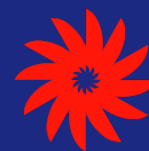


October 2024



# TOWARDS THE RIGHT TO SOCIAL SECURITY FOR ALL

## *THE SOCIAL CARD REGISTRY: ENTRENCHING POVERTY AND DISCRIMINATION*

AMNESTY INTERNATIONAL

### EXECUTIVE SUMMARY:

As one of the largest providers of social protection loans globally, the World Bank has played a crucial role in advocating for greater automation in social protection systems, particularly in low and middle-income countries. In Serbia, the World Bank funded the Social Card Registry as it considered its development as “essential to identify beneficiaries quickly during crises and expand coverage of social assistance support”. Amnesty International’s research, however, highlights that introducing the Social Card registry without addressing existing barriers to accessing social assistance was bound to create new challenges and exacerbate existing problems for individuals already facing discrimination. At face value, the Social Card Law and the Social Card registry may be presented as neutral technical solutions. However, in practice, they cannot be isolated from the social and historical contexts into which they are introduced. Amnesty International’s research found this to be a case in which flawed technology was introduced in a context where marginalized groups were already experiencing discrimination.



States often justify the digital transformation of social security schemes as a means to increase efficiency or to better target those in need of state support.<sup>1</sup> These transformations can include introducing automated or algorithmic decision-making, digitizing application processes for social assistance, and creating digital databases to store and process personal data. However, introducing technology into social protection systems can have potentially unpredictable and unintended consequences for individuals. Such impacts can also vary widely depending on whether those individuals are already subject to systemic and intersectional forms of discrimination and marginalization.

A growing digitization in social protection, which requires individuals to engage with digitized services, may pose an additional barrier to people exercising their rights. This is especially the case for those with lower levels of literacy or digital literacy, people with disabilities, people in poverty as well as those who may lack any official documents and paperwork required to interact with these systems. The UN Special Rapporteur on extreme poverty and human rights found that the “digitization of welfare systems” can lead to “a narrowing of the beneficiary pool” as well as “the introduction of demanding and intrusive forms of conditionality.”<sup>2</sup>

### Introduction of automation for social protection in Serbia

Serbia’s National Assembly adopted the Social Card Law in February 2021 as part of the country’s Programme of Economic Reforms 2020-2022.<sup>3</sup> The law entered into force on 1<sup>st</sup> March 2022 and by September 2023 it had been rolled out in 167 cities and towns for use in nearly all Centres for Social Work across the country.<sup>4</sup> The law established the Social Card registry, an integrated and centralized electronic database, which pulls data on recipients’ and applicants’ socio-economic status from a range of official databases, which is then used by social workers to assess their eligibility for social protection.<sup>5</sup>

The establishment of a Social Card registry that centralizes data on social protection recipients and applicants was a key priority for successive governments in Serbia since 2017.<sup>6</sup> The development of the Social Card registry also had strong advocates in the “International Community” in Serbia.<sup>7</sup> Significantly, the World Bank directly supported

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<sup>1</sup> UN Special Rapporteur on extreme poverty and human rights, Digital welfare states and human rights, 11 October 2019, UN Doc. A/74/493.

<sup>2</sup> UN Special Rapporteur on extreme poverty and human rights, Digital technology, social protection and human rights, 1 October 2019, UN Doc. A/74/493, para 5. See also Valery Gantchev, Data protection in the age of welfare conditionality: Respect for basic rights or a race to the bottom?, 22 March 2019. *European Journal of Social Security*, 21(1), <https://doi.org/10.1177/1388262719838109>, pp. 3-22.

<sup>3</sup> Serbia’s Programme of Economic Reforms 2020-2022, [https://www.mfin.gov.rs/upload/media/U1fkFH\\_6016ce668bd9d.pdf](https://www.mfin.gov.rs/upload/media/U1fkFH_6016ce668bd9d.pdf)

<sup>4</sup> Official correspondence from Serbia’s Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>5</sup> Serbia’s Social Card Law, Article 3.

<sup>6</sup> Program Vlade Republike Srbije kandidata za predsednika Vlade Ane Brnabić, delivered before Serbia’s National Assembly, 28 June 2017, [https://media.srbija.gov.rs/medsrp/dokumenti/ekspeze-mandatarke-ane-brnabic280617\\_cyr.pdf](https://media.srbija.gov.rs/medsrp/dokumenti/ekspeze-mandatarke-ane-brnabic280617_cyr.pdf), p. 61.

<sup>7</sup> In the countries of the former Yugoslavia, the term “International Community” describes the collection of international actors which collectively and individually play an active role or support the governance in the country. These include the United Nations (UN) and its agencies, international financial institutions such as the World Bank and International Monetary Fund (IMF), regional organizations such as the Organization for Security and Cooperation in Europe (OSCE) and the CoE, the EU delegation, and diplomatic missions of the US and Western European countries. Either due to political influence or funding incentive, the International Community tends to have a substantial influence on policy development and practice in these

Serbia's development of its Social Card registry by providing technical and expert guidance. The establishment of the Social Card registry was one of the key conditions for the Bank's financial assistance to Serbia in the form of a long-term loan. This project was part of the Bank's broader global programme supporting the establishment of such registries in the social protection field.<sup>8</sup> The World Bank has supported or promoted similar data-driven social registry databases elsewhere, including in Jordan, Lebanon, Haiti, Nigeria, Morocco and Angola, and in Montenegro and Bosnia and Herzegovina.<sup>9</sup> How does the social card registry work?

The Social Card registry consolidates the personal and other data of social assistance applicants and recipients from multiple existing databases. These include databases managed by the Ministry of Interior, Tax Administration, Pension and Insurance Fund, Employment Service, and Geodetic Institute (housing records). The data is consolidated into a central registry that can be accessed by 1,400 social protection sector employees, including in Centres for Social Work, Child Protection Service and Service for Protection of Veterans Affairs.<sup>10</sup> The Social Card registry uses automation to pull data from these databases and for periodic updates. The registry also uses automation to process individuals' data in order to identify possible data discrepancies, particularly discrepancies that may affect the eligibility criteria for social assistance.

The Social Card Law also allows the registry to pull and process the data of people related to the applicant. This is done according to provisions laid out in the Law on Social Protection, which mandates that data on related persons is needed to assess an applicant's claim.<sup>11</sup> According to Serbia's domestic data protection legislation, which is harmonized with the EU's GDPR, any data use should follow the principle of data minimization, which requires the authorities to collect and process only data needed for a specific purpose.<sup>12</sup> However, the Social Card Law allows for processing the data of related persons without clearly specifying what "an influence on the exercise of rights" means. Furthermore, the Social Card Law contains provisions for processing data on an individual's "ex-extramarital partner."<sup>13</sup> In theory this means that the Law could allow the use of personal data about an applicant's former partner(s) to potentially exclude the applicant from social protection, regardless of whether they are, or could be, benefiting from the former partner(s) income or assets.<sup>14</sup> This also means that a person who is neither a beneficiary nor an applicant to social

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countries.

<sup>8</sup> Public Sector Efficiency and Green Recovery Development Policy Loan agreement between Republic of Serbia and International Bank for Reconstruction and Development, <https://documents1.worldbank.org/curated/en/908181627498690315/pdf/Official-Documents-Loan-Agreement-for-Loan-9235-YF.pdf>. The loan was a part of the World Bank's support for Western Balkan countries taking steps to "improve their social protection systems to make them fairer, more sustainable, more effective and better able to respond to people's needs." See: <https://www.worldbank.org/en/region/eca/brief/advancing-social-protection-and-opportunities-for-reform-in-the-western-balkans>

<sup>9</sup> The development of the social registry in Republika Srpska in Bosnia and Herzegovina is still in the planning stages.

<sup>10</sup> Novosti, "Socijalna pomoć i za – mrtve," 12 January 2023, available at: <https://www.novosti.rs/drustvo/vesti/1191002/socijalna-pomocmrtve-podizali-novac-1-134-pokojnika-budzet-srbije-ostecen-desetine-miliona-evra>

<sup>11</sup> That is "persons who have a closer or further kinship, i.e., property relationship, with the individual and that is of influence on the exercise of rights." Republic of Serbia, Social Card Law.

<sup>12</sup> Republic of Serbia, Data Protection Law, published in the Official Gazette of the Republic of Serbia, no. 87/2018.

<sup>13</sup> Article 6, Para. 4 of the Social Card Law elaborates on the concept of "related persons".

<sup>14</sup> Article 9 of the Social Card Law allows for the processing and collection of "[c]ommon and individual data of persons related

assistance could have their data in the Social Card registry in relation to another person's claim without their knowledge.

While the Social Card registry does not itself make automated decisions about who should receive social assistance, it runs periodic automated checks to identify possible discrepancies between data held on an individual or a household that is pulled from various databases into the centralized registry, and eligibility criteria for social assistance. This could include records of income or assets that place an individual or household above the eligibility threshold. In cases of discrepancy, the system sends a notification to a social worker in the local Centre for Social Work, who is then charged with investigating the case.<sup>15</sup> The notification is assigned a technical gradation that denotes the urgency with which the social worker must investigate. The Social Card Law states that the information contained in the Social Card registry is the authoritative data source for the social worker and their decision-making process.<sup>16</sup> If an applicant or recipient claims that some data are incorrect, the onus is on them to correct or update their data in the original database.<sup>17</sup>

A technical gradation notification is attached to each case, denoting the urgency with which a social worker should investigate. Red denotes the most urgent cases, yellow is used for the less urgent ones, and green indicates no urgency. Cases flagged as red relate to either reviewing an individual's continued eligibility for receiving social protection, or to investigating the possibility of individuals receiving additional forms of social protection.<sup>18</sup> This system therefore relies on semi-automated decision-making, whereby the registry selects cases for social workers to review and requests them to conduct and complete investigations to determine whether an individual should continue to receive social assistance or is eligible for additional forms of social protection.

### Impact of the social card registry

The introduction of the Social Card registry has to some extent reduced the administrative burden for some existing recipients. By automatically pulling available data from pre-existing databases, it has shortened a lengthy application process for people who previously had to visit numerous offices to collect paper copies of documents to prove their eligibility for social assistance.<sup>19</sup> The registry has also allowed for the quick determination about whether existing recipients are eligible for additional assistance. According to the

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to the individual". Articles 9(4), 9(5), and 9(6) also allow for data collection on a related person's ability to earn a living, their income as well as other assets they may possess.

<sup>15</sup> "If during the data processing a discrepancy of data on the beneficiary, i.e. related person is determined, a notification shall be prepared and forwarded to the records in the field of social protection[...]" Social Card Law

<sup>16</sup> Official correspondence from Serbia's Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>17</sup> Official correspondence from Serbia's Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>18</sup> According to Serbia's Ministry of Labour there were 106,838 cases during the first year of the application of the Social Card Law of people being told that they could exercise an additional right to social assistance. The Ministry however did not provide figures on how many people were flagged as not being eligible for social assistance and subsequently removed from the system. Official correspondence from the Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>19</sup> This does not seem to be the case universally across all Centres for Social Work. According to local partner organizations who work with applicants directly, some Centres continue to require new applicants and existing beneficiaries to collect paper documentation. Email exchange with A11- Initiative for Economic, Social and Cultural Rights, 17 November 2023.

Ministry of Labour, in over 100,000 cases existing recipients were notified that they qualified for additional benefits, such as child benefit or free childcare assistance.<sup>20</sup>

However, a closer analysis of the implementation of the Social Card Law indicates that the Social Card registry has been far less successful in providing an adequate buffer against economic hardship for people most in need. In the 18 months of implementation, thousands of people, including recipients living in the most economically precarious conditions, have lost access to social security assistance or had their benefits reduced. Indeed, even the Ministry of Labour's own figures show a continuously decreasing trend in the number of recipients: as of August 2023, there were 176,000 recipients in the system, which is 35,000 fewer than in March 2022 when the Law entered into force.<sup>21</sup> In April 2024, this number rose to 44,000.<sup>22</sup> This figure does not necessarily capture all the people who lost social assistance solely due to the Social Card registry implementation. Without disaggregated figures, which the Ministry of Labour should possess but has not released, it is difficult to determine exactly how many people lost social assistance at any one time due to system discrepancies.

The law has had a particularly negative effect on Roma communities and people with disabilities, who are disproportionately represented in Serbia's social assistance system. As Amnesty International's research shows, the Social Card registry was imposed on an already flawed and thoroughly inadequate social security landscape, plagued by multiple and intersectional forms of discrimination. Introducing the Social Card registry brought with it all the risks associated with the use of automation in delivering social assistance and reduced social workers' role, who currently seem unequipped – or not empowered – to address errors of the semi-automated decision-making.

### **An already inadequate social protection system**

Serbia's social protection system is comprehensive and complex and makes up a substantial part of the country's expenditure. Serbia spends over 14% of its gross domestic product (GDP) on social protection programmes, exceeding most countries in the region and even some EU member states.<sup>23</sup> However, public social protection expenditure makes up less than 6% of GDP, with the remaining 9% coming from employees' and employers' social insurance contributions.<sup>24</sup> Even before the Social Card registry was introduced, and despite high levels of poverty, there were serious gaps in the coverage and effectiveness of means-tested benefits for people living in extreme poverty. The combination of inadequate benefit levels, low social assistance coverage and overly strict eligibility requirements has excluded

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<sup>20</sup> Ministarstvo za rad, zapošljavanje, boračka i socijalna pitanja, "15 meseci primene registra 'Socijalna karta'", 27 July 2023 and Official correspondence from Serbia's Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>21</sup> Ministarstvo za rad, zapošljavanje, boračka i socijalna pitanja, "15 meseci primene registra 'Socijalna karta'", 27 July 2023, <https://www.minrzs.gov.rs/sr/aktuelnosti/vesti/15-meseci-primene-registra-socijalna-karta>

<sup>22</sup> <https://www.a11initiative.org/dve-godine-zakona-o-socijalnoj-karti-nismo-ni-korak-blize-pravednijoj-raspodeli-novcane-socijalne-pomoci-ukinuti-zakon/>

<sup>23</sup> World Bank, Social Protection Situational Analysis: Serbia, 1 January 2022, <https://elibrary.worldbank.org/doi/abs/10.1596/37870>, p. 7.

<sup>24</sup> World Bank, Social Protection Situational Analysis: Serbia, 1 January 2022, <https://elibrary.worldbank.org/doi/abs/10.1596/37870>, p. 7.

many people in vulnerable situations from essential income support.

In Serbia, social protection consists of social assistance, social insurance and employment and labour programmes.

Social assistance consists of:

- means-tested benefits that specifically target people living in poverty, including financial social assistance, child allowance, one-off assistance, and energy subsidies; and
- categorical benefits that target a whole group regardless of need, and include parental allowance, maternity allowance, and war-veteran benefits. These are considered non-contributory benefits.

Social insurance programmes include pension insurance that recipients pay towards throughout their working life. This is a contributory benefit.

Employment and labour programmes consist of unemployment benefits, skills development training, self-employment support, job-search assistance, and other programmes.

Cities and municipalities can also provide additional financial and in-kind support to people living in poverty. This includes a range of financial and other benefits, including access to soup kitchens, one-off financial assistance, and energy and transport subsidies. Soup kitchens, which are managed by local municipalities and the Red Cross, provide over 30,000 people with at least one daily cooked meal in over 70 municipalities across Serbia.<sup>25</sup>

Successive economic shocks, most recently caused by the Covid-19 pandemic and the war in Ukraine, have seriously impacted living standards in Serbia and disproportionately affected people already living in poverty. Serbia has experienced steadily rising inflation, which reached 15% in December 2022, and a soaring cost of living.<sup>26</sup> While the inflation rate gradually stabilised in late 2023, it remained higher than in other European countries,<sup>27</sup> with the prices of essential food items, electricity and transport also staying considerably high.<sup>28</sup>

Members of marginalized communities, such as Roma, people with disabilities and women, are particularly vulnerable to poverty. Surveys show that 83% of Roma live in conditions of pronounced material deprivation, meaning that they are unable to provide for their basic needs, such as food.<sup>29</sup> A 2019 government survey further indicated that 32% of substandard

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<sup>25</sup> Serbia's Social Protection law allows local municipalities to provide additional means of material support, including access to soup kitchen or subsidies for local transport, to the people residing on their territories. Social Protection law, art. 111. Due to multiple providers on municipal level it is difficult to determine how many people use this service and figures in the text reflect the provisions made by the Red Cross. 013 Info, Svaki treći korisnik narodne kuhinje je dete, da i ova deca ne budu zaboravljena, 4 April 2022, <https://013info.rs/srbija/svaki-treci-korisnik-narodne-kuhinje-je-dete-da-i-ova-deca-ne-budu-zaboravljena/>

<sup>26</sup> Republički zavod za statistiku, Indeksi potrošačkih cena, June 2023, <https://publikacije.stat.gov.rs/G2023/HTML/G20231193.html>

<sup>27</sup> World Bank, Regular Economic Report for Western Balkans: Serbia, no.24, autumn 2023, <https://documents1.worldbank.org/curated/en/099101623051536039/pdf/P500648067b8c902d09ed205f62044de6b8.pdf>

<sup>28</sup> Republički zavod za statistiku, Indeksi potrošačkih cena, September 2023, <https://www.stat.gov.rs/sr-Latn/oblasti/cene/potrosacke-cene>

<sup>29</sup> Statistical Office of the Republic of Serbia, Survey Findings Report: 2019 Serbia Multiple Indicator Cluster Survey (MICS)

Roma settlements were not connected to electricity and 38% did not have access to the water supply grid.<sup>30</sup> In addition, Roma – perhaps more than any other group in Serbia – face persistent discrimination in all spheres of life, including significant barriers to accessing health, education, employment and government services.<sup>31</sup> People with disabilities in Serbia are also at higher risk of experiencing poverty, partly due to significant barriers to accessing employment or education, key factors that increase a person's risk of living below the poverty line.<sup>32</sup> Women in Serbia have the highest unemployment rate in the Western Balkans (this refers to Albania, Bosnia and Herzegovina, Montenegro, Kosovo and North Macedonia), partly due to family care responsibilities.<sup>33</sup> Women are also most likely to not have access to retirement pension insurance. Across nearly all ages and demographic groups, women tend to be at a very high risk of poverty.<sup>34</sup>

Financial social assistance is a means-tested social security programme in Serbia. According to Serbia's Law on Social Protection, only people with an income from employment, assets or other sources that falls below a monthly threshold are eligible for financial social assistance.<sup>35</sup> As of October 2023, this amount is set at 11,445 Serbian dinars or 97 euro per person. In addition, in order to qualify, individuals or families cannot own a home that exceeds one room per person, or land over 0.5 hectare, or have movable assets with a value exceeding six times the monthly basic social assistance.<sup>36</sup> People who earn more than the monthly social assistance or own a home different to that deemed suitable under the law, are not entitled to financial social assistance unless the property is mortgaged. Eligibility criteria for households and families are also related to the unemployment status of able-bodied members.

There is a broad recognition, however, that Serbia's eligibility criteria are too restrictive to effectively protect people against poverty. The maximum income threshold to qualify, currently set at 11,445 Serbian dinars (97 euro), is so low that it falls below the poverty line of 12,500 Serbian dinars (106 euro) per month. This excludes many people who earn slightly above the threshold but still live in poverty, from social assistance, leaving them without any form of support. Many individuals interviewed told Amnesty International that they lost social assistance after the Social Card registry flagged them for having income that pushed them above the minimum income threshold. This income frequently referred to modest amounts made by collecting and selling secondary raw materials, such as plastic and glass bottles, cardboard, and scrap metal. These earnings were often so negligible and irregular

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and 2019 Serbia Roma Settlements Multiple Indicator Cluster Survey, October 2020, page

xxxv, <https://www.unicef.org/serbia/media/16076/file/MICS%206%20Multiple%20Indicator%20Cluster%20Survey.pdf>

<sup>30</sup> Official Gazette of the Republic of Serbia, Strategy for the Roma inclusion in the Republic of Serbia for the period 2022-2030, No. 23/2022, 17 February 2022, p. 50.

<sup>31</sup> Minority Rights Group, Roma in the Republic of Serbia: The Challenges of Discrimination, 1 March 2021, available at: [https://minorityrights.org/wp-content/uploads/2021/03/MRG\\_Rep\\_RomaSerb\\_EN\\_Mar21\\_E.pdf](https://minorityrights.org/wp-content/uploads/2021/03/MRG_Rep_RomaSerb_EN_Mar21_E.pdf)

<sup>32</sup> Beker, K., Janjic, B., Covid-19 measures and social and economic rights of women with disabilities in Serbia, 2021, Out of Circle Belgrade & FemPlatz; Perisic, Natalija and Vidojević, Jelena, Divided by poverty and social exclusion-Roma and persons with disabilities in Serbia, 2015., pp. 142-159.

<sup>33</sup> World Bank, Social Protection Situational Analysis: Serbia, 1 January 2022, <https://elibrary.worldbank.org/doi/abs/10.1596/37870>, p. 4.

<sup>34</sup> Statistical Office of the Republic of Serbia, Household budget Survey, Income and living conditions Survey, Poverty and Social Inequality 2021, 14 October 2022, <https://www.stat.gov.rs/en-us/oblasti/potrosnja-prihodi-i-uslovi-zivota/>

<sup>35</sup> Law on Social Protection, Official Gazette of Republic of Serbia no. 24/2011 and 117/2022, Article 81, para 1.

<sup>36</sup> Law on Social Protection, Official Gazette of Republic of Serbia no. 24/2011, Articles 82 and 83 and no. 117/2022, Article 81, para 1.

that they could not have significantly changed people's economic situation enough to raise them above the poverty line. Instead, people used this income to supplement their social assistance, which was so low it was insufficient to feed their families.

Informal work is a necessity for many who live in poverty. This is especially true for marginalized groups who face persistent exclusion from the formal labour market. Some informal Roma settlements almost entirely rely on the collection and sale of plastic, glass and metal to survive and were particularly affected by the introduction of the Social Card registry. In an informal settlement in Kraljevo, over one hundred families lost social assistance in the first months after the Social Card Law entered into force because the system detected earnings from the sale of secondary raw materials.<sup>37</sup> Although some have since had their benefits reinstated, many faced months without any support, while others are still engaged in lengthy appeals process.

There is a benefit cut-off for a fifth and any further children, and a requirement that children receiving social assistance must "live, go to school and regularly attend class in the territory of Republic of Serbia,"<sup>38</sup> both of which disproportionately affect Roma families. Many Roma families have more than four children and face extreme poverty, social exclusion and discrimination that limit their access to education.<sup>39</sup>

While failing to effectively shield people from poverty, Serbia's social assistance system also penalizes them for being employed and doing temporary work. Earning any income risks people having their benefits reduced or completely removed if the income even slightly exceeds the maximum threshold for social assistance. People interviewed by Amnesty International said that this discouraged those wishing to pro-actively search for work, creating social welfare dependency and ultimately preventing people from escaping poverty long-term. Dinko from Belgrade told Amnesty International: "If I could work and get the assistance we would live an OK life." For him, "all people who can [work] would like to work, but they are scared they will be kicked out of social assistance".<sup>40</sup>

### Flaws with the social card registry

Amnesty International's findings indicate that the Social Card registry is more than merely a technical infrastructure housing relevant data. Instead, it appears to operationalize an already restrictive and inadequate set of eligibility requirements and risks exacerbating existing marginalization and exclusions in the system. Using a data-driven semi-automated decision-making approach also introduces new human rights risks into an already flawed social assistance system, such as poor data quality, automation bias, and potentially increased surveillance of recipients. Introducing this kind of automation into an already

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<sup>37</sup> Interview with staff of Centre for Social Work, 27 April 2023, Kraljevo.

<sup>38</sup> Law on Financial Support for Families with Children. Republic of Serbia

<sup>39</sup> The illiteracy rate among Roma people is 10%, far above Serbia's national average of 2%. According to government data, one third of Roma have not completed primary education, 12% have completed secondary education, whereas only about 1% of Roma have completed two years of post-secondary or higher education. Eighty per cent of women in Roma settlements are literate. See

Strategy of Social Inclusion of Roma for the Period from 2016 to 2025 – Serbia, 2 Sep 2016, <https://www.rcc.int/romaintegration2020/files/admin/docs/25271eee1fb46a73d48630d6d4d63bec.pdf>, p. 36.

<sup>40</sup> Amnesty International interview with Dinko, 25 April, 2023, Belgrade, Serbia.



restrictive social security framework, without addressing strict eligibility requirements, ensuring full accuracy of entry-level data, and putting in place meaningful safeguards against these risks, was bound to further undermine people's right to social security.

Because the Social Card registry pulls data from a wide range of databases to help assess applicants' eligibility for social assistance, **the accuracy of the data** in the originating databases plays a huge role in ensuring fair application outcomes and continued receipt of social assistance. In cases documented by Amnesty International, people lost social assistance because the data collected by the registry was either completely incorrect or was classified incorrectly as income even though it was not.

Adra and Brane are a young couple with four children who live in Belgrade. They lost social assistance in April 2023 because the Social Card registry showed that Brane had 100,000 Serbian dinars (850 euro) deposited in his bank account. Brane was in the process of challenging this decision when Amnesty International interviewed him. He insisted he had no money or an active bank account: "I was surprised. 100,000 dinars!? I have never even seen that much money. The only money we get is the social assistance we receive every month. I don't even have a bank account!" A few weeks later he managed to obtain information from the Tax Administration Office proving that the Office had made a mistake.<sup>41</sup>

Mirjana's case is perhaps the most emblematic of the limitations and inadequacies of using only reductive data to determine someone's social assistance eligibility. In February 2023, Mirjana's daughter died unexpectedly. Living on modest social assistance and in a social housing complex, Mirjana was not able to cover the cost of her daughter's funeral. A local human rights organization stepped in to assist with the funeral arrangements and deposited 20,000 Serbian dinars (around 170 euro) into Mirjana's bank account in the form of a donation.<sup>42</sup> This money was instantly flagged by the Social Card registry as "income of relevance", and the local Social Work Centre then informed Mirjana that she no longer qualified for social assistance.<sup>43</sup>

Furthermore, the Social Card registry is not designed to **automatically update information** on recipients whose circumstances have worsened to enhance benefits, and it prioritizes tracking changes in household conditions which result in the immediate loss or reduction of social assistance. The length of time it takes people to reinstate their benefits is in sharp contrast with the speed with which they are removed from social assistance. The timeframe to appeal decisions is only 15 days, which is too short to allow people to collect all the necessary documentation to successfully file an appeal. Those who miss the 15-day window are forced to wait for three months before they can reapply, during which time they receive no assistance. Also, although the Social Card registry does not independently make decisions on eligibility for social assistance, the research points to a significant automation bias, i.e., a phenomenon whereby social workers tend to defer to the new system rather

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<sup>41</sup> Amnesty International interview with Brane, 25 April 2023, Belgrade, Serbia.

<sup>42</sup> Based on the review of complete documentation provided by "Mirjana" and A11- Initiative for Economic and Social Rights, including the Notification on submitted individual tax application (so called "PPP PD application") submitted along the relief payment. On file with Amnesty International.

<sup>43</sup> Belgrade Centre for Social Work, Decision on cessation of social assistance. On file with Amnesty International.

than their judgement to assess eligibility data.

Most people Amnesty International interviewed shared their frustration with the appeals process. When the Social Card system was introduced in Belgrade, Ratka was removed from social assistance due to discrepancies in her Social Card registry data, despite having presented evidence to support her claim. A social worker told her that they could not adjust data received by the registry and instructed her to amend the error in the originating database. This required Ratka to travel in person to the different department offices holding the various databases and submitting proof that their data was out of date or otherwise erroneous. This was a time-consuming process at a time when Ratka faced intense pressure caused by losing her social assistance. She told Amnesty International that “this new system seems rigged against people. They only tell you what’s on the surface and what they see on the screen, but you have no idea what information goes into it or how you can fix mistakes”.<sup>44</sup>

In some cases, people Amnesty International spoke to noted that they were not provided with a clear reason for removing their social assistance, and that this was in itself a barrier to them submitting their appeal. In other cases, people said that they did not receive a decision in writing and were not told that they could appeal against it. Katarina from Kraljevo, who was removed from social assistance along with her husband and three children, said: “I was told that the assistance would be stopped because we had money in our bank account. I didn’t understand what they were talking about, and they didn’t explain anything”. She said she did not receive any written documentation or information about her right to appeal the decision.<sup>45</sup>

In July, CoE’s European Commission on Racism and Intolerance (ECRI) published its report on Serbia which recommended to Serbian authorities that they should, “fundamentally review the decision-making process involving algorithmic systems”, among other recommendations.<sup>46</sup>

## Role of The World Bank

The World Bank set the establishment of the Social Card registry as a precondition for an 82,600,000 Euro loan to the Serbian government to support “Public Sector Efficiency and Green Recovery Development Policy”.<sup>47</sup> Developing social welfare registries is a key pillar of the World Bank’s strategy for Western Balkan countries, which seeks to improve poverty targeting in their social protection systems and “make [such systems] fairer, more sustainable, more effective and better able to respond to people’s needs”.<sup>48</sup> According to

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<sup>44</sup> Amnesty International interview with Ratka, 25 April, Belgrade, Serbia.

<sup>45</sup> Amnesty International interview with Katarina 24 April 2023, Kraljevo, Serbia.

<sup>46</sup> <https://rm.coe.int/fourth-ecri-report-on-serbia/1680b06413>.

<sup>47</sup> Public Sector Efficiency and Green Recovery Development Policy Loan agreement between Republic of Serbia and International Bank for Reconstruction and Development, <https://documents1.worldbank.org/curated/en/908181627498690315/pdf/Official-Documents-Loan-Agreement-for-Loan-9235-YF.pdf>. Official correspondence from Ministry of Labour, Employment Veterans and Social Affairs, 24 November 2023, on file with Amnesty International.

<sup>48</sup> World Bank, Advancing Social Protection and Opportunities for Reform in the Western Balkans, 15 May 2023, <https://www.worldbank.org/en/region/eca/brief/advancing-social-protection-and-opportunities-for-reform-in-the-western->

the World Bank, the Social Card Law “will enable better determination of socio-economic status of applicants and their rights to benefits; increase the efficiency of and transparency of the social assistance system; and enable the government to improve its shock response”.<sup>49</sup>

In a written response to Amnesty International, Serbia’s Ministry of Labour stated that the authorities have cooperated with the World Bank since 2017 and were “helped to a very significant extent professionally” in the process of digitizing the new social protection system.<sup>50</sup> The World Bank’s assistance included a loan to set up the registry and support through multiple stages of the project to create the Social Card registry – from conceptualisation to the drafting of the Social Card Law – and finally to its implementation. Social registries – and the automation of poverty targeting in general, have faced intense scrutiny. Social policy organization Development Pathways found that relying on often out-of-date and inaccurate data can lead to many errors and exclusions,<sup>51</sup> some of which are also documented in this report. They also argue that social registries are de facto “systems of exclusion, not inclusion” because they often exclude most of society’s poorest members from social protection.<sup>52</sup> A growing body of evidence also suggests that automated poverty-targeting can be prone to discriminatory outcomes.<sup>53</sup>

The World Bank has itself acknowledged the risks of social registries, however it has maintained that effective poverty-targeting remains the best available way to reach people in poverty in most countries with limited resources. In the context of growing concerns about the human rights impacts of using technology in national social security systems, it is essential that the World Bank conducts – and encourages governments to conduct – robust human rights risk assessments while designing and implementing such programmes to recognize and mitigate potential harmful impacts.

According to the Tilberg Guiding Principles on World Bank, IMF and Human Rights, as an independent specialized international organization under the UN, the World Bank has international legal obligations to “take full responsibility for human rights respect in situations where the institutions’ own projects, policies or programmes negatively impact or undermine the enjoyment of human rights”.<sup>54</sup> The International Financial Corporation’s

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balkans.

<sup>49</sup> World Bank, Social Protection Situational Analysis: Serbia, 1 January 2022, <https://elibrary.worldbank.org/doi/abs/10.1596/37870>

<sup>50</sup> Official correspondence from Serbia’s Ministry of Labour, Employment Veterans and Social Affairs, 30 August 2023, on file with Amnesty International.

<sup>51</sup> Stephen Kidd, Diloá Athias and Idil Mohamud, Social Registries: A Short History of Abject Failure, Working Paper June 2021, <https://www.developmentpathways.co.uk/wp-content/uploads/2021/06/Social-registries-a-short-history-of-abject-failure-June.pdf>

<sup>52</sup> Stephen Kidd, Diloá Athias and Idil Mohamud, Social Registries: A Short History of Abject Failure, Working Paper June 2021, <https://www.developmentpathways.co.uk/wp-content/uploads/2021/06/Social-registries-a-short-history-of-abject-failure-June.pdf> p11

<sup>53</sup> Human Rights Watch, Automated Neglect: How The World Bank’s Push to Allocate Cash Assistance Using Algorithms Threatens Rights, 13 June 2023, <https://www.hrw.org/report/2023/06/13/automated-neglect/how-world-banks-push-allocate-cash-assistance-using-algorithms>; Amnesty International, Actions Speak Louder Than Words: The World Bank Must Promote Universal Social Protection (Index: POL 40/7224/2023), 10 October 2023, <https://www.amnesty.org/en/documents/pol40/7224/2023/en>;

<sup>54</sup> Willem van Genugten, “Tilburg Guiding Principles on World Bank, IMF and Human Rights”, World Bank, IMF and Human Rights, Willem van Genugten, Paul Hunt and Susan Mathews, eds., 2003, <https://ssrn.com/abstract=957195>, p. 247-255.

Sustainability Framework and Corporate Governance provides the international benchmark practices for assessing projects' environmental and social risks. However, there is an urgent need to simultaneously put in place human rights due diligence exercises to ensure that the World Bank's support does not result in human rights violations.

In 2013, the former UN Special Rapporteur on the right to adequate housing urged the World Bank to adopt safeguard policies, align with the international human rights obligations of its member states and incorporate the UN Guiding Principles on Business and Human Rights into its operations. Due to its ubiquitous presence and influential role in providing national-level financial and technical assistance to key reforms in low and middle-income countries, the World Bank is also in a strong position to support the governments it works with to meet their human rights obligations.

Amnesty International therefore calls on the World Bank to act in line with its human rights responsibilities and its commitment to universal social protection and ensure that it does not support rights infringing technologies; phases out support for narrow poverty targeting programmes and replaces these with programmes designed to progressively achieve universal social protection. Finally, the World Bank should conduct and make public an independent assessment of the human rights impact of introducing Serbia's Social Card registry and provide remedial measures in the instance of any human rights harms and risks. Such measures should also include a broader policy change to ensure that all future Social Card registries supported by the Bank include a thorough due diligence process to identify, prevent and mitigate potential risks to human rights.

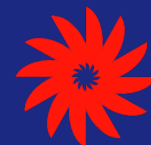
## Postscript: A Complaint to the World Bank's Inspection Panel

In May 2024, Amnesty International had joined the Belgrade-based civil society group, A11 Initiative for Economic and Social Rights, as an advisor on their complaint to the World Bank's Inspection Panel. The complaint argued that the World Bank, as a key actor in Serbia's Social Card registry, failed to identify potential human rights risks of the project and put in place adequate mitigation measures to ensure that its implementation did not negatively impact some of the most marginalized people in Serbia.

In July, Amnesty International met representatives of the World Bank to discuss how the Bank could address specific harms caused by the Social Card registry. While the Bank expressed commitment to working with authorities in Serbia to put in place corrective measures to address human rights harms in the Social Card Registry implementation, it did not fully address A11 and Amnesty International's substantive concerns about the Bank's role and accountability throughout the process.

In August, the World Bank's Inspection Panel [registered a case](#) on the Bank's role in the establishment of the Social Card Registry in Serbia. The Inspection Panel will now formally continue its pre-investigative activities, including conducting a fact-finding mission to Serbia in October 2024.

A positive outcome of the inspection process could provide a form of remedy to the affected individuals and communities in Serbia, enhance accountability and influence broader policy change to ensure that future World Bank-backed Social Card registry projects regionally and globally involve full and comprehensive due diligence.



## ABOUT THE GLOBAL COALITION FOR SOCIAL PROTECTION FLOORS

The Global Coalition for Social Protection Floors advocates for the right to social security for all individuals. We promote social protection floors as key instruments to achieve the overarching social goal of the global development agenda. Social protection is one of the foundations for inclusive, equitable and sustainable development. It can simultaneously address the economic, social, and environmental dimensions of sustainability and preservation of livelihoods.

Established in 2012, the Coalition now comprises over 130 NGOs and trade unions from around the world.

### ABOUT THIS SERIES

In 2023, 96 economic justice, human rights, and faith-based organizations from around the world came together to advocate for the Right to Social Security. They called on the World Bank and IMF to stop promoting poverty-targeting programs and shift toward universal social security systems. They also advocated for equitable and sustainable public systems and for an end to harmful austerity. The group reiterated these demands in a public letter to the institutions' Board of Directors. They also started documenting the country-level impacts of World Bank and IMF policies. These findings are published in a series of policy briefs that spotlight urgent areas for reform. This is one of those briefs.

The views expressed in this brief are solely those of the authors and do not necessarily reflect the opinions of the Global Coalition for Social Protection Floors. The Coalition encourages its member organizations to share insights on national experiences that may support other members in shaping their own advocacy strategies.

### ABOUT THE AUTHOR

Amnesty International is a movement of 10 million people which mobilizes the humanity in everyone and campaigns for change so we can all enjoy our human rights.

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