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## **Social Security Co-ordination and Social Security Reforms**

SSCSSR(2008)2SC3REPFIN

### **2<sup>nd</sup> MEETING OF THE REGIONAL STEERING COMMITTEE**

2 December 2008

Hotel Balkan, Belgrade  
Serbia

**DRAFT MEETING REPORT**

## **1. Opening and welcoming remarks**

Mr. Miroslav BRKIĆ, Assistant to the Minister of Labour and Social Policy of Serbia, opened the meeting with his welcoming speech. He greeted the participants on his own behalf, as well as on behalf of the Ministry.

Serbia is satisfied with the activities implemented by the SSCSSR Programme in the region. Especially the Summer School and Speaking Days are considered to be very useful. The efforts of the Council of Europe and European Commission are very much appreciated.

Financial crisis creates a certain level of insecurity, challenging the Beneficiary Parties. However, the Programme is capable of solving potential problems in the future.

Ms. Verena TAYLOR, Head of the Social Policy Department, Directorate General of Social Cohesion of the Council of Europe, welcomed the participants and introduced herself. She explained the place and role of the SSCSSR Programme in the activities of the Council of Europe. She also presented the organisation of the Directorate General III – Social Cohesion, and informed the participants about high level international activities planned for 2009, thus underlining the importance of the modern concept of Social Cohesion.

Mr. Alexander KOSTANYAN, Regional Programme Co-ordinator (SSCSSR Regional Programme Office) welcomed the participants and proposed Dr Šerifa GODINJAK, the representative of Bosnia and Herzegovina to chair the meeting according to the Article 7 of the Terms of Reference.

He also presented the message from Mr. Sixto MOLINA, SSCSSR Programme Manager, addressed to the Steering Committee members regarding his absence at this meeting.

Dr. Šerifa GODINJAK, Head of the Unit for European Integration and International Co-operation, Department for Health, Ministry of Civil Affairs of Bosnia and Herzegovina, welcomed the participants and thanked the Serbian authorities and the Secretariat for organising the meeting. She introduced herself and passed the floor to the next participant.

After the tour de table, all participants (Steering Committee members, Secretariat, Experts and Observers) introduced themselves and described shortly their positions and activities they are responsible for in their respective organisations.

The draft agenda of the meeting was accepted without discussion.

## **2. State of implementation and monitoring process**

Mr. Pascal HERRY, Programme Manager, DG Enlargement of the European Commission, presented the state of implementation and monitoring process of the SSCSSR Programme, as well as enlargement related issues in details. The Presentation slides can be found in the Annex 3 to this Report.

Mr. Pascal HERRY mentioned that the overall score of the project was B, which is good. However, there are several recommendations in the Monitoring Report that must be paid attention to. He also

invited the Beneficiary Parties to send their comments regarding the monitoring exercise to the Regional Programme Coordinator.

Next monitoring exercise will take place in June 2009.

Dr. Šerifa GODINJAK mentioned that despite the monitoring exercise being implemented on a very early stage, however it is appreciated that an overview of the situation is made. She stressed the importance of the visibility of this programme thus making it easier for the Beneficiary Parties to bring it on political agenda. Support from the Council of Europe and European Commission is needed for making political decisions within the Beneficiary Parties.

Ms. Verena TAYLOR thanked Mr. HERRY for very encouraging presentation. The Secretariat is periodically meeting with the EC representatives discussing all the areas of common interests and activities. Comments by the Beneficiary Parties regarding the monitoring exercise will help the Secretariat to discuss social issues at forthcoming meetings.

Mr. Halûk ŞAHİN, the Expert of the General Directorate of External Relations and Services for Workers Abroad of the Ministry of Labour and Social Security of the Republic of Turkey, asked about the usual period of monitoring and funds used for it.

Mr. Pascal HERRY explained that usually monitoring is implemented on an annual basis. Budget for monitoring is completely separated from the Programme budget (it is part of the external programme).

### **3. 1<sup>st</sup> Regional Summer School on Social Security Coordination**

Mr. Alexander KOSTANYAN presented the results and main achievements, as well as the Evaluation Report of the 1<sup>st</sup> Regional Summer School on Social Security Coordination held in August-September 2008 in Jahorina, Bosnia and Herzegovina.

41 participants took part in the Summer School. The overall organisation can be considered as successful. Regarding the students' academic performance, one participant was graded Maxima Cum Laude, six - Magna Cum Laude, seven - Cum Laude, nineteen - Satis, seven participants couldn't pass the final exam and received Certificates for Participation and one participant had to leave the Summer School due to unexpected personal circumstances.

Mr. Halûk ŞAHİN stressed that the experience of the last Summer School has surely contributed to the performance of the participants. However, he asked the Secretariat to ensure the use of English language not only during the lectures but especially during the group work as well with a view to abstaining from missing the objectives of the Program, most important of them being co-operation.

Dr. Paul SCHOUKENS, professor at the Katholieke Universiteit of Leuven and the Academic Director of the Summer School, mentioned, that the programme is very serious and intensive. Teaching is always done in English. Indeed, we recommend to use English also in the working groups because for some participants is easier to switch to local language and other nationalities might be feeling excluded.

Mr. Anton HOOKES, Civil Affairs Officer, Central Governance Unit, Office of the Director of Civil Administration - UNMIK, presented the feedback from the participants from Kosovo. The Summer School is a very rewarding although difficult experience. The training is very intense and possibility exists to be overwhelmed by information. He suggested to send the study materials in advance to get familiar

with the subjects. It would be also useful to introduce ways of assessment of group work in order to be reflected in the final mark.

Dr. Danny PIETERS, professor at the Katholieke Universiteit of Leuven, promised to examine the option of advance information, however being careful not to lose the event. As regards the group work, it should reward itself.

He proposed to include representatives of trade unions and journalists in the Summer Schools. He also proposed to organise a special event including all previous Summer School participants in order to enhance the networking.

Dr. Paul SCHOUKENS mentioned that group work is reflected in the final presentation and active participation in the work groups is closely monitored by the teaching staff.

#### **4. Regional Seminar on Data Exchange and Social Security**

Ms. Tanja KALOVSKA, Programme Officer, (SSCSSR Regional Programme Office), presented the results of the Regional Seminar on Data Exchange and Social Security held in Tirana on 7-8 October 2008.

Mr. Halûk ŞAHİN thanked the e-Academy for organising the valuable event and sharing their knowledge adding that priority must be given to co-ordination on social security rather than the general information on national experiences while designing the activity. He also pointed out that a subsequent IT Workshop on Data Exchange on Social Security would be considered beneficial.

Dr. Šerifa GODINJAK invited the participants to explore the need of additional seminars on Data Exchange with experts in their respective beneficiary parties and send feedback to the Secretariat.

Mr. Alexander KOSTANYAN confirmed the possibility of introducing new activities in the working plan if the Steering Committee requests additional attention to be paid to some particular issues. He also encouraged the participants to come up with feedback regarding the Tirana seminar.

#### **5. Speaking Days between Bosnia and Herzegovina and Croatia.**

Mr. Alexander KOSTANYAN presented the report of the Speaking Days between Bosnia and Herzegovina held on 4-5 September in Jahorina (meeting report can be found in Annex 4). He stressed the importance of this event and confirmed the readiness of the Secretariat to continue its contribution into solving the problem.

Ms. Lidija MARKOTA, Chief of Section for Social Protection and Pensions, Department of Labour, Employment, Social Protections and Pensions, Ministry of Civil Affairs of Bosnia and Herzegovina, informed the participants that the Report has been translated into local language and forwarded to the authorities involved in this issue, asking them to resolve pending cases and identify the possible involvement of the SSCSSR Programme.

Ms. Snježana BALOKOVIĆ, Head of the Department for Bilateral Cooperation in the Area of Social Security, Directorate for Pension and Invalidity Insurance, Ministry of Economy, Labour and Entrepreneurship of Croatia, stressed that political involvement is required in order to solve the problem and expressed her appreciation with the SSCSSR involvement.

Ms. Verena TAYLOR confirmed that the Secretariat will continue to offer its support for internal cooperation issues in Bosnia and Herzegovina.

## **6. Speaking Days between “the former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina**

Ms. Tatjana KOSTOVSKA, Programme Officer, (SSCSSR Regional Programme Office), presented the Report of the Speaking Days between “the former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina held in Skopje on 22-23 April 2008 (meeting report can be found in Annex 5).

The Steering Committee took a note of the Report and confirmed the importance of the practice of Speaking Days.

## **7. Regional Seminar on Health Care and Regional Seminar on Pensions**

Dr. Danny PIETERS and Dr. Paul SCHOUKENS presented the results of the First Regional Seminar on Health Care held in Podgorica on 6-7 November 2008 and proposals concerning the First Regional Seminar on Pensions to be held in Zagreb on 8-9 March 2009.

In Podgorica the participants identified the topic that must be further explored during the next stage of the cascade seminars. It is related to the tension between health care as a human right of all persons and the organisation of the coverage via social insurance. In the light of the above, the Academic Staff proposed the following issues to be addressed at the next seminar: social insurance coverage, minimal package for non insured persons, financing of such costs, payment of social insurance contributions.

Priority issues to be tackled during the Pension seminars were also presented. The Academic staff asked the Committee to choose between starting with a general seminar on Pensions (similar to the Health Care seminar) and starting directly with a more specific topic that must be identified at the current meeting.

The Committee discussed the proposals and decided to agree in principle with the list of issues to be addressed at the next Health Care seminar as proposed by the Academic Staff. Representatives of Albania, “the former Yugoslav Republic of Macedonia” and Croatia will contact the Secretariat by email within 10 days period to confirm their decision. Representatives of other Beneficiary Parties supported the Academic staff’s proposal without any reservations.

The Committee discussed the two options relating the Pension seminar and decided to start directly with the specific topic that has been identified and formulated as “2<sup>nd</sup> pillar pensions. Coverage and intergenerational solidarity”.

## **8. Proposals regarding the organisation of Speaking Days**

Mr. Alexander KOSTANYAN presented the proposal by the Secretariat regarding the Speaking Days to be organised in 2009 based on the existing agreements, Speaking Days that have already taken place

and requests by the Beneficiary Parties made at the 1<sup>st</sup> Steering Committee meeting in May 2008. According to the working plan, five rounds of Speaking Days will be organised in 2009. The Secretariat proposed the following programme: Albania – Turkey in January, Bosnia and Herzegovina – “the former Yugoslav Republic of Macedonia” in March, Croatia – Serbia in April, Montenegro – Serbia in June. The Secretariat proposed the Committee to identify two Beneficiary Parties for the Speaking Days to be organised in November.

The Committee discussed the proposal by the Secretariat and agreed with the programme proposed. The Committee proposed to organise Speaking Days between Bosnia and Herzegovina and Serbia in November 2009.

#### **9. Proposals regarding the places and dates of next year’s activities**

Mr. Alexander KOSTANYAN presented the proposal by the Secretariat regarding the activities to be implemented within the SSCSSR Programme in 2009.

The Committee discussed the dates and places of the activities in 2009 and agreed with the proposal by the Secretariat. With regard to the next meeting, the Committee, as mentioned in item 12, decided to hold it in Turkey and asked the Secretariat to elaborate on the exact date and location of the meeting and inform the members accordingly.

#### **10. Update on the technical and financial procedures of the Council of Europe**

Ms. Verena TAYLOR informed the Committee on the technical and financial procedures applied by the Council of Europe while preparing and implementing activities.

The Committee took note of the information and decided to disseminate it widely in their respective Beneficiary Parties, and especially among the seminar participants, in order to avoid complications while preparing activities within the SSCSSR Programme.

#### **11. Request of information regarding the changes introduced at national level**

Mr. Alexander KOSTANYAN invited the Committee to inform the the colleagues about important changes or developments in their respective Beneficiary Parties. Representatives of five Beneficiary Parties took the floor with the following information:

Serbia adopted a new law on voluntary health insurance.

In “the former Yugoslav Republic of Macedonia”, new methods of collecting contributions will become effective as of 1 January 2009. Public Revenue Office will take over these functions.

Montenegro has recently adopted a new Labour Law, the Law on Professional Rehabilitation and Employment of Persons with Disabilities, the National Strategy on Guiding with Medicine Droppings, as well as the Strategy on the Prevention and Control of Chronically Uninfective Diseases

In Turkey comprehensive changes has been introduced through the new Social Insurance and General Health Insurance Law, inter alia three schemes previously designed for the civil servants, the self employed people and the blue collar workers have been merged into one common system. In parallel with this development institutional formation has been exercised and hence four different social

security institutions have been merged into one with a view to ensuring the insured people to enjoy the one-stop-shop facility.

Croatia has started with the implementation of Health Care reforms.

## **12. Conclusions, any other business, date and place of the next meeting**

The Committee decided to combine the next meeting with the last days of the Regional Summer School on Social Security Coordination. Next meeting of the Committee will take place on 5 June 2009 in Turkey (place to be identified by the Secretariat).



## **Social Security Co-ordination and Social Security Reforms**

**SSCSSR(2008)2RSC1DRAFTPROGRev2**

### **2<sup>nd</sup> MEETING OF THE REGIONAL STEERING COMMITTEE**

2<sup>nd</sup> December 2008

Hotel Balkan, Belgrade,  
Serbia

### **DRAFT PROGRAMME**

Working language: English



## TUESDAY, 2 December 2008

<b>09:00 – 09:45</b>	<b>Opening of the meeting</b>
<b>09:00 – 09:15</b>	<b>Welcoming remarks by representatives of the Serbian authorities</b>
<b>09:15 – 09:30</b>	<b>Welcoming remarks by Ms Verena TAYLOR</b> Head of the Social Policy Department, DG III, Council of Europe
<b>09:30 – 09:45</b>	<b>Opening intervention and adoption of the draft agenda</b> Mr Alexander KOSTANYAN, SSCSSR Regional Programme Coordinator
<b>09:45 – 10:30</b>	<b>IPA Social Security Co-ordination and Social Security Reforms</b>
<b>09:45 – 10:15</b>	<b>State of implementation and monitoring process</b> Mr Pascal Herry, DG Enlargement, European Commission
<b>10:15 – 10:30</b>	<b>Comments by the Steering Committee members and discussion</b>
<b>10:30 – 11:00</b>	<b>Coffee break</b>
<b>11:00 – 13:00</b>	<b>SSCSSR Activities</b>
<b>11:00 – 11:10</b>	<b>1<sup>st</sup> Regional Summer School on Social Security Coordination</b> Mr Alexander KOSTANYAN, SSCSSR Regional Programme Coordinator
<b>11:10 – 11:20</b>	<b>Regional Seminar on Data Exchange and Social Security</b> Ms Tanja KALOVSKA, Programme Officer, Regional Programme Office
<b>11:20 – 11:30</b>	<b>Speaking days between Bosnia and Herzegovina and Croatia.</b> Mr Alexander KOSTANYAN, SSCSSR Regional Programme Coordinator
<b>11:30 – 11:40</b>	<b>Speaking Days between “the former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina</b> Ms Tatjana KOSTOVSKA, Programme Officer, Regional Programme Office
<b>11:40 – 13:00</b>	<b>Regional Seminar on Health Care and Regional Seminar on Pensions</b> Dr Prof Paul SCHOUKENS, European Institute of Social Security Dr Prof Danny PIETERS, European Institute of Social Security
<b>13:00 – 14:00</b>	<b>Lunch break</b>
<b>14:00 – 15:00</b>	<b>SSCSSR Activities</b>
<b>14:00 – 14:15</b>	<b>Proposals regarding the organisation of Speaking Days</b> Mr Alexander KOSTANYAN, SSCSSR Programme Coordinator
<b>14:15 – 14:30</b>	<b>Proposals regarding the places and dates of next year’s activities</b> Mr Alexander KOSTANYAN, SSCSSR Regional Programme Coordinator
<b>14:30 – 15:00</b>	<b>Comments by the Steering Committee members and discussion</b>
<b>15:00 – 15:30</b>	<b>Coffee break</b>
<b>15:30 – 17:00</b>	<b>Information Update</b>
<b>15:30 – 15:50</b>	<b>Update on the technical and financial procedures of the Council of Europe</b> Ms Verena TAYLOR, Head of the Social Policy Department, DG III, Council of Europe
<b>15:50 – 16:30</b>	<b>Comments by the Steering Committee members and discussion</b>
<b>16:30 – 17:00</b>	<b>Request of information regarding the changes introduced at national level</b> Mr Alexander KOSTANYAN, SSCSSR Programme Coordinator
<b>17:00 – 17:30</b>	<b>Conclusions, any other business, date and place of the next meeting</b>



## **Social Security Co-ordination and Social Security Reforms**

**SSCSSR(2008)2RSC1FINLOP**

### **2<sup>nd</sup> MEETING OF THE REGIONAL STEERING COMMITTEE**

2<sup>nd</sup> December 2008

Hotel Balkan, Belgrade  
Serbia

### **LIST OF PARTICIPANTS**

Working language: English

## **ALBANIA**

### **Ms Dajana BERISHA**

Head of Department for Foreign relations and projects  
Ministry of Labor, Social Affairs and Equal Opportunities

## **BOSNIA AND HERZEGOVINA**

### **Dr Šerifa GODINJAK**

Head of the Unit for European Integration and International Co-operation  
Department for Health  
Ministry of Civil Affairs

### **Ms Lidija MARKOTA**

Chief of Section for Social Protection and Pensions,  
Department of Labour, Employment, Social Protections and Pensions  
Ministry of Civil Affairs

## **CROATIA**

### **Ms Snježana BALOKOVIĆ**

Head of the Department for Bilateral Cooperation in the Area of Social Security  
Directorate for Pension and Invalidity Insurance  
Ministry of Economy, Labour and Entrepreneurship

## **MONTENEGRO**

### **Ms Marija KLIKOVAC**

Adviser  
Ministry of Health, Labour and Social Welfare

## **SERBIA**

### **Mr. Miroslav BRKIĆ**

Assistant to the Minister  
Ministry of Labour and Social Policy

### **Dr Dragana GRBIĆ**

Counsellor, Sector for Health Insurance and Program Budgeting  
Ministry of Health

**“THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA”**

**Ms Irena RISTESKA**

Head of Pension and Disability Insurance Unit

Ministry of Labour and Social Policy

**TURKEY**

**Mr Halûk ŞAHİN**

Expert

General Directorate of External Relations and Services for Workers Abroad

Ministry of Labour and Social Security

## **KOSOVO**<sup>1</sup>

**Mr Anton HOOKES**

Civil Affairs Officer

Central Governance Unit

Office of the Director of Civil Administration

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<sup>1</sup> All reference to Kosovo, whether to the territory, institutions or population, in this text shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo.

## **EXPERTS**

**Prof. Dr. Danny PIETERS**

Katholieke Universiteit Leuven/European Institute of Social Security (EISS)

**Prof. Dr. Paul SCHOUKENS**

Katholieke Universiteit Leuven/European Institute of Social Security (EISS)

## **OBSERVERS**

### **European Commission**

**Mr Pascal HERRY**

Programme Manager

DG Enlargement

European Commission

**Dr Maja VUČKOVIĆ-KRČMAR**

Project Manager – Operations

Delegation of the European Commission to the Republic of Serbia

## **SECRETARIAT**

### **Council of Europe Office in Belgrade**

**Ms Nadia ĆUK**

Deputy Special Representative of the Secretary General in Serbia

Council of Europe Office in Belgrade

### **Council of Europe – DG III Social Cohesion**

**Ms Verena TAYLOR**

Head of the Social Policy Department

Directorate General of Social Cohesion

Council of Europe

**Mr Alexander KOSTANYAN**

Regional Programme Co-ordinator

Social Security Coordination and Social Security Reforms

Regional Programme Office

**Ms Tanja KALOVSKA**

Programme Officer

Social Security Coordination and Social Security Reforms

Regional Programme Office

**Ms Tatjana KOSTOVSKA**

Programme Officer

Social Security Coordination and Social Security Reforms

Regional Programme Office

**LOCAL PROGRAMME OFFICER**

**Mr Aleksandar DINIĆ**

Local Programme Officer for Serbia

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## **Social Security Co-ordination and Social Security Reforms**

SSCSSR(2008)2SDBHHRREPFIN

### **CLOSED SPEAKING DAYS ON SOCIAL SECURITY CO-ORDINATION BETWEEN BOSNIA & HERZEGOVINA AND CROATIA**

**4-5 September 2008**

**Hotel Vucko, Jahorina  
Bosnia and Herzegovina**

**FINAL REPORT**

In the framework of the IPA “Social Security Coordination and Social Security Reforms” (SSCSSR) Joint Programme (Council of Europe and European Commission), a first Speaking Days between Bosnia & Herzegovina and Croatia was organised on 4/5 September in Jahorina (Bosnia & Herzegovina). The purpose of the meeting was notably to solve long-term pending cases concerning health insurance rights based on the existing Social Security Agreement between Bosnia & Herzegovina and Croatia. The meeting also served to identify possible legal, administrative and/or procedural shortcomings in the Beneficiary parties to this meeting and, the case need to be, decide whether, under the SSCSSR Programme, further activities could be organised to assist the Beneficiary parties in solving existing barriers in the coordination of social security rights between the two countries.

The Delegations of both countries were represented by experts and high level administrative officials from the health insurance area (see Annex - List of participants).

### **1<sup>st</sup> Session, Thursday, 4 September 2008**

The first item on the agenda was the examination of pending individual complaints lodged by pensioners from Bosnia & Herzegovina residing at present in Croatia who are not able to transfer their rights to health insurance, as regulated in the Agreement signed by both countries and also general principles of social security co-ordination.

From a total of 138 pending cases, the Croatian delegation brought relevant information in respect of 80 of them.

The meeting started with the introductory speech of Ms. Ana Brzović, Head of the Department for International Health Insurance of the Croatian Institute for Health Insurance. According to her, the existing Social Security Agreement between both parties is perfectly valid on the merits. The difficulty lies in the problems encountered in the implementation of the provisions included in the Agreement.

According to Ms Brzović, all the pending cases relate to negative conflict of jurisdiction between two entities in Bosnia & Herzegovina (the Republic of Srpska and the Federation of Bosnia & Herzegovina). Neither of the entities wants to issue a certificate of entitlement to benefits in kind for pensioners of Bosnia & Herzegovina and their dependants residing in Croatia (also known as Form BH/HR 5 which proves a right to health insurance).

She recalled that the list of all the pending cases was given to the representatives of Bosnia & Herzegovina already in 2005, but almost none of these cases were solved so far. She hoped that at least some of them could be solved/completed during the Speaking Days.

An additional 10 cases concerned pensioners of two different countries, residing in a third country.

In response to the above statement, Ms. Suada Kovačević, representative from the Federal Fund for Health Insurance (Bosnia & Herzegovina,) confirmed that their delegation is aware of the problem, and concurred with Ms. Brzović that it is the obligation of Bosnia & Herzegovina to find a satisfactory solution to the issue. However, she clarified that the Federal Fund for Health Insurance has only co-ordinating powers. In fact, the Health Insurance Institution has not been granted the mandate to solve those pending cases. The mandate for this lays in the hands of each of the 10 Health Insurance Funds at Canton level, or the HIF of Republika Srpska. The Federal Fund for Health Insurance can give them only recommendations.

She indicated that the Federal HIF had been trying to solve this problem by drafting the criteria that should be applicable where the conflict of interest is the case. Those criteria are agreed by the Cantonal HIF's Directors, however their implementation is postponed as they are expecting logistical and financial support from the Ministry of Civil Affairs.

**Mr. Ilijas Omerović** and **Dr. Šerifa Godinjak**, both representing the Ministry of Civil Affairs, indicated that although their Ministry was aware of the problem, they recalled that the Ministry has no mandate/competence on this particular issue. They indicated that Bosnia & Herzegovina should, however, do the utmost to respect and implement the bilateral agreements signed. Finally, they were of the opinion that in order to find a valid solution to the existing problem, the issue should be raised at a higher level, probably a political one, and potentially be brought before their Ministerial Co-ordination (similar to a Council of Ministers, composed by 2 Ministers for Health Care, each from one entity, one Minister from the District of Brčko, and the Minister of Civil Affairs). They confirmed that the problem lies in the inner state co-ordination of social security rights, which then causes problems at regional co-ordination level.

In relation to the examination of the concrete cases brought to Jahorina by the Croatian delegation, the representatives of Bosnia & Herzegovina felt that the solution of those cases could not be reached neither on the spot nor afterwards. They confirmed that these and other potential cases could only be solved once a final applicable formula/criteria is found and strictly applied at national level. Although the conclusions of the Speaking Days would be reported to their authorities, they suggested that the Council of Europe, in the framework of the SSCSSR Programme, could also bring the issue to the attention of higher authorities in Bosnia & Herzegovina.

To finish the 1<sup>st</sup> Session, **Ms. Snada Kovačević** agreed to take over 37 cases in total (28 cases concerning negative conflict of jurisdiction and 9 cases concerning beneficiaries of two pensions residing in a third country) to examine whether, at least for those cases, progress could be made.

**Ms. Ljiljana Sukara** took over 1 case concerning beneficiaries of two pensions residing in a third country.

As a conclusion of the 1<sup>st</sup> Session, representatives of both parties agreed to request the participation of the Manager of the SSCSSR Programme during the 2<sup>nd</sup> Session of the Speaking Days to discuss, notably, to what extent the Council of Europe could assist the Beneficiary parties on this issue with a view to streamline the procedures to be followed for the proper coordination of social security benefits between the two countries.

## **2<sup>nd</sup> Session, Friday, 5 September 2008**

As requested by the Delegations of the two Beneficiary parties to the Speaking Days, the Council of Europe was represented at the 2<sup>nd</sup> Session by Mr. Sixto Molina (SSCSSR Programme Manager) and Mr. Alexander Kostanyan (SSCSSR Coordinator). The Local Programme Officer for Bosnia & Herzegovina, Ms Jadranka Baric, was also present and acted as translator. The 2<sup>nd</sup> Session, contrary to the first one, was conducted in English and the two national languages and, as indicated above, simultaneous translation was provided.

The Representatives of both Beneficiary parties made a short summary of the subjects discussed during the 1<sup>st</sup> Session and the conclusions reached.



Mr Sixto Molina indicated that, in the light of the information received, it was clear that the first objective of the meeting, notably the solution of pending individual complaints on coordination of benefits, could not be met at this meeting.

As to the second objective, clear identification of existing barrier for the proper implementation of social security coordination principles between both Beneficiary parties, he was of the opinion that the Speaking Days meeting report should contain the different elements provided by the two Delegations and that the report should then be transmitted to the relevant authorities in each country.

He was of the opinion that coordination of social security benefits could only be possible if both countries agreed first on the national criteria to be followed. In this respect, and on the basis of the information submitted by both parties, he suggested that, first, a national event could be organised in Bosnia & Herzegovina to invite all national stakeholders to discuss the issue. Depending on the outcome of that meeting, and if requested by the authorities of Bosnia & Herzegovina, specific technical assistance could be provided through the SSCSSR Programme or through any other national project to be created to that effect.

Ms. Ana Brzović recalled that the reason for the organisation of this particular Speaking Days between Bosnia & Herzegovina and Croatia was the persisting problem in the implementation of the Social Security Agreement (relating to pensioners of Bosnia & Herzegovina who reside in Croatia, and their inability to obtain health insurance rights based on their pensions) signed between both countries.

According to her, the main problem stems from a negative conflict of law between two entities in Bosnia & Herzegovina, since each Health Insurance Fund declines to issue a certificate of entitlement to benefits in kind for pensioners of Bosnia & Herzegovina and their dependants residing in Croatia, claiming that the other entity is competent.

The second problem raised during the Speaking Days is of financial matter. The Republic of Srpska, to this date, has not covered even one part of her debt to Croatia, while the Federation of Bosnia & Herzegovina also owes a substantial sum.

Consequently, Ms Brzović indicated that the problem is two-fold: for some beneficiaries certificates were not issued, and for those for whom it was issued costs are not being covered.

She finished by recalling that when the Social Security Agreement came into force, Croatia had about 2000 to 3000 such cases. That being said, since a good number of them concerned elderly persons (who have now died) and the fact that others felt within the social security system of Croatia (currently insured either as family members or through social assistance schemes), the number have been drastically reduced.

On behalf of the Croatian delegation, she expressed her disappointment that none of the 138 cases presented were examined during the Speaking Days. She further indicated that the issue (social security coordination) was periodically discussed in meetings of liaison bodies, where a systematic solution has never been found. She finished by indicating that the Croatian Ministry of Health and Social Welfare was informed of the problem, as were the Minister of Health Care in the Federation of Bosnia & Herzegovina, the Minister of Health Care in the Republic of Srpska and director of the Federal Fund for Health Insurance, Ms. Novka Agić. So far, no progress has been made.

Dr. Šerifa Godinjak stated that she was involved in this project since the very beginning in 2004. Already at that time, it was clear that co-ordination of social security rights would be a problem.

Bosnia & Herzegovina has signed numerous bilateral agreements. The competence for their implementation, within the Federation of Bosnia & Herzegovina, was handed over to Cantons, while in the Republic of Srpska this is not the case. Bosnia & Herzegovina, within the Stabilisation and Association Agreement, is obliged to introduce changes in national legislation in order to fulfill its obligations stemming from multilateral and bilateral agreements. Bosnia & Herzegovina has an additional specificity in relation to other transitional countries, and that is its constitutional competence and complicated inner-state structure, which disables flow of entitlements within Bosnia & Herzegovina, and also outside of it. The European Union should recognise this problem and focus on it, because it represents a long and complicated process.

**Ms. Suada Kovačević**, currently working in the Liaison Body of the Federation of Bosnia & Herzegovina, although fully acknowledging the problems raised by the Croatian Delegation, reiterated that the 138 cases could only be solved if a clear national criteria is adopted within Bosnia & Herzegovina. She also confirmed that the current problem is known for the past seven years and that the Liaison body has asked for assistance to the Ministry of Civil Affairs and Ministries within the Entities. She indicated that the Federal Fund for Health Insurance is constantly working on solving the problematic cases, but because of its co-ordinating role, without having a proper mandate and with the finance question delegated from the state itself, until now it was unable to find a satisfactory solution. The view of the Federal Fund is that the directors from cantonal funds for health insurance should agree on common criteria and that a systematic solution should be found, with the support of the Ministry of Civil Affairs.

Furthermore, Ms. Kovačević explained the reason why this particular problem persists. All the beneficiaries have earned their pension in the territory of one country but, after the war, three separate Pension Funds were created (two Funds in the Federation of Bosnia & Herzegovina and one in the Republic of Srpska). All the pensioners were “divided” between these Funds, and Funds have in the year 2000 agreed on a formula to distribute the beneficiaries among themselves. However, this was done without the participation of the Health Insurance Funds and this is precisely what is creating now problems.

According to Law on Health Insurance, health care is provided based on the place of residence, and contributions covered from pension funds. Since the Republic of Srpska has a centralised system, they do not have problems. But, within the Federation, pension funds were united and now there is a centralized pension fund, while health insurance is divided between 10 Cantons. When a pensioner applies for transfer of his/her entitlement to health care, and has had a last residence in Republic of Srpska but pension is paid by the Pension Fund in the Federation, the problem occurs of who is obligated to issue a Certificate (which one out of 10 existing Cantonal HIF's).

According to her, the Federation of Bosnia & Herzegovina needs assistance, both financial and technical, in such cases.

**Mr Ilijas Omerović** from the Ministry of Civil Affairs accented that the main obstacle to solving the issue is the constitutional structure of Bosnia & Herzegovina. In December 2007, the Ministry informed the Conference of Ministers about this problem.

He suggested that, since the Conference of Ministers has a good predisposition to solve the above mentioned issues, a meeting of the Conference with the directors of cantonal health insurance funds, and cantonal ministers of health care, could be organised, with the assistance of the Council of Europe, to further discuss the issue and, potentially, to come up with clear decisions on the exact criteria to follow.

To conclude the meeting, and in the light of the discussions held during the meeting, **Mr. Sixto Molina** indicated that the Secretariat would be preparing a meeting report which would be sent to the representatives to the Speaking Days for approval. In parallel, he suggested that a letter be forwarded to the relevant authorities in Bosnia & Herzegovina, to inform them of the outcome of this meeting and to propose the organisation of a national event to further discuss, with all national stakeholders, potential solutions to the existing problems.

He suggested to postpone the organisation of the new Speaking Days between the two parties until an answer to the letter to be addressed to the Bosnian authorities, inviting them to organised, with the assistance of the Council of Europe, a national event (in whatever format considered appropriate) is received in the Secretariat.

The representatives of both parties agreed with the proposals made by the Programme Manager.

## LIST OF PARTICIPANTS

### CLOSED SPEAKING DAYS ON SOCIAL SECURITY CO-ORDINATION BETWEEN BOSNIA & HERZEGOVINA AND CROATIA

4-5 September 2008

#### **BOSNIA AND HERZEGOVINA**

**Ms Suada KOVAČEVIĆ**

Head of Department for International Health Insurance  
Federal Fund for Health Insurance

**Mr Ilijaz OMEROVIĆ**

Head of Department for Planning, Human Resources and Information Systems  
Sector for Health  
Ministry of Civil Affairs of Bosnia and Herzegovina

**Mr Ermin TERKO**

Senior Expert  
Sector for Labour, Employment, Social Protection and Pensions  
Ministry of Civil Affairs of Bosnia and Herzegovina

**Dr Šerifa GODINJAK**

Head of Department for European Integration and International Co-operation  
Sector for Health  
Ministry of Civil Affairs of Bosnia and Herzegovina

**Ms Ljiljana SUKARA**

Head of Department for International Health Insurance  
Fund for Health Insurance of Republika Srpska

**Ms Aleksandra TUCIĆ**

Director  
Health insurance Fund – Brcko District

#### **CROATIA**

**Ms Božica ŠARIĆ**

Head of Department for European Integration  
Directorate for Legal Affairs  
Department for European Integration  
Ministry of Health and Social Welfare

**Ms Ana BRZOVIĆ**

Head of the Department for International Health Insurance  
Department for International Insurance  
Croatian Institute for Health Insurance

**Ms Sandra ŠPOLJAR**

Senior Inspector for Legal Affairs  
Department for International Health Insurance  
Croatian Institute for Health Insurance

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Senior Expert Adviser for Legal Affairs  
Department for International Health Insurance  
Croatian Institute for Health Insurance - Branch office Zagreb

**SECRETARIAT**

**Council of Europe – DG III Social Cohesion**

**Mr Sixto MOLINA**

Co-ordinator of Co-operation and Technical Assistance Programmes  
Central Division  
Directorate General III - Social Cohesion

**Mr Alexander KOSTANYAN**

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**Ms Tatjana KOSTOVSKA**

Programme Officer  
Regional Programme Office



## **Social Security Co-ordination and Social Security Reforms**

**SSCSSR(2008)1SDMKBH3REP**

### **REPORT**

#### **1<sup>st</sup> SPEAKING DAYS ON SOCIAL SECURITY CO-ORDINATION**

**between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina**

**22<sup>nd</sup> and 23<sup>rd</sup> April 2008**

Pension and Disability Insurance Fund  
12 Udarba brigada bb  
1 000 Skopje

The first round of the Speaking Days on Social Security Co-ordination between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina took place on 22<sup>nd</sup> and 23<sup>rd</sup> April 2008 at the premises of the Pension and Disability Insurance Fund, 12 Udarna brigada bb, MK-1 000 Skopje. The programme and the list of participants are given in Annex I and Annex II respectively.

The experts were divided in five working groups (one expert from the Macedonian and one from Bosnian funds per group). Four groups were formed for pension and invalidity insurance issues and one group for health insurance issues.

List of clients who registered themselves for this Speaking Days was formed and all necessary data transferred to experts of both countries several days before the event for the purpose of investigating possible problems. Participating experts were provided with blank application forms to be filled for those clients that will require further investigation regarding their case and for the clients who did not register, but attend Speaking Days. The list of beneficiaries is given in Annex III.

The experts from both delegations exchanged information regarding the problems they have encountered in certain cases, as well as about the recent changes in the regulations.

Assistance was provided to 87 people (51 male, 36 female), of which 58 in the area of pension and invalidity insurance and 29 in the area of health insurance. Most of the beneficiaries were citizens of the host country, of which 61 came from Skopje, while 26 people from other towns.

Cases referred to the application of the Agreement between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina on Social Security. Thirty nine beneficiaries were pensioners having problems with the payment of pensions while the rest (of which 25 employed and 23 unemployed) had problems with the recognition of the working period in the other country and/or wanted to know the procedure and conditions for retirement in both countries.

Some of the cases were solved on the spot whilst some others needed further elaboration due to purely technical reasons, therefore the experts agreed to follow up later on those cases. For example, four cases related to health insurance issues have been solved during the speaking days, while the rest is pending due to incomplete documentation. The reason is that many claimants while submitting their cases did not attach all the necessary documents to their claims. Especially those documents were missing that would be confirming their rights and directly used by the administrations in order to approve their claims. In some cases these documents were lost years ago due to particular situation in the region. It takes, therefore, more time for the administrations to look into the cases without all the supporting documents and it was not possible to find the solution on the same day of the event. But follow up to all of these cases has been promised which is as such a very positive sign. It must be noted, however, that the solving of the majority of the cases depends on the time and efforts the beneficiaries invest into submitting correct information and full set of documents to the respective Funds.

Both sides agreed that the second round of the Speaking Days on Social Security Co-ordination between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina will take place in Sarajevo at the end of 2008 or at the beginning of 2009.

## **PROGRAMME**

### **1<sup>st</sup> SPEAKING DAYS ON SOCIAL SECURITY CO-ORDINATION**

**between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina**

**22<sup>nd</sup> and 23<sup>rd</sup> April 2008**

#### **THUESDAY, 22 APRIL 2008**

**09:00 – 12:00    Speaking days – practical cases**

**12:00 – 14:00    Lunch at Restaurant “Nacional”**

**14:00 – 16:30    Speaking days – practical cases**

**20:00 – 22 :00        Dinner at Hotel “Arka”**

#### **WEDNESDAY, 23 APRIL 2008**

**09:00 – 12:00    Speaking days – practical cases and overview**

**12:00 – 14:00    Lunch at Restaurant “Nacional”**

**20:00 – 22:00        Dinner at Hotel “Arka”**



## **LIST OF PARTICIPANTS**

### **1<sup>st</sup> SPEAKING DAYS ON SOCIAL SECURITY CO-ORDINATION**

**between “The former Yugoslav Republic of Macedonia” and Bosnia and Herzegovina**

**22<sup>nd</sup> and 23<sup>rd</sup> April 2008**

#### **"THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA"**

**Mr Sašo KLISAROSKI**

Head of the Sector for realization of pension and disability insurance rights  
Pension and Disability Insurance Fund – Skopje office

**Ms Donka CVETANOVSKA**

Head of the Unit for implementation of the International Agreements  
Pension and Disability Insurance Fund

**Ms Milica SIMONOVSKA**

Inspector in the Department for International agreements  
Pension and Disability Insurance Fund

**Ms Nigjar TOSKA**

Adviser to the Director  
Pension and Disability Insurance Fund

**Ms Dijana VASILESKA**

Head of Division for Implementation of International Social Security Agreements  
Health Insurance Fund

#### **BOSNIA AND HERZEGOVINA**

**Ms Suzana AJANOVIĆ**

Adviser to the Director for Legal Affairs  
Federal Fund for Pension and Disability Insurance - Sarajevo Office

**Ms Mirheta IMŠIROVIĆ**

Head of Department for Second Degree Procedures  
Federal Fund for Pension and Disability Insurance - Sarajevo Office

**Ms Envera KUDIĆ**

Head of Department for System and Law Implementation  
Federal Fund for Pension and Disability Insurance - Sarajevo Office

**Ms Milena ČVORO**

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Pension and Disability Insurance Fund of Republika Srpska

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