligations and other relevant issues
- **Task 3.5:** Conduct public education campaigns to raise compliance with labor code obligations in selected sectors and other activities as feasible

The "ELMO" Strategy:

Labor Inspection must assume the tasks of:

- Formulating a clear vision; a mission
- Re-orienting services towards new goals, while respecting continuing relevance of certain traditional goals;
- Effectively implementing all labor inspection activities, with focus on prevention;
- Increasing efficiency, developing new policies, strategies, procedures, intervention methods;
- Optimizing, monitoring and evaluating qualitative and quantitative impact;
- Using modern IT and IMS to maximum effect (with hardware provided by ELMO).



Achievements (I): Republika Srpska

- A new OS&H Law compatible with ILO C. 155 and EU 391/81, with risk assessment at its core and more emphasis on employers' responsibility for prevention
- A broader, more innovative, holistic approach to OS&H
- A new, modern Labor Inspection Enforcement Policy adopted by the RS ECOSOC; LI is understood to be contributing fully to realizing the new OS&H strategy
- A new IT-based Management Information System
- A new HRD Policy and activities: Training needs analysis, trainer-training, specialist training e.g. occ. hygiene & health
- Activities for the Social Partners: Risk Assessment training, awareness raising through conferences, seminars, study tours



Achievements (II): Federation of BiH

- ❖ A modern OS&H Law drafted, compatible with ILO C. 155 and EU D. 391/89
- ❖ A new integrated LI Enforcement Policy developed, discussed with Social Partners
- ❖ Trainer training for integrated LI
- ❖ Multiple awareness-raising activities
- ❖ Tripartite study visits to new/old EU countries



Achievements (III): Selected Cantons and Brcko District

- An fully integrated LI service in several Cantons (Gorazde, Tuzla, Zenica)
- A functional workplace IMS (Tuzla)
- IT for labor inspectors in all Cantons
- Effective Trainer-Training (most Cantons)
- Legislative review, policy reform (Brcko)
- Study tours to SEE and WE countries



Strong Points

- ⊗ A strong donor, adequate resources
- ⊗ Large degree of flexibility for implementation
- ⊗ The ELMO project: highly motivated, professional (local) staff, excellent team work
- ⊗ Solid technical support from ILO Budapest
- ⊗ Excellent local initiatives: RS, BD, several Cantons
- ⊗ Benchmarking with regional best practice, e.g.:
 - Bulgaria: Integrated LI, Workmens' Compensation
 - Croatia: EU approximation, transposition of « DDs »
 - Poland : Modern LI HRD for high performance
 - Serbia: Occupational Hygiene/Health Inspection



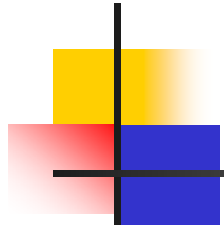
Weak Points

- ⊗ **Insufficient involvement** of different potential target groups in project design and preparation for project implementation
- ⊗ (Possibly as a result): Lack of **(political) will** for effective, sustainable cooperation (FBIH Inspection Administration, some Cantons)
- ⊗ No functioning tripartite project **advisory/steering committees** in either entity to ensure/take reliable decisions on implementation issues
- ⊗ Sometimes **problematic relations** between MoLs and LIs in both entities on development of OS&H and LI policy, legislation, procedures issues
- ⊗ Little if any **commitment** from employers on OS&H in general, and on reforming/strengthening LI services (all entities) -
- ⊗ - or from Trade Unions on crucial issues, such as **promoting Prevention** instead of « Payment for Risk » (and others)
- ⊗ **Lack of familiarity** with ILO/international best practice leading to mistrust of project's intentions -
- ⊗ Therefore little if any real « **ownership** » of ELMO by Social Partners (the ultimate « **beneficiaries** » of the project!)



Conclusions

- ❖ Significant achievements in many partner jurisdictions (RS, Brcko, selected Cantons)
- ❖ Modern OS&H concepts firmly established in the legal frame (though FBiH still only in draft)
- ❖ Modern LI policies and procedures developed, discussed in a tripartite context, adopted in RS and some Cantons
- ❖ Significant training provided, training manual developed
- ❖ RS, Brcko and selected Cantons well on the way to fully integrated LI (OS&H and « relations ») – giving effect to the principle of « One inspector – one enterprise »
- ❖ Overall positive implementation track record – but much still remains to be done!



Thank you for your attention!

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