

FINAL REPORT
FOR
SOLIDARITY CENTER, AFL-CIO
BOSNIA AND HERZEGOVINA



WORKER PARTICIPATION IN CIVIL SOCIETY

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1. INTRODUCTION

Cooperative Agreement No. 168-A-00-04-00107-00 was awarded to the Solidarity Center (SC) by USAID in April 2004. Full-scale start up activities for the program began on May 21, 2004 when the Solidarity Center's Field Representative arrived in Bosnia and Herzegovina. This document describes the objectives and results derived from program activities undertaken between May 2004 and April 30, 2007.

1.1 Goals and Objectives

The goal of this program was to assist the trade unions of Bosnia and Herzegovina (BiH) in building their capacity to more effectively represent their members, to protect worker rights, and to actively and effectively participate in the development of economic reform. The Solidarity Center's program supported this goal with the following primary objectives:

- Build the capacity of BiH unions to participate in economic reform, to better represent workers in that process, and to improve enforcement of workers' rights.
- Promote the establishment of social dialogue through increased interaction between BiH unions, civil society, employers, and governments.
- Increase the capacity of BiH trade unions to conduct policy analysis and disseminate legal and economic information affecting BiH workers.
- Promote the growth of multiethnic tolerance and cooperation among BiH unions.

These objectives related directly to Strategic Objective 2.1 of the USAID Mission for Bosnia and Herzegovina, A More Participatory, Inclusive Democratic Society. A corollary objective of the Solidarity Center's program activities was to position the unions of Bosnia and Herzegovina to become more effective advocates for the USAID Mission's Strategic Objective 1.3, Accelerated Growth and Development of Private Enterprise. Unions and their members have had a legitimate and vital interest in the success of USAID's Program Area "Economic Prosperity and Security" and the Program Component "Improve Economic Policy and Governance" as it is often workers who bear the burden of economic insecurity flowing from poor economic policy and governance.

1.2 Technical Approach

The Solidarity Center implementation methods evolved over the three-year period but eight areas of program activity were at the core of the SC's joint programs with BiH unions during the cooperative agreement:

- Providing enterprise and branch-level education programs on how to better participate in the economic reform process and how to protect workers' rights during and after restructuring and privatization;
- Developing strategies and pilot efforts to organize new unions in the private sector;
- Supporting collective negotiation and social dialog;

- Providing technical assistance in areas of economic analysis and policy development for enterprise, branch, entity and joint state-level union initiatives through the SC's Joint Economic Education Program;
- Developing the capacity for better union communication programs, both internally and externally;
- Modernizing inadequate labor market structures, policies and institutions that restrict labor mobility and constrain workers' ability to find decent work in formal employment settings;
- Assisting the unions to play a useful and constructive role in the October 2006 Parliamentary elections; and
- Building joint structures and holding bi-entity leadership meetings to promote multi-ethnic tolerance and cooperation among unions.

1.3 Management Plan

The Solidarity Center had a Project Management Team coordinated by the Solidarity Center's Regional Program Director for Asia and Europe, a European Program Officer, who coordinated project implementation in Washington, and a Sarajevo-based Field Representative, who coordinated in-country activities with union partners and supervised local staff. Local staff consisted of a program assistant/coordinator; an accountant who also assisted with organizing strategies and programs; an education coordinator (2006-2007); and three economists (at the beginning of the program). Because of the small number of staff, it was common for staff members to be involved in nearly all aspects of project activities, with some degree of specialization. The Solidarity Center coordinated its efforts with the International Confederation of Free Trade Unions' (hereinafter ICFTU or ITUC) South Eastern Europe office in Sarajevo.

2. PROGRAM ACTIVITIES: MAY 2004 to APRIL 30, 2007

2.1 Activity #1: Solidarity Center Seminars and Building the Internal Education Capacity of BiH Unions

In 2004 and the first half of 2005, Solidarity Center staff conducted several series of seminars. This evolved in the later part of 2005 and through the end of the program into train-the-trainer programs to build the internal capacity of BiH unions to plan and execute a series of seminars on core trade union subjects. Nine (9) two-day seminars on "Local Union Role in Privatization and Economic Restructuring" were held between September and December 2004, involving 135 union leaders from local and regional levels (92 male, 43 female) from Federation BiH (FBiH), Republika Srpska (RS) and Brcko District (BD) and their respective union organizations: SSSBiH, SSRS and BDU.

The objective of these seminars was to outline the types of initiatives that unions could undertake to protect their members' interests during the process of privatization and economic restructuring. There was a focus on core competencies that unions needed to master: the procedures and methods of privatization being used in BiH; analyzing financial documents; learning the new bankruptcy laws; monitoring post-privatization results; and developing union

negotiating strategies and finding allies. Though the seminars were successful, it was also apparent that corrupt and less-than-transparent privatization processes had been undertaken for several years and that the tools available to unions via legal actions were limited and constrained. These seminars opened the door for various direct consultations and technical assistance at specific enterprises.

A second series of four seminars on the subject of “Unions and Community Outreach and Media Relations” was initiated based on the recommendation of the Solidarity Center’s Advisory Committee, comprised of five union leaders from SSSBiH, SSRS and BDU. These two-day seminars were designed to increase local union leaders’ knowledge of local social partnerships (interaction between local unions, government officials, employers and other civic partners) for economic reform and development and how to use the media more effectively in pursuit of this goal. Seventy regional and local union leaders (54 men, 16 women) attended these seminars from all territorial areas. The seminar size was deliberately kept small as the participants engaged in simulated meetings with potential allies, wrote news releases and presented statements to the electronic media.

Based on the responses from the first series of seminars and from recommendations by the SC’s Advisory Committee, a one-day mini-seminar was developed on the subject of “Shareholder Rights and Responsibilities.” Because workers in BiH were significant shareholders in enterprises, prior to, and after many privatizations (due to ownership of “Markovic shares”), this seminar assisted union leaders and workers in understanding their rights and in developing strategies to protect their interests as both employees and shareholders. These seminars were held for specific enterprises in which there was significant worker share ownership. Two seminars involving 59 participants were held.

In a similar way, demand for a more comprehensive seminar on bankruptcy procedures grew out of the short presentation on that subject in the first series of seminars. In collaboration with USAID’s FILE project that was training bankruptcy judges and bankruptcy managers, the Solidarity Center developed a 42-page “Practical Guide to Bankruptcy Procedures for Local Union Leaders” and prepared training materials to accompany the guide. Because of the high number of bankruptcies in 2005-2006 and the newness of the laws in FBiH and in RS, union leaders were very interested in holding these mini-seminars, particularly in industries such as construction, textile, chemical and metalworking that were greatly impacted. Eight seminars involving 143 participants were held.

Solidarity Center contracted with Media Centar Sarajevo to provide one-on-one training/mentoring on electronic media skills (television interviews, news conferences and debate/discussion format) for confederation presidents and

the president of BDU in February 2006, followed by a less-intensive two-day group training for selected branch union presidents and regional representatives in March 2006. The objective of both programs was to provide more sophistication and better skills for these union leaders, all of whom were regularly appearing in such venues with limited training, sometimes with less than desirable results.

In mid-2005, more attention and resources began to be devoted to developing internal education capacity within the union structures. It was the Field Representative's assessment that a culture of dependency on "outside experts and trainers" had taken root. Both SSSBiH and SSRS had very limited expertise in developing their own training programs and neither had staffs who were regularly teaching core trade union subjects, except for two attorneys who focused primarily on legal issues. It was also apparent that communication between various levels of union structures (confederations and regional structures, branch headquarters with their local unions, and between local union leaders and rank-and-file members) was limited and needed improvement.

For these reasons, the Solidarity Center proposed to its partners a two-pronged approach: to engage in strategic planning at the confederation-branch-regional level on ways to improve the flow of information among these levels; and to develop a cadre of trainers within both SSSBiH and SSRS who would deliver one-day seminars at the local union level on "Workplace-Based Communication Methods." This latter train-the-trainer program, held in November 2005, was attended by 16 participants (10 from SSRS and 6 from SSSBiH), all of whom had been in a previous "teaching techniques" program conducted by ICFTU. After reviewing draft materials on communication methods and strategy, building stronger and more democratic unions, budgeting and resource allocation and various types of exercises and other training techniques, the participants were tasked with modifying and finalizing the materials so they would be most useful for local union audiences in BiH. The participants also agreed upon the types of potential audiences and logistical and technical issues regarding delivery of the seminars.

Trainers began holding the seminars in December 2005 and continued through March 2007. A total of 35 one-day seminars involving 613 participants (60% men, 40% women) were held over this 16-month period. Though there were high expectations that each of the 16 participants at the train-the-trainer program would become an active trainer (because of the selection process that was used), this was not the case. Rather, only eight of the participants conducted "follow-through" seminars. Nevertheless, these eight were very active. Of particular note is the Health Workers Union of SSRS, which used one of these trainers to conduct seminars throughout the entire region of RS and in the process had virtually all of its 102 local unions attend one of the seminars.

Though the trainers from within SSRS were very active, the same cannot be said for those from within SSSBiH. Only two trainers emerged from within this confederation and since both were from the same geographical area, the “Workplace-Based Communication Methods” seminar had limited geographical reach to local unions in FBiH.

In a meeting in July 2006, the active trainers recommended that the Solidarity Center assist in expanding the number of subject areas that they were capable of teaching. It was agreed to develop training materials and methods on collective bargaining at the enterprise level and union organizing and membership recruitment. These subject areas were discussed with the presidents of SSRS and SSSBiH. The President of SSSBiH was of the opinion that collective bargaining at the entity level (the General Collective Agreement) and at the branch level (branch collective agreements) were sufficient and that there was no compelling need to train local union leaders in the skills necessary to negotiate enterprise-level collective agreements. The President of SSRS held a different opinion and it was the policy of that confederation to encourage local unions to negotiate enterprise-level agreements superior to the branch and general agreements.

For that reason, the Solidarity Center worked only with representatives of SSRS to develop training materials and methods on enterprise level collective negotiations. The curriculum development meeting, held in October 2006, involved nine potential trainers, three branch union presidents and the SSRS education coordinator. After reviewing various documents and training materials on collective bargaining, the participants (with assistance from the Solidarity Center staff and a consultant from the USAID ELMO program) prepared a one-day training program (presentation materials and group exercises) with six modules, customized to the negotiating procedures and legal environment of RS. The trainers held a “practice teaching” meeting in November and the first seminar was held in January 2007. Eight of the nine trainers (one had left the staff of SSRS) conducted this seminar on “Enterprise-Level Collective Negotiations.” In total, 12 seminars with 177 participants were held in 2007.

To broaden the number of trainers capable of teaching the “Workplace-Based Communication Methods” seminar, the Solidarity Center invited additional individuals from SSSBiH, SSRS and BDU to attend a second train-the-trainer program in December 2006. This program included an additional day on how to teach the mini-seminar on bankruptcy procedures that had been taught by a Solidarity Center staff member. Again, representatives from SSRS were well represented but most persons nominated by SSSBiH did not attend. The new trainers from SSRS improved the geographical dispersion of the communications trainers and several of those individuals also began to teach the Bankruptcy Procedures’ seminar, holding four programs in 2007 involving 95 local union leaders

Evaluation of Results

The Solidarity Center's training programs provided participants with a strong base of knowledge with which to represent their members' interests in what can be considered a flawed privatization process in the country. However, the legal basis for unions to challenge corrupt or clouded processes was very limited and successes were difficult. Those unions that used thoughtful negotiating strategies and linked their efforts to broader community concerns had some success. The training programs also exposed participants to the availability of technical assistance from economists working with the Solidarity Center and permitted the SC to provide helpful advice—at least in certain instances in which the process was not yet complete or in which an enterprise was still salvageable.

It was difficult to get many union leaders to understand the value and importance of developing joint strategies with other civic organizations and to coalesce around workplace/community concerns. Union leaders often did not have very high opinions of post-war NGOs, often viewed themselves and their unions as having a privileged position in society that did not warrant working with others, and frequently looked first to those in government as the principle decision-makers and change agents—ignoring the fact that many government officials and political party representatives were not representing the interests of citizens or workers. Much more must be done in BiH to develop coalitions around critical social and economic issues. Though some success can be measured in the unions' joint efforts with other civic organizations in the parliamentary elections in 2006, it was still limited.

The SC's efforts to develop competent union trainers within the confederations had much success—at least within SSRS. This can be attributed to the leadership of that confederation, to an effective education coordinator and to a small group of individuals (mostly young) who were very excited with the prospect and potential of using seminars as a means to create change in their branch unions and in how local union leaders viewed their relationship with rank-and-file union members. An auxiliary factor within SSRS was municipal union presidents who were also very keen on bringing more knowledge and skill to local union leaders in their municipality. In contrast, within SSSBiH there was no full-time education coordinator from mid-2005 to present. This made it exceedingly difficult to coordinate education initiatives with that confederation. Moreover, the lack of sufficient full-time staff within that confederation made it nearly impossible to find individuals who were able to take initiative in teaching seminars.

2.2 Activity #2: Organizing Strategy in the Private Sector and Pilot Campaigns

BiH unions have paid insufficient attention to retaining existing union organizations in companies that have been privatized or to organizing unions among workers in newly created companies in the private sector of the economy. Based on recommendation from our Advisory Committee in early

2005, the Solidarity Center began several types of initiatives to assist partners to:

- Raise awareness of the need for organizing;
- Develop organizing strategies;
- Analyze impediments to organizing and recruitment;
- Prepare informational materials on workers' rights and benefits of collective bargaining;
- Train volunteer organizers;
- Execute organizing campaigns at targeted companies.

In May 2005, a draft work plan was circulated to confederation and regional union leaders outlining a suggested process for developing a comprehensive organizing strategy and a sequence of action steps over an 11-month period. Union leaders from the Upper Drina region of BiH (three major towns are Gorazde in FBiH and Foca and Visegrad in RS) expressed a strong desire to be part of a pilot organizing program. Though the region is economically depressed, it met other criteria in that it covered both entities and, therefore, both union confederations and the regional union leaders were enthusiastic about organizing new unions in the private sector.

The union leaders, with Solidarity Center assistance, mapped the workplaces in the region without union organizations, developed promotional materials to answer the question of why workers should join unions, recruited more than 15 volunteer union activists to serve as organizers, prepared themselves to defend workers who might be discriminated against for seeking to form a union and collected necessary membership application information from branch unions. In short, over a five-month period, they developed a comprehensive organizing strategy. Actual organizing efforts were initiated after public meetings in Foca, Gorazde and Visegrad in recognition of International Human Rights Day on December 10, 2005. The theme of the meetings was "Workers Rights Are Human Rights" and this message was integral to subsequent organizing efforts.

Knowing that it would be impossible for the three full-time union officials to initiate organizing campaigns among the hundred companies identified, the officials recruited union activists to serve as volunteer organizers. In November 2005, these individuals were trained on communication skills, workers' rights under BiH laws and ILO conventions, and benefits that unionized workers enjoy. Specific targets were chosen and over the following three-month period organizers and the union officials contacted workers at targeted companies. The most success was realized in Visegrad with more than 125 new members at five different companies. In Gorazde, new unions were established in two companies.

Working with union officials from both SSSBiH and SSRS during the Upper Drina Organizing Project provided an opportunity for the Solidarity Center to more accurately assess the capabilities and limitations of the confederations

and their branch unions in the area of organizing. Neither confederation had developed a strategy for organizing new unions in the private sector and just a handful of branch unions had begun to consider approaches to organizing and membership retention. Though all lamented the fact that union membership levels were falling dramatically and that new employers were not welcoming unionization, this did not lead to concrete programs. The Solidarity Center began discussions with confederation leaders, seeking additional ways to support concrete organizing efforts if they were developed by either branch unions, regions or the confederations themselves.

The possibility of developing a program similar to Upper Drina in the larger geographic area of Zenica-Doboj was discussed during several meetings. This would have been again a bi-entity area with a much larger workforce and a greater variety of employers than in Upper Drina. The municipal union leader in Doboj RS was enthusiastic, as was the cantonal union president in Zenica FBiH. Nevertheless, neither was able to marshal resources and commitment; the former lacked strong support from the SSRS president and the latter lacked support from his cantonal board. After months of consideration, the Solidarity Center decided not to proceed with further development of an organizing project in that region.

The Petrochemical branch union of SSSBiH approached the Solidarity Center with interest in developing an organizing strategy for private petrol stations within FBiH. This union represented about 1,300 workers at approximately 150 retail stations operated by Energopetrol Company (which was in the midst of a long and difficult privatization, or co-capitalization as it was called locally) and at INA, the Croatian-owned petrol company, operating privately in BiH. Since the end of the war, many new private companies, domestically-owned and foreign-owned, had entered this market. After meetings with the General (Executive) Board of the union and preparation of a draft organizing program, the Solidarity Center agreed to support the initial steps in a longer-term organizing strategy.

The union designated a seven-person organizing coordination committee drawn from its General Board to undertake organizing tasks. Over a two-month period the committee prepared a list of petrol stations without unions. Nearly 300 stations with over 1700 employees were identified. Some of the major international companies were OMV from Austria and Petrol from Slovenia; several domestic companies, such as Zouko and Shell Electron, had created chains of retail stations. The organizing committee analyzed a database developed by the Solidarity Center, reviewed basic operational and financial data on several of the larger companies, assisted in the preparation of informational materials on their union and workers' rights to organize and recruited union activists from each regional area to serve as volunteer organizers.

In February 2007, the branch union and the Solidarity Center held two one-day training programs for the volunteer organizers who then began contacting employees working for targeted companies. Because of the earlier than expected closing of the Solidarity Center's program, it was not possible to evaluate the initial efforts of this branch union or to provide additional assistance or advice as the organizing efforts unfolded.

As noted earlier, throughout most of 2006, the Solidarity Center was encouraging the two union entity confederations as well as branch unions to devote more effort to organizing. Within SSSBiH, an organizing committee consisting of three branch presidents was appointed in Fall 2006; it had not developed any concrete plans before the closure of the Solidarity Center's office. The General Board of SSRS tasked its General Secretary to prepare an operational plan for organizing towards the end of 2006 in conjunction with its designation of 2007 as the "Year of Trade Union Rights."

In early 2007, the SSRS General Secretary and staff began discussions with the Solidarity Center about ways in which the SC could assist the confederation in implementing steps in the operational plan. The Field Representative provided SSRS with an outline of the key skills required of a "lead organizer," a unionist who can plan and execute organizing campaigns with the assistance of other staff and union volunteer activists. SSRS requested that the Solidarity Center develop a comprehensive training program for such lead organizers and committed itself to select individuals to attend the training who would have the confederation's full support to initiate organizing campaigns as part of its overall operational plan.

A 4 1/2-day training program for SSRS lead organizers was held in April 2007. The nine individuals who participated were all well positioned within the confederation, its regions or branch unions to perform effectively as lead organizers. The training itself was strongly focused on expanding the participants' knowledge of various organizing strategies, on verbal and written communication skills and on understanding how to build workplace-based organizing committees that would build majority union membership. Considerable effort was made to present the concept of "voluntary unionism" built by workers from the bottom up around concrete issues of concern, rather than generalized appeals that unions and unionism, per se, were good. The latter approach, though certainly true, remains the dominant mind-set of some union leaders.

Evaluation of Results

The Solidarity Center would have preferred that broader scale organizing efforts had been initiated by the unions of BiH during the three years that the Solidarity Center was active in country. Union density continued to fall and union membership was concentrated increasingly in the public sector and in failing state-owned enterprises and in companies whose post-privatization future was

of questionable duration. The unions must develop better strategies to organize workers in small and medium-sized enterprises in both the goods producing and service sectors. The program activities of the Solidarity Center had a salutary impact on moving the unions in this direction.

The Upper Drina Organizing Project was the first initiative of its kind in BiH in which regional union leaders:

- analyzed the changing landscape of employers;
- challenged branch union leaders to share information about statutory requirements for forming new local unions;
- prepared informational materials for potential union members;
- trained union activists in the skills necessary to serve as volunteer organizers;
- reached out to elected officials and other organizations in the community with the message that "workers rights are human rights"; and
- actually organized workers into new unions.

The Solidarity Center's Field Representative received muted criticism in December 2005 for devoting a full 20-minute presentation at the Congress of SSSBiH to the compelling need for the unions to develop strategies to organize. That confederation and its counterpart in RS have begun to heed the warning signs and have now assigned responsibility for developing organizing strategies. SSRS has an operational plan for organizing and recruitment for 2007 and its collaboration with the Solidarity Center in preparing lead organizers to undertake concrete tasks associated with organizing new members is a very positive sign.

The Solidarity Center was concerned during its work in BiH that many branch union leaders seemed to shrug off the need to organize new members or had so many problems handling the needs of current members that organizing had not become a priority. This negative dynamic remains and it can be expected that union density will fall further until better strategies and more commitment is made. The one opportunity to develop an organizing strategy with a branch union within SSSBiH may serve as a model for other branches within that confederation; the SC's work with SSRS and with four of its branch union presidents during the training of lead organizers will yield results in the future.

2.3 Activity #3: Collective Bargaining and Social Dialogue

Union leaders in BiH have traditionally negotiated at the level of the state (and entity, post-Dayton) and at the branch. The negotiation skill of leaders who participate in social dialogue at the tripartite level through Social and Economic Councils (ECOSOCs) is obviously important. The Solidarity Center's program activities were not directly focused at that level, as there were many other programs of international assistance such as from the ICFTU, the ELMO project of USAID and the International Labor Organization that had the objective to improve skills of union leaders who participate in these forums. The work of the

Solidarity Center was primarily through the Joint Economic Education Program (JEEP) in assisting the various higher level union institutions in analyzing economic and social data and in developing appropriate policy options for presentation and negotiation within tripartite forums and, as noted in Activity #1, in providing union leaders at the local level with training to improve their negotiating skills, regardless of their specific negotiating forum. The project activities of JEEP that relate to collective bargaining and social dialogue are discussed in the next section of this report.

A key component of the first series of seminars was training local union leaders on how to negotiate in various forums involved in the privatization process: the privatization agencies, potential buyers, creditors, and with workers in establishing the parameters of what they "wanted" in the process. This segued into multiple instances in which Solidarity Center economists assisted local union leaders in analyzing financial and business operating data to prepare for negotiations with other players in the privatization process. The types of technical assistance provided and the outcomes are described more fully in the section on the Joint Economic Education Program, below.

As noted in Section 2.1, there was not a uniform approach by the entity confederations on the issue of enterprise level collective negotiation. The SSSBiH confederation president was of the opinion that general and branch collective negotiations were of most importance and that there was no need to train local union officers to negotiate enterprise level agreements. For that reason, the SC did not initiate any joint programs within FBiH in the area of direct collective negotiations.

Within the SSRS confederation, the president and branch union leaders were supportive of training local union leaders in the skills and methods to negotiate enterprise collective agreements. In October 2006 the Solidarity Center, along with trainers selected by SSRS and with three branch union presidents, who served as advisors, developed teaching materials and methods for a one-day seminar on "Enterprise-Level Collective Negotiations." As noted in Section 2.1, after the training materials were finalized, a practice teaching program was held in the next month and the trainers began holding seminars in 2007. Before the closing of the Solidarity Center's office, twelve (12) one-day seminars were held by these trainers involving a total of 177 local union participants. Because the Solidarity Center was providing only very limited financial support for each seminar (400 KM), it expects that these seminars will continue, particularly in industry sectors with a large number of private employers in which both the unions and the employers wish to have the flexibility derived from enterprise level collective agreements.

Evaluation of Results

Collective negotiations in BiH remain concentrated at the entity levels in the form of General Collective Agreements that establish the minimum conditions of

employment in conjunction with the labor laws. They are negotiated with the government and with employers' associations that have limited (or at least questionable) representation. Likewise, the key negotiators in many branch collective negotiations remain the applicable government ministries along with somewhat limited employers' associations. The concept of enterprise-level collective negotiations is not universally accepted by union leaders in BiH, some of whom fear that negotiations at that level may reduce their degree of control and lead to "economic anarchy" in the words of one union leader.

Negotiations at the enterprise level will occur more frequently in the future as private employers and unions in those enterprise desire more freedom to negotiate enterprise-specific terms and conditions of employment that supplement the branch and general collective agreements. The Solidarity Center leaves a well-developed and tested one-day seminar package with the unions of SSRS that can be presented to local union leaders who wish to (or are being asked to) negotiate at the enterprise level. The entire training package was also made available to unions within SSSBiH and with colleagues at the International Trade Union Confederation's South Eastern Europe office and it will continue to be used in coming years.

Though social dialogue is a valued concept within European social and economic relations, it needs to be viewed within the context of equal or at least comparable power among the social partners and a joint commitment to making the dialogue more effective. There seems to be near unanimous opinion among international organizations that social dialogue must be improved in Bosnia and Herzegovina and that tripartite negotiations must begin to tackle more serious economic and social problems. The Solidarity Center's role in this process was to assist the unions in increasing their capacity to analyze and advance well-crafted policy positions and proposals through democratic, consensus processes. The Solidarity Center had limited success in this area; too often union leaders looked to someone else, usually the government, to draft proposals to which the unions then reacted. This, in part, was due to a lack of a democratic culture, which needs constant reinforcing if it is to take hold. It was also due to insufficient staff resources and lack of experience in undertaking policy research.

2.4 Activity #4: Joint Economic Education Program (JEEP)

The initial program activities of the Solidarity Center had a large emphasis on providing technical assistance and improving basic literacy about market economics among union leaders as the Bosnian economy was privatized and restructured. For that reason, the Solidarity Center first employed three economists. These economists were tasked with teaching the following topics in the first series of seminars: the union's role in privatization and economic restructuring; how to analyze documents such as the balance sheet and financial statements; and the fundamentals of capitalization, corporate governance and business development. This segued into providing technical

assistance to union leaders at the enterprise level and, occasionally, at the branch level in:

- analyzing privatization agreements;
- reviewing business plans;
- advising on bankruptcy issues;
- suggesting alternative to seemingly corrupt practices; and
- helping unionists to understand and, at times, challenge the impacts of privatization and economic restructuring on workers.

In planning the work of JEEP, the SC projected four types of activities: (1) economic research at the entity/state level and branch union level; (2) analysis of economic legislation; (3) information dissemination; and (4) technical assistance. A statistical summary of the types of assistance provided by JEEP economists under these four headings is presented at the end of this report.

At the macro-economic level, the first major initiative was to assist union leaders from both entity-level confederations and Brcko District Union to collaboratively prepare a document for a roundtable meeting with representatives of the international financial institutions and representatives of the entity- and state-level government in April 2005. The presidents of SSSBiH, SSRS and BDU selected representatives of each of their unions to comprise a working group to develop joint policy positions on what they believed to be the most pressing issues facing workers of BiH. Their final 17-page policy document, entitled "Employment and Reduction of Poverty in Bosnia and Herzegovina: Recommendations by the Unions of BiH," was presented at this meeting and to the media as the unions' road map for the future.

It had four major areas of analysis and recommendations:

- Improving the labor market to achieve legal and secure employment;
- Finding methods to improve anomalies in the pension and health insurance systems;
- Continuing privatization in a way that will not repeat mistakes from the past;
- Building an adequate and efficient system of social protection for workers.

The Solidarity Center was encouraged by the hard work that members of the working group put into developing the analyses and preparing thoughtful and effective recommendations. The SC was pleased when the presidents of SSSBiH, SSRS and BDU were able to jointly agree on the final text and overcome different approaches and at least slightly different problems that existed within the three political jurisdictions. It was disappointing, however, that the unions failed to follow through with joint activities in pursuit of several of these recommendations in the ensuing period.

After the formation of Konfederacija Sindikata BiH (KSBiH) in June 2005, the Solidarity Center encouraged KSBiH to create working committees with the

responsibility of jointly examining economic and social issues that were encompassed in its work program for 2005-2009. Three committees were established with the following areas of responsibility:

- Privatization, bankruptcy and other economic issues;
- Labor market issues and labor legislation;
- Pension and health insurance.

The Solidarity Center offered the assistance of JEEP economists in developing background research and other analytical services to the committees.

Research on various aspects of the forthcoming BiH Value Added Tax was undertaken jointly with the first committee in the second half of 2005. JEEP economists provided information on VAT rates in the region and within Europe, presented data showing the difference between exemptions and reduced or zero rates, and summarized procedures under the EU's 6th Directive on VAT. This research assisted the KSBiH work committee and the KSBiH presidency in crafting their policy positions.

In response to a request from the KSBiH work committee on pensions and health insurance, a JEEP economist prepared a comprehensive study on pension systems in BiH. The research report covered: similarities and differences in the entity pension laws and administration of the programs; estimates of the size of gaps in pension contributions in terms of number of workers and aggregate unpaid contributions; income and expenses for both entity pension funds; and estimates of the impact of the informal economy on the pension funds. Though the commission and the KSBiH president officially endorsed the research, development of comprehensive and coherent policy recommendations had not yet been undertaken by KSBiH at the time of the closing of the Solidarity Center office.

Analytical assistance was provided to several branch unions, including the SSSBiH Telecommunications Union and the SSSBiH Chemistry Union, on industry developments. JEEP economists undertook analyses of several pieces of draft legislation upon request of the unions. These included a draft law on "auditing of privatization" in FBiH; draft amendments to the RS bankruptcy law; and the draft law on "Investment and Enhancement of the Business Environment in Brcko District."

The Solidarity Center viewed information dissemination as an important task throughout its work, not only to get useful documents in the hands of union leaders at all levels, but to also model the value of "shared information" as part of democratic unionism. A fairly large "library" of documents drawn from Solidarity Center publications, the International Labor Organization, the World Bank, the ICFTU and other organizations were regularly distributed in various meetings, conferences and training programs first in paper format, later on CDs,

and, upon development of the KSBiH web site (see Section 2.5), via the Internet.

Estimates of the number of copies of various publications that were distributed over a two-year period are provided in the Statistical Summary at the end of this report. The Solidarity Center's "Practical Guide to Bankruptcy Procedures for Local Unions" was distributed in large quantities (1200 copies), as was Stipe Jolic's book on "Internal Union Communications" (1400 copies). Other publications were distributed in lesser quantities. As part of the Union Communication activities described in Section 2.5, a final publication titled "Unionists' Guide to the Internet and Email" was prepared and distributed in April 2007.

Many types of technical assistance were provided to enterprise-level unions over the three-year period. They are tabulated in the Statistical Summary. Four illustrative initiatives are reported upon in detail as representative of the challenges which unions faced and the types of assistance provided by the Solidarity Center: Ostrelj Company in Bosanski Petrovac, FBiH; Bosna Obuca Company in Banja Luka, RS; Energopetrol Company operating across FBiH; and Varda Company in Visegrad, RS.

The Una-Sana Canton Privatization Agency privatized the Ostrelj Company in 2004 and ownership was transferred to Austrian investors. Shortly after consummation of the agreement, a dispute developed over whether 2.4 million KM in liabilities of the previous company had been properly disclosed by the privatization agency. The dispute led to the failure of the new owners to pay salaries beginning in April 2004 and a strike by the workers. The Solidarity Center arranged a meeting between the privatization agency, the Austrian investors, the union, and other Cantonal ministers to find solutions other than long and contentious court proceedings. The SC involved the office of the High Representative, suggested arbitration via the International Investment Dispute Resolution agency of the World Bank, and kept the parties talking and negotiating. Though court claims were filed by both the investors and the privatization agency, in May 2005 the privatization agency agreed to drop all pending legal charges, the Austrian investors agreed to pay all past due salaries and production restarted. The ongoing assistance provided by the Solidarity Center to the local union president was instrumental in resolving the dispute.

Bosna Obuca Company in Banja Luka was a major state-owned shoe manufacturer whose facilities were leased to two Slovenian individuals under a very lucrative and less than transparent agreement. Members of the supervisory board of the company included several well-connected political party leaders. Workers at the company were forced to sever their employment relationship with Bosna Obuca without severance payments, fully paid social contributions or unpaid salaries and go to work for the leasing company. The

Solidarity Center provided various types of advice and many of the workers, who were also small shareholders in the former state-owned company, mounted a vigorous protest at the shareholders meeting in December 2004. After several years of activity under difficult circumstances, the union was successful in getting the lease agreement terminated, the original company put into bankruptcy, and a reorganization plan undertaken by the bankruptcy manager.

Energopetrol Company was part of the large Energoinvest conglomerate and operated refinery capacity and petrol retailing stations throughout Bosnia prior to the war. After the war, it continued to operate petrol retailing facilities as a unit (about 110 stations) in FBiH. As a strategic enterprise, it was scheduled for privatization under the control of the Federation's Privatization Agency. It was a process that would take more than two years, with many twists and turns, as the Privatization Agency, Federation government ministries, potential buyers and political parties all jockeyed through various positions, legal challenges, newspaper headlines and confusion. The 1100 workers represented by the Petrochemical Union, SSSBiH, wanted some measure of job security, future investment in the company to modernize stations and, most importantly, a timely resolution of the privatization. The Solidarity Center provided analytical assistance to the union beginning with the announcement by the Privatization Agency of the method for solicitation of tender offices; on through protests mounted by the union's members at the Federation Parliament and government buildings to protest inappropriate political interference in the process; and finally regarding the final social agreement negotiated by the union with the new owners, a consortium of the INA and MOL companies.

The Varda Company in Visegrad was well known as a producer of quality furniture and other wood products. After the war, significant problems developed in its historical final markets and in its supply of raw timber. In 2003 the company entered bankruptcy. In late 2004 the bankruptcy manager signed a lease agreement with an American who was thought to own and operate successful furniture manufacturing facilities in his home country. Workers were called back to work after years of working without full or even partial salaries and with un-bridged pension contributions. What was thought to be a promising development turned out to become a nightmare as the new lessor began to accumulate new liabilities to suppliers, to the town of Visegrad and to the workers.

After less than a year of operating under the lease agreement, the American entrepreneur disappeared and a second Varda Company entered bankruptcy. Since the owner-operator of the second Varda Company was no longer in country, there was no legal person to release employees' "workbooks" and the workers became caught in a no-win situation in which they could neither seek other legal employment, nor collect unpaid salaries or social contributions. The Solidarity Center provided as much assistance as possible to the local union

president and municipal union president in meetings with two different bankruptcy managers, the town mayor, the business fraud specialist at the US Embassy and others. In the end, the business remained shuttered, with employees uncompensated and wondering how to rebuild their shattered working lives.

JEEP economists completed approximately forty technical assistance requests over the three-year period, including ten mini-seminars that are listed in Section 2.1 and the Statistical Summary. Several other analytical tools developed by JEEP economists are of note. The first was a computer program to calculate interest payments on unpaid salaries. This was requested by attorneys working within the ICFTU legal assistance network and the union confederations so that they could more easily prepare estimates of salaries plus interest in conjunction with lawsuits and bankruptcy proceedings. The second was an Excel spreadsheet that calculated net and gross salaries and the amount of various components of required social contributions in each entity. Because the contribution rates in RS and FBiH for pension, health insurance, unemployment insurance and other required social contributions vary and the bases upon which each is calculated are defined differently it was exceedingly difficult for an economist, let alone a worker, to know what was required of an employer. The program, now available on the KSBiH web site, allows the user to easily compute the required contributions based on a specified net or gross salary.

Evaluation of Results

The ability of BiH unions to conduct broad economic policy analysis is still limited but the efforts of JEEP to work with the few economists within the confederations and with union leaders has led to a greater awareness of the need to pursue this type of rigorous research. The research studies prepared by JEEP in cooperation with the unions were important. Development of concrete and defensible policy recommendations to governments and the capability of unions, along with other civil society organizations, to engage in pressure activities to move issues through government and parliamentary processes remain a challenge in BiH. The ability of union leaders to mobilize members around concrete issues linked to policy recommendations is in a nascent stage and must be developed further.

At the enterprise level, the technical assistance provided to local union leaders proved helpful in nearly every case, whether the specific problem could be resolved or not. The regular and extensive distribution of publications, working papers and training materials prepared by the Solidarity Center leveraged the activities beyond the direct contacts that the SC had in seminars or other meetings. The inclusion of most of those documents on the KSBiH web site will make them accessible to many more union activists.

Activity #5: Union Communications and Coalition Building

The capacity of union structures to regularly engage in two-way communication between members and leaders was limited. The challenges facing union leaders in BiH were multi-faceted: lack of financial resources; lack of infrastructure to use many types of modern communication methods; a legacy of top-down decision-making and inattention to soliciting members' opinions and ideas; and misunderstanding the difference between simply getting media coverage and using media as a method to advance members' interests and support for the organization (i.e. mobilization).

In its second year work plan, the Solidarity Center proposed a series of activities to improve communication methods and content at various levels of union organization. As noted in Section 2.1, local trainers developed and then began teaching numerous one-day seminars in 2005/2006 on "Workplace-Based Communication Methods" to motivate local union leaders to look at better ways to keep members informed and to solicit their ideas.

In April 2006 a higher-level seminar on "Strategic Planning for Internal Union Communications" involving Confederation officers/staff (5), regional union officers (6), and branch union presidents (9) was held to examine the current methods of communications used by various union structures and to explore potential improvements. Key findings were that electronic communication at all levels was very limited; that publication of newsletters was erratic and of limited quantity; and that there was little clarity on how the flow of information should be coordinated and who had responsibility for doing so at various levels of union organization.

The results of three assessment worksheets that were prepared individually by participants were summarized and circulated for further analysis by the participants and other union leaders, leading to the development of a multi-component Union Communication Project that was endorsed by confederation leaders in October 2006. The first component was a technical assessment of steps required for the confederations to link their structures together more closely with an efficient electronic communication system; the second was a similar assessment of regional union offices; the third was development of a joint web site under the auspices of Konfederacija Sindikata BiH (hereinafter KSBiH); the fourth was to initiate strategic planning with several individual branch unions; and the fifth was to begin longer-term planning for greater coordination and efficiency in presenting the "public face" of unionism to union members and to the general public.

The first and second components were partially completed before the end of the Solidarity Center's program. Within each confederation office in Sarajevo and Banja Luka, a Local Area Network (LAN) was installed, permitting all confederation staff and branch unions located within the headquarters' buildings to establish email addresses, access the Internet and communicate more

effectively within the building. In both cases, the LANs replaced inefficient single-person Internet access methods (via modem) with a high-speed shared ADSL portal. Final decisions on how to better link regional offices with headquarters were not made; however, web-based email addresses were established for all cantonal union offices within SSSBiH, all county and municipal offices within SSRS and for all branch unions as a component of the KSBiH web site.

Development of the KSBiH web site (www.sindikاتبih.ba) began in December 2006 and the site went online in late February 2007. The site was designed as a central repository of information for union leaders, activists and members as well as a site to provide information to the general public about how to join a union and the services that unions provide. The site contains essential information about SSSBiH, SSRS and BDU such as statutes, work programs, contact information for officers and representatives and the two general collective agreements. It also has similar information for the roof confederation, KSBiH. The site also permits the web master to easily post daily news about economic developments, collective bargaining, and other issues of concern to unionists.

A major section of the web site is devoted to "Building Stronger Unions" where union activists can find information on strategic planning, communication skills, collective bargaining, organizing and other essential competencies of unions. Another section has labor-related laws from each of the entities and the state government. The SC's assessment is that many union activists at the local level are using email and the Internet and that it has been the higher level leaders who had not yet grasped the power and efficiency of electronic communication. The SC expects that the web site, the establishment of the LANs and email addresses have prepared the unions to further develop this modern form of communication. For Brcko District Union, the Solidarity Center, upon closing of its office, donated its telephone and LAN equipment in accordance with a memorandum of agreement requiring BDU to install a modern network with ADSL connection within its offices.

Regarding component four, one branch union, the Health Workers of SSRS, had held seminars on "Workplace-Based Communication Methods for nearly all of its 102 local unions. For that reason, a project proposal was prepared for it to take the next logical step and examine more carefully the methods and content of communications to local union leaders. In November 2006, a 12-person working group comprised of the branch president, three regional leaders, seven local union presidents (or vice-presidents) and the chair of the youth section met to develop a strategic plan to improve the flow of information between branch headquarters, regional representatives and local unions. Three broad issues were put before the working group: *types of information* that are most important to share between various levels of union organization; ways to improve the *quantity of information* that is regularly shared; and ways to

improve the *methods of communication*. The working group completed a series of seven worksheets to develop strategic objectives for the flow of information; to assess current resources and recommended needs; and to develop several short-term and longer-term plans.

Subsequently, the set of recommendations prepared by the working group were presented to and endorsed by the General Board of the union and implementation began in 2007. The new methods included:

- A basic package of information that all local union presidents would receive;
- A reporting system for local union presidents to keep branch headquarters advised of significant developments;
- Clarification of the role of regional leaders as communication links between local unions and branch headquarters;
- Development of email and Internet capability for all regional leaders;
- Authorization for local union leaders to establish union-paid email accounts.

Several other similar projects with branch unions were terminated in the discussion stage because of the withdrawal of fourth year funding. However, the SC believes that this project with just one branch union will demonstrate to other branch unions, at least within SSRS, the types of thoughtful changes that can be adopted to improve the content and methods of communication.

The fifth component of the overall plan was only partially completed. It was understood that it was a longer-term objective that was dependent upon completion of the other components. Coordination of the unions' overall communication strategies requires political will to do so and the infrastructure and appropriate staff to implement it. The infrastructure has been created with the Solidarity Center's assistance and now the unions must devote attention to presenting information jointly and must develop appropriate staff to do so.

Stipe Jolic of the Journalists' Union of Croatia was the primary instructor at the "Strategic Planning for Internal Communication" seminar. His book on internal union communications was required reading before the seminar and it was well received by the participants who expressed a desire to distribute additional copies of the book throughout various union structures. For that reason, the Solidarity Center arranged for Mr. Jolic to prepare an updated 3rd Edition of the book, incorporating new information since it was first published in 2002. The unions committed to cost-share the purchase of 1,000 copies of the new edition. Copies of the book were distributed by the confederations, by branch unions, by regional structures and by the trainers in their "Workplace-Based Communications" seminars.

The second part of Activity #5 was to encourage unions in BiH to build more coalitions at the level of the community and at broader levels. There are some

promising signs of greater interaction between unions and other civil society organizations but, generally, the SC was not satisfied with the results of its efforts in this area. As noted in Section 2.1, the second set of Solidarity Center seminars had a component on building relationships with allies in the community. Interactions between unions and civil society organizations were ad hoc and fragmented.

During the Upper Drina Organizing Project, the Solidarity Center strongly encouraged the regional union leaders to solicit support from elected officials and from NGOs active in their areas. In all three areas, the union leaders were successful in having elected officials sign a declaration of support for workers' right to form unions without fear of discrimination and they held meetings with several NGOs to solicit attendance at the events on International Human Rights Day. But the relationships with the NGOs were focused on this one event and the Solidarity Center did not see the development of a continuing relationship.

At a broader level, the unions did partially coordinate their efforts regarding the October 2006 parliamentary elections with the civic organization GROZD with the encouragement of the Solidarity Center, the Center for Civil Initiatives and USAID's Democracy and Governance Office. This is described more fully in Section 2.7. The Solidarity Center had proposed to jointly plan a major conference between the confederations and various NGOs who functioned at the entity or state level, but the early closing of the program made it impossible to do so.

Evaluation of Results

Program activities in this area were proposed in the second and third year work plan because it was evident that the unions in BiH performed these basic and essential tasks of communication and coalition building ineffectively and ad hoc. The Solidarity Center's assistance provided several levels of union leadership with a better understanding of how to improve internal communication so that members are more aware of union initiatives and union leaders are more sensitive to listening to union members. Moreover, the Solidarity Center assisted the unions to establish a better infrastructure for using electronic communication. This will serve as a springboard in coming years.

More than 600 local union leaders were participants in the "Workplace-Based Communication Methods" seminars. Many of these unionists will demand more comprehensive and timely information from their higher levels in the branches and confederations. The Solidarity Center helped one branch union prepare a comprehensive plan to establish electronic communication as the primary method between headquarters, regions and local unions. Both confederations and Brcko District Union are now prepared to use electronic communication within their offices and with their regional organizations. A comprehensive web site under the auspices of KSBiH will serve as the platform and portal for

information dissemination to union members and the general public and for web-based email among union representatives.

The early closure of the Solidarity Center's program prevented it from initiating more joint programs between unions and other civic society organizations.

2.6 Activity #6: Labor Market Structures, Policies and Institutions

One of the four core subjects of the unions' attention in their joint document *Employment and the Reduction of Poverty in BiH* (April 2005) was "improving the labor market to achieve legal and secure employment in a market economy." In that document the unions reviewed the plans and measures contained in the BiH Medium Term Development Strategy, indicated their support for most measures and urgently stressed the need to:

- Increase the flexibility of the labor market through greater mobility, adapting the education system to the needs of the labor market and enabling greater worker retraining;
- Harmonize labor market regulations and social protection systems across BiH;
- Eliminate all forms of discrimination in employment;
- Ensure better coordination between unions and labor inspectorates;
- Modernize the institution of the "workbook";
- Establish methods to more effectively and quickly resolve labor disputes;
- Implement programs of incentives for employers and employees to work in the formal sector.

In response to that document and in coordination with the activities of USAID's "Enabling Labor Mobility" (ELMO) program, the Solidarity Center proposed to concentrate its assistance to partners in just a few critical areas so as to complement but not duplicate efforts. As noted earlier in this report, the SC chose not to duplicate efforts being undertaken primarily by European organizations (EC Delegation to BiH, the ITUC and also ELMO) to improve the quality and methods of social dialogue at the entity levels via the established ECOSOCs, nor to concentrate on establishment of a state level Economic and Social Council.

The ELMO program began functioning in July 2006. Several specific joint activities were agreed upon relating to labor inspection and alternatives to the "workbook" system. Unfortunately, neither could be undertaken before closure of the Solidarity Center's office.

The Solidarity Center assigned one of the JEEP economists to assist KSBiH in its interaction with the European Training Foundation (ETF) in development of a National Action Plan (NAP) for vocational education and labor force development in BiH. Because vocational education and lifelong learning for employability are significant issues that must be addressed by BiH as part of the EU accession process and because it is a significant factor in labor mobility,

the Solidarity Center assisted KSBiH, the entity confederations and other social partners in developing this action plan. The economist served as temporary coordinator for the development of the NAP, convening several conferences of stakeholders (government ministries, union leaders, and employer associations) and, jointly with ETF, planning study visits and a regional review meeting.

Evaluation of Results

The unions have prepared and published a road map for improvement in labor market institutions, yet have not fully developed strategies to initiate change in these areas. The problems are complex. The Solidarity Center had expected to collaborate closely with USAID's ELMO project in working with the unions to tackle these issues. The SC does not view the unions, based on the stated objectives in their April 2005 policy document, to be in opposition to the development of a more flexible and efficient labor market that also has effective methods for protection of workers' rights. It is disappointing that the Solidarity Center did not have the opportunity to continue its collaboration with the ELMO project for an additional period of time.

2.7 Activity #7: Parliamentary Elections in 2006

The objective of this program activity was to assist the union confederations in providing union members with information upon which to judge the platforms of candidates and political parties and to mobilize union members to vote on Election Day, October 1, 2006. Six specific activities were proposed beginning in June 2006:

- Developing a set of specific issues of most critical concern to union members in both entities and in Brcko District;
- Communicating those issues to political parties in a timely manner during the pre-election campaign and receiving policy responses from the political parties;
- Preparing informative materials for union members to explain the issues developed by the unions and the policy responses of the political parties;
- Holding public forums in which these issues can be discussed by union members (and other citizens) with representatives of political parties;
- Encouraging union members to exercise their voice by voting on Election Day;
- Follow-through monitoring of the new Parliament(s) for at least for 100 days.

The role of the Solidarity Center was to coordinate the efforts of both entity confederations and to encourage them develop a joint set of issues to be presented to political parties. After months of meetings also involving the Center for Civil Initiatives (USAID's implementer of election-related activities), it became evident that there was a very limited intention to craft joint issues for

presentation to all political parties and to develop a joint message for union members in both entities.

It had also been thought that the unions might be able to select and endorse a specific political party or parties (or individuals within them) whose programs and positions clearly reflected those of the unions. However, due to the very sensitive political situation in BiH, it was difficult for the unions to do so, and they chose to take their activities in a more general direction: encouraging union members and citizens to come out and vote and providing information about the most important issues upon which to judge political parties. Of the six specific steps noted above, it was only the first—development of a set of *joint issues* of most critical concern to union members in both entities and in Brcko District—that was not part of the specific campaign activities of the unions. The issues that were identified by the entity confederations to which they requested responses by the political parties were very similar. Nevertheless, the unions, three months before the elections, did not develop the political will to speak with a single voice about the concerns of workers in Bosnia and Herzegovina.

However, both entity Confederations did conduct several types of activities to communicate the importance of voting and to highlight the issues to which political parties should respond:

- In RS, workers were consulted and surveyed about critical issues (110 meetings with 2,500 workers and 5,000 completed surveys). In addition, 17 political parties were asked to complete surveys concerning their positions on economic and social issues (12 responses);
- In FBiH, political parties were asked to respond to SSSBiH's "Union platform" and several endorsed it;
- Round tables/public forums were held in both entities (15 forums involving nearly 2,000 union members and representatives of political parties and NGOs);
- Flyers (150,000) and posters (1,000) with clear "get out the vote" messages were developed, printed and distributed to union members and other citizens.

Evaluation of Results

Despite a slow and difficult start and the failure to agree on a joint set of issues, the unions' "Elections 2006" project was successfully conducted during August and September, leading up to Election Day. Though the surveys used in RS were such that only certain "answers" could be expected from union members, the process of asking members was a significant step. Likewise, the number of flyers that were distributed in both entities was significant; it is likely one of the largest efforts undertaken by the unions to directly communicate with their

members. This firsthand experience in communicating directly with members and in working with NGOs will be of benefit in other types of efforts as well as in future "get out the vote" efforts. Additionally, both union confederations collaborated with the leading Bosnian election-related NGO GROZD by collecting signatures for its Civic Platform. Other local NGOs also participated in the union-organized election forums.

2.8 Activity #8: Promote Multi-Ethnic Tolerance and Cooperation among BiH Unions (listed as Activity #5 before May 1, 2006).

Promoting multi-ethnic tolerance and building cooperation among BiH unions was an integral part of all program activities undertaken by the Solidarity Center in Bosnia and Herzegovina. In only a few instances the unions were not able to work jointly with each other under the auspices of a Solidarity Center initiative. At the first meeting with presidents of SSSBiH, SSRS and BDU in June 2004, it was agreed that an Advisory Committee consisting of three representatives from both SSSBiH and SSRS and one from BDU would be appointed to make recommendations to the Solidarity Center and to periodically review our program activities. This Advisory Committee met five times to perform these functions. During all meetings, the SC was cognizant of the differences between the two entities and Brcko District and the union organizations that represented workers in each jurisdiction and the need to develop program activities that bridged these differences. The members of the Advisory Committee were helpful in their advice and were always willing to plan joint activities with the Solidarity Center.

Review of the statistics presented in the last section of this report show that nearly all program activities included unionists from both entities, and often from Brcko District. In seminars conducted by the Solidarity Center, 50% of the participants were drawn from unions affiliated with SSRS, 41% from SSSBiH affiliates and 9% from Brcko District Union. The Solidarity Center's Field Representative met separately with the presidents of SSSBiH, SSRS and BDU often, but program-planning activities were always conducted jointly with all three presidents participating. Four such joint meetings were held over the three-year period to assure that all three partners were fully engaged. During the Solidarity Center's assistance to the unions in preparing for the conference with international financial institutions in April 2005, eight meetings of a bi-entity working group – culminating in a final "negotiating meeting" between the three presidents – led to the first ever comprehensive joint policy document.

For several years prior to the opening of the Solidarity Center's office, the ICFTU and its South Eastern Europe office in Sarajevo had been encouraging the unions to agree to a joint structure – often referred to as a "roof confederation" – to speak on behalf of all workers in Bosnia and Herzegovina. The Solidarity Center endorsed this goal and participated in numerous meetings to support the unions in overcoming the practical and political obstacles. In June 2005, SSSBiH, SSRS and BDU held a historic assembly in which

delegates from each organization approved a statute creating Konfederacija Sindikata BiH (KSBIH) (in English, the Confederation of Trade Union of Bosnia and Herzegovina [CTUBiH]).

The Solidarity Center offered both moral and material support to KSBIH after its founding. When office space in Dom Sindikata was not initially available to KSBIH, the SC accommodated the president in vacant space within its offices. The Solidarity Center strongly encouraged KSBIH to develop joint work processes in order to fulfill the goals it outlined in its Work Program for 2005-2009. The KSBIH Presidency authorized the creation of three economic/social working committees (commissions) comprised of representatives of SSSBiH, SSRS and BDU. Memorandums of agreements were signed between KSBIH and the Solidarity Center permitting these committees to draw upon the JEEP economists in preparing analyses, assembling documents and in other ways helping the members of the committees. As noted in Section 2.4, JEEP economists assisted in areas such as the Value Added Tax, pension analysis, bankruptcy procedures and labor market development.

The Upper Drina Organizing Project cut across entity lines and joined unionists in planning strategy, analyzing impediments to organizing in each confederation, training volunteer organizers and implementing organizing campaigns. Prior to the October 2006 parliamentary elections the Solidarity Center worked diligently to encourage the unions to develop joint issues to present to the political parties active in both entities. Unfortunately, the unions could not overcome the political divide.

Evaluation of Results

The war and the separation of BiH into three primary political jurisdictions led to three separate union organizations. Because the entities and Brcko District have authority for most issues related to the labor market, economic development and social policy, it is not surprising that the unions focus their activities at those levels of government. The state-level government has a very limited role in these areas. Nevertheless, the Solidarity Center encouraged the unions to develop joint policy positions as a means to begin to harmonize laws across the political jurisdictions and to focus state-level and international institutions on the critical needs of workers for fairer processes in privatization, bankruptcy, economic development and other social issues.

The unions did develop such joint policy positions in April 2005, but did not remain as focused on developing joint activities to accomplish the goals as the Solidarity Center had hoped. It was a recurring problem that the unions took positions (separately or jointly) and then did not develop campaign strategies to accomplish their goals. The creation of KSBIH was a significant step in building an institution to develop joint policy; however, the institution lacked staff, and often, the political will to act. The Solidarity Center had hoped that the development of the three economic/social committees would lead more directly

to crafting of joint analyses of problems and joint recommendations to the leaders of KSBiH (and its founding organizations) but the chairs of the committees were limited in their vision and the committees did not meet as often as necessary.

3. STATISTICAL SUMMARY OF PROGRAM ACTIVITIES: MAY 2004 - 2007

The following tables summarize the number of participants and days of training (or other significant meetings/project activities) during the three-year period that the Solidarity Center had an office in Bosnia and Herzegovina. The table is arranged by major activity and by types of programs within each activity:

Activity #1: Seminars conducted by Solidarity Center staff

TOTAL Participants	Men	Women	SSRS	SSSBiH	Brcko/Other
<i>"Union Role in Privatization and Economic Restructuring" 9 two-day seminars held between September and December 2004</i>					
199	136	63	79	94	26
<i>"Unions and Community Outreach and Media Relations" 4 two-day seminars held between February and June 2005</i>					
70	54	16	32	35	3
<i>"The Impact of International Financial Institutions on Labor" one-day seminar, April 2005</i>					
34	26	8	18	13	3
<i>Train-the-Trainer on "Workplace-Based Communication Methods," seminar and materials development, 3 days, November 2005</i>					
16	11	5	10	6	0
<i>Personal Media Training for Presidents Biber and Kalajdzic," 3 days, February 2006</i>					
2	2	0	0	1	1
<i>Group Media Training for branch presidents and regional leaders, 2 days, March 2006</i>					
11	8	3	6	4	1
<i>"Strategic Planning for Internal Union Communications," 3 days, April 2006</i>					
22	16	6	11	10	1
<i>Review meeting with "Vlasic trainers" on Workplace-Based Communication Methods and planning for development of additional subjects/materials, 1 day, July 2006</i>					
6	4	2	4	2	0
<i>Train-the-Trainer on "Enterprise-Level Collective Bargaining" seminar and materials development with SSRS, 3 days, October 2006</i>					
13	7	6	13	0	0
<i>Practice Teaching seminar, SSRS collective bargaining trainers, 2 days Nov 28-29, 2006</i>					
13	5	8	13	0	0
<i>Train-the-Trainer on "Workplace-Based Communication Methods," 1 day, Dec 18, 2006</i>					
11	8	3	6	4	1
<i>Train-the-Trainer on "Bankruptcy Procedures for Local Unions, 1 day, Dec 19, 2006</i>					
9	6	3	6	3	0
<i>"Training Program for 'Lead Organizers' for SSRS," 4 1/2 days, April 2007</i>					
13	9	4	13	0	0
TOTAL (419 participants, 50.5 days)	292	127	211	172	36

Activity #1: One-day Seminars on "Workplace-Based Communication Methods" conducted by local trainers (SSRS and SSSBiH)

Union Organization	Location	Date	Male	Female	Total
RS Trade Union of Health Workers	Doboj	12-21-05	8	11	19
RS Trade Union of Health Workers	Banja Luka	12-22-05	7	11	18
RS Agricultural Workers	Gradiska	1-18-06	9	5	14
RS Trade Union of Health Workers	Modrica	2-9-06	7	12	19
SSSBiH Communal Workers, Tuzla	Zivinice	2-24-06	12	1	13
RS Trade Union of Health Workers	Zvornik	2-24-06	11	12	23
RS Trade Union of Police	Banja Luka	3-1-06	17	1	18
RS Metal and Mine Workers	Doboj	3-2-06	14	0	14
RS Railroad, Postal, Telecom	Doboj	3-2-06	17	4	21
RS Trade Union of Police	Prijedor	3-14-06	16	2	18
SSSBiH Chemistry and Nonmetal	Tuzla	3-16-06	15	1	16
RS Forestry and Wood Workers	Teslic	3-24-06	14	4	18
SSSBiH Trade Union of Police	Tuzla	4-20-06	NA	NA	17
RS Trade Union of Health Workers	Visegrad	5-5-06	6	12	18
RS Forestry and Wood Workers	Banja Luka	6-5-06	12	6	18
RS Trade Union of Elementary Education	Doboj	6-21-06	8	12	20
RS Trade Union of Health Workers	Prijedor	6-26-06	6	10	16
SSSBiH Trade Union of Police	Bihac	7-4-06	17	6	23
RS Metal and Mine Workers	Banja Luka	7-7-06	12	6	18
RS Trade Union of Forestry	Prijedor	8-3-06	13	5	18
RS Trade Union of Police	Doboj	8-3-06	15	3	18
RS Trade Union of Health Workers	East Sarajevo	8-4-06	6	13	19
RS Trade Union of Health Workers	Trebinje	9-15-06	7	14	21
Doboj Hospital Health Workers	Doboj	9-21-06	7	14	21
SSRS Multiple unions (9)	Odzak	9-29-06	8	4	12
RS Union of Trade (Boska)	Banja Luka	10-17-06	5	11	16
SSRS Multiple unions (7)	Teslic	10-19-06	14	7	21
SSRS Multiple unions (6)	Teslic	10-20-06	15	5	20

RS Forestry Trade Union	Knezevo	11-16	10	4	14
SSRS Multiple unions (9)	Kotor Varos	12-20-06	12	6	18
SSRS Forestry Trade Union	Kotor Varos	01-12-07	10	6	16
SSSBIH Multiple unions	Tuzla	2-13-07	9	6	15
SSRS Multiple unions	Sipovo	2-23-07	13	4	17
SSRS Multiple unions	Prnjavor	3-10-07	12	3	15
SSSBIH Multiple unions	Banovici	3-30-07	10	1	11
TOTAL (35, 1 day seminars)			360+	222+	613

Activity #1: Mini-Seminars conducted by Solidarity Center JEEP economists

Location	Date	Subject/Audience	Total
Visegrad	12-16-04	Bankruptcy/mixed	14
Tuzla	12-24-04	Bankruptcy/metal	22
Kulasi	7-14-05	Bankruptcy/metal	18
Tuzla	7-20-05	Bankruptcy/ chemical workers	16
Banja Luka	11-10-05	Bankruptcy/construction workers	18
Doboj	12-01-05	Bankruptcy/mixed	18
Tuzla	4-20-06	Bankruptcy/construction workers	21
Mostar	6-28-06	Bankruptcy/construction workers	16
Velika Kladusa	4-23-05	Shareholders' rights/textile workers	24
Tuzla	6-28-05	Shareholders' rights/metal workers	35
TOTAL (10)			202

Activity #1: Seminars on "Bankruptcy Procedures for Local Unions" conducted by local trainers

Location	Date	Subject/Audience	Total
Gradiska	2-13-07	Bankruptcy/agricultural and food	16
Bihac	2-22-07	Bankruptcy/textile	44
Teslic	3-19-07	Bankruptcy/mixed industries	16
Banja Luka	3-24-07	Bankruptcy/mixed industries	19
TOTAL (4)			95

Activity #1 and Activity #3: Seminars on "Enterprise Level Collective Negotiations" conducted by SSRS trainers

Location	Date	Audience	Total
Visegrad	3-23-07	Construction, communal, metal	13
Banja Luka	3-26-07	Agriculture and food processing	13
Doboj	3-26-07	Construction and communal services	9
Visegrad	3-26-07	Construction and communal services	16

Prijedor	3-27-07	Construction and communal services	10
Banja Luka	3-27-07	Forestry and wood processing	12
Banja Luka	4-4-07	Health workers	23
Doboj	4-5-07	Health workers	26
Doboj	4-12-07	Communication and transportation	14
East Sarajevo	4-12-07	Mixed unions	16
Trebinje	4-14-07	Metal workers	15
Knezevo	4-24-07	Forestry and wood processing	10
TOTAL (12)			177

Activity #2: Organizing Strategy and Pilot Campaigns in Private Sector

Total Participants	Men	Women	SSRS	SSSBiH	Brcko
<i>Upper Drina Organizing Project, Strategy Development Meeting, July 5, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Strategy Development, August 25, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Strategy Development, September 29, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Strategy Development, October 11, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Strategy Development, October 25, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Strategy Development, November 22, 2005, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Volunteer Organizer Training Program, November 28, 2005, 1 day</i>					
16	12	4	10	6	0
<i>Upper Drina Organizing Project, Logistics and Materials Meeting, December 7, 2005, 1 day</i>					
15	11	4	8	7	0
<i>Upper Drina Organizing Project, Organizing Forums in Foca, Gorazde and Visegrad, December 10, 2005, 1 day</i>					
150	90	60	100	50	0
<i>Upper Drina Organizing Project, Strategy Evaluation Meeting, February 14, 2006, 1 day</i>					
3	2	1	2	1	0
<i>Upper Drina Organizing Project, Volunteer Organizers' Evaluation Meeting, March 21, 2006, 1 day</i>					
17	14	3	8	9	0
<i>Zenica-Doboj Planning Meeting, Presentation of Evaluation of Upper Drina Organizing Project, May 15, 2006, 1 day</i>					
21	17	4	10	9	2
<i>Zenica-Doboj Planning Meeting in Kakanj, July 27, 2006, 1 day</i>					
10	8	2	0	10	0

<i>Petrol Workers' Union General (Executive) Board, Vogosca, September 29, 2006, 1 day</i>					
21	17	4	0	21	0
<i>Petrol Workers' Union General (Executive) Board, Sarajevo, December 28, 1/2 day</i>					
15	13	2	0	15	0
<i>Petrol Workers' Union Organizing Committee, Sarajevo, January 31, 2007, 1/2 day</i>					
7	7	0	0	7	0
<i>Petrol Workers' Union Organizing Committee, Sarajevo, February 9, 2007, 1/2 day</i>					
7	7	0	0	7	0
<i>Petrol Workers' Union Volunteer Organizers Training Program, Vogosca, February 20, 2007, 1 day</i>					
17	15	2	0	17	0
<i>Petrol Workers' Union Volunteer Organizers Training Program, Travnik, February 22, 2007, 1 day</i>					
14	14	0	0	14	0
<i>"Training Program for 'Lead Organizers' for SSRS", 4 1/2 days, April 2007</i>					
13	9	4	13	0	0
TOTAL (344 participants, 22 days)	248	96	163	179	2

Activity #3: Collective Bargaining and Social Dialogue

Total Participants	Men	Women	SSRS	SSSBIH	Brcko
<i>Collective Bargaining Seminar for Local Union Officers, Travnik, April 10, 2006 (jointly with ICFTU), 2 days</i>					
14	9	5	6	8	0
<i>Train-the-Trainers on "Enterprise Level Collective Bargaining" with SSRS, October 2006, 3 days,</i>					
13	7	6	13	0	0
<i>Practice Teaching seminar for SSRS collective bargaining trainers, Nov 28-29, 2 days</i>					
13	5	8	13	0	0
TOTAL (40 participants, 7 days)	21	19	32	8	0

[See also the table of "Enterprise Level Collective Bargaining" seminars conducted by SSRS trainers under Activity #1]

Activity # 4: Joint Economic Education Program

Type of Service/Technical Assistance	Projection 2005-2006	Projection 2006-2007	Actual 2005-2007
Economic Research			
<ul style="list-style-type: none"> • National/union confederation level • Sector/branch union level 	2 2	2 1	3 2
Analysis of Proposed Economic Legislation	1	1	2
Information Dissemination			
Booklets/Working Papers/PP Presentations:			
<ul style="list-style-type: none"> • SCBiH Bankruptcy and Liquidation • SCBiH Unions and Privatization • SCBiH Understanding Your Company and Its Financial Documents • SCBiH Four Core Competencies of Strong Unions • SCBiH Developing Union Strategies and Negotiating Tactics • SCBiH Shareholder Rights/Corporate Governance • Employment and Reduction of Poverty in BiH • SCBiH Community Outreach/Media Relations • World Bank: Mitigating Social Consequences of Privatization and Restructuring • World Bank: Country Economic Memo • World Bank: Summary of Labor Market • ILO Trade Union Strategies • SCBiH Practical Guide to Bankruptcy Procedures • SCBiH Pension Systems in BiH • Internal Union Communications, Jolic • ITUC Manuals on Collective Bargaining • SCBiH/SSRS Enterprise Level Collective Bargaining training materials • SCBiH Unionists Guide to the Internet and Email • SC Strategic Planning for Unions in Transition Countries 	30 50 30 50 50 80 200 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	30 30 30 30 50 20 0 0 0 0 800 100 1000 0 15 0 0	80 250 282 173 250 85 50 185 120 14 13 146 1200 120 1400 60 25 160 80

Technical Assistance to Enterprise-Level Unions	28	16	39
• Review and analysis of pre-privatization issues: method, valuation of the enterprise, financial condition, and union options	2	2	4
• Advice on tender offers and research on potential buyers	2	0	1
• Assistance in monitoring post-privatization results and fulfillment of privatization agreement	2	2	4
• Review of responsibilities and rights of shareholders and issues of corporate governance	2	2	5
• Assistance in protecting workers' socio-economic welfare in bankruptcy/liquidation circumstances	2	2	8
• Review of workers' options on pension bridging	8	0	0
• Assistance with strategies for outreach to the community and media relations	2	0	1
• Review of company financial documents and business plans	0	4	6
• Mini-seminars on shareholders' rights, bankruptcy	0	4	10

Activity #5: Union Communications and Coalition Building

Total Participants	Men	Women	SSRS	SSSBiH	Brcko
<i>Strategic Planning Meeting of Health Workers, SSRS, October 28-29,2006, 2 days</i>					
12	7	5	12	0	0
<i>Confederation Communication Strategy Meetings (October - December 2006,) 5 days</i>					
4	2	2	2	2	0
<i>KSBiH Web Site Development Meetings, December 15-January 31,2007, 8+ days</i>					
5	4	1	N/A	N/A	N/A
<i>KSBiH Presidency Meeting on Web Site, January 18, 2007, ½ day</i>					
7	5	2	3	3	1
<i>Confederation (SSSBiH and SSRS) Communication (LAN) Strategy Meetings, 8 days</i>					
6	1	5	3	3	0
<i>KSBiH Web Site Development Meetings, February 9, 13, 23, 2007, 3+ days</i>					
5	4	1	N/A	N/A	N/A
TOTAL (39 participants, 27 days)	23	16	20	8	1

Activity #6: Labor Market Structures, Policies and Institutions

Total Participants	Men	Women	SSRS	SSSBIH	Brcko
<i>Meetings with ELMO staff regarding areas of mutual interest, Sarajevo, June-August, 2006, 3 days</i>					
2	2	0	N/A	N/A	N/A
<i>Meeting with SSRS Members of RS ECOSOC, Slatina, September 13, 2006 1 day</i>					
3	2	1	3	0	0
<i>Meeting with ELMO staff regarding workbooks, Sarajevo, January 25, 2007, ½ day</i>					
2	2	0	N/A	N/A	N/A
TOTAL (7 participants, 4.5 days)	6	1	N/A	N/A	N/A

Activity #7: Parliamentary Elections in 2006

Total Participants	Men	Women	SSRS	SSSBIH	Brcko
<i>Surveys of union members</i>	N/A	N/A	7500	0	0
<i>Round tables and public forums</i>	N/A	N/A	425 (8 forums)	1500 (7 forums)	0
<i>Distribution of GOTV flyers</i>	N/A	N/A	90,000	60,000	0
<i>Posters</i>	N/A	N/A	500	500	0

Activity #8: Promote multi-ethnic tolerance and cooperation among BiH unions (listed as Activity #5 before May 1, 2006)

Total Participants	Men	Women	SSRS	SSSBIH	Brcko
<i>Meeting of Solidarity Center Union Advisory Committee, July 15, 2004</i>					
7	5	2	3	3	1
<i>Meeting of Solidarity Center Union Advisory Committee, August 27, 2004</i>					
7	5	2	3	3	1
<i>Meeting of Solidarity Center Union Advisory Committee, December 2, 2004</i>					
7	5	2	3	3	1
<i>Meeting of Solidarity Center Union Advisory Committee, January 12, 2005</i>					
7	5	2	3	3	1
<i>Meeting of Solidarity Center Union Advisory Committee, May 20, 2005</i>					
7	5	2	3	3	1
<i>Joint Meeting with Presidents of SSSBIH, SSRS and BDU for planning of SC activities, July 2, 2004</i>					
3	3	0	1	1	1
<i>Joint Meeting with Presidents of SSSBIH, SSRS and BDU for planning of SC activities, August 27, 2004</i>					
3	3	0	1	1	1
<i>Joint Meeting with Presidents of SSSBIH, SSRS and BDU for planning of SC activities,</i>					

<i>January 24, 2005</i>					
3	3	0	1	1	1
<i>Eight Joint Meetings of the "IFI Conference" working group, February-April 2005</i>					
11	10	1	5	5	1
<i>Joint Meeting with Presidents of SSSBiH, SSRS and BDU for planning of SC activities, January 16, 2006</i>					
3	2	1	1	1	1
TOTAL	58	46	12	24	10