

Fairwork

**LABOUR STANDARDS IN  
THE PLATFORM ECONOMY**

# Fairwork Serbia Ratings 2022





# CONTENTS

## 03 Executive Summary

## 04 Key Findings

## 06 Editorial

## 08 The Fairwork Project: Towards Decent Labour Standards in the Platform Economy

## 10 The Fairwork Framework

## 14 Background: Serbian Platform Economy Today

## 16 The Platform Economy in the National Context: Sectors, Workforce, Trends

## 19 The Legal Context: What Makes a Worker an Employee?

## 21 Fairwork Serbia Scores 2022

## 24 Platform in Focus: Wolt

## 28 Workers' Stories

## 30 Theme in Focus: Limited Liability Companies and Platform Supply Chains

## 32 Moving Forward: Platform changes

## 33 Pathways to change

## 36 The Fairwork Pledge

## 37 Appendix: Fairwork Scoring System

## 42 Endnotes

## 45 Credits and Funding



# Executive Summary

**The platform economy in Serbia is a booming phenomenon that offers altered consumption and service provision opportunities and alternative work arrangements. This report presents Fairwork research conducted in 2022 in Serbia, in which five digital platforms—Glovo, Wolt, CarGo, Mr.D and Uradi-zaradi—were scored against five Fairwork principles.**

The platform economy is not a new phenomenon in Serbia. It began in 2006 with the appearance of the first local platform, Donesi.com, which transformed from a website into an app in 2014. In the following years, market growth was stimulated by the entry of international food delivery platforms, including the appearance of local food delivery, ride-hailing and domestic work platforms. Recently, the platform economy landscape in Serbia has changed yet again, manifested in numerous mergers and acquisitions, the emergence of new local food delivery platforms, and changes to policies and practices of some platforms towards the principles of fair work. However, the legal status of platform workers and the Serbian public policy framework for regulating this form of work still represent a persistent issue requiring prompt and adequate solutions.

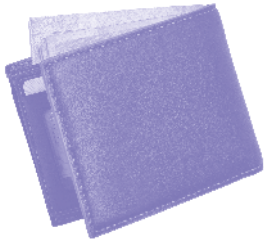
Current models of platform work mostly revolve around “partnership agreements” with third parties, where the worker is either self-employed or is hired via an intermediary agency / limited liability company (LLC). These forms of worker engagement often lack elements of decent work standards as workers cannot avail themselves of particular labour rights such as right to access to unemployment benefits, paid sick and annual leave and maternity / paternity benefits.

Despite this, the platform economy has grown steadily—supported by a high level of interest in undertaking digital platform work due (among other things) to the structural features of the Serbian labour market, namely high entry barriers to a young workforce and significant rates of informal employment. For many workers, platforms represent a step forward in finding viable working solutions that offer decent pay and a high degree of flexibility outside the regular labour market.

**THERE IS A CLEAR NEED FOR A FAIR LEGAL ENVIRONMENT FOR PLATFORM WORKERS THAT SUPPORTS FAIR WORK CONDITIONS, REGULATES FAIR REPRESENTATION, AND CONTRIBUTES TO GREATER SAFETY AND PROTECTION FOR WORKERS.**

This is the second Fairwork report for Serbia, which results from a year-long research project that has examined the current situation of the country’s platform economy against five principles of fair work. By raising awareness of the conditions of platform work in Serbia, Fairwork aims to assist workers, consumers, platform management and policymakers in making platforms accountable for their practices, while indicating areas for improvement in order for decent work conditions to be achieved. In this respect, five digital platforms were examined in Serbia—Glovo, Wolt, CarGo, Mr.D and Uradi-zaradi. While the majority of them were assessed last year, Mr.D as a new platform is examined for the first time in 2022. This year’s report shows that there has been progress in certain areas of fair work compared with our 2021 report, for example concerning fair conditions and fair management policies and practices of platforms. However, there is still plenty of room for further development of decent work conditions for platform workers, and ensuring fairness in the Serbian platform economy. In particular, there is a clear need for a fair legal environment for platform workers that supports fair work conditions, regulates fair representation, and contributes to greater safety and protection for workers.

# Key Findings



## FAIR PAY

**This year, three platforms were able to evidence that they ensure that workers earn at least the minimum hourly wage after costs.**

However, only two platforms, Wolt and Uradi-zaradi, were able to document that their workers are paid at least the living wage after costs.



## FAIR CONDITIONS

**Three of the five platforms researched (Wolt, Uradi-zaradi and Glovo) were able to provide evidence that they undertake steps towards protection of their workers from task-specific risks, while Wolt also provided evidence about active development of a safety net and improvement of working conditions beyond task-specific risks.**

The three platforms have clear policies and practices to protect workers from task-related risks including accidents, as well as COVID-19 insurance (Wolt and Glovo) which shields workers from income loss while on sick leave.



## FAIR CONTRACTS

Like last year, the results show that only Uradi-zaradi was able to provide evidence about clear and transparent contractual terms and conditions accessible to workers at all times, including a specified time frame for informing workers of potential contractual changes.



## FAIR MANAGEMENT

Three out of five platforms, Glovo, Wolt and Uradi-zaradi, evidenced clear communication channels allowing workers to interact with a human representative of the platform either through the app, phone, email or in person.

They were able to provide evidence for a formalised process for workers to appeal decisions resulting in penalties or disciplinary actions, even when they no longer have access to the platform.



## FAIR REPRESENTATION

Like the previous scoring round, none of the platforms could be evidenced to meet the conditions for this principle.

This leaves platform workers in Serbia with no formal mechanism of collective bargaining in place to represent and protect their rights.

# Editorial

**Against all odds, the popularity of ride-hailing and delivery platforms remains high among workers in Serbia. Notwithstanding the exhausting and long working hours, the high risk of injuries in traffic accidents and weak social protection, they find platform work very attractive.**

Hired as self-employed “independent contractors” or holding questionable contracts as employees of intermediary “partner” companies that have partnership agreements with platforms, these workers find that a myriad of employee rights is out of their reach. While elsewhere their comrades and peers in the platform economy have gone on strike against these mighty businesses because of these reasons, this is not the case in Serbia.

**THE MOST IMPORTANT AND DECISIVE FACTOR FOR THE POPULARITY OF PLATFORMS IS THE OPPORTUNITY FOR WORKERS TO EARN A MONTHLY WAGE THAT IS GENERALLY (SIGNIFICANTLY) HIGHER THAN THE AVERAGE EARNINGS IN SERBIA**

Why do platforms continue to be so attractive in Serbia? From the workers’ perspective, flexibility is a key reason why they value this kind of work so highly. As explained by a number of the riders we interviewed for this study, the sense of freedom, the opportunity to manage their own time, work at their own pace, and be their own boss is unsurpassed and (seemingly) more important than enjoying labour and social rights. Another reason they remain popular with workers is that they offer them a means to remain in Serbia rather than emigrating for work. For these riders, the prospect of earning decent pay in Serbia is of paramount importance as it allows them to stay in the country with their families, and not live far away as has previously been the case. According to one of our interviewees, “the platforms would have to be invented if they did not exist”.

Still, the most important and decisive factor for the popularity of platforms is the opportunity for workers to earn a monthly wage that is generally (significantly) higher than the average earnings in Serbia. As one of workers we interviewed explained: “Platform work gives me a chance to live a decent life in Serbia and spend time with my family”. He told us he earns twice as much as his wife, who has a university degree and works for a reputable trade company in Belgrade.

What allows such good pay in ride-hailing and delivery services in Serbia, in contrast to the trends we see in many other countries? One factor is the continuing strong demand for courier and driver services across the industry, which skyrocketed during COVID-19. The second factor is a huge vacuum in the Serbian labour market, which is the result of demographic changes [i] and the mass migration of workers to the Europe Union and elsewhere. Should Germany change its law on immigration and remove the obstacles to the arrival of qualified workers from abroad in 2023, the outflow of workers from Serbia will be even greater. At the same time, although Serbia is slowly changing its status from an “exporter” of labour force to an “importer”, the share of migrant workers in the Serbian labour market is still negligible.

**IT REMAINS TO BE SEEN WHETHER INFLATION AND ECONOMIC RECESSION WILL SLOW DOWN THE DEMAND FOR SERVICES OFFERED BY PLATFORMS.**



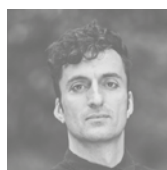
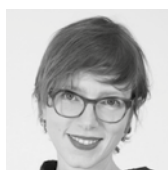
In the meantime, despite their perilous working conditions and precarious legal status, the platform workers in Serbia seem to view platforms as a facilitator of good pay and flexibility—hardly imaginable to the Serbian workforce just a few years ago. This may explain why our interviewees still prefer short-term financial gains to social safeguards and other rights guaranteed by employment contracts.

That said, it remains to be seen whether inflation and economic recession will slow down the demand for services offered by platforms. Should that be the case, it would be reasonable to expect that platform workers will start to lose their jobs, as is already happening in many countries in the world, and that their wages will drop. Next year's report will certainly shed light on this.



## FAIRWORK SERBIA TEAM

Branka Andjelkovic, Tanja Jakobi, Maja Kovac, Slobodan Golusin,  
Funda Ustek Spilda, Adam Badger, and Mark Graham



# **Towards Decent Labour Standards in the Platform Economy**

**Fairwork evaluates and ranks the working conditions of digital platforms. Our ratings are based on five principles that digital labour platforms should ensure in order to be considered to be offering basic minimum standards of fairness.**

We evaluate platforms annually against these principles to show not only what the platform economy is today, but also what it could be. The Fairwork ratings provide an independent perspective on labour conditions of platform work for policymakers, platform companies, workers, and consumers. Our goal is to show that better, and fairer, jobs are possible in the platform economy.

The Fairwork project is coordinated from the Oxford Internet Institute and the WZB Berlin Social Science Centre. Our growing network of researchers currently rates platforms in 38 countries across 5 continents. In every country, Fairwork collaborates closely with workers, platforms, advocates and policymakers to promote a fairer future of platform work.



# Fairwork countries

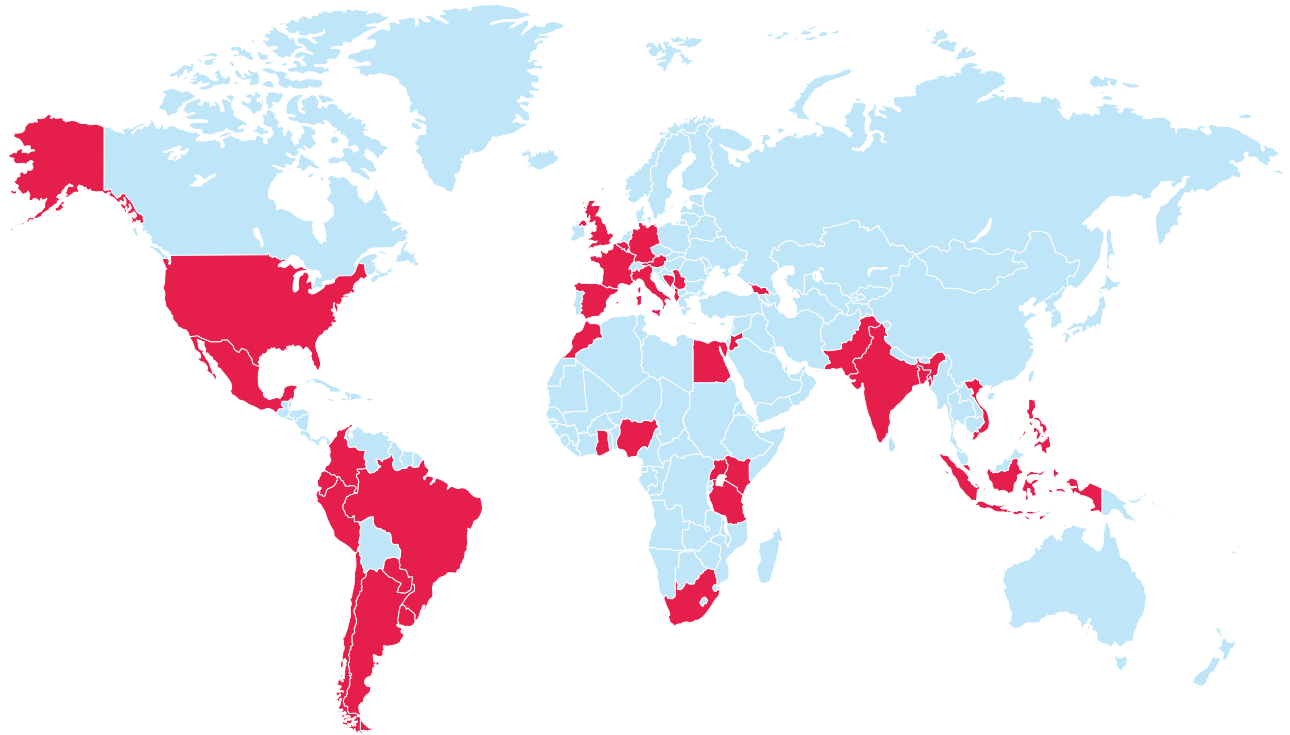


Figure 1. Fairwork currently rates platforms in 38 countries worldwide.

## AFRICA

Egypt, Ghana, Kenya, Morocco, Nigeria, South Africa, Tanzania, Uganda

## ASIA

Bangladesh, India, Indonesia, Jordan, Lebanon, Pakistan, Philippines, Singapore, Vietnam

## EUROPE

Albania, Austria, Belgium, Bosnia, France, Georgia, Germany, Italy, UK, Serbia, Spain

## SOUTH AMERICA

Argentina, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, Uruguay

## NORTH AMERICA

Mexico, USA

# The Fairwork Framework

**Fairwork evaluates the working conditions of digital labour platforms and ranks them on how well they do. Ultimately, our goal is to show that better, and fairer, jobs are possible in the platform economy.**

To do this, we use five principles that digital labour platforms should ensure to be considered as offering ‘fair work’. We evaluate platforms against these principles to show not only what the platform economy is, but also what it can be.

The five Fairwork principles were developed through multiple multi-stakeholder workshops at the International Labour Organisation. To ensure that these global principles were applicable in the UK context, we have subsequently revised and fine-tuned them in consultation with platform workers, platforms, trade unions, regulators, academics, and labour lawyers.

Further details on the thresholds for each principle, and the criteria used to assess the collected evidence to score platforms can be found in the Appendix.





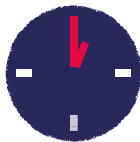
## STEP 1

# The five principles



### Fair Pay

Workers, irrespective of their employment classification, should earn a decent income in their home jurisdiction after taking account of work-related costs. We assess earnings according to the mandated minimum wage in the home jurisdiction, as well as the current living wage.



### Fair Conditions

Platforms should have policies in place to protect workers from foundational risks arising from the processes of work, and should take proactive measures to protect and promote the health and safety of workers.



### Fair Contracts

Terms and conditions should be accessible, readable and comprehensible. The party contracting with the worker must be subject to local law and must be identified in the contract. Regardless of the workers' employment status, the contract is free of clauses which unreasonably exclude liability on the part of the service user and/or the platform.



### Fair Management

There should be a documented process through which workers can be heard, can appeal decisions affecting them, and be informed of the reasons behind those decisions. There must be a clear channel of communication to workers involving the ability to appeal management decisions or deactivation. The use of algorithms is transparent and results in equitable outcomes for workers. There should be an identifiable and documented policy that ensures equity in the way workers are managed on a platform (for example, in the hiring, disciplining, or firing of workers).



### Fair Representation

Platforms should provide a documented process through which worker voice can be expressed. Irrespective of their employment classification, workers should have the right to organise in collective bodies, and platforms should be prepared to cooperate and negotiate with them.



## STEP 2

# Methodology

The Fairwork project uses three approaches to effectively measure fairness of working conditions at digital labour platforms: desk research, worker interviews and surveys, and interviews with platform management. Through these three methods, we seek evidence on whether platforms act in accordance with the five Fairwork Principles.

We recognise that not all platforms use a business model that allows them to impose certain contractual terms on service users and/or workers in such a way that meets the thresholds of the Fairwork principles. However, all platforms have the ability to influence the way in which users interact on the platform. Therefore, for platforms that do not set the terms on which workers are retained by service users, we look at a number of other factors including published policies and/or procedures, public statements, and website/app functionality to establish whether the platform has taken appropriate steps to ensure they meet the criteria for a point to be awarded against the relevant principle. In the case of a location-based work platform, we seek evidence of compliance with our Fairwork principles for location-based or 'gig work' platforms, and in the case of a cloudwork platform, with our Fairwork principles for cloudwork platforms.

### Desk research

Each annual Fairwork rating cycle starts with desk research to map the range of platforms to be scored, identify points of contact with management, develop suitable interview guides and survey instruments, and design recruitment strategies to access workers. For each platform, we also gather and analyse a wide range of documents including contracts, terms and conditions, published policies and procedures, as well as digital interfaces and website/app functionality. Desk research also flags up any publicly available information that could assist us in scoring different platforms, for instance the provision of particular services to workers, or the existence of past or ongoing disputes. The desk research is also used to identify points of contact or ways to access workers. Once the list of platforms has been finalised, each platform is contacted to alert them about their inclusion in the annual ranking study and to provide

them with information about the process. All platforms are asked to assist with evidence collection as well as with contacting workers for interviews.

### Platform interviews

The second method involves approaching platforms for evidence. Platform managers are invited to participate in semi-structured interviews as well as to submit evidence for each of the Fairwork principles. This provides insights into the operation and business model of the platform, while also opening a dialogue through which the platform could agree to implement changes based on the principles. In cases where platform managers do not agree to interviews, we limit our scoring to evidence obtained through desk research and worker interviews.

### Worker interviews

The third method is interviewing platform workers directly. A sample of 6-10 workers are interviewed for each platform. These interviews do not aim to build a representative sample. They instead seek to understand the processes of work and the ways it is carried out and managed. These interviews enable the Fairwork researchers to see copies of the contracts issued to workers and learn about platform policies that pertain to workers. The interviews also allow the team to confirm or refute that policies or practices are really in place on the platform. Workers are approached primarily by snowballing from prior interviews and via social media platforms. In all these strategies informed consent is established, with interviews conducted both in person and online. The interviews are semi-structured and make use of a series of questions relating to the Fairwork principles. In order to qualify for interviews, workers have to be over the age of 18 and have worked with the platform for more than two months. All interviews for this report were conducted in Serbian.

### Putting it all together

This threefold approach provides a way to cross-check the claims made by platforms, while also providing the opportunity to collect evidence from multiple sources. Final



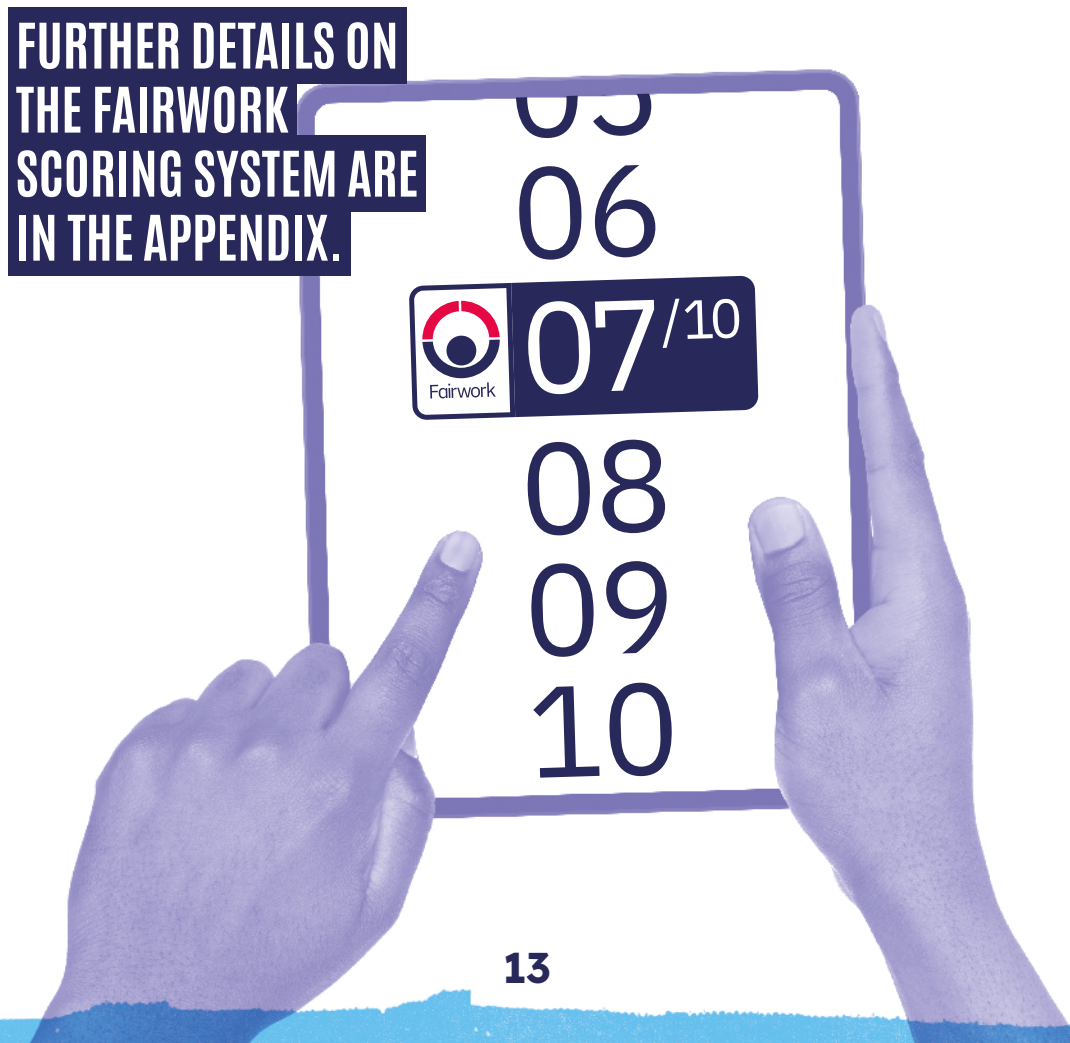
scores are collectively decided by the Fairwork team based on all three forms of evidence. Points are only awarded if clear evidence exists on each threshold.

### How we score

Each of the five Fairwork principles is broken down into two points: a first point and a second point that can only be awarded if the first point has been fulfilled. Every platform receives a score out of 10. Platforms are only given a point when they can satisfactorily demonstrate their implementation of the principles. Failing to achieve a point does not necessarily mean that a platform does not comply with the principle in question. It simply means that we are not – for whatever reason – able to evidence its compliance.

The scoring involves a series of stages. First, the in-country team collates the evidence and assigns preliminary scores. The collated evidence is then sent to external reviewers for independent scoring. These reviewers are both members of the Fairwork teams in other countries, as well as members of the central Fairwork team. Once the external reviewers have assigned their scoring, all reviewers meet to discuss the scores and decide final scoring. These scores, as well as the justification for them being awarded or not, are then passed to the platforms for review. Platforms are then given the opportunity to submit further evidence to earn points that they were initially not awarded. These scores then form the final score that is published in the annual country Fairwork reports.

**FURTHER DETAILS ON  
THE FAIRWORK  
SCORING SYSTEM ARE  
IN THE APPENDIX.**



## BACKGROUND

# Serbian Platform Economy Today

Serbia belongs to the group of middle-income countries, which in pre-pandemic times built its economic growth largely on the influx of foreign direct investment (FDI) and the formation of parts of a sophisticated domestic economy including knowledge content services and mid-technology level manufacturing (metal processing, machine construction, and rubber / plastics). Serbia is one of the candidate countries whose EU membership has been envisaged for 2025, but despite considerable EU assistance,<sup>1</sup> has so far demonstrated rather slow convergence.<sup>2</sup> At present, Serbia's GDP per capita is still significantly below that of the most recent EU accessions, including Bulgaria, Romania, and Croatia.<sup>3</sup>

Serbia has rebounded strongly from the impact of the global pandemic, with growth reaching 7.4 percent in 2021.<sup>4</sup> However, as a result of a number of international and domestic factors the country is facing an economic slowdown,<sup>5</sup> and is likely to achieve growth of only 3.2 percent (or less) in 2022.<sup>6,7</sup> Among the external factors leading to the slowdown are the following: weaker external demand from EU trading partners, higher global energy prices, supply chain disruptions, and a recent drought. On the domestic side, of particular concern are factors such as the performance of the Serbian energy sector and availability of electricity and gas in the winter of 2022-23, as well as the rising cost of financing the fiscal deficit and debt obligations due in 2023, amid increasing interest rates at home and abroad. Consequently, the GDP growth in 2023 might be even more modest, reaching only 2.25 percent.<sup>8</sup> Over the medium term, the Serbian economy is expected to return to pre-pandemic growth levels after 2024 at the earliest.<sup>9</sup>

**LARGE PORTIONS OF THE WORKING-AGE POPULATION WITH SECONDARY EDUCATION ARE ENGAGED IN LOW-PAID AND LESS PROTECTED JOBS, AND ARE THEREFORE EAGER TO SWITCH JOBS OR LOOK FOR WORK BEYOND THE SERBIAN BORDER.**

Driven mainly by rising food and global energy prices, headline inflation is expected to reach 12 percent on average in 2022. It is projected to slow in 2023 and return within the National Bank of Serbia's target band in 2024 of 3 percent,<sup>10</sup> with a tolerance band of  $\pm 1.5$  percentage points.<sup>11</sup> Inflation





has particularly adverse effects on the incomes of the poor and vulnerable, who represent about a fifth of the population.<sup>12,13</sup>

**IN SERBIA, SELF-EMPLOYED WORKERS ACCOUNT FOR 17 PERCENT OF THE WORKFORCE,<sup>14</sup> IN COMPARISON TO THE EU AVERAGE OF ABOUT 13.3 PERCENT**

Over the years, unemployment in the country has declined significantly, from 17.7 percent in 2015 to 8.9 percent in 2022.<sup>15</sup> However, large portions of the working-age population with secondary education are engaged in low-paid and less protected jobs, and are therefore eager to

switch jobs or look for work beyond the Serbian border.<sup>16</sup> High levels of long-term unemployment persist,<sup>17</sup> as well as high barriers to entry for the younger members of the workforce, of whom 18.7 percent are unemployed.<sup>18</sup>

Informal employment throughout 2022 remained around 14.0 percent per cent the same as in 2021.<sup>19</sup> The most prevalent form of informality is self-employment, which describes most platform workers. (As in many other countries, those working on platforms are given the option of registering as self-employed or working on temporary contracts via third parties.) In Serbia, self-employed workers account for 17 percent of the workforce,<sup>20</sup> in comparison to the EU average of about 13.3 percent.<sup>21</sup> Self-employed workers are also often own-account workers, i.e. self-employed persons without paid employees, and faced with the increased risk of in- work poverty.<sup>22</sup>

## BACKGROUND

# The Platform Economy in the National Context: Sectors, Workforce, Trends

Digital labour platforms were slow to step into the Serbian market. The first locally owned digital labour website offering food delivery from restaurants, Donesi.com, appeared in 2006. Donesi was turned into an app in 2014, when it was first acquired by foodpanda,<sup>23</sup> and then acquired again in 2016 by Delivery Hero.<sup>24</sup>

Both owners kept the original Donesi brand name. This monopoly on delivery was first threatened by the entry into the market of international food delivery platform Wolt in 2018, followed by Glovo in 2019. CarGo, the locally owned app for ride-hailing was founded in 2015, followed by the first on-demand home services platform Uradi-zaradi in 2016.

While ride-hailing services are only active in the capital, Belgrade, food-delivery platforms have been gradually spreading to dozens of smaller cities throughout the country. For example, Uradi-zaradi, the only on-demand home services platform in the country, is currently present in three cities, Belgrade, Novi Sad and Kragujevac.

This expansion of the food delivery market has been followed by a number of mergers in the last two years. Glovo acquired the Donesi brand in Spring 2021, leading to Donesi diminishing from the market. The acquisition of Donesi was

a part of the multiple mergers and acquisitions undertaken by Glovo in Central and Eastern Europe in which Glovo took operational control of Delivery Hero's assets in the region.<sup>25</sup> In turn, in a complex action performed in December 2021, Delivery Hero signed an agreement to become the majority shareholder of Glovo.<sup>26</sup> In the same year, Finnish platform Wolt was acquired by DoorDash, but continued to operate under its own brand.<sup>27</sup> Finally, in November 2022, the long-time owner of the local ride-hailing platform CarGo announced that it was to be acquired by DNP Go Technologies.<sup>28</sup>

2022 was also marked by the emergence of a new food delivery platform, Mr.D.<sup>29</sup> The platform offers only limited data on its website<sup>30</sup> and official business records,<sup>31</sup> but according to the public statements of the management, Mr.D was established by former managers of "the legendary delivery food company in the Serbian market" (which is understood as referring to the Donesi brand), and their





BalkansCat / Shutterstock

services are available through their own application in multiple cities. In Belgrade, Mr.D offers its services through its own app, as well as through that of the ride-hailing service CarGo.<sup>32</sup>

## THE POPULARITY OF PLATFORMS REMAINS STRONG: THEY OFFER OPPORTUNITIES TO THE YOUNG PEOPLE WHO HAVE LONG FACED HIGH ENTRY BARRIERS INTO THE SERBIAN LABOUR MARKET

In November 2022, one more prominent event took place: the Serbian Commission for Protection of Competition initiated proceedings against Glovo for abuse of a dominant position.<sup>33</sup> In its announcement, the Commission confirmed that it has been preparing an analysis of the conditions of competition in the field of digital platforms for mediating the sale and delivery of restaurant food and other products.<sup>34</sup> It represents the first official analysis of this market in Serbia—a market which remains under-studied, despite its growth during and following the COVID-19 pandemic. At the time of writing in December 2022, the Commission's analysis has not yet been published.

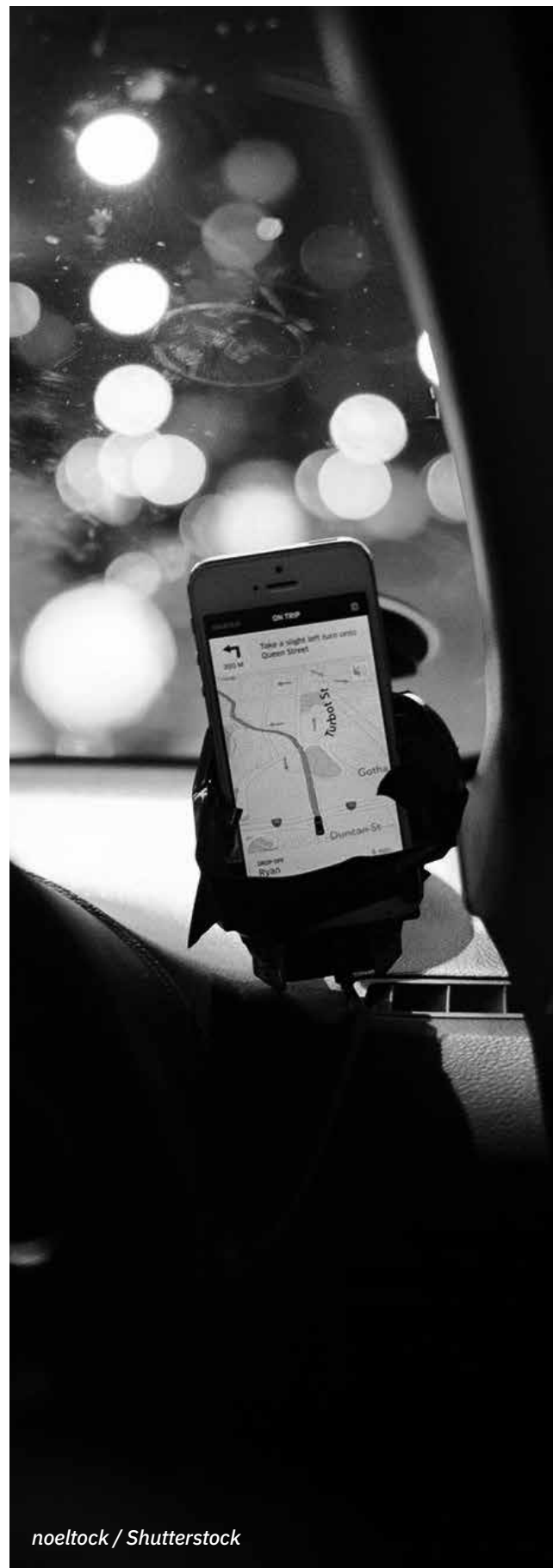
However, some scarce data have started to surface. The Statistical Office of the Republic of Serbia provides aggregated data about the percentage of users of delivery services from restaurants, fast food chains, and catering services at the national level.<sup>35</sup> That said, data about the number of users, workers, sales, and costs related to digital labour platforms are practically non-existent, with information on the industry coming only from a few independent research organisations. According to a 2020 study carried out by the Public Policy Research Center,<sup>36</sup> there were some 360,000 users of food delivery workers in six Serbian urban centres. According to the current estimates by the same organisation, the number of users increased to one million as the delivery service spread to include 20 more cities in Serbia. In a country where 83.5 percent of households have Internet and 95 percent have a mobile phone,<sup>37</sup> users in urban areas have overwhelmingly embraced this new way of purchasing meals, groceries, over the counter drugs and many other items. It remains to be seen whether inflation will affect these trends.

As confirmed again in this round of research, the popularity of platforms remains strong: on one hand, they offer opportunities to the young people who have long faced high entry barriers into the Serbian labour market as a result of market deficiencies.<sup>38</sup> At the same time, an opportunity to earn a monthly wage that is at par or above the average wage in Serbia (700 EUR gross) has been another attractive opportunity provided by platforms.

**WITH TENS OF THOUSANDS OF ONLINE FREELANCERS FROM SERBIA USING PLATFORMS LIKE UPWORK TO UNDERTAKE NON-LOCATION-BASED WORK LIKE TRANSLATION, DESIGN AND CODING, SERBIA REPRESENTS ONE OF THE WORLD'S LARGEST PER CAPITA POOLS OF "CLOUDWORKERS"**

Those competitive wages are a result of two important trends in the Serbian labour market. One is related to the strong demand for couriers across the industry, as evidenced by data retrieved from the largest private job platform Infostud.com which show that for each posting for a courier only 50 people applied which is low by Serbian standards where hundreds of people apply for one job opening. The average offered wage for the job remained competitive throughout 2021 and 2022.<sup>39</sup> The second is related to the shortage of supply of the workers as the result of demographic changes<sup>40</sup> and migration of the Serbian labour force to the European Union and elsewhere.<sup>41</sup> Meanwhile the migration of labour force from other countries to Serbia remains low.<sup>42</sup>

To conclude, platforms continue to offer relatively good pay and a high degree of flexibility outside of the regular labour market. This has contributed to the fast recognition of platform work in Serbia, prompting Serbian workers to seek a solution outside of the regular employment relationship.<sup>43</sup> With the promise of good pay, platforms have reduced the enormous pressure on workers with a medium or high level of education to emigrate, leaving their families behind in search of work.<sup>44</sup> The popularity of platform work is also reflected in online remote work. With tens of thousands of online freelancers from Serbia using platforms like Upwork to undertake non-location-based work like translation, design and coding, Serbia represents one of the world's largest per capita pools of "cloudworkers".<sup>45,46</sup>





## THE LEGAL CONTEXT

# What Makes a Worker an Employee?

**In Serbia, similarly to many other countries, the employment status of workers is a contentious topic. Platform work is mostly organised through “partnership agreements” with third parties: with the self-employed worker on one side, and intermediary agencies / limited liability companies (LLCs) on the other.**

The self-employed usually pay a lump-sum tax depending on their ISIC code and geographical location and enjoy social protection benefits through fiscal arrangements. This self-employed status entails access to health care, survivor's pensions, old age, disability, and sickness benefits. As the self-employed are treated as entrepreneurs (independent contractors), the law deprives them of access to unemployment benefits while their licence is active, accidents at work and occupational injuries benefits, paid annual leave (holiday), and maternity / paternity benefits.

## THE WORKERS WE INTERVIEWED RARELY KNEW WHAT TYPE OF CONTRACT THEY HAD WITH THE LLC AND WHAT RIGHTS THEY HAD UNDER THOSE CONTRACTS

Self-employed persons in Serbia also have the right to employ up to ten workers. Since a lump-sum tax burden often makes a platform job unattractive, workers form unofficial alliances whereby several of them work under the registration of one. The registered self-employed person then pays the other workers in cash. This arrangement keeps the latter in informal employment and strips them of the possibility of any kind of social protection benefits, or raising claims against the platforms, should the need arise.

In 2022, third-party contracts with LLCs prevailed among the platforms we scored, whereby LLCs hire workers for platforms by signing standard labour contracts with them. But, as our evidence shows, the employment contracts between LLCs and workers have many flaws and lack a number of the necessary elements prescribed by Labour Law. For example, the contract often lacks a description of the tasks that the employee should perform.<sup>47</sup> Although the job title is for instance indicated as „courier“, the job description is not listed, which can be a considerable problem in court cases concerning the termination of the employment contract, weakening the position of the worker. Also, the employment contracts do not define the place of work in a clear and precise manner; although a full-time employment relationship envisages 40 hours working week in Serbia, the contracts entail provisions on overtime work but in a very non-transparent manner; and an explanation of why the employment is based on a fixed period (usually three months) is missing despite the fact that the account of reasons is mandatory by law. From the legislator's point of view, it is necessary to state the reasons why the contract is concluded for a fixed period as per Article 37 of the Labour Law. Otherwise, this is considered a violation of the law. Last but not least, one of the biggest drawbacks of the labour contracts concluded between the LLC and the workers which we have the opportunity to review is the lack

of elements for calculating the basic salary and the lack of listing the agreed monthly earnings.

## **IN SUM, OUR RESEARCH FINDINGS REVEAL THAT MOST OF THE PLATFORM CONTRACTUAL ARRANGEMENTS STAYED IRREGULAR, SIMILARLY TO THE SITUATION IN 2021**

Moreover, some contracts we analysed were signed only for a minimal number of working days (e.g., two days, or 16 hours per week). In this scenario, workers receive part of the contracted pay in their bank account, and the remaining amount for additional days worked is paid in cash. Given that some riders work 50+ hours, the amount they get paid in cash can be a considerable sum. On the other side, if the employee works part-time with one employer, the employer pays the lowest monthly contribution base for the worker's social and health benefits, representing a considerable saving to employers. Additionally, workers' entitlements to social benefits are indexed to their official hours as contracted, so their entitlement does not reflect the actual number of hours worked—making them worse off in that regard.

## **AS THE SELF-EMPLOYED ARE TREATED AS ENTREPRENEURS (INDEPENDENT CONTRACTORS), THE LAW DEPRIVES THEM OF ACCESS TO UNEMPLOYMENT BENEFITS WHILE THEIR LICENCE IS ACTIVE, ACCIDENTS AT WORK AND OCCUPATIONAL INJURIES BENEFITS, PAID ANNUAL LEAVE (HOLIDAY), AND MATERNITY / PATERNITY BENEFITS**

However, most of the workers do not seem to complain because these are the only circumstances in which they are able to earn a monthly wage that is at par or above the average wage in Serbia (700 EUR gross), and significantly more than the wage they would receive under the standard labour contract if they found a job commensurate with their formal levels of education. Additionally, the workers we interviewed rarely knew what type of contract they had with the LLC and what rights they had under those contracts.

In sum, our research findings reveal that most of the platform contractual arrangements stayed irregular, similarly to the situation in 2021.





# Fairwork Serbia Scores 2022

**Minimum** standards  
of fair work

**Uradi-zaradi**

6 /10



**Wolt**

6 /10



**Glovo**

3 /10



**CarGo**

0 /10



**Mr.D**

0 /10



**THE BREAKDOWN OF SCORES FOR  
INDIVIDUAL PLATFORMS  
CAN BE SEEN ON OUR WEBSITE:**

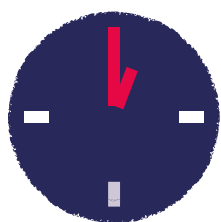
**FAIR.WORK/SERBIA**

# Explaining the scores



## Fair Pay

This year, three of the five platforms researched (Glovo, Wolt and Uradi-zaradi) were able to document that platform workers earn at least the minimum wage per hour after costs (set at RSD 201.22 / ca. EUR 1.7 in 2022). Wolt and Uradi-zaradi also received a score for the second threshold of the Fair Pay principle—as they also did in 2021—being the only platforms able to evidence that workers are paid at least a wage equivalent to living wage after costs.<sup>48</sup>



## Fair Conditions

Three of the five platforms analysed—Wolt, Glovo and Uradi-zaradi—were able to document that they undertook steps towards protection of workers from task-specific risks (the first threshold), while only one platform (Wolt) provided evidence about active development of a safety net and improvement of working conditions beyond task specific risks (the second threshold). As such, Wolt was assigned the second point under this principle.

While both Glovo and Wolt met the first threshold score in 2021, Uradi-zaradi was awarded this score for the first time this year, in recognition of their efforts in creating and implementing risk-assessment and risk-mitigation policies and practices over the course of the past 12 months. In addition to providing health and safety training during worker induction sessions, Uradi-zaradi was able to document that they have created a risk assessment analysis

to address particular task-related risks, risk prevention and risk mitigation guidelines, and steps for addressing them including a risk prevention strategy for the platform. Uradi-zaradi also evidenced that a regular communication channel with workers about risk-mitigation strategies, steps and guidelines is established and functional.

Going beyond this, Glovo and Wolt were able to provide evidence that they have clear policies and practices to protect workers from work-related risks that include accidents (including compensation for work-related medical costs, lump sum compensation for various injuries and indemnity in case of permanent incapacity), and COVID-19<sup>49</sup> insurance that shields workers from income loss while on sick leave.

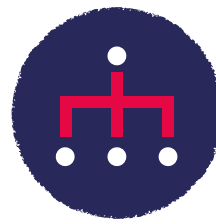
Both Glovo and Wolt were able to document provision of health and safety equipment to workers, although a number of the workers we interviewed claimed the quality of that equipment was deficient, indicating that further improvements in this domain are necessary. Health and safety training and regular health and security information sharing represent common practices of both Wolt and Glovo. The platforms also ensured that contracts with any third-parties employing the workers (e.g. LLCs) include provisions specifically defining risk mitigation measures, risk prevention measures and risk assessment. While contracts between platforms and LLCs also include mandatory social security benefits as per the country's labour law regulations, only Wolt provided evidence on mandatory monitoring of LLCs practices in implementation of these contract provisions. This fact provides for creation of a wider workers' safety net which qualified Wolt for the second point within this Fairwork principle.





## Fair Contracts

Uradi-zaradi is the only platform that was able to provide evidence of clear and transparent contractual terms and conditions, which are accessible to workers at all times, and which include a specified timeframe for notifying workers of potential contractual changes. Such an outcome is in line with the previous year Fairwork scoring results within this principle. A key criterion for awarding points for fair contracts is that platform mechanisms to engage workers exclude contracts via third party (LLCs) or that there is a monitoring mechanism implemented by the platform that ensures that each platform worker hired by LLCs has an employment contract in line with the national employment acts and regulations. As explained above in the Legal Context section, and later in the report, four out of five platforms could not document such practices.



## Fair Management

The results of the 2022 scoring cycle show that there has been an improvement in platforms' ratings within both thresholds of this principle, compared with the 2021 ratings. Three platforms—Glovo, Uradi-zaradi and Wolt—met the conditions for the first point, by demonstrating the existence of clear channels of communication allowing workers to interact with a human representative of the platform either through the app, phone, email or in person. The three platforms were also able to evidence the existence of a formalised process for workers to appeal decisions resulting in penalties or disciplinary actions, even when they no longer have access to the platform.

For the first time, two platforms (Uradi-zaradi and Wolt) were able to provide evidence that they have developed policies that ensure equity in the way workers are treated and managed by the platform and that prevent discrimination against persons from disadvantaged groups. This gained them the second point.























## Fair Representation

As we found in 2021, none of the five platforms analysed could be evidenced to meet the thresholds of this principle.

## PLATFORM IN FOCUS

# Wolt

Wolt is a Finnish technology company that operates food delivery services in 23 countries across Europe and Asia, bringing together 20,000 couriers and 10,000 restaurants. To enable this, Wolt develops a wide range of technologies from local logistics to retail software and financial solutions. Wolt was founded in 2014 in Helsinki by six young technology enthusiasts of whom five were focused on product development.<sup>52</sup>

	<b>Principle 1: Fair Pay</b>	 Ensures workers earn at least the local minimum wage after costs	 Ensures workers earn at least a local living wage after costs	
	<b>Principle 2: Fair Conditions</b>	 Mitigates task-specific risks	 Provides a safety net	
	<b>Principle 3: Fair Contracts</b>	 Provides clear and transparent terms and conditions	 Ensures that no unfair contract terms are imposed	
	<b>Principle 4: Fair Management</b>	 Provides due process for decisions affecting workers	 Provides equity in the management process	
	<b>Principle 5: Fair Representation</b>	 Assures freedom of association and the expression of collective worker voice	 Supports democratic governance	

Maximum possible Fairwork Score





Alex Linch / Shutterstock



Wolt began to operate in Sweden and Estonia in 2016, and between 2017 and 2021 expanded to another 20 countries. In 2022, Wolt joined forces with DoorDash, which operates in 27 countries, 23 of which are with the Wolt product and brand. Wolt was launched in Serbia in 2019. Initially it operated only within the territory of the city of Belgrade, but by 2022 it had expanded to another 10 cities across the country.<sup>53</sup>

Wolt, with a score of 6 out of 10 points, is the joint-highest rated platform in Serbia this year—an improvement on its score of four in 2021. According to our interviews with workers, the key appeal of platform work (and of Wolt in particular) is decent and regular pay. With respect to Fairwork’s pay principle, Wolt achieved both principle thresholds. This reflects the company’s commitment to making sure that no worker earns below the local minimum and living hourly wage (after costs). The platform doesn’t impose limits on minimum or maximum working hours and couriers can choose when to work, how many tasks to accept, and when to take time off, which represents an additional incentive for workers to engage in this form of work. However, workers’ compensation is not based on hourly rates but on the number of deliveries performed.

Specifically, total earnings per delivery are composed of the following elements: task-based earnings, task distance earnings, bonus earnings, guaranteed earnings, manual earnings (e.g. waiting at the restaurant) and tips. When translated into earnings per hour, Wolt provided us with evidence that the gross hourly wage in 2022 was set at RSD 597 (5.1 EUR) with workers being regularly paid in fortnightly intervals.

Wolt has invested steadily in developing fair work conditions as evidenced by its health and safety policies and practices, including a GDPR policy, which together gained them two points for fair conditions. For instance, there is mandatory safety training for workers, who must pass the health and safety test before being activated at the app. While evidence shows that as a part of risk mitigation policy Wolt takes steps in providing protective equipment to workers (e.g. helmets provided to bike riders), our findings from worker interviews suggest that the equipment Wolt offers needs to be of a better quality and available to everyone for free. This is an area Wolt ought to invest further efforts in, to ensure all its workers are provided with protective gear. During the pandemic Wolt introduced its COVID-19 Support Programme, a policy that defined the provision of financial



support to workers who were diagnosed with COVID-19, including several recommendations on how to stay safe at work during the pandemic. Our interviews with workers confirmed that Wolt compensated workers who were infected by COVID-19 for a period of two weeks of absence from work. Wolt's health and safety policy also provides free accident insurance to all its workers for workplace injuries. This covers, amongst other things, compensation for medical costs, lump sum compensation for various injuries and indemnity in case of permanent incapacity including remuneration to workers for the period of absence from work.

Wolt ensures that the contract between the platform and LLCs includes provisions on mandatory social security benefits for workers as per the country's labour law regulations. It also ensures that the contract regulates monitoring of LLC practices in its implementation of these contractual provisions. These facts suggest that Wolt is committed to creation and improvement of existing safety and security measures so as to ensure creation of a wider safety net for platform workers. Finally, Wolt takes

adequate, responsible and ethical data protection and management measures in line with the country's GDPR legislation.

Wolt establishes a formalised process for workers to be able to communicate with the platform support team by chat or phone every day from 08:00 until the last order is delivered. The platform also provided us with evidence about the frequency and number of chat messages between workers and the support team, which reaches over tens of thousands of messages per month. Our findings from our interviews with workers confirmed high levels of satisfaction with the service provision by Wolt's support team,

The appeals process is documented and clearly communicated with workers, thus preventing arbitrary deactivations and disciplinary decisions. According to the contractual provisions signed between Wolt and LLCs our team reviewed, workers have the right to appeal before any disciplinary measure is enforced. Access to this process is available on the platform interface as well through the



chat option, even when the account is deactivated. Finally, there has been a considerable improvement in setting up platform's anti-discrimination and equality promotion policies and practices this year. In particular, Wolt has established guidelines for 3PLs and merchant partners that involve principles of anti-discrimination and equal treatment for all. Likewise, Wolt invests considerable effort in increasing the share of women active on the platform through promotional activities, discussing and

sharing women's platform work experiences, creating a gender-neutral application environment, and taking part in Wolt's global campaign 'Women of Wolt' which aims to support women's inclusion in this form of work. In addition, proactive approaches to the implementation of anti-discrimination policy is also reflected in cases in which Wolt terminated contracts with 3PLs that did not respect agreed anti-discrimination principles.<sup>54</sup> As a result, Wolt was awarded both points for fair management in 2022.



# Workers' Stories

**Andrej and Nemanja were among many workers around the globe who lost their jobs due to COVID-19. Struggling to find new employment in Belgrade, both of them started working as couriers for Glovo. Although their stories begin the same way, their experiences diverge to reveal two different sides of platform work in Serbia—its desirability, as well as its difficulty.**

## Andrej\* Glovo Courier

Until the onset of the pandemic, Andrej was working in an international transport firm in Belgrade. Due to the lockdown and border closures, his firm had to close down its operations, leaving Andrej jobless. After he heard from a friend that he could earn well as a Glovo courier, he decided to give it a try. His plan was only to work on the platform temporarily while searching for something more stable. However, he soon realised that he could not find a better-paying job and so kept doing the delivery work for two years. A few weeks before our interview, Andrej decided to quit Glovo and platform work altogether. He told us that he had several important reasons for this.

Primarily, although earnings were what kept Andrej in the platform work, his income was completely conditioned by a high work performance. He explained to us that to make a living, he had to rely on bonuses which were dependent on the number of weekly deliveries. This pattern of incentives led him to work six days a week for long hours, sometimes even on Sundays, to reach the bonus threshold: “You wait for one day just to rest a bit, and if you have to work more hours, you are just sick of it”. These bonus thresholds were increasing, however, and the wage calculations readjusted downwards: “they constantly reduce the price of labour, and they just give you the targets so you are always on the edge, on the maximum,” Andrej told us. Thus, although workers are able to earn decent wages on Glovo, this is not guaranteed, but is instead conditioned by long working hours.

Another problem for Andrej was that he was working for Glovo through an intermediary agency without a contract, which prevented him from accessing any labour rights. “When I was sick and left without money, I wish I had a contract. But under these circumstances, the contract would be at my expense, I would have to pay contributions and taxes alone. That is why we hope we never have to get the contracts”. Andrej’s case reflects the common practice of working without contracts, but also the substitution of legally guaranteed labour rights with higher net earnings.

Andrej was also angry about his inability to challenge the deteriorating conditions he faced at his workplace. “I don’t exist for Glovo, they don’t have anything to do with me. I can complain to my employer (intermediary), but things are as they are...There are always new people who want to work, nobody cares, so it’s just take it or leave it.” For Andrej, the only way to change this is for workers to collectively voice their concerns. Without this collective voice, and without an improvement in working conditions, Andrej and many like him see no other way but to quit platform work and find jobs elsewhere.





## Nenad\* Glovo Courier

Like Andrej, Nenad became jobless with the onset of COVID-19 and border closures. His high-income job in the import sector, which enabled him to support his family, simply disappeared overnight. The only alternative that paid as much was platform work, and he soon found himself doing deliveries for Glovo on the streets of Belgrade. The borders eventually reopened, but Nenad chose not to go back to his old job, despite originally thinking that delivery driving would be just a temporary stop-gap. Previously, he was abroad most of the time and away from his wife and two children. However, platform work enabled him to “live a decent life in Serbia” and spend time with his family, which as he explained, was priceless for him.

Nenad’s story deeply resonates with our findings that platform work is still very desirable in Serbia despite the lack of wider decent work conditions. Nenad elaborated for us: “Trust me that I don’t have an alternative. This is the only job that can enable me more or less decent earnings. My wife works in a public company, has a university degree, and her wage is 60,000 RSD [less than half Nenad’s]. The only other option is to work like a slave abroad just to provide for a decent life. I am not talking about luxury, just a situation where you have two children, expenses of school, university...I think that there is nothing here that would enable me to earn this kind of money. I can only say: Thank you Glovo for existing”. For Nenad, the opportunity to earn a decent income and spend time with his family compensates for all the downsides. Although he is often exhausted from the long working hours, he is in general satisfied with the work conditions, communication, and management, which he considers to be much better than in other jobs available in Serbia. Nenad disagrees with workers who complain about the working conditions and is defensive of Glovo, which he describes as being “exceptionally fair towards their workers.”

**\*Names changed to protect worker’s identity**

## THEME IN FOCUS

# Limited Liability Companies and Platform Supply Chains

**In Serbia, platforms usually outsource their operations by engaging workers through limited liability companies (LLC). Because the couriers or riders are contracted to the LLC not the platform, there is no direct relationship between the platform and individual workers, meaning platforms can bypass the obligations of the employer as per Serbian Labour Law.**

This has created a wealth of opportunities for abuse and misinterpretation. Although the workers are not employed by the platforms, the contracts between platforms and LLCs stipulate numerous obligations for platform workers which they must respect and adhere to in order to receive the work from the platform. For example, the LLC and its employees (platform workers) may commit themselves to not opening bags, wrappers or containers containing the product, or to touch or handle food in any way under any circumstances. As mentioned earlier in the discussion on legal context, the employment contracts between LLCs and workers often lack a description of the work to be performed by the employee, although these provisions are of crucial importance for employees, especially in court cases.

Furthermore, LLCs in their contracts with platforms commit to paying all applicable taxes, in a timely manner and in the appropriate form, in respect of their employees designated for providing services for the platform. LLCs are asked by platforms – at least on paper - to provide proof that they properly settle the tax and social security obligations for their employees. Also, they will have to deliver, whenever the platform requests it, photocopies

of documents proving the payment of amounts deducted in connection with mandatory tax and social security contributions and the payment of wages of their employees.

**THE SERBIAN LEGAL SYSTEM DOES NOT YET RECOGNISE THE PRINCIPLE OF SUBORDINATION OF SUPPLIERS TO (GLOBAL) LEAD FIRMS WITHIN (GLOBAL) VALUE CHAINS. THIS LEAVES A VAST SPACE FOR PLATFORMS TO CONTINUE TO OPERATE WITHOUT ANY SCRUTINY OF THEIR TREATMENT OF WORKERS**

All this shows that the platform - LLC relationship is actually not a relationship between purely independent parties, as it actually involves one party directly interfering in the business of the other “independent party,” which accepts these provisions. However, the Serbian legal system does not yet recognise the principle of



subordination of suppliers to (global) lead firms within (global) value chains, and the related responsibilities of each party within this structure, and instead treats them equally. This leaves a vast space for platforms to continue to operate without any scrutiny of their treatment of workers, using intermediary agencies to engage workers.

An additional problem is that information about the LLCs employees' labour and legal status is shared with a third party without the employees' consent. According to the Labour Law and Personal Data Protection Law in Serbia, employees must give their consent for their data to be shared with other parties than the employer.

## PLATFORM WORKERS REMAIN IN A PERILOUS LEGAL POSITION AS THEY ARE NOT EMPLOYED BY PLATFORM COMPANIES AND ARE EXPOSED TO NUMEROUS IRREGULARITIES

As mentioned above, contracts between the platforms and LLCs stipulate that in case of engaging individuals other than self-employed, the LLC is obliged to provide

a standard employment contract. Accordingly, platforms should only accept workers for whom these contracts are submitted by the LLCs. In reality, no one - neither the platform itself nor the Labour Inspectorate - check whether these workers hold valid contracts. As reported by some interviewees, after the expiry of the contract, the third party often "forgets" to renew it. Also, some LLCs deregistered workers from the Pension and Disability Insurance Fund after a couple of months. In this case, the workers continued to receive a salary, but their contributions were not paid. Some learned about this practice by chance. Lastly, most of the workers work full time or even more hours (50 or so per week), while their contract shows only 16 hours per week, as explained above in the section Legal context.

To conclude, platform workers remain in a perilous legal position as they are not employed by platform companies and are exposed to numerous irregularities. Nevertheless, platform workers in Serbia have not yet shown interest in exercising their labour rights through the judicial system as in other countries (Italy, Spain, etc). The majority of the workers we interviewed still preferred short-term financial gains to social safeguards and other rights guaranteed by employment contracts.



## MOVING FORWARD

# Platform changes

**Platforms have the ability to improve conditions for their workers, while continuing to provide income opportunities. In consultation with the Fairwork team, both Wolt and Uradi-zaradi agreed to implement changes to their policies or practices. We witnessed a remarkable improvement in the working conditions on these two platforms and a subsequent increase of their Fairwork ratings.**

Uradi-Zaradi (which had four points last year) achieved six points in this iteration through our suggestions and support. This platform has created extensive anti-discrimination policies and thus earned a point in principle 4.2. Also, this platform has earned a point for the 2.1 principles by conducting a workplace risk analysis on which it based risk prevention and mitigation strategy. On top of that, Uradi-zaradi created guidelines for risk prevention for workers, steps for addressing risks, and communicated this with the workers.

Wolt also jumped from four points in the last year's report to six points this year. This platform fulfilled Fair management

criteria by improving the communication with workers, and bettering the anti-discrimination policies. Wolt earned a point in principle 4.1 by improving platform communication channels and setting documented policies in place that enable workers to effectively voice their grievances. This year Wolt also managed to provide formalised documented anti-discrimination policies, which lead us to award them a point for principle 4.2.

Glovo also made noticeable progress towards fairer work conditions. We commend their ongoing engagement with Fairwork, and we will continue working with them.



# Pathways to change

Fairwork's theory of change relies on a humanist belief in the power of empathy and knowledge. If they have the economic means to choose, many consumers will be discerning about the platform services they use. Our yearly ratings give consumers the ability to choose the highest scoring platform operating in a sector, thus contributing to pressure on platforms to improve their working conditions and their scores.

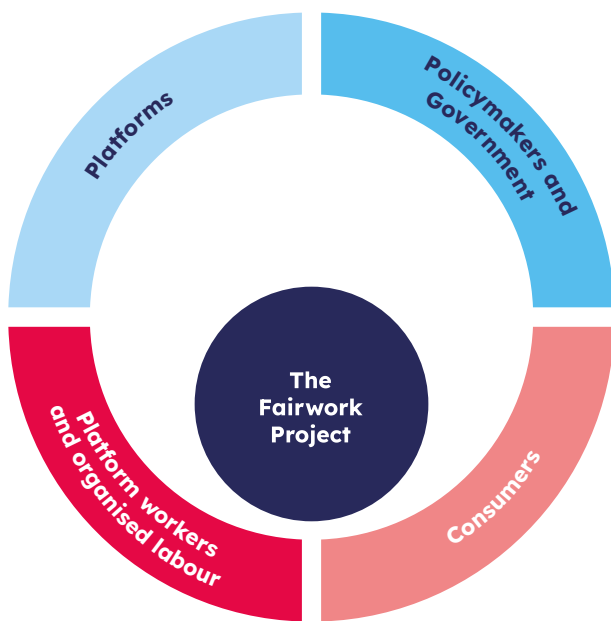


Figure 1: Pathways of Change

In this way, we leverage consumer solidarity with workers' allies in the fight for fairer working conditions. Beyond individual consumer choices, our scores can help inform the procurement, investment and partnership policies of large organisations. They can serve as a reference for institutions and companies who want to ensure they are supporting fair labour practices.

We have contributed to the Fairwork mission and continue to do so at four different levels. First, we support the platforms in the direct improvement of working conditions. Second, we collaborate and exchange information with policymakers about adequate regulatory practices that would ensure the protection of workers in the platform economy. Our mission also includes working with both informal networks of platform workers as well as with the established unions in Serbia by helping them to collectively assert workers' rights. Finally, we further the media presence of the Fairwork project through several alternative media channels.

In 2022, Fairwork Serbia had an extremely successful engagement with the digital platforms—the first and most direct pathway for improving conditions in platform economy. We rated platforms, communicated our findings to them, and helped them fulfil Fairwork criteria where there was a space for it. With our support, Wolt and Uradi-zaradi significantly improved their working conditions, which was reflected in the higher Fairwork ratings in comparison with the previous year. Other three platforms we studied are aware of our research and we will continue working with them to create a fairer platform economy.



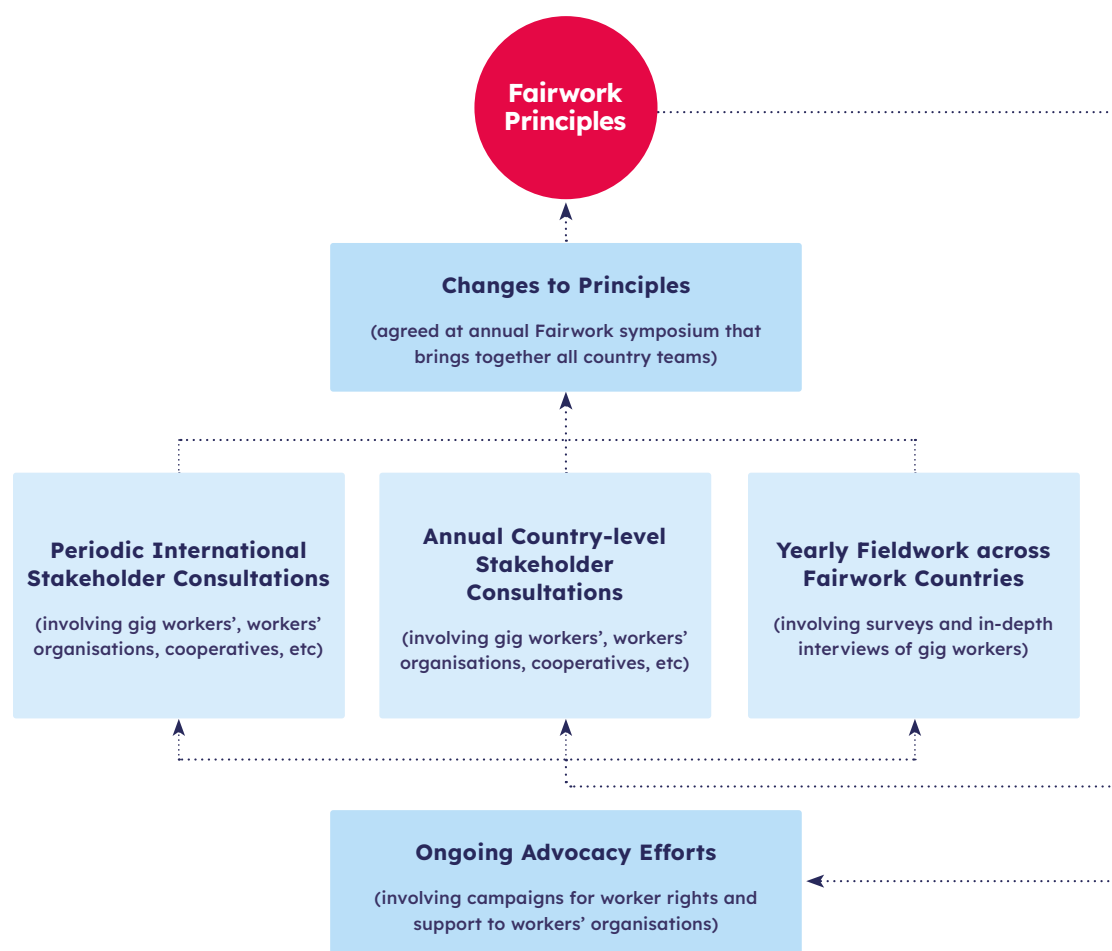
Another sphere of future actions of the Fairwork Serbia team entails collaborating with policymakers on issues of implementation of decent work standards for all platform workers. This includes the extension of the existing policies informed by the Fairwork research project findings. Our research has identified critical points of platform work in Serbia, and these findings were discussed with policymakers to assist them in further regulation of the platform economy in the country. In 2022, representatives of the Ministry of Labour of the Republic of Serbia participated in the presentation of the Fairwork Serbia report in Belgrade and had meetings with Fairwork team members. Our goal is to continue to further this collaboration in future iterations of the project.

Our approach is not intended to tackle the issue of

work conditions from a solely top-down perspective.

The Fairwork theory of change is also focused on close consultation and cooperation with workers and their representatives. However, platform workers in Serbia lack the possibility of formal representation and none of the platforms achieved scores on the Fair Representation principle. Moreover, as the workers are self-employed they cannot join trade unions based on worker status under Serbian law. Consequently, informal organisations of platform workers have emerged. However, they still lack formal negotiation rights with the platforms; this has not improved since last year. In this respect, we aim to continue our support of workers and to inform them about fairer work practices in the platform economy, as well as how their rights and collective representation may be achieved in the future.

**Figure2 Fairwork's Principles:  
Continuous Worker-guided  
Evolution**



Lastly, we are continuing to strengthen the media presence of the Fairwork project in Serbia. Through our work, we have informed the public about the working conditions on different platforms in Serbia. We also introduced Fairwork as a globally engaged research network that works on setting standards and furthering the rights of platform workers. This is of paramount importance since we believe that consumers and policymakers will become more engaged in the process of social change if the public is well aware of the challenges of work in the platform economy. This year we increased our outreach to both mainstream and alternative media outlets in Serbia, which reported on the results of our previous report. Particularly notable is our cooperation with the portal Masina, which regularly participates in Fairwork Serbia activities.

There is nothing inevitable about poor working conditions in the platform economy. Notwithstanding their claims to the contrary, platforms have substantial control over the nature of the jobs that they mediate. Workers who find their jobs through platforms are ultimately still workers, and there is no basis for denying them the key rights and protections that their counterparts in the formal sector have long enjoyed. Our scores show that the platform economy, as we know it today, already takes many forms, with some platforms displaying greater concern for workers' needs than others. This means that we do not need to accept low pay, poor conditions, inequity, and a lack of agency and voice as the norm. We hope that our work – by highlighting the contours of today's platform economy – paints a picture of what it could become.



Callum Cant / Shutterstock

# The Fairwork Pledge

As part of this process of change, we have introduced the Fairwork pledge. This pledge leverages the power of organisations' procurement, investment, and partnership policies to support fairer platform work. Organisations like universities, schools, businesses, and charities who make use of platform labour can make a difference by supporting the best labour practices, guided by our five principles of fair work. Organisations who sign the pledge get to display our badge on company materials.

The pledge constitutes two levels. This first is as an official Fairwork Supporter, which entails publicly demonstrating support for fairer platform work, and making resources available to staff and members to help them in deciding which platforms to engage with. We are proud to announce that CATUS (The Confederation of Autonomous Trade Unions of Serbia) is our first Fairwork Supporter from Serbia.

A second level of the pledge entails organisations committing to concrete and meaningful changes in their own practices as official Fairwork Partners, for example by committing to using better-rated platforms where there is a choice.

**MORE INFORMATION ON THE  
PLEDGE, AND HOW TO SIGN UP,  
IS AVAILABLE AT**

**[WWW.FAIR.WORK/PLEDGE](http://WWW.FAIR.WORK/PLEDGE)**





## APPENDIX

# Fairwork Scoring System

## Which companies are covered by the Fairwork principles?

The International Labour Organisation (ILO) defines a “digital labour platform” as an enterprise that mediates and facilitates “labour exchange between different users, such as businesses, workers and consumers”<sup>55</sup>. That includes digital labour “marketplaces” where “businesses set up the tasks and requirements and the platforms match these to a global pool of workers who can complete the tasks within the specified time”<sup>56</sup>. Marketplaces that do not facilitate labour exchanges - for example, Airbnb (which matches owners of accommodation with those seeking to rent short-term accommodation) and eBay (which matches buyers and sellers of goods) - are excluded from the definition. The ILO’s definition of “digital labour platform” is widely accepted and includes many different business models<sup>57</sup>.

Fairwork’s research covers digital labour platforms that fall within this definition that aim to connect individual service providers with consumers of the service through the platform interface. Fairwork’s research does not cover platforms that mediate offers of employment between individuals and employers (whether on a long-term or a temporary basis).

Fairwork distinguishes between two types of these platforms. The first is ‘geographically-tethered’ platforms where the work is required to be done in a particular

location such as delivering food from a restaurant to an apartment, driving a person from one part of town to another or cleaning. These are often referred to as ‘gig work platforms’. The second is ‘cloudwork’ platforms where the work can, in theory, be performed from any location via the internet.

The thresholds for meeting each principle are different for location-based and cloudwork platforms because location-based work platforms can be benchmarked against local market factors, risks/harms, and regulations that apply in that country. In contrast, cloudwork platforms cannot because (by their nature) the work be performed from anywhere and so different market factors, risks/harms, and regulations apply, depending on where the work is performed.

The platforms covered by Fairwork’s research have different business, revenue, and governance models, including employment-based, subcontractor, commission-based, franchise, piece-rate, shift-based, and subscription models. Some of those models involve the platforms making direct payments to workers (including through sub-contractors).





















## How does the scoring system work?

The five Principles of Fairwork were developed through an extensive literature review of published research on job quality, stakeholder meetings at UNCTAD and the ILO in Geneva (involving platform operators, policymakers, trade unions, and academics), and in-country meetings with local stakeholders.

Each Fairwork Principle is divided into two thresholds. Accordingly, for each Principle, the scoring system allows the first to be awarded corresponding to the first

threshold and an additional second point to be awarded corresponding to the second threshold (see Table 1). The second point under each Principle can only be awarded if the first point for that Principle has been awarded. The thresholds specify the evidence required for a platform to receive a given point. Where no verifiable evidence is available that meets a given threshold, the platform is not awarded that point.

Table 1 Fairwork: Scoring System

	<b>Principle 1: Fair Pay</b>		Ensures workers earn at least the local minimum wage after costs		Ensures workers earn at least a local living wage after costs		2
	<b>Principle 2: Fair Conditions</b>		Mitigates task-specific risks		Provides a safety net		2
	<b>Principle 3: Fair Contracts</b>		Provides clear and transparent terms and conditions		Ensures that no unfair contract terms are imposed		2
	<b>Principle 4: Fair Management</b>		Provides due process for decisions affecting workers		Provides equity in the management process		2
	<b>Principle 5: Fair Representation</b>		Assures freedom of association and the expression of collective worker voice		Supports democratic governance		2

Maximum possible Fairwork Score



## **Principle 1: Fair Pay**

### **1.1 Ensures workers earn at least the local minimum wage after costs (one point)**

Platform workers often have substantial work-related costs to cover, such as transport between jobs, supplies, fuel, insurance, and maintenance on a vehicle<sup>58</sup>. Workers' costs sometimes mean their take-home earnings may fall below the local minimum wage<sup>59</sup>. Workers also absorb the costs of an extra time commitment when they spend time waiting or travelling between jobs or other unpaid activities necessary for their work, which are also considered active hours<sup>60</sup>. To achieve this point, platforms must ensure that work-related costs do not push workers below the local minimum wage.

#### **The platform takes appropriate steps to ensure:**

- Workers earn at least the local minimum wage or the wage set by collective sectoral agreement (whichever is higher) where they work, in their active hours, after costs<sup>61</sup>.

### **1.2 Ensures workers earn at least a local living wage after costs (one additional point)**

In some places, the minimum wage is not enough to allow workers to afford a basic but decent standard of living. To achieve this point platforms must ensure that work-related costs do not push workers below local living wage.

#### **The platform takes appropriate steps to ensure:**

- Workers earn at least a local living wage or the wage set by collective sectoral agreement (whichever is higher) where they work, in their active hours, after costs<sup>62,63</sup>.

## **Principle 2: Fair Conditions**

### **2.1 Mitigates task-specific risks (one point)**

Platform workers may encounter a number of risks in the course of their work, including accidents and injuries, harmful materials, and crime and violence. To achieve this point platforms must show that they are aware of these risks and take steps to mitigate them.

#### **The platform must satisfy the following:**

- There are policies or practices in place that protect workers' health and safety from task-specific risks<sup>64</sup>.
- Platforms take adequate, responsible, and ethical data protection and management measures in a documented policy.

### **2.2 – Provides a safety net (one additional point)**

Platform workers are vulnerable to the possibility of abruptly losing their income as the result of unexpected or external circumstances, such as sickness or injury. Most countries provide a social safety net to ensure workers don't experience sudden poverty due to circumstances outside their control. However, platform workers usually don't qualify for protections such as sick pay, because of their independent contractor status. In recognition of the fact that most workers are dependent on income they earn from platform work, platforms can achieve this point by ensuring that workers are compensated for loss of income due to inability to work.

#### **The platform must satisfy BOTH of the following:**

- Platforms take meaningful steps to ensure that workers are compensated for income loss due to inability to work commensurate with the worker's average earnings over the past three months.
- Where workers are unable to work for an extended period due to unexpected circumstances, their standing on the platform is not negatively impacted.

## **Principle 3: Fair Contracts**

### **3.1 Provides clear and transparent terms and conditions (one point)**

The terms and conditions governing platform work are not always clear and accessible to workers<sup>65</sup>. To achieve this point, the platform must demonstrate that workers can understand, agree to, and access their work conditions at all times and that they have legal recourse if the other party breaches those conditions.

#### **The platform must satisfy ALL of the following:**

- The party contracting with the worker must be identified in the contract, and subject to the law of the place in which the worker works.
- The contract is communicated in full in clear and comprehensible language that workers could be expected to understand.
- The contract is accessible to workers at all times.
- Every worker is notified of proposed changes in a reasonable timeframe before changes come into effect; and the changes should not reverse existing accrued benefits and reasonable expectations on which workers have relied.



### **3.2 – Ensures that no unfair contract terms are imposed (one additional point)**

In some cases, especially under ‘independent contractor’ classifications, workers carry a disproportionate amount of risk for engaging in a contract with the service user. They may be liable for any damage arising in the course of their work, and they may be prevented by unfair clauses from seeking legal redress for grievances. To achieve this point, platforms must demonstrate that risks and liability of engaging in the work is shared between parties.

**Regardless of how the the contractual status of the worker is classified, the platform must satisfy BOTH of the following:**

- Takes appropriate steps to ensure that the contract does not include clauses which exclude liability for negligence nor unreasonably exempt the platform from liability for working conditions.
- Takes appropriate steps to ensure that the contract does not include clauses which prevent workers from effectively seeking redress for grievances which arise from the working relationship.

## **Principle 4: Fair Management**

### **4.1 Provides due process for decisions affecting workers (one point)**

Platform workers can experience arbitrary deactivation; being barred from accessing the platform without explanation, and potentially losing their income. Workers may be subject to other penalties or disciplinary decisions without the ability to contact the service user or the platform to challenge or appeal them if they believe they are unfair. To achieve this point, platforms must demonstrate an avenue for workers to meaningfully appeal disciplinary actions.

**The platform must satisfy ALL of the following:**

- There is a channel for workers to communicate with a human representative of the platform. This channel is documented in a contract and available on the platform interface. Platforms should respond to workers within a reasonable timeframe.
- There is a process for workers to meaningfully appeal low ratings, non-payment, payment issues, deactivations, and other penalties and disciplinary actions. This process is documented in a contract and available on the platform interface<sup>66</sup>.
- In the case of deactivations, the appeals process must

be available to workers who no longer have access to the platform.

- Workers are not disadvantaged for voicing concerns or appealing disciplinary actions.

### **4.2 – Provides equity in the management process (one additional point)**

The majority of platforms do not actively discriminate against particular groups of workers. However, they may inadvertently exacerbate already existing inequalities in their design and management. For example, there is a lot of gender segregation between different types of platform work. To achieve this point, platforms must show not only that they have policies against discrimination, but also that they seek to remove barriers for disadvantaged groups, and promote inclusion.

**Platforms must satisfy ALL of the following:**

- There is a policy which ensures the platform does not discriminate on grounds such as race, social origin, caste, ethnicity, nationality, gender, sex, gender identity and expression, disability, religion or belief, age or any other status.
- Where persons from a disadvantaged group (such as women) are significantly under-represented among a pool of workers, it seeks to identify and remove barriers to access by persons from that group.
- It takes practical measures to promote equality of opportunity for workers from disadvantaged groups, including reasonable accommodation for pregnancy, disability, and religion or belief.
- If algorithms are used to determine access to work or remuneration or the type of work and pay scales available to workers seeking to use the platform, these are transparent and do not result in inequitable outcomes for workers from historically or currently disadvantaged groups.
- It has mechanisms to reduce the risk of users discriminating against workers from disadvantaged groups in accessing and carrying out work.
- It takes practical measures to promote equality of opportunity for workers from disadvantaged groups, including reasonable accommodation for pregnancy, disability, and religion or belief.
- If algorithms are used to determine access to work or remuneration, these are transparent and do not result

in inequitable outcomes for workers from historically or currently disadvantaged groups.

- It has mechanisms to reduce the risk of users discriminating against workers from disadvantaged groups in accessing and carrying out work.

## **Principle 5: Fair Representation**

### **5.1 Assures freedom of association and the expression of worker voice (one point)**

Freedom of association is a fundamental right for all workers, and enshrined in the constitution of the International Labour Organisation, and the Universal Declaration of Human Rights. The right for workers to organise, collectively express their wishes – and importantly – be listened to, is an important prerequisite for fair working conditions.

However, rates of organisation amongst platform workers remain low. To achieve this point, platforms must ensure that the conditions are in place to encourage the expression of collective worker voice. Whether or not platforms set the terms on which workers are retained by service users, platforms must demonstrate that they have taken appropriate steps to ensure that workers are informed of their rights (and have mechanisms in place to help protect those rights) and that workers are directed to appropriate collective bodies or trade unions.

#### **Platforms must satisfy ALL of the following:**

- There is a documented mechanism for the expression of collective worker voice.
- There is a formal policy of willingness to recognise or bargain with, a collective body of workers or trade union that is clearly communicated to all workers<sup>67</sup>.
- Freedom of association is not inhibited, and workers are not disadvantaged in any way for communicating their concerns, wishes, and demands to the platform<sup>68</sup>.

### **5.2 Supports democratic governance (one additional point)**

While rates of organisation remain low, platform workers' associations are emerging in many sectors and countries. We are also seeing a growing number of cooperative worker-owned platforms. To realise fair representation, workers must have a say in the conditions of their work. This could be through a democratically governed cooperative model, a formally recognised union, or the ability to undertake collective bargaining with the platform.

#### **The platform must satisfy at least ONE of the following:**

1. Workers play a meaningful role in governing it.
2. It publicly and formally recognises an independent collective body of workers, an elected works council, or trade union.
3. It seeks to implement meaningful mechanisms for collective representation or bargaining.

## ENDNOTES

- 1** COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS retrieved from [https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-10/communication\\_on\\_wb\\_economic\\_and\\_investment\\_plan\\_october\\_2020\\_en.pdf](https://neighbourhood-enlargement.ec.europa.eu/system/files/2020-10/communication_on_wb_economic_and_investment_plan_october_2020_en.pdf)
- 2** The Vienna Institute for International Economic Studies (nbd.) SLOW ECONOMIC CONVERGENCE IN THE WESTERN BALKANS: TIME TO FOCUS ON ECONOMIC STRUCTURE AND POLITICAL ECONOMY <https://wiiw.ac.at/udovicki-slow-convergence-in-the-western-balkans-dlp-4942.pdf> ??? <https://wiiw.ac.at/faces-of-convergence-dlp-4908.pdf>
- 3** World Bank (2022). GDP per capita (current US\$) - Bulgaria, Serbia. [Web log]. Retrieved from <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=BG-RS>
- 4** World Bank (2022). <https://www.worldbank.org/en/country/serbia/overview>
- 5** Ibid
- 6** Ibid
- 7** Inflation Report, November 2022, National bank of Serbia, Retrieved from [https://www.nbs.rs/export/sites/NBS\\_site/documents-eng/publikacije/oi/izvestaji/inflation\\_report\\_11\\_2022.pdf](https://www.nbs.rs/export/sites/NBS_site/documents-eng/publikacije/oi/izvestaji/inflation_report_11_2022.pdf) pp.60
- 8** IMF Staff Reaches Staff-Level Agreement with Serbia on the Third Review Under the Policy Coordination Instrument and a Stand-By Arrangement Request <https://www.imf.org/en/News/Articles/2022/11/02/pr22366-imf-staff-reaches-sla-with-serbia-on-third-review-under-pci-and-stand-by-arrangement-request>
- 9** World Bank (2022) <https://www.worldbank.org/en/country/serbia/overview>
- 10** IMF Staff Reaches Staff-Level Agreement with Serbia on the Third Review Under the Policy Coordination Instrument and a Stand-By Arrangement Request <https://www.imf.org/en/News/Articles/2022/11/02/pr22366-imf-staff-reaches-sla-with-serbia-on-third-review-under-pci-and-stand-by-arrangement-request>
- 11** National Bank of Serbia's Memorandum on Inflation Targets until 2024 [https://www.nbs.rs/export/sites/NBS\\_site/documents-eng/monetarna-politika/memorandum\\_ciljevi\\_do\\_2024\\_eng.pdf](https://www.nbs.rs/export/sites/NBS_site/documents-eng/monetarna-politika/memorandum_ciljevi_do_2024_eng.pdf)
- 12** IMF Staff Reaches Staff-Level Agreement with Serbia on the Third Review Under the Policy Coordination Instrument and a Stand-By Arrangement Request <https://www.imf.org/en/News/Articles/2022/11/02/pr22366-imf-staff-reaches-sla-with-serbia-on-third-review-under-pci-and-stand-by-arrangement-request>
- 13** Statistical Office of the Republic of Serbia (2022). Poverty and Social Inequality, 2021. Retrieved from <https://www.stat.gov.rs/en-us/vesti/statisticalrelease/?p=8870&a=01&s=0102?s=0102>
- 14** Statistical Office of the Republic of Serbia (2022). Statistical Yearbook, 2022 Belgrade: Statistical Office of the Republic of Serbia. Retrieved from <https://publikacije.stat.gov.rs/G2022/PdfE/G20222055.pdf> pp 81
- 15** Statistical Office of the Republic of Serbia (2022). Participation, employment and unemployment rate for the population aged 15+ [Announcement No. 235]. Retrieved from <https://publikacije.stat.gov.rs/G2022/PdfE/G20221235.pdf>
- 16** European Training Foundation (ETF). (2021). How migration, human capital and the labour market interact in Serbia. Turin: European Training Foundation. Retrieved from [https://www.etf.europa.eu/sites/default/files/2021-04/migration\\_serbia.pdf](https://www.etf.europa.eu/sites/default/files/2021-04/migration_serbia.pdf)
- 17** Statistical Office of the Republic of Serbia (2022). Participation, employment and unemployment rate for the population aged 15+ [Announcement No. 235]. Retrieved from <https://publikacije.stat.gov.rs/G2022/PdfE/G20221235.pdf>
- 18** Statistical Office of the Republic of Serbia (2022). Participation, employment and unemployment rate for the population aged 15+ [Announcement No. 235]. Retrieved from <https://publikacije.stat.gov.rs/G2022/PdfE/G20221235.pdf>
- 19** Statistical Office of the Republic of Serbia (2022). Participation, employment and unemployment rate for the population aged 15+ [Announcement No. 323]. Retrieved from <https://publikacije.stat.gov.rs/G2022/Doc/G20221323.docx>
- 20** Statistical Office of the Republic of Serbia (2022). Statistical Yearbook, 2022 Belgrade: Statistical Office of the Republic of Serbia. Retrieved from <https://publikacije.stat.gov.rs/G2022/PdfE/G20222055.pdf> pp 81
- 21** Cedefop (2022) Share of self-employed people (in %) across countries in 2020 Retrieved in November 2022 from: <https://www.cedefop.europa.eu/en/tools/skills-intelligence/self-employment?year=2020&country=EU#1>
- 22** Ognjenović, K., Pavlović, D., & Bodroža, D. (2022). Poverty and regional distribution of the self-employed in Serbia. IMCSM Proceedings: an international publication for theory and practice of Management Science, 17(1), 131-140.
- 23** Foodpanda acquires several Eastern European food delivery companies, December 17, 2014. Retrieved from <https://ecommercenews.eu/foodpanda-acquires-several-eastern-european-food-delivery-companies/>
- 24** Delivery Hero acquires foodpanda, December 10, 2016. Retrieved from: <https://www.deliveryhero.com/newsroom/delivery-hero-acquires-foodpanda/>
- 25** Glovo announces multiple acquisitions of Delivery Hero in Central and Eastern Europe, May 26, 2021. Retrieved from: <https://about.glovoapp.com/press/glovo-announces-multiple-acquisitions-of-delivery-hero-in-central-and-eastern-europe/>
- 26** Delivery Hero welcomes Glovo to the Group – all closing actions taken, July 4, 2022 <https://www.deliveryhero.com/newsroom/delivery-hero-welcomes-glovo-to-the-group-all-closing-actions-taken/>
- 27** DoorDash Completes Acquisition of Wolt, June 6, 2022. Retrieved from: <https://ir.doordash.com/news/news-details/2022/DoorDash-Completes-Acquisition-of-Wolt/default.aspx>
- 28** CarGo vozi i dalje – ostavka direktora, aplikacija prodana novom vlasniku, November 15, 2022. Retrieved from: <https://rs.n1info.com/biznis/cargo-vozi-i-dalje-ostavka-direktora-aplikacija-prodata-novom-vlasniku/>
- 29** Legenda je tu: servis za dostavu „Mr. D“ počeo sa radom



- Novi servis za dostavu od danas aktivan u Beogradu, Nišu i Novom Sadu, January 18, 2022. Retrieved from <https://www.blic.rs/slobodno-vreme/legenda-je-tu-servis-za-dostavu-mr-d-poceo-sa-radom-novi-servis-za-dostavu-od-danas/sng6cmj>

**30** <https://misterd.rs/additional/faq>

**31** Mr. D is run by the company Pin Technology d.o.o. Retrieved from: <https://pretraga2.apr.gov.rs/EnterpriseWebSearch-Web/Details/Details?beid=12235638&rnd=F66074A0FEB-68E95490CDF77CAC33A300A863872>

**32** Mister D dostava od sada i u okviru CarGo aplikacije, July 7, 2022. Retrieved from: <https://www.euronews.rs/magazin/zivot/54218/mister-d-dostava-od-sada-i-u-okviru-cargo-aplikacije/vest>

**33** The Commission initiates proceedings against Glovoapp Technology (Glovo) for abuse of a dominant position, November 3, 2022. Retrieved from: <https://www.kzk.gov.rs/en/komisi-ja-pokrenula-postupak-protiv-glovoapp-tecch>

**34** Ibid

**35** These jumped from 8% in 2020 to 11.1% in 2021, according to the Statistical Office of the Republic of Serbia (2021). The use of ICT technologies in the Republic of Serbia. Belgrade: Statistical Office of the Republic of Serbia. Retrieved from <https://publikacije.stat.gov.rs/G2021/Pdf/G202116016.pdf> and Statistical Office of the Republic of Serbia (2022). The use of ICT technologies in the Republic of Serbia. Belgrade: Statistical Office of the Republic of Serbia. Retrieved from <https://publikacije.stat.gov.rs/G2022/Pdf/G202216017.pdf> respectively.

**36** Andjelkovic B, Jakobi, T, Radonjic Lj (2020) Uspon mobilnih aplikacija za dostavu hrane i prevoz putnika: Slučaj Srbije. Centar za istraživanje javnih politika. Retrieved from: <https://publicpolicy.rs/publikacije/155048b3b69aba23a99d05100b-5990b864ac346a.pdf>

**37** Statistical Office of the Republic of Serbia (2022). The use of ICT technologies in the Republic of Serbia. Belgrade: Statistical Office of the Republic of Serbia. Retrieved from <https://publikacije.stat.gov.rs/G2022/Pdf/G202216017.pdf>

**38** Aleksić, D., Arandarenko, M., Ognjanov, G. (2020). Ex post analysis of the national employment strategy for the period 2011-2020. Belgrade: Foundation for the Advancement of Economics. Retrieved from [shorturl.at/nvF67](https://shorturl.at/nvF67)

**39** In the period 01.01.2021-31.10.2022. in total there were 1607 job postings (cumulative digital platforms and other delivery providers). On average 50 people applied for one position which is low by Serbian standards where hundreds of people apply for one job opening. The average offered wage remained competitive throughout 2021 and 2022. Data were provided to the CENTER by request.

**40** Estimated number of population in the Republic of Serbia, 2021, Retrieved from <https://www.stat.gov.rs/en-us/vesti/20220701-procenjen-broj-stanovnika-2021/?s=1801>

**41** Arandarenko, M., (2020), How migration, human capital and the labour market interact in Serbia. Retrieved from: <https://www.etf.europa.eu/en/publications-and-resources/publications/how-migration-human-capital-and-labour-market-interact>

**42** According to the National Employment Service there were 24,208 working licences issued in 2021 and 25,252 in the first 10 months of 2022. Data were provided through FOIA sent on November 7, 2022 and were received on November 22, 2022.

**43** Andjelkovic, B., Jakobi, T. (2022) Embracing the digital age: The future of work in the Western Balkans – Serbia. <https://www.etf.europa.eu/en/document-attachments/embracing-digital-age-future-work-western-balkans-serbia>

**44** Aleksić, D., Arandarenko, M., Ognjanov, G. (2020). Ex post analysis of the national employment strategy for the period 2011-2020. Belgrade: Foundation for the Advancement of Economics. Retrieved from [shorturl.at/nvF67](https://shorturl.at/nvF67)

**45** Otto Kässi, Vili Lehdonvirta, Online labour index: Measuring the online gig economy for policy and research, Technological Forecasting and Social Change, Volume 137, 2018, Pages 241-248

**46** Colovic, P., Andjelkovic, B., & Jakobi, T. (2021). How Many Online Workers Are There in Serbia? First National Assessment of the Number of the Online Workers on Global Digital Platforms. Belgrade: Public Policy Research Center. Retrieved from <https://publicpolicy.rs/publikacije/bac4e207bba2e8a9fa84e-063c954710e02b375ce.pdf>

**47** According to Article 33 of the Labor Law (2005), the name and description of the work to be performed by the employee is a mandatory element of the employment contract.

**48** Living wage calculator based on Anker methodology has not yet been introduced in Serbia. Therefore, our team of researchers made proxy living wage calculations based on the principles of Anker methodology and the available national statistical data including the average market basket (equivalent to the cost of basic but decent life for a family) and cost of basic but decent life per family member. The number of workers per family (as in Anker methodology) is an unknown indicator within the national statistical database and so we could operate with the costs of living for a family and for a family member only. In 2022 calculated net living wage was RSD 229.

**49** As per data analysis, COVID-19 insurance was active until April 2022.

**50** As per data analysis, COVID-19 insurance was active until April 2022.

**51** Living wage calculator based on Anker methodology has not yet been introduced in Serbia. Therefore, our team of researchers made proxy living wage calculations based on the principles of Anker methodology and the available national statistical data including the average market basket (equivalent to the cost of basic but decent life for a family) and cost of basic but decent life per family member. The number of workers per family (as in Anker methodology) is an unknown indicator within the national statistical database and so we could operate with the costs of living for a family and for a family member only. In 2022 calculated net living wage was RSD 229.

**52** See at: <https://wolt.com/en/about>

**53** Belgrade, Pancevo, Kragujevac, Kraljevo, Krusevac, Novi Sad, Zrenjanin, Subotica, Nis, Cacak, Leskovac. See at: <https://wolt.com/en/srb>

**54** See at: <http://zoomer.rs/wolt-srbija-prekida-saradnju-sa-klijentom-zbog-homofobije/>

**55** ILO (2021). World Employment and Social Outlook: The role of digital labour platforms in transforming the world of work. Geneva: International Labour Organization. p. 31. [https://www.ilo.org/global/research/global-reports/weso/2021/WCMS\\_771749/lang-en/index.htm](https://www.ilo.org/global/research/global-reports/weso/2021/WCMS_771749/lang-en/index.htm)

**56** ILO, World Employment and Social Outlook: The role of digital labour platforms in transforming the world of work, p. 107.

**57** De Stefano, V. (2016). The rise of the 'just-in-time workforce': On-demand work, crowdwork and labour protection in the 'gig-economy.' Geneva: International Labour Organization. p. 1 [https://www.ilo.org/travail/info/publications/WCMS\\_443267/lang--en/index.htm](https://www.ilo.org/travail/info/publications/WCMS_443267/lang--en/index.htm).

**58** Work-related costs include direct costs the worker may incur in performing the job. This may include, for instance, transport in between jobs, supplies, vehicle repair and maintenance, fuel, road tolls and vehicle insurance. However, it does not include transport to and from the job (unless in-between tasks) nor taxes, social security contributions, or health insurance.

**59** The ILO defines minimum wage as the "minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract." Minimum wage laws protect workers from unduly low pay and help them attain a minimum standard of living. The ILO's Minimum Wage Fixing Convention, 1970 C135 sets the conditions and requirements of establishing minimum wages and calls upon all ratifying countries to act in accordance. Minimum wage laws exist in more than 90 percent of the ILO member states.

**60** In addition to direct working hours where workers complete tasks, they also spend time performing unpaid activities necessary for their work, such as waiting for delivery orders at restaurants and traveling between jobs. These indirect working hours are also considered part of active hours as workers give this time to the platform. Thus, 'active hours' include both direct and indirect working hours.

**61** In order to evidence this, where the platform is responsible for paying workers, the platform must either: (a) have a documented policy that ensures the workers receive at least the local minimum wage after costs in their active hours; or (b) provide summary statistics of transaction and cost.

**62** Where a living wage does not exist, Fairwork will use the Global Living Wage Coalition's Anker Methodology to estimate one.

**63** In order to evidence this, where the platform is responsible for paying workers, the platform must either: (a) have a documented policy that ensures the workers receive at least the local living wage after costs in their active hours; or (b) provide summary statistics of transaction and cost data evidencing all workers earn a minimum wage after costs.

**64** Where the platform directly engages the worker, the starting point is the ILO's Occupational Safety and Health Convention, 1981 (C155). This stipulates that employers shall be required "so far as is reasonably practicable, the workplaces, machinery, equipment, and processes under their control are safe and without health risk", and that "where necessary, adequate protective clothing and protective equipment [should be provided] to prevent, so far as is reasonably practicable, risk of accidents or adverse effects on health."

**65** The ILO's Maritime Labour Convention, 2006 (MLC 2006), Reg. 2.1, and the Domestic Workers Convention, 2011 (C189), Articles 7 and 15, serve as helpful guiding examples of adequate provisions in workers' terms and conditions, as well as worker access to those terms and conditions.

**66** Workers should have the option of escalating grievances that have not been satisfactorily addressed and, in the case of automated decisions, should have the option of escalating them

for human mediation.

**67** For example, "[the platform] will support any effort by its workers to organise or form a trade union collectively. Collective bargaining through trade unions can often bring about more favourable working conditions."

**68** See ILO (2021) World Employment and Social Outlook 2021: The role of digital labour platforms in transforming the world of work International Labour Office

# Credits and funding

Fairwork is a project run out of the Oxford Internet Institute, University of Oxford, and the WZB Berlin Social Science Center, and draws on the expertise and experience of staff at Access to Knowledge for Development Center (A2K4D) at the American University in Cairo's School of Business, Audencia Business School, Center for Development Evaluation and Social Science Research (CREDI), Centre for Labour Research, Chinese University of Hong Kong's Centre for Social Innovation Studies, CIPG Innovation Policy Governance, CIPPEC, CREDI, De La Salle University, FLACSO-Ecuador, Humboldt University of Berlin, International Institute of Information Technology Bangalore (IIITB), International University of Rabat, iSocial, KU Leuven, Lagos Business School, Luigj Gurakuqi University of Shkodër, National University of Singapore, Observatorio de Plataformas Perú, Phenix Center for Economics & Informatics Studies, Pollicy, Public Policy Research Center (CENTAR), Qhala, REPOA, Sapienza University of Rome, Social Life Research Institute, Solidarity Center, Technical University of Berlin, TEDIC, The Policy Initiative, TU Wien, Universidad Adolfo Ibáñez, Universidad Complutense de Madrid, Universidad del Rosario, Universidade do Vale do Rio dos Sinos (Unisinos), Universitas Gadjah Mada's Center for Digital Society, University of California's Hastings College of the Law, University of Cape Town, University of Ghana Business School, University of Manchester, University of the Western Cape, Weizenbaum Institut and XU Exponential University

## Authors

Branka Andjelkovic, Tanja Jakobi, Maja Kovac, Slobodan Golusin, Funda Ustek Spilda, Adam Badger, and Mark Graham.

## Fairwork Team

ana Ababneh, Pablo Aguera Reneses, Iftikhar Ahmad, Gina Alaschkar, Maria Belen Albornoz, Luis Pablo Alonzo, Moritz Altenried, Oğuz Alyanak, Hayford Amegbe, Branka Andjelkovic, Viridiana Ángel, Thomas Anning-Dorson, Marcos Aragão, María Arnal, Arturo Arriagada, Daniel Arubayi, Tat Chor Au-Yeung, Ahmad Awad, Adam Badger, Marina Benedine, Ariane Berthoin Antal, Alessio Bertolini, Gautam Bhatia, Virgel Binghay, Richard Boateng, Manuela

Bojadzije, Ameline Bordas, Álvaro Briaes, Joseph Budu, Callum Cant, Rodrigo Carelli, Eiser Carnero Apaza, Eduardo Carrillo, Chris King Chi Chan, Henry Chavez, Aradhana Cherupara Vadekkethil, Andrea Ciarini, Matthew Cole, Antonio Corasaniti, Pamela Custodio, Kavita Dattani, Olayinka David-West, Nadia De Jesús Pacheco, Luisa De Vita, Alejandra S. Y. Dinegro Martínez, Brikena Kapisyzi Dionizi, Markieta Domecka, Marta D'Onofrio, Elvira Drishti, Darcy du Toit, Veena Dubal, Nagham El Houssamy, Haya El Zayat, Batoul ElMehdar, Elisa Errico, Fabian Ferrari, Pia Garavaglia, Chana Garcia, Beatriz García, Sharon Geeling, Navneet Gidda, Shikoh Gitau, Slobodan Golusin, Saúl Gomez, Mark Graham, Markus Griesser, Rafael Grohmann, Martin Gruber-Risak, Julieta Haidar, Khadiga Hassan, Richard Heeks, Mabel Rocío Hernández Díaz, Kelle Howson, Francisco Ibáñez, Shahidul Islam, Neema Iyer, Tanja Jakobi, Athar Jameel, Abdul Bashiru Jibril, Ermira Hoxha Kalaj, Zeynep Karlidag, Lucas Katera, Mishal Khan, Bresena Dema Kopliku, Maja Kovac, Anjali Krishan, Martin Krzywdzinski, Amela Kurta, Ilma Kurtović, Morad Kutkut, Arturo Lahera-Sánchez, Sebastian Lew, Jorge Leyton, Tatiana López Ayala, Georgina Lubke, Bilahari M, Raiyaan Mahbub, Amruta Mahuli, Oscar Javier Maldonado, Laura Clemencia Mantilla León, Claudia Marà, Paolo Marinaro, Ana Flavia Marques, Margreta Medina, Caterina Morbiato, Nacef Mouri, Jamal Msami, Baraka Mwaura, Bonnita Nyamwire, Oluwatobi A. Ogunmokun, Kemi Ogunyemi, Caroline A Omware, Leonhard Plank, Frederick Pobe, Valeria Pulignano, Jack Linchuan Qiu, Ananya Raihan, Antonio Ramírez, Juan-Carlos Revilla, Alberto Riesco-Sanz, Nabiyla Risfa Izzati, Nagla Rizk, Moisés K. Rojas Ramos, Cheryll Ruth Soriano, André Sobczak, Kristin Thompson, Kiko Tovar, Pitso Tsibolane, Wing Yin Anna Tsui, Funda Ustek Spilda, Jonas Valente, Jean-Paul Van Belle, Giulia Varaschin, Eduardo Vargas, Daniel Vizuete, Laura Vogel, Jing Wang, Robbie Warin, Nadine Weheba a Najlae Zhani. Wirawan Agahari, Sami Atallah, Ladin Bayurgil, Maren Borkert, Joe Buckley, Maria Catherine, Hussein Cheaito, Ana Chkareuli, Adriansyah Dhani Darmawan, Ha Do, James Dunn-Willimason, Khatia Dzamukashvili, Trevilliana Eka Putri, Patrick Feuerstein, Roseli Figaro, Milena Franke, Sandra Fredman, Jackeline Gameleira, Teona Henderson, Luis Jorge Hernández Flores, Victor



Manuel Hernandez Lopez, Benjamin Herr, Nur Huda, Huynh Thi Ngoc Tuyet, Amelinda Pandu Kusumaningtyas, Wassim Maktabi, Melissa Malala, Hilda Mwakatumbula, Beka Natsvlishvili, Mounika Neerukonda, Ana Negro, Chau Nguyen Thi Minh, Sidra Nizambuddin, Thando Nkohla-Ramunenyiwa, Claudia Nociolini Rebecchi, Anesthesia H. Novienda, Nermin Oruc, Christian Nedu Osakwe, Balaji Parthasarathy, Francesca Pasqualone, Obed Penu, Lucero Pinedo Huerta, Julice Salvagni, Derly Yohanna Sánchez Vargas, Maricarmen Sequera, Murali Shanmugavelan, Ruth Tarullyna Simanjuntak, Shanza Sohail, Janaki Srinivasan, Anna Sting, Zuly Bibiana Suárez Morales, David Sutcliffe, Dinh Thi Chien and Jami Zoughaib

### **Scoring Peer Reviewers:**

Batoul El Mehdar, Khadiga Hassan

### **Report Peer Reviewer:**

Funda Ustek Spilda

### **Report Copy Editor:**

David Sutcliffe

### **Please cite as:**

Fairwork Serbia Ratings 2022: Labour Standards in the Platform Economy.” Belgrade, Serbia; Oxford, United Kingdom

*Please note that this report contains sections in common with other Fairwork reports, notably the Fairwork Framework, parts of the Impact and Next Steps section and the Appendix.*

### **Designers**

One Ltd. and — Arwin Qaderi

## Funders

The work of the Fairwork Serbia team is funded by the Federal Ministry for Economic Cooperation and Development (BMZ), commissioned by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the Olof Palme International Center and the Swedish International Development Cooperation Agency (Sida).

## Special thanks to

Katia Padvalkava, Duncan Passey, Maisy Gills, Sara Spinks, Lucy Hennings, John Gilbert, Ornella Sciuto, Caroline Hampshire, Tabitha Baker, and David Sutcliffe at the University of Oxford for their extensive administrative support for the project since its inception. The project team is deeply grateful to Shakhlo Kakharova, Lukas Sonnenberg, and Kirsten Schuettler at GIZ for their continuing support and guidance as we take our work to the next stage. Finally, we would like to acknowledge a large number of workers and platform managers in Serbia for taking the time to help us build our platform ratings. Their roles are understated by a simple acknowledgement. All of the work in this project was shared not just amongst our research team, but also amongst the stakeholders who our ratings ultimately affect.

## Conflict of interest statement

None of the researchers have any connection with any of the platforms and the work undertaken received no funding or support in kind from any platform or any other company, and we declare that there is no conflict of interest.

## A COLLABORATION BETWEEN



**WZB**

Wissenschaftszentrum Berlin  
für Sozialforschung



**CENTAR**  
PUBLIC POLICY  
RESEARCH

## FUNDED BY

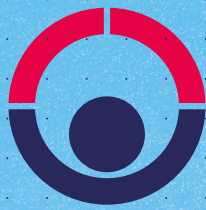


Bundesministerium für  
wirtschaftliche Zusammenarbeit  
und Entwicklung

**giz**

Deutsche Gesellschaft  
für Internationale  
Zusammenarbeit (GIZ) GmbH





Fairwork

## Find out more

 [fair.work](https://fair.work)

 [info@fair.work](mailto:info@fair.work)

 [@TowardsFairWork](https://www.facebook.com/TowardsFairWork)

 [@TowardsFairWork](https://twitter.com/TowardsFairWork)